

Company Registration No. 01602467

Charity No. 512186

St Catherine's Hospice (Lancashire) Limited

A Company Limited by Guarantee

Directors' Report and Accounts

For The Year Ended

31 March 2021

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

CONTENTS

	Page
Reference and Administrative information	1
Report of the trustees	2
Independent Auditor's Report to the members	12
Group statement of financial activities	15
Company statement of financial activities	16
Group balance sheet	17
Company balance sheet	18
Group cashflow statement	19
Accounting policies	21
Notes to the accounts	25

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Founder	The late Mrs C Sharples
Patrons	Sir B Beaumont Mr M Lawrenson Sir D Nichol Ms T Merry
Honorary Vice Presidents	His Worship the Mayor of Chorley His Worship the Mayor of Preston His Worship the Mayor of South Ribble
President	Mr J C Hughes MBE
Members of the Board:	
Chairman	Mr J G Chesworth
Members	Mr J G Chesworth Mr A E Harrison Mr J A Bonser Dr F M Duncan Mr J J Holden Mr M J Lough Mr T R Frier Mr P A Franks Mrs L Norris Ms M L Cox Dr D T Shakespeare (appointed 31 July 2020) Ms A K Van Duyvenvoorde (appointed 10 November 2020) Mr A M Ryder (appointed 10 December 2020)
Key Management Personnel:	
Chief Executive and Company Secretary	Mrs L A Kelly
Medical Director	Dr A J Fletcher
Director of Nursing, Governance and AHPs	Mr J Brash
Director of Finance and Business	Ms S Clemson
Director of Community and Income	Ms L Charlesworth
Director of Communications	Ms S Walker
Registered Charity No.	512186
Registered Office	St Catherine's Hospice Lostock Lane Lostock Hall Preston, PR5 5XU
Auditor	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House, 9 Winckley Square Preston, PR1 3HP

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES

The Board of Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ending 31 March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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

Structure, Governance and Management

The charity is a charitable company limited by guarantee and was set up on 7 December 1981. It is constituted and governed by a Memorandum & Articles of Association, which are updated regularly.

The Articles of Association currently allow for an Association and members of the Association to elect from their number trustees who constitute the Hospice Board. The chairman and vice-chairman are elected by the trustees from amongst their own number.

Governance arrangements are described in a Governance Manual. This is founded on the Memorandum and articles of Association. Service Committees are - Patient Care, Community & Income, Knowledge Exchange and Finance, Audit & Business. These are complemented by Corporate Committees and Sub-Committees such as, for example, the Health & Safety Sub-Committee, Remuneration Sub-Committee and Information Governance Sub-Committee. Membership of each committee is determined by the Board. Each committee operates to standing orders and terms of reference.

The Governance Manual includes sections on the appointment of trustees, it describes the process which for recent appointments have been made which is through a transparent and open recruitment process with the opportunities widely promoted. Appointments may be made by the board but they have to be supported by the Association at the AGM. Induction of trustees includes participation in the hospice's induction programme for staff and volunteers as well as specific components for their role and meetings with the senior management team. There is a development programme for trustees that includes regular reviews, training / updating requirements, meeting with CEO / Chair of the Board, attendance at staff and volunteer seminars. An independent review of governance was carried out in 2017/18 with a Governance Masterclass in March 2019. Another review is scheduled for 2021.

The Quality and Governance Sub-Committee oversees governance of clinical matters such as safeguarding, policies, audit, infection prevention, training etc and reports into the Patient Care Committee. There is a comprehensive range of policies, standards and protocols covering all aspects of clinical work which are reviewed and updated on a regular basis. Financial matters, including budgets, review of accounts and financial controls, are dealt with through Board and the Finance, Business & Audit Committee.

Remuneration for the charity is determined by the board, advised by a trustee-led Remuneration Sub-Committee that benchmarks from the industry standard and cost of living indices. All salaries are job evaluated against a set of agreed criteria established in 2008/9 and subsequently revised alongside benchmarking with competitors.

The full Board of Trustees meets at least four times a year, with additional meetings being convened as required. Planning Days involving trustees and senior staff are a regular feature of Hospice working arrangements. Seminars involving all colleagues take place twice a year usually in spring and autumn. However, due to the pandemic these have been replaced by regular communications from the CEO by email, video message and virtual meetings. Annual Business Plans describe strategic and operational direction and are supported by other strategic and management documents.

The charity has strong relationships with partners including the NHS, commissioners, local councils, academic institutions and other hospices. St Catherine's has a memorandum of understanding with the University of Central Lancashire and one with Runshaw College. Members of the senior team play an active role in various local groups which include developing a strategy and collaborative working for end of life care in Central Lancashire.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

Objectives and Activities for Public Benefit

In accordance with the objects set out in the Memorandum and Articles of Association, St Catherine's supports patients with life shortening illnesses, and those important to them, to have quality of life to the end of life. Our vision is that everyone in Central Lancashire has quality of life to the end of life. The area served includes Adlington, Chorley, Longridge, Preston and South Ribble. St Catherine's Hospice works closely with GP practices, Lancashire Teaching Hospitals Trust, Lancashire and South Cumbria Foundation Trust, Clinical Commissioning Groups, local Councils, academic institutions and other partners.

The Board of Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Board consider how planned activities will contribute to the aims and objectives they have set. This is undertaken on an annual basis and includes feedback from patients, families and local people. Patients and families are able to feedback direct to the hospice's website and comments are reviewed at the Quality and Governance Sub-Committee, the Patients and Families Sub-Committee and the Knowledge Exchange Committee.

In addition to an annual audit, the charity also has its management accounts checked every month by an independent accountancy firm as an added level of scrutiny to protect the best interests of its donors and the board.

Strategic Report

Background

St Catherine's Hospice opened in 1985 and has a hard earned, highly respected reputation for effectively caring for people with life-shortening illnesses living in Central Lancashire. Generating over £5.7m needed to run hospice services each year continues to be a huge challenge with just £1.8m awarded by the NHS.

The Chief Executive is responsible for the day-to-day running of the Hospice that is governed by a Board of Trustees. Specialised care services are clinically led by the Medical Director (who is one of four Consultants in Palliative Medicine working in the locality) supported by medical staff, doctors in different stages of training and nursing teams that are led by the Director of Nursing, Governance & AHPs.

St Catherine's plays a full and active part in the development of local, regional and national healthcare strategies through our links with local providers and bodies such as the Strategic Clinical Networks.

The charity works hard to maintain strong relationships with local people and surrounding communities including councils, other health providers, businesses, other charities and educational establishments. This engenders a genuine sense of local belonging and services that are continuously adapted to meet the needs and priorities of local people.

Objectives and activities

The purposes of the charity are clearly laid out in documents that build on the Memorandum and Articles of Association and Governance Manual. St Catherine's vision is that everyone has quality of life to the end of life.

The hospice works in partnership with patients and those important to them to help them achieve their wishes for the end of life. Our experienced team of doctors, nurses, social workers, counsellors and physiotherapists provide care and support to people at the hospice, in clinics and in their own homes. Our services are open to patients over the age of 18 regardless of race, religion, sexual orientation, age or diagnosis. We provide care to people with a range of diagnoses including cancer, neurological conditions and end stage respiratory and heart disease. We also provide support to families and carers including children and young people.

