



Weston Hospicecare Limited

Trustees' Report and Consolidated Financial Statements For the year ended 31st March 2020

Charity Number 900328

Company Registration Number 2414541

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Welcome from the Chair

We have now completed our 30th year as a hospice run for the benefit of our local community. Our focus has been on the delivery of the aims outlined in our strategy, and I am pleased to say we are well on the way to completing all the aims agreed in our last strategic review. We have greatly improved the resources available to our community nursing team, and the effectiveness of our fundraising team, as our CEO describes in more detail later. During the last year we treated 1,647 patients, with an increasing number treated in their own homes by our team of specialist community nurses.



The year concluded with the wholly unexpected crisis caused by Covid-19 and the steps necessary to control it. I am delighted to say that our staff and volunteers have risen wholeheartedly to the challenges that the situation posed. I am also pleased to report that central government has recognised the importance of the hospice movement in general, by making considerable emergency funding available, in which we have shared. This funding will mostly support our financial well-being during 2020-21 and I have no doubt that the hospice has a secure future.

The Board of Trustees has appointed one new member, Mr John Bangham, with an extensive background in commerce and finance. One trustee, Angela Smythe, retired during the year. I would like to place on record our appreciation of the services she rendered the hospice during her term in office. In addition to our normal succession planning, we will always consider further candidates for the office of trustee as they arise. Our thanks are also due to our staff, volunteers, and supporters for their amazing work during the year.

Before the Covid-19 crisis arose we were able to maintain our financial stability during the year in spite of increased expenditure on clinical matters. The fundraising team were very successful, and gifts in wills exceeded our expectations. After the crisis arose our Retail arm suffered from complete shop closures, and our investments lost much value. We are now in the process of reopening shops and the investment losses reported in these financial statements have largely been recovered.

I remain confident that we are on the right path despite the many challenges that face charities such as ours. The support we have received from our local community is clear evidence of the esteem in which the hospice is held.

Judi Driscoll
Chair of Trustees

Message from our Chief Executive

We started the 2019/20 financial year with an exciting program of enhancements to our clinical services as planned for in year one of our 5-yr strategy, underpinned by impressive income generation growth. We finished it in lockdown!

Despite the considerable challenges posed by Covid-19 which started to affect the hospice in February 2020, resulting in the suspension of our Day Services and Complementary Therapies to outpatients, the closure of all our shops in March, and the cancellation of many key fundraising activities and events, we had an extremely good year overall which saw us expand our provision of patient care while simultaneously returning a pleasing financial result.

As many readers will know, the majority of our patients continue to reside in the community, either at home or in care homes. A ninth community nurse joined our Hospice Community Nurse Specialist team in 2019, and the previously part-time HCNS team manager was re-assigned as full-time, thus increasing the resources and scope of the team which supports around 300 patients in the community at any one time. We also increased the resources of our In-Patient Unit nursing team to provide an extra nurse on duty for the IPU night shifts, something we had wanted to do for a long time but which had previously been thwarted by the additional cost. We recruited a new Family Support team manager as a full-time post, replacing the previous part-time position and thus increasing the capabilities and reach of the Family Support team, including the provision of bereavement counselling to teenagers. We prepared for a new chapter in the medical staffing of the hospice with our wonderful Specialty Doctor retiring after 18 years' service at the hospice, and two new Specialty doctors joining us in March 2020 under the guidance of our Medical Consultant. Substantial change also occurred as a result of our switch from Crosscare to the EMIS Web patient management system, bringing us in line with the GP surgeries and other primary care settings in our region and enabling us to better share patient records in real time with other care providers to the direct benefit of the patients.

We continued to mark the occasion of our 30th anniversary year throughout 2019 with three principal aims: increased community engagement, celebration and thanksgiving, and extra fundraising initiatives. We feel we were able to achieve a good balance between these aspects, and did justice to the significant milestone with the help of our local community.