Services provided by St Catherine's Hospice:

- In-patient care, with 19 beds – the majority are single rooms with facilities for relatives to stay overnight;
- Outpatient Clinics including Lymphoedema for adults and children;

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

- A Community Clinical Nurse Specialist Team provides expert advice and support for people in their own homes. The team holds a caseload of over 200 people at any one time.
- A volunteer befriending service which provides respite for carers and helps to combat loneliness and isolation many people feel when experiencing serious illness;
- An information service, café and community hub called The Mill, 250m from the main hospice building; The Mill is within St Catherine's Park which is open to the public covering an area of about 22 acres. The aim is to take away the mystique of hospices and help people to feel welcome and comfortable. St Catherine's Park affords a space for relaxation, remembrance and reflection;
- Support services include: physiotherapy, complementary therapies, hairdressing, psychological and spiritual care, family and bereavement support (led by qualified social workers);
- Knowledge Exchange Services and a Communications Team underpin all hospice services and provide access to information and resources to help people help themselves through social media and our website. The Knowledge Exchange team also supports health and social care professionals throughout Central Lancashire with training and education.

The charity encourages open access and actively seeks to involve patients, users and stakeholders in its decision making through accessible feedback channels online, in print and through the Patients and Families Sub-Committee.

Main activities to deliver income include:

- High quality care
- A strong, trusted reputation
- Local relationships with individuals, organisations, businesses and other partners
- Donations
- Donations in Wills
- Fundraising events
- Lottery
- Two newsletters a year to approximately 30,000 people
- Communications through media, social media and leaflets
- Hospice charity shops
- The Mill café, community hub and catering service
- Bids into public and charitable funds

Strategic planning and performance monitoring

The strategy for achieving the hospice's stated aim is clearly laid out in St Catherine's 5 year strategy, annual business plan and budget. Work commenced on a new 5-year strategy in 2020-2021 and will be finalised in the following year.

St Catherine's has robust strategic and operational development processes with monitoring at all levels and especially to the Board including detailed risk management plans. Staff and volunteer feedback is incorporated into the preparation of the business plan through regular team meetings, appraisals and one- to-one meetings. The Business Plan is also discussed through the staff and volunteer seminars.

The Board (currently 13 trustees) meet with senior officers at a planning day in December to consider proposals for each key theme in trustee-led committees, each of which has a lead officer. The annual business plan and budget is finalised at a special Board Planning Day in March. At the same time, the hospice's 5 year-strategy is updated. The CEO and senior officers all support each Board meeting. Colleagues, from all levels of the organisation, have regular opportunities to meet board members including through quarterly formal visits carried out by trustees who then report back directly to the board.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

The business plan which staff are involved in developing, is posted on the wall of each office and staff area. The Vision St Catherine's Hospice (Lancashire) Limited is:

Quality of Life To The End Of Life

Achieved through themes of:

Care & Support; Knowledge Exchange; Community & Income; Communications, Finance & Business

Through goals of:

Quality (including Safety), Quantity and Sustainability

And values of:

Caring, Compassionate and Committed

The business plan and budget is monitored each quarter through trustee-led committees that cover each theme through respective goals and standard reporting formats that measure progress with agreed actions and key performance indicators. These reports include red / amber / green grading in addition to agreed measurable data, qualitative information and risk management. Our main risks are to relationships, resources and reputation.

Committees, sub-committees and the Board receive regular information on patient feedback – including compliments and complaints - which include a live feedback system directly onto the hospice website; reports and follow-up action plans from regulatory inspections; reports from trustees who carry out four independent inspections of hospice activity annually; action plans following key reports and inquiries; specialist information with regard to Caldicott, Accountable Officer etc. They also consider media articles and reports.

The directors' team and managers' team also hold regular performance meetings with regard to the delivery of the business plan.

The last CQC inspection, 2019, graded St Catherine's as good overall and outstanding for care. Comments in the report are exceptional and can be viewed on the CQC website. A Transitional Regulatory Approach monitoring call with the CQC took place in February 2021 and confirmed there was no further regulatory activity required.

The ultimate measure of success is feedback from the community and levels of financial support received. The main tools for measuring success are included in the business plan, committee and board reporting frameworks. What matters most, is that the charity continues meets the needs of local people.

New activities

St Catherine's develops new activities each year to ensure that the work of the charity is meeting local need. In 2020-2021 this new activity focussed on ensuring the hospice continued to provide services and carry out income generating activities during the pandemic whilst adhering to safety measures and government guidance.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

Service Development

- The hospice played an active role in supporting the local health economy response to Covid by taking part in the regular Cross-Boundary meetings with a range of providers, the urgent and emergency care ICP board and the clinical and professionals forum.
- There was a lower than usual demand for in-patient care during the pandemic whilst demand on community services remained high. We re-allocated our specialist doctors and senior nurses to the community service to balance need and resources.
- Our Community Services operated entirely remotely from the main hospice building through use of technology for remote consultations and telephone reviews. Our Lymphoedema service also operated remotely for the first few months of the pandemic.
- Over the summer face-to-face services resumed at clinic and at home with safety measures in place such as enhanced cleaning regimes, PPE and social distancing.
- We devised a winter pressures care home support programme with grants from the CCG and ICS. The programme included Clinical Nurse Specialist support for residents alongside a training programme staff
- Our In-Patient Unit continued to operate throughout the pandemic which included caring for people with COVID with the necessary safety precautions in place. Non-Clinical staff were trained to carry out some roles to provide contingency for staffing levels.
- The Support Team continued to support carers and bereaved people remotely. We also made improvements to returning to belongings to families following a quarantine period. A grant was sourced to fund specially designed bags for families which created a more dignified and sensitive experience.
- A unique remembrance video was created as we couldn't hold an in-person event. An example of feedback received – "Just wanted to say many thanks to St Catherine's for the Remembrance Video. It was a beautiful memorial to those we lost last year and I will treasure it. The visual effects were lovely with scenes of flowers and woodland, complemented with appropriate songs and music."
- The Knowledge Exchange Team began to deliver virtual training which included sessions on Verification of Expected Death to community professionals in support of the local health economy's response to COVID. The team continue to offer a range of virtual study sessions to students and health professionals. We delivered 81 virtual sessions with 766 attendees from April 2020 to March 2021.
- The Research and Innovation Sub-Committee was convened in February 2020 with partners from UCLan, Lancashire Teaching Hospitals Trust and Lancashire, the Innovation Agency and South Cumbria and Lancashire Foundation Trust. We aim to further develop our research potential through this group.
- Additional support and resilience sessions were provided to staff throughout the pandemic which included regular wellbeing emails, virtual supervision and staff surveys focused on wellbeing and personal experience through the pandemic.
- COVID specific information and wellbeing tips for the public were made available on the resources area of the website in a new section called 'for our communities'.
- During the first lockdown many of our volunteers were shielding and we provided a food delivery service and made wellbeing calls to those that were isolated.

Income Generation Activity

- Many staff were on furlough for most of the year due to the shops and our café, The Mill, being closed.
- In adapting to the pandemic, we created a new Click and Collect Service for takeaways from The Mill which contributed to income whilst The Mill remained closed.
- We hosted a virtual version of our Moonlight and Memories Walk in which 700 people took part; we sent out 1,324 yellow ribbons for people to display at home for our annual Yellow Ribbon dedication appeal, and we ran our poignant Light Up A Life service through Facebook which reached 18,519 people.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

- We recruited a new e-Commerce Manager post to further develop our online selling activity and adapt to changes in consumer behaviour to online.
- Community support remained strong throughout the pandemic and our communications have reflected a shared experience with local people. We told our story and thanked people for the support and well wishes we were receiving. In April and May we received 1,143 individual donations, compared to 812 donations during the same period the previous year.
- On social media we saw increased activity from our followers on Facebook with engagement up by 79%, actions up 80%, and page views up 82%.
- We were successful in bidding for £143k in grants which supported activities such as the bereavement bags, new hardware for remote working and the e-commerce position.
- The hospice also benefited from the Hospice Emergency fund which bought bed capacity for the NHS and later in the year was based on hospice activity

In the short term, the charity provided temporary financial support to its subsidiaries to cover fixed costs whilst trading was suspended, but this was given with the full expectation that the subsidiary trading companies will return to profitability within the forthcoming financial year. A dip in income is forecast but the organisation is resilient to this, having sufficient reserves to draw on. Budgets have been revised to reflect the drop in income and forecasts are being reviewed regularly. The Mill Café and the majority of shops re-opened during July and August 2020, with Covid-safe measures in place. Cash donations remain high and the organisation has received government funding via Hospice UK, the furlough scheme and retail grants. It is doing things differently to raise income such as running virtual events and delivering virtual courses and is enhancing communication with supporters, for example by sending a 35th anniversary newspaper to all households within the catchment area. It is also engaging in a programme of sustainability planning with trustees and reviewing all areas of the business to assess the potential for increased income or cost savings.

Further details of achievements are available on the hospice website and via Facebook and Twitter feeds.

The charity is extremely grateful for the dedication of its many volunteers who are involved in every area of the Hospice's activity. Around 900 volunteers give freely of their time and talents to help in the Hospice, at events, in charity shops, fundraising, administration, and in many other activities.

Finally, St Catherine's continues to be deeply grateful for the remarkable generosity that continues to be shown by the people of Central Lancashire.

Achievements and Performance for Public Benefit

Information on the services and achievements of the charity is included in the Annual Review which is circulated at the AGM in October each year and is available thereafter. Website and social media outputs provide daily updates of activity and the public can comment – positively or critically - on services received from St Catherine's, directly onto the website.

The number of beneficiaries supported in 2020-2021 by each service are:

Community Clinical Nurse Specialist Service – 697
Community Hospice Support Assistant – 243
The Advice Line for health professionals, patients and carers – 1,133
Lymphoedema – 329
In Patient Unit – 245
The Support Team – 293
Allied Health Professionals – 181

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

Ethical fundraising

St Catherine's adheres to the high ethical standards set by the Fundraising Regulators Fundraising Code of Practice, to ensure all fundraising activities are legal, open, honest and respectful.

St Catherine's does not cold call directly or by telephone; does not 'ask or beg' for money. St Catherine's tells people about the services that it provides and makes it easy and interesting for people to support the charity if they wish to do so.

The Hospice carries out all its own fundraising with just one exception: lottery membership canvassing, some of which is carried out by a third party. The company concerned, Supporting Essential Charities Fundraising Ltd (SEC) has an immaculate reputation and attracts new membership from a lottery booth in public places such as shopping malls, DIY stores and supermarkets.

All locations are pre-arranged with the locations as Trustees of St Catherine's have agreed there is no door to door or telephone canvassing by the hospice or any third party working on its behalf.

The Head of Promotions meets regularly with SEC to monitor their work. Review meetings have also been held with the CEO of SEC, the CEO of St Catherine's Hospice and the Hospice's Quality Standards Officer.

Trustees oversee the fundraising activity of the Hospice and third party fundraisers.

We monitor and record the number of complaints we receive each year and share this data with the Fundraising Regulator on request, no formal complaints have been received about the third party or about the charity's fundraising activity this year. This activity has been suspended since March 2020 due to the pandemic.

Relevant training on the policy is provided to all staff and volunteers involved in fundraising, lottery and trading and also SEC fundraising.

Financial Review

The statements of financial activities for the year are set out on pages 15 and 16 of the financial statements.

Group income for the year was £7,630k (2020: £7,438k) and the income to the charity was £6,245k (2020: £5,908k).

Group expenditure for the year was £6,787k (2020: £7,207k) and the expenditure for the charity was £5,529k (2020: £5,748k).

Overall group surplus for the year was £970k (2020: £187k) and the surplus to the charity was £725k (2020: £163k).

Reserves

Total reserves at 31 March 2021 are £12,945k, of which £5,509k are general unrestricted reserves, £7,398k are designated reserves, and £38k are restricted reserves.

Since St Catherine's is a charity, income is potentially vulnerable because of a high level of dependence upon voluntary giving. Therefore, having regard to the needs of patients and their families for the continuity of the range of care provided by St Catherine's Hospice, together with the obligations of the Hospice towards its employees, it is the policy of the trustees to hold prudent levels of available reserves. Accordingly, as far as is reasonably practicable, the trustees will endeavour to maintain such reserves at a level of between 6 and 12 months of budgeted expenditure. This policy has been more accurately defined through an analysis of the most likely risks to income.

The build-up of high levels of liquid assets within the charity is to maintain Hospice contingency reserves at a level that has been calculated through an assessment of likely risks. The current level is £2.4m and is reviewed regularly. Available free reserves, which represent the unrestricted funds net of the reserve policy of £2.4m, are £3,109k (2020: £2,779k).

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

Investment policy

The group's investments are held by The John Thacker Charitable Trust, charity number 1017345. Details of the investment policy and performance can be found in these accounts.

Internal financial control / Risk management

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A 5 Year Strategy, Annual Business Plan and an annual budget approved by the Board of Trustees.
- Regular consideration by the trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews; in particular through the Finance & Resources Committee and the Board.
- Delegation of authority and, insofar as is practicable, segregation of duties.
- Identification and management of risks in conjunction with the organisation's insurers.

A formal risk management process to assess business risk and to implement risk management strategies is in place. This includes reviewing the adequacy of the charity's current internal controls and the Board is pleased to report that the charity's internal financial controls conform to the guidelines issued by the Charity Commission.

In addition, trustees have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that, although this is not mandatory, the charity should, as a public interest body, adopt these guidelines as best practice. Accordingly, they are seeking to:

- Set policies on internal controls which cover the following:
 - Consideration of the type of risk the charity faces;
 - The level of risk which they regard as acceptable;
 - The likelihood of the risk concerned materialising;
 - The charity's ability to reduce the incidence and impact on the business of risks that do materialise;
 - and the costs of operating particular controls relative to the benefit obtained.
- Clarify the responsibility of management to implement the trustees' policy and to identify and evaluate risks for their consideration.
- Communicate that employees have responsibility for internal control as part of their accountability for achieving objectives.
- Embed the control system in the charity's operations so that it becomes part of the culture of the charity.
- Develop systems to respond quickly to evolving risks arising from factors within the charity and to changes in the external environment.
- Include procedures for reporting failings immediately to appropriate levels of management and the trustees together with details of corrective action being undertaken.