Our new Director of Fundraising and Communications joined us in March 2019, hit the ground running, and delivered very impressive results for the year by exceeding an already ambitious budget by some margin. The fundraising team was boosted by new professional fundraisers, and while exceeding budget they also managed to prepare for a hospice brand refresh and a new website, both of which were long overdue and have been extremely well received as we moved into 2020/21.

It was a tough year for our Retail organisation with difficult High St conditions, increasing pressures from online sales, the closure of our Aller Parade shop at the start of the year due to failure to agree reasonable terms with the landlord, and the onset of the Covid-19 pandemic during February and March 2020. Thankfully, the Retail shortfall from budget was more than compensated for by the impressive Fundraising results, meaning we have been able to cover the costs of the clinical care enhancements described above. Moving into 2020/21, and as we gradually and safely emerge from lockdown, there is an opportunity to reinvent our Retail offering so we have been using the Covid-19 hiatus and enforced shop closures to work on a new plan for Retail.

As in prior years, the majority of operating cost increases last year were associated with payroll and staff costs, as we sought to keep pace with inflation. Economic uncertainties abound, due to Covid-19 impact on the economy in tandem with the as yet unquantified impact of the UK's new trading relationship with the European Union, and therefore we have taken the prudent step of reviewing and amending our Hospice Reserves Policy during 2020/21 to retain a little extra Hospice funds to insure us against these uncertainties.

So, I am pleased to report that 2019/20 has been a very successful year for the Hospice, and I have been doubly impressed by the way our staff have risen to meet the challenges of the Covid-19 pandemic, continued to provide best possible care to patients, and maintained solid fundraising in the face of great challenge, all with enthusiasm, creativity and resilience. On behalf of the Hospice senior management team, thank you for continuing to support Weston Hospicecare.

Paul Winspear
Chief Executive Officer



Trustees Annual Report

The trustees are pleased to present their annual report with the audited, consolidated financial statements of Weston Hospicecare Limited ("the hospice") for the year ending 31st March 2020.

The trustees report incorporates the requirements of a Directors' report required by company law.

Objectives and activities

The objectives of the charity are to:

- provide medical, clinical and therapeutic care to any adult person who has a life limiting illness, promoting and valuing diversity, supporting them in their normal place of residence or within the hospice and so far as possible enabling patients to die in their preferred place of care;
- conduct, participate in and promote research into the treatment of persons suffering from cancer or other terminal illness;
- promote the teaching and education of those providing clinical or allied services; and
- provide emotional and spiritual support and guidance to patients and those around them.

The aim of the hospice is to provide specialist palliative care. To achieve this the hospice provides a health care environment, provided by well-trained and sensitive staff with sufficient time to address the complex needs of patients. The hospice supports colleagues (who have to work with many competing pressures) in both the primary healthcare setting and hospitals and other non-NHS healthcare environments.

Community

The hospice employs eight Hospice Community Nurse Specialists (HCNS) and one Hospice Community Nurse (HCN). They are highly trained, skilled palliative care professionals. The HCNS are allocated to GP practices and work as core members of the primary healthcare team.

The role of the HCNS is to:

- support the patient and family by managing symptom control such as pain and nausea;
- provide information regarding diagnosis and treatment;
- liaise with primary healthcare teams on a plan of care; and
- be the key worker within the hospice and refer patients to other hospice services and other community services.

In-Patient Unit

The hospice operates its own ten-bed in-patient unit at its headquarters in Weston-super-Mare. The unit provides high quality specialist clinical care for patients with life limiting conditions needing symptom control and palliative care.

Day Services

The hospice's multi-disciplinary Day Services runs three days a week and its main aims are to promote patient independence and improve quality of life through symptom control and rehabilitation, offering psychological support, and providing respite for carers. Patients' individual needs are a priority.

Within the Day Services environment complementary therapies and a range of creative therapies (dance and movement and crafts) are also provided.

The Family Support Team

This service provides emotional and spiritual support (e.g. bereavement care, Buddy groups, Men-In-Sheds, chaplaincy) to both patients and their loved ones, as well as practical support and guidance.