The finance function is overseen by the Director of Finance & Business supported by an independent outsourced accountancy service. This, in addition to external audit arrangements, enhances transparency and financial security.

Plans for future periods

A new five year plan is being developed and will include consideration of the hospice's facilities and areas of growing demand for services, as well as new income potential. This will factor in additional challenges being faced as a result of the Covid-19 pandemic. The findings of a strategic review of the hospice's Information Systems will be implemented over the next two years. We are also working with partners in the local health economy to enhance the community service and improve responsiveness and integration with other providers.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

Relationship with Subsidiaries

St Catherine's has 5 subsidiary entities; St Catherine's Hospice Trading Ltd, St Catherine's Hospice Promotions Ltd, The John Thacker Charitable Trust, St Catherine's Community Services Ltd and St Catherine's Social Enterprise Ltd.

St Catherine's Hospice Promotions Ltd operates a weekly lottery and raffles.

St Catherine's Hospice Trading Ltd operates charity shops throughout the area selling new goods, donated goods and furniture.

St Catherine's Community Services Ltd has been set up to operate as an agent for domiciliary care services but has not traded during the year.

St Catherine's Social Enterprise Ltd operates as the governance vehicle for *The Mill at St Catherine's Park* that opened in autumn 2014.

The John Thacker Trust was created utilizing a bequest left to St Catherine's Hospice by John Thacker who died in 1991. The capital and the income of the Trust Fund is for the benefit of St Catherine's Hospice Ltd.

Employee involvement and policies

Active encouragement is given to all staff and volunteers to play their full part in the life of the Hospice.

Regular Wellbeing Surveys have been conducted throughout the pandemic with the opportunity for staff to share improvement ideas. A staff task and finish group has been set up to look at activities to 'reconnect the hospice following the pandemic'. So far virtual quizzes, virtual catch-up sessions and socially distanced walks have been organised. Another benchmarked survey with the hospice sector is scheduled for 2021.

All staff are involved in preparing and reviewing the annual business plan and risk register that are subsequently approved by the Board. There is also a Staff Forum to address practical issues.

Fundraising standards and policies

The charity ensures continued high ethical fundraising standards and compliance with the Fundraising Regulator Code of Fundraising Practice in a number of ways.

- St Catherine's Hospice is registered with the Fundraising Regulator, demonstrating that the hospice is serious about high standards. Registration includes entry on our public register and a registration badge, which will increasingly be recognised by the public, to use on all our fundraising materials.
- Fundraising activity is regularly monitored and reviewed to ensure that methods still meet the emerging requirements of the Fundraising Regulator.
- Contracts held with external fundraising organisations, e.g. lottery canvassers, include strict standards of conduct and regular meetings take place with the companies to review progress and compliance.
- Trustees have agreed that the charity will not undertake door-to-door cold-call fundraising or telephone fundraising of any kind;
- Lottery canvassers only operate in agreed outlets that are pre-booked and carefully monitored.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

REPORT OF THE TRUSTEES (continued)

Trustees' responsibilities statement

The Board of trustees (who are also directors of the charity for the purposes of company law) are responsible for overseeing the preparation of 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) and for their approval. (Further details regarding trustee responsibilities are described in St Catherine's *Governance Manual*.)

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

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

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

Auditor

A resolution proposing that MHA Moore and Smalley be re-appointed as auditor of the charity will be put to the Annual General Meeting.

This report which incorporates the Strategic Report was approved by the Board of Trustees on 11 October 2021.



Mr J G Chesworth - Chairman
St Catherine's Hospice
Lostock Lane
Lostock Hall
Preston PR5 5XU

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of St Catherine's Hospice (Lancashire) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise Group Statement of Financial Activities, Company Statement of Financial Activities, Group Balance Sheet, Company Balance Sheet, Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 parent charitable company's affairs as at 31 March 2021, and of group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Respective responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

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

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

Use of report

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



.....
Christine Wilson (Senior Statutory Auditor)
For and on behalf of
MHA Moore and Smalley
Chartered Accountants & Statutory Auditor
Preston

Date: 10/11/2021
Date:

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	General Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	2021 Total £'000	2020 Total £'000
Income from:						
Donations and legacies	1	1,630	-	17	1,647	1,909
Charitable activities:						
<i>NHS Core funding</i>		1,405	-	-	1,405	1,385
<i>Other grants & income</i>	2	773	-	50	823	727
Other trading activities	3	1,960	-	-	1,960	3,153
Investment income	4	60	-	-	60	84
Other income – Coronavirus grants	4	810	-	925	1,735	180
Total income		6,638	-	992	7,630	7,438
Expenditure on:						
Raising funds	5	1,436	39	-	1,475	1,746
Charitable activities	6	4,021	321	970	5,312	5,461
Total expenditure		5,457	360	970	6,787	7,207
Net income/(expenditure) before other gains and losses	8	1,181	(360)	22	843	231
Gain/(loss) on investments	14	127	-	-	127	(44)
Net income/(expenditure)		1,308	(360)	22	970	187
Transfers between funds	18	(978)	980	(2)	-	-
Net movement in funds		330	620	20	970	187
Reconciliation of funds:						
Total funds b/fwd		5,179	6,778	18	11,975	11,788
Total funds c/fwd	18	5,509	7,398	38	12,945	11,975

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net incoming resources for the year net of unrealised profits and losses on investments and was £843k (2020: £231k).

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

		General Unrestricted Funds	Designated Funds	Restricted Funds	2021 Total	2020 Total
	Note	£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and legacies	1	1,630	-	17	1,647	1,909
Charitable activities:						
<i>NHS Core funding</i>		1,405	-	-	1,405	1,385
<i>Other grants & income</i>	2	773	-	50	823	727
Other trading activities	3	1,213	-	-	1,213	1,776
Investment income	4	98	-	-	98	111
Other income – Coronavirus grants	4	134	-	925	1,059	-
Total income		5,253	-	992	6,245	5,908
Expenditure on:						
Raising funds	5	229	-	-	229	299
Charitable activities	6	4,009	321	970	5,300	5,449
Total expenditure		4,238	321	970	5,529	5,748
Net income/(expenditure) before other gains and losses	8	1,015	(321)	22	716	160
Gain/(loss) on investments	14	9	-	-	9	3
Net income/(expenditure)		1,024	(321)	22	725	163
Transfers between funds	18	(955)	957	(2)	-	-
Net movement in funds		69	636	20	725	163
Reconciliation of funds:						
Total funds b/fwd		2,900	6,749	18	9,667	9,504
Total funds c/fwd	18	2,969	7,385	38	10,392	9,667

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net incoming resources for the year net of unrealised profits and losses on investments and was £716k (2020: £160k).

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Note	General Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	2021 Total £'000	2020 Total £'000
Fixed assets						
Tangible assets	13	-	6,498	-	6,498	6,678
Investments	14	1,405	-	-	1,405	1,282
		<u>1,405</u>	<u>6,498</u>	<u>-</u>	<u>7,903</u>	<u>7,960</u>
Current assets						
Stock	15	4	-	-	4	7
Debtors	16	1,211	-	-	1,211	853
Cash at bank and in hand		5,619	900	38	6,557	4,230
		<u>6,834</u>	<u>900</u>	<u>38</u>	<u>7,772</u>	<u>5,090</u>
Liabilities – Creditors falling due within one year	17(a)	<u>(2,296)</u>	<u>-</u>	<u>-</u>	<u>(2,296)</u>	<u>(1,026)</u>
Net current assets		<u>4,538</u>	<u>900</u>	<u>38</u>	<u>5,476</u>	<u>4,064</u>
Liabilities – Creditors falling due after one year	17(b)	<u>(434)</u>	<u>-</u>	<u>-</u>	<u>(434)</u>	<u>(49)</u>
Net assets		<u>5,509</u>	<u>7,398</u>	<u>38</u>	<u>12,945</u>	<u>11,975</u>
Represented by:						
Total Funds	18	<u>5,509</u>	<u>7,398</u>	<u>38</u>	<u>12,945</u>	<u>11,975</u>

These accounts were approved by the Board on 11 October 2021 and signed on its behalf:



Mr J G Chesworth – Chairman



Mrs L Norris – Trustee

Company Registration Number: 01602467

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

		General Unrestricted Funds	Designated Funds	Restricted Funds	2021 Total	2020 Total
	Note	£'000	£'000	£'000	£'000	£'000
Fixed assets						
Tangible assets	13	-	5,785	-	5,785	5,983
Investments	14	342	-	-	342	333
		<u>342</u>	<u>5,785</u>	<u>-</u>	<u>6,127</u>	<u>6,316</u>
Current assets						
Debtors	16	2,182	700	-	2,882	2,378
Cash at bank and in hand		2,954	900	38	3,892	1,794
		<u>5,136</u>	<u>1,600</u>	<u>38</u>	<u>6,774</u>	<u>4,172</u>
Liabilities – Creditors falling due within one year	17(a)	<u>(2,075)</u>	<u>-</u>	<u>-</u>	<u>(2,075)</u>	<u>(772)</u>
Net current assets		<u>3,061</u>	<u>1,600</u>	<u>38</u>	<u>4,699</u>	<u>3,400</u>
Liabilities – Creditors falling due after one year	17(b)	<u>(434)</u>	<u>-</u>	<u>-</u>	<u>(434)</u>	<u>(49)</u>
Net assets		<u>2,969</u>	<u>7,385</u>	<u>38</u>	<u>10,392</u>	<u>9,667</u>
Represented by:						
Total Funds	18	<u>2,969</u>	<u>7,385</u>	<u>38</u>	<u>10,392</u>	<u>9,667</u>

These accounts were approved by the Board on 11 October 2021 and signed on its behalf:


 Mr J G Chesworth – Chairman


 Mrs L Norris – Trustee

Company Registration Number: 01602467

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

GROUP CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Group 2021 Total £'000	Group 2020 Total £'000	Company 2021 Total £'000	Company 2020 Total £'000
Cash flows from operating activities				
Net movement in funds	970	187	725	163
<i>Adjustments for:</i>				
Investment income	(60)	(84)	(98)	(111)
(Profit)/loss on investments	(127)	44	(9)	(3)
(Profit)/loss on disposal of fixed assets	(2)	-	-	-
Depreciation	360	347	321	305
<i>Changes in:</i>				
(Increase)/Decrease in stock	3	1	-	-
(Increase)/Decrease in debtors	(358)	(246)	(504)	(62)
Increase/(Decrease) in creditors	1,179	229	1,212	220
Cash provided by / (used in) operating activities	1,965	478	1,647	512
Cash flows from investing activities				
Investment income	60	84	98	111
Purchase of tangible fixed assets	(180)	(1,135)	(123)	(850)
Proceeds from sale of fixed assets	2	-	-	-
Movement in cash held as investments	(20)	13	-	-
Proceeds from sale of investments	335	753	-	-
Purchase of investments	(311)	(766)	-	-
Cash provided by / (used in) investing activities	(114)	(1,051)	(25)	(739)
Cash flows from financing activities				
New bank loan	539	-	539	-
Repayment of bank loans	(63)	(131)	(63)	(131)
Cash provided by / (used in) financing activities	476	(131)	476	(131)
Increase/(Decrease) in cash and cash equivalents in the year	2,327	(704)	2,098	(358)
Cash and cash equivalents b/fwd	4,230	4,934	1,794	2,152
Cash and cash equivalents c/fwd	6,557	4,230	3,892	1,794

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

GROUP CASHFLOW STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Analysis of changes in net funds

Group	Brought forward	Cashflows	Other non-cash changes	Carried forward
	£'000	£'000	£'000	£'000
Cash and cash equivalents				
Cash in hand	2	-	-	2
Cash at bank	<u>4,228</u>	<u>2,327</u>	<u>-</u>	<u>6,555</u>
	<u>4,230</u>	<u>2,327</u>	<u>-</u>	<u>6,557</u>
Borrowings				
Bank loans due within one year	(30)	63	(154)	(121)
Bank loans after one year	<u>(49)</u>	<u>(539)</u>	<u>154</u>	<u>(434)</u>
	<u>(79)</u>	<u>(476)</u>	<u>-</u>	<u>(555)</u>
Net funds	<u>4,151</u>	<u>1,851</u>	<u>-</u>	<u>6,002</u>

Company	Brought forward	Cashflows	Other non-cash changes	Carried forward
	£'000	£'000	£'000	£'000
Cash and cash equivalents				
Cash in hand	1	-	-	1
Cash at bank	<u>1,793</u>	<u>2,098</u>	<u>-</u>	<u>3,891</u>
	<u>1,794</u>	<u>2,098</u>	<u>-</u>	<u>3,892</u>
Borrowings				
Bank loans due within one year	(30)	63	(154)	(121)
Bank loans after one year	<u>(49)</u>	<u>(539)</u>	<u>154</u>	<u>(434)</u>
	<u>(79)</u>	<u>(476)</u>	<u>-</u>	<u>(555)</u>
Net funds	<u>1,715</u>	<u>1,622</u>	<u>-</u>	<u>3,337</u>

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

St Catherine's Hospice (Lancashire) Limited meets the definition of a public benefit entity under FRS 102.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The Covid-19 pandemic has had a significant impact on the operations of the charity. The charity was forced to close all of its shops and the Mill Café (operated in subsidiary companies) at the beginning of lockdown as well as cancelling its summer fundraising events. Community support events were also hit by the pandemic. In the short term, the charity provided temporary financial support to its subsidiaries to cover fixed costs whilst trading was suspended, but this was given with the full expectation that the subsidiary trading companies would return to profitability within the forthcoming financial year. A dip in income is forecast but the organisation is resilient to this, having sufficient reserves to draw on. Budgets have been revised to reflect the drop in income and forecasts are being reviewed regularly. The Mill Café and the majority of shops re-opened during July and August 2020, with Covid-safe measures in place, and although these closed again during subsequent lockdowns the trading subsidiaries generated a profit in the year ended 31 March 2021. Cash donations remain high and the organisation has received government funding via Hospice UK, the furlough scheme and retail grants. It is doing things differently to raise income such as running virtual events and delivering virtual courses and is enhancing communication with supporters, for example by sending a 35th anniversary newspaper to all households within the catchment area. It is also engaging in a programme of sustainability planning with trustees and reviewing all areas of the business to assess the potential for increased income or cost savings.

The trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Group financial statements

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The company owns all the share capital of St Catherine's Hospice Trading Ltd, St Catherine's Hospice Promotions Ltd, St Catherine's Community Services Ltd and St Catherine's Social Enterprise Ltd. The taxable profits of the subsidiaries are paid to the company under Gift Aid.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The John Thacker Charitable Trust is a registered charity and holds funds which are to be applied for the benefit of St Catherine's Hospice (Lancashire) Limited. The Trustees presently comprise the trustees of the Hospice Board. The total assets held within the Trust were £2,310k (2020: £2,180k) and have been consolidated on a line by line basis into these accounts.

Fund accounting

General funds - 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.

Designated funds - unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds - 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.

Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' 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.

NHS income comprises grant and contract income receivable via NHS Commissioners.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material (see note 20).

Income received in advance of an event or provision of other specific provision of other specified service is deferred until the criteria for income recognition are met (see note 17).

Trading income is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes where applicable. Income from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Donated services and facilities (continued)

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

Expenditure

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

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Detailed analyses of the expenditure, including irrecoverable VAT where applicable, are provided in the notes to the accounts.

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are generally capitalised and included at cost including any incidental expenses of acquisition. This general policy is subject to the capital nature of project, smaller items may be capitalised if part of a bigger project and higher values may be expensed if part of a cyclical maintenance programme. Any development work to be capitalised will be depreciated on completion of the project.

Depreciation is provided on fixed assets to write off the cost over their estimated useful lives on a straight-line basis at the following principal rates per annum:

Freehold buildings	-	2% on cost
Leasehold improvements	-	evenly over the term of the lease
Fixtures and equipment	-	20% on cost
Motor vehicles	-	25% on cost
Computer equipment	-	33 ¹ / ₃ % on cost

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Stock

Stock is included at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed, on the basis that it is considered impractical to measure the fair value of goods donated for resale, and the costs of valuation outweigh the benefit to users of the accounts and the charity of this information.

Debtors

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

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Creditors

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the SOFA. The company also contributes to a multi-employer defined benefit scheme, as detailed in the staff costs note. As the proportion of the fund attributable to charity cannot be calculated this scheme has been treated as if it was a defined contribution scheme.

Operating leases

Rentals applicable to operating leases are charged to the SOFA on a straight-line basis over the term of the lease.

Taxation

The Company is a registered charity and consequently there is no liability to taxation.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Judgements and key sources of estimation uncertainty

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 believe that there are any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1 Income from donations and legacies

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Donations – General	735	766	735	766
Donated Goods	26	232	26	232
Donations in Wills	743	795	743	795
Income from Charitable Trusts	126	19	126	19
	<u>1,630</u>	<u>1,812</u>	<u>1,630</u>	<u>1,812</u>
<i>Restricted Income</i>				
Income from Charitable Trusts	17	97	17	97
	<u>1,647</u>	<u>1,909</u>	<u>1,647</u>	<u>1,909</u>

2 Income from charitable activities

NHS Funding – Non Core	445	445	445	445
Education and other income	328	282	328	282
Other grants received	-	-	-	-
	<u>773</u>	<u>727</u>	<u>773</u>	<u>727</u>
<i>Restricted Income</i>				
Education and other income	50	-	50	-
	<u>823</u>	<u>727</u>	<u>823</u>	<u>727</u>

3 Income from other trading activities

Fundraising	370	693	370	693
Lottery and raffles	811	925	546	555
Trading income	455	989	297	528
Social Enterprise	324	546	-	-
	<u>1,960</u>	<u>3,153</u>	<u>1,213</u>	<u>1,776</u>

4 Investment income

Rental income	20	31	67	81
Investment income - dividends	11	14	-	-
Investment income - interest	29	39	31	30
	<u>60</u>	<u>84</u>	<u>98</u>	<u>111</u>

Other unrestricted income (group) comprises £403k (2020: £nil) Coronavirus Job Retention Scheme ('CJRS') income, £232k (2020: £nil) insurance proceeds due to business interruption, and £175k (2020: £180k) of Retail Grants. Other unrestricted income (company) comprises £134k (2020: £nil) CJRS income. Other restricted income (group and company) comprises £925k (2020: £nil) of NHSE funding.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Governance costs

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Audit fees – charity only	6	5	6	5
Meeting & Other Support costs	3	5	3	5
	<u>9</u>	<u>10</u>	<u>9</u>	<u>10</u>

8 Net income/(expenditure)

Stated after charging:

Audit fees	13	13	6	5
Depreciation – Owned assets	360	347	321	305
(Profit)/loss on disposal of assets	(2)	-	-	-
Operating lease rentals	122	109	-	-
	<u>503</u>	<u>469</u>	<u>327</u>	<u>310</u>

9 Summary analysis of expenditure and related income for charitable activities

	Hospice and specialised palliative care services	Information and education	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
Group & Company				
Costs	(5,130)	(182)	(5,312)	(5,461)
NHS Income	1,850	-	1,850	1,830
Education and other income	-	378	378	282
	<u>(3,280)</u>	<u>196</u>	<u>(3,084)</u>	<u>(3,349)</u>
Other grants received	-	-	-	-
Net costs (funded) from other income	<u>(3,280)</u>	<u>196</u>	<u>(3,084)</u>	<u>(3,349)</u>

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Staff numbers

The average monthly head count was 156 staff (2020: 158 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2021 No.	2020 No.
Chief Executive's Department	5	6
Care Services Directorate	74	73
Technical Services Directorate	19	22
Income Generation Directorate	7	7
Knowledge Exchange Directorate	4	4
	<hr/>	<hr/>
Hospice total	109	112
St Catherine's Hospice Trading Ltd	13	11
St Catherine's Hospice Promotions Ltd	5	5
St Catherine's Social Enterprise Ltd	7	7
	<hr/>	<hr/>
Group total	134	135
	<hr/> <hr/>	<hr/> <hr/>

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

11 Analysis of staff costs, trustee remuneration and expenses, and cost of key management personnel

Payroll costs were	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Wages and salaries	4,130	4,174	3,598	3,631
National Insurance	349	331	319	296
Pension costs	368	338	346	318
	<u>4,847</u>	<u>4,843</u>	<u>4,263</u>	<u>4,245</u>

The number of employees whose emoluments exceeded £60K were:	2021 No.	2020 No.
£60K-£70K	1	-
£80K-£90K	-	1

Along with a standard defined contribution scheme, the company operates an exempt approved defined benefit scheme, namely the National Health Superannuation Scheme. The assets of this scheme are held separately and contributions to the scheme are charged to the statement of financial activities so as to spread the cost of pensions over employees' working lives with the company. This scheme does not have a real pension fund, but as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer, which meet the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employers. As a result of the nature of the scheme there are no separately identifiable assets and liabilities which can be identified as relating to St Catherine's Hospice therefore, as permitted by FRS102, the scheme has been accounted for as a defined contribution scheme. At the year-end £47k (2020: £70k) was owed in respect of contributions.

The charity trustees were not paid and did not receive any other benefits from employment with the charity or its subsidiaries in the year (2020: £nil), neither were there reimbursed expenses during the year (2020: £nil). Trustees made donations to the charity totalling £1,660 (2020: £585).

During the year, the Hospice was invoiced for professional services totalling £1,470 (2020: £16,904) by Harrison Drury & Co Ltd, a company in which Mr J G Chesworth is a director. At the year end £nil (2020: £1,200) was due to this company. The Hospice was invoiced for professional services totalling £500 (2020: £1,503) by Forbes Solicitors, where Mr J J Holden is a partner, no balances were outstanding at the year end (2020: £nil). The Hospice was also invoiced £4,805 (2020: £14,500) for website development costs by Blue Wren Limited, a company in which Mr M J Lough is a director. At the year end £nil (2020: £2,700) was due to this company. This company was selected following a competitive tendering process, and Mr M J Lough played no part in the award of the contract.

The key management personnel of the parent charity and the group are detailed on page 1. The total employee benefits of the key management personnel were £506,402 (2020: £561,763).

Charity trustees' indemnity and professional indemnity insurance has been provided for members of the Board, this cost is included within other insurance costs and not separately identifiable.

12 Related party transactions

There were no related party transactions during the current or prior year, apart from those disclosed above relating to the trustees.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets

Group	Freehold land and buildings £'000	Leasehold improvements £'000	Fixtures and equipment £'000	Total £'000
Cost				
As at 1 April 2020	8,583	71	2,219	10,873
Additions	129	-	51	180
Disposals	-	-	(5)	(5)
As at 31 March 2021	8,712	71	2,265	11,048
Depreciation				
As at 1 April 2020	2,284	66	1,845	4,195
Charge for the year	174	1	185	360
Disposals	-	-	(5)	(5)
As at 31 March 2021	2,458	67	2,025	4,550
Net book value				
As at 31 March 2021	6,254	4	240	6,498
As at 31 March 2020	6,299	5	374	6,678
Company				
Cost				
As at 1 April 2020	7,888	-	1,885	9,773
Additions	78	-	45	123
Disposals	-	-	-	-
As at 31 March 2021	7,966	-	1,930	9,896
Depreciation				
As at 1 April 2020	2,237	-	1,553	3,790
Charge for the year	159	-	162	321
Disposals	-	-	-	-
As at 31 March 2021	2,396	-	1,715	4,111
Net book value				
As at 31 March 2021	5,570	-	215	5,785
As at 31 March 2020	5,651	-	332	5,983

At the year end there were capital commitments of £10k (2020: £57k).

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Investments in subsidiary companies	-	-	20	20
Other investments	1,405	1,282	322	313
	1,405	1,282	342	333

Investments in subsidiary companies

All subsidiary companies are incorporated in the UK and are wholly owned. The details of the subsidiaries and the results for the year are as follows:

	2021			
	St Catherine's Hospice Trading Ltd £'000	St Catherine's Hospice Promotions Ltd £'000	St Catherine's Community Services Ltd £'000	St Catherine's Social Enterprise Ltd £'000
Turnover	455	811	-	324
Cost of sales and other direct costs	(17)	(168)	-	(87)
Administrative expenses	(640)	(140)	-	(239)
Other operating income	488	44	-	144
Interest payable	-	-	-	(17)
Profit/(Loss) for the year	286	547	-	125
Charitable donations to Hospice	(297)	(546)	-	-
Retained Profit/(Loss) for the year	(11)	1	-	125
	2020			
	St Catherine's Hospice Trading Ltd £'000	St Catherine's Hospice Promotions Ltd £'000	St Catherine's Community Services Ltd £'000	St Catherine's Social Enterprise Ltd £'000
Turnover	989	925	-	546
Cost of sales and other direct costs	(24)	(207)	-	(145)
Administrative expenses	(632)	(163)	-	(324)
Other operating income	180	-	-	-
Interest received	-	-	-	(9)
Profit/(Loss) for the year	513	555	-	68
Charitable donations to Hospice	(528)	(555)	-	-
Retained Profit/(Loss) for the year	(15)	-	-	68

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments (continued) Investments in subsidiary companies

	2021			
	St Catherine's Hospice Trading Ltd £'000	St Catherine's Hospice Promotions Ltd £'000	St Catherine's Community Services Ltd £'000	St Catherine's Social Enterprise Ltd £'000
Fixed assets	13	-	-	700
Current assets	332	350	-	216
Current liabilities	(329)	(339)	-	(680)
Net assets/(liabilities)	16	11	-	236
Ordinary £1 shares	10	10	-	-
Profit and loss account	6	1	-	236
Net assets/(liabilities)	16	11	-	236
	2020			
	St Catherine's Hospice Trading Ltd £'000	St Catherine's Hospice Promotions Ltd £'000	St Catherine's Community Services Ltd £'000	St Catherine's Social Enterprise Ltd £'000
Fixed assets	28	1	-	666
Current assets	295	258	-	87
Current liabilities	(296)	(249)	-	(642)
Net assets/(liabilities)	27	10	-	111
Ordinary £1 shares	10	10	-	-
Profit and loss account	17	-	-	111
Net assets/(liabilities)	27	10	-	111

The company number of each subsidiary is as follows:

St Catherine's Hospice Trading Ltd - 02833331
 St Catherine's Hospice Promotions Ltd - 02767558
 St Catherine's Community Services Ltd - 08489132
 St Catherine's Social Enterprise Ltd - 08782309

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments (continued)

Other investments

Group	UK Equities £'000	UK Property £'000	Total £'000
<i>Market value</i>			
As at 1 April 2020	1,108	174	1,282
Additions	311	-	311
Disposals	(335)	-	(335)
Movement in cash deposits held as investments	20	-	20
Change in market value	127	-	127
As at 31 March 2021	1,231	174	1,405
Company			
	UK Equities £'000	UK Property £'000	Total £'000
<i>Market value</i>			
As at 1 April 2020	139	174	313
Additions	-	-	-
Disposals	-	-	-
Change in market value	9	-	9
As at 31 March 2021	148	174	322

15 Stock

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Goods for resale	4	7	4	-

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Debtors

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	199	44	199	39
Amounts owed by group undertakings	-	-	1,983	1,847
VAT recoverable	474	428	474	393
Other debtors	58	26	51	18
Prepayments and accrued income	480	355	175	81
	<u>1,211</u>	<u>853</u>	<u>2,882</u>	<u>2,378</u>

17 Creditors

(a) Amounts falling due with one year

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank loan	121	30	121	30
Trade creditors	151	405	110	322
Other taxes and social security	81	88	81	88
Advance lottery receipts	117	113	-	-
Other creditors	55	80	53	78
Accruals and deferred income	1,771	310	1,710	254
	<u>2,296</u>	<u>1,026</u>	<u>2,075</u>	<u>772</u>

Accruals and deferred income at the year end includes deferred income relating to various events due to take place or work to be performed after the year end, as follows:

Balance b/fwd	52	62	52	62
Amount released to income earned from charitable activities	(14)	(19)	(14)	(19)
Amount deferred in year	1,460	9	1,460	9
Balance c/fwd	<u>1,498</u>	<u>52</u>	<u>1,498</u>	<u>52</u>

(b) Amounts falling due after one year

Bank loan	434	49	434	49
-----------	-----	----	-----	----

Bank loans are secured on specific properties owned by the Hospice. The loan balance comprises £49k (2020: £79k) where interest is charged at 2.3% and the loan balance is repayable in monthly instalments by October 2022, £369k (2020: £nil) where interest is charged at base plus 1.35% and the loan balance is repayable in monthly instalments by April 2023, and £137k (2020: £nil) where interest is charged at base plus 1.35% and the loan balance is repayable in monthly instalments by January 2026.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Funds

(a) Designated funds

Group	Balance at 1 April 2020	Income	Expenditure	Transfers	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	6,678	-	(360)	180	6,498
Building our future together	-	-	-	800	800
Major repairs	100	-	-	-	100
	6,778	-	(360)	980	7,398
Company	Balance at 1 April 2020	Income	Expenditure	Transfers	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	5,983	-	(321)	123	5,785
The Mill	666	-	-	34	700
Building our future together	-	-	-	800	800
Major repairs	100	-	-	-	100
	6,749	-	(321)	957	7,385

The fixed assets fund represents the amounts invested in fixed assets for charitable use. The major development of the Mill project is now complete, and the amount designated within the Hospice in respect of the Mill includes investment in fixed assets by the subsidiary company. For the charity as a whole, £100k has been set aside as part of the planned maintenance and development programme and £800k for the 'Building our future together' project to improve the in-patient unit.

(b) Restricted funds

Group and Company	Balance at 1 April 2020	Income	Expenditure	Transfers	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000
Transform Project	3	-	-	-	3
Refurbishment Project	7	-	(3)	-	4
NHSE Covid support	-	925	(925)	-	-
Other Revenue Projects	8	67	(42)	(2)	31
	18	992	(970)	(2)	38

The above restricted funds have been set aside for the appropriately stated project. Any funds spent on capital items are shown as a transfer to the designated tangible fixed assets fund.

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.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Funds (continued)

(c) General funds

Group	Balance at 1 April 2020 £'000	Income £'000	Expenditure £'000	Gains/Losses & Transfers £'000	Balance at 31 March 2021 £'000
General Funds:					
General	5,279	6,458	(5,457)	129	6,409
Major repairs designated	(100)	-	-	-	(100)
Building our future together designated	-	-	-	(800)	(800)
Assets capitalised in year	-	180	-	(180)	-
	5,179	6,638	(5,457)	(851)	5,509
Company	Balance at 1 April 2020 £'000	Income £'000	Expenditure £'000	Gains/Losses & Transfers £'000	Balance at 31 March 2021 £'000
General Funds:					
General	3,666	5,130	(4,238)	11	4,569
Mill funds designated	(666)	-	-	(34)	(700)
Major repairs designated	(100)	-	-	-	(100)
Building our future together designated	-	-	-	(800)	(800)
Assets capitalised in year	-	123	-	(123)	-
	2,900	5,253	(4,238)	(946)	2,969

The general fund has been disclosed above to show amounts that have been designated from the fund and their movements, along with general income used to capitalise assets which has been transferred to the designated tangible fixed asset fund.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Funds – Prior Year

(a) Designated funds

Group	Balance at 1 April 2019	Income	Expenditure	Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	5,890	-	(347)	1,135	6,678
Major repairs	100	-	-	-	100
	5,990	-	(347)	1,135	6,778
Company	Balance at 1 April 2019	Income	Expenditure	Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	5,438	-	(305)	850	5,983
The Mill	409	-	-	257	666
Major repairs	100	-	-	-	100
	5,947	-	(305)	1,107	6,749

The fixed assets fund represents the amounts invested in fixed assets for charitable use. The major development of the Mill project is now complete, and the amount designated within the Hospice in respect of the Mill includes investment in fixed assets by the subsidiary company. £100k has been set aside as part of the planned maintenance and development programme for the charity as a whole.

(b) Restricted funds

Group and Company	Balance at 1 April 2019	Income	Expenditure	Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000
Transform Project	7	-	(4)	-	3
Education Project	5	-	(5)	-	-
Refurbishment Project	19	87	(2)	(97)	7
Rehabilitation Project	6	-	(6)	-	-
IPU Equipment Project	15	-	-	(15)	-
Other Revenue Projects	11	10	(11)	(2)	8
	63	97	(28)	(114)	18

The above restricted funds have been set aside for the appropriately stated project. Any funds spent on capital items are shown as a transfer to the designated tangible fixed assets fund.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Funds – Prior Year (continued)

(c) General funds

Group	Balance at 1 April 2019	Income	Expenditure	Gains/Losses & Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000
General Funds:					
General	5,835	6,206	(6,832)	70	5,279
Major repairs designated	(100)	-	-	-	(100)
Assets capitalised in year	-	1,135	-	(1,135)	-
	5,735	7,341	(6,832)	(1,065)	5,179
Company	Balance at 1 April 2019	Income	Expenditure	Gains/Losses & Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000
General Funds:					
General	4,003	4,961	(5,415)	117	3,666
Mill funds designated	(409)	-	-	(257)	(666)
Major repairs designated	(100)	-	-	-	(100)
Assets capitalised in year	-	850	-	(850)	-
	3,494	5,811	(5,415)	(990)	2,900

The general fund has been disclosed above to show amounts that had been designated from the fund and their movements, along with general income used to capitalise assets which had been transferred to the designated tangible fixed asset fund.

ST CATHERINE'S HOSPICE (LANCASHIRE) LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

19 Funds – Prior Year (continued)

(d) Fund balances represented by:

Group	General Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Balance at 31 March 2020 £'000
Tangible fixed assets	-	6,678	-	6,678
Investments	1,282	-	-	1,282
Current assets	4,972	100	18	5,090
Creditors falling due within one year	(1,026)	-	-	(1,026)
Creditors falling due after one year	(49)	-	-	(49)
	5,179	6,778	18	11,975
	<hr/>	<hr/>	<hr/>	<hr/>
Company	General Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Balance at 31 March 2020 £'000
Tangible fixed assets	-	5,983	-	5,983
Investments	333	-	-	333
Current assets	3,388	766	18	4,172
Creditors falling due within one year	(772)	-	-	(772)
Creditors falling due after one year	(49)	-	-	(49)
	2,900	6,749	18	9,667
	<hr/>	<hr/>	<hr/>	<hr/>

20 Post balance sheet events

As in previous years, the Hospice was bequeathed a share in a number of death estates during the year. It is the Hospice policy to recognise the income once the amounts can be accurately quantified. All assets quantified have been included in the accounts.

At the year end there were a number of donations in wills still pending and due to the uncertainty of the amounts, the income will be recognised in the year in which the donations are either received or the amounts can be determined with reasonable certainty. The approximate value of such donations in wills to which the Hospice can put a value is £1,523k (2020: £814k).

21 Commitments under operating leases – land & buildings

At 31 March 2021, St Catherine's Hospice Trading Ltd, a subsidiary undertaking, had future minimum lease payments under non-cancellable operating leases as set out below:

	2021 £'000	2020 £'000
Amounts due within one year	90	99
Amounts due between two and five years	34	104
Amounts due after five years	-	-
	124	203
	<hr/>	<hr/>