Our volunteer Companions provide support to patients and carers, and our Chat and Cherish group exists for family and friends.

Buddy groups are informal bereavement groups that offer a warm welcome to bereaved carers who would value social contact and support and may find it helpful to talk to others who understand the complex and mixed emotions bereavement can bring.

Public Benefit

We have referred to the Charity Commission’s general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. All our charitable activities focus on offering completely free care and support to people and their families affected by life limiting illnesses and are undertaken to further our charitable purposes for the public benefit. Our work is continued with families and carers after patients have died.



Strategic Report

The Strategic Report required under company law comprises three sections: Achievements and Performance, Financial Review and Plans for Future Periods.

Achievements and Performance

In last year’s Trustees’ Report, we set out the following priorities for the forthcoming year:

| Priority | Outcome |
|---|---|
| Grow our income by £0.3m in 2019/20 (Excluding Gifts in wills). | During 2019/20 we managed to grow our income excluding gifts in wills by £318k. An impressive £87k of this growth came from fundraising income with the introduction of some new events and challenge events participation growing. Lottery income increased by £25k due to investment in venue sales. There was also one off government funding for Hospices of £105k in 2019/20. |
| Clinical Services: Continuing with quality improvement. Employing a new Band 5 community nurse. Employing a full time family support team manager. | Existing services have been maintained and in some areas enhanced, including: <ul style="list-style-type: none"> • Employing a new nurse for the community team – to enable this our fundraising team went out with an appeal to cover the first year’s employment costs. • At the back end of 2019/20 we employed a new Family support team manager who came with a wealth of experience and has really enhanced the team. |
| Developing EMIS web | EMIS web went live in Quarter 2 of 2019/20 and it has really enhanced the way the Hospice receives information from other healthcare providers involved with each of our patients. |
| 5 year strategy finalised | A strategy white paper has been produced by the senior management team and was reviewed by the trustees in early 2019 and 3-year financial projections produced. We have already started to implement some of the initiatives such as extra cover at night in the in-patient unit and a new role of Family support manager. |
| Governance initiatives | The NHS’ Data Security & Protection toolkit continues to be completed. In parallel, lots of work has gone into related information governance and GDPR compliance, with the hospice IG Panel meeting monthly to review progress. The staff appraisals system was also improved and a lot of work has gone into our risk management system, especially in relation to Covid-19. |

Community

| | 2020 | 2019 |
|-----------------------------------|-------|------|
| Total number of patients | 1,053 | 998 |
| Discharges | 78 | 103 |
| Deaths | 406 | 465 |
| % died in preferred place of care | 88% | 86% |

"My husband was given the utmost care, always treated with dignity and respect. I was always shown kindness and given support."

A Weston Hospicecare relative May 2019

- We aim for 80% of patients to complete an Advance Care Plan. In 2019-20, we achieved this with 83%.
- 88% of patients died in their preferred place of care, slightly up from the previous year.
- Non-cancer referrals were down from 14% to 12%.
- The community team continued to work during March, although all visits were risk assessed due to Covid-19. Risk assessments have reduced visits to only essential calls by our community team, with them using technology to enable face-to-face contacts.

In-patient Unit

| | 2020 | 2019 |
|-----------------------------|------|------|
| Admissions | 152 | 185 |
| Discharges | 55 | 67 |
| Deaths | 117 | 106 |
| Average length stay in days | 17.6 | 14.1 |
| Average bed occupancy | 77% | 68% |

"I have nothing but admiration for the way that Weston Hospice offers care. The attention to detail and expertise of the nursing staff is second to none. The ability to take time with patients and offer advice and guidance from years of experience make for a rounded service. My only suggest for any kind of improvement is to make it bigger (more beds). I wish I had influence enough to affect government purse strings to get more money."

A Weston Hospicecare patient July 2019

"My care has been exceptional and nothing is too much trouble and everyone is kind and understanding. I have been so lucky to be under care, where I have improved so much."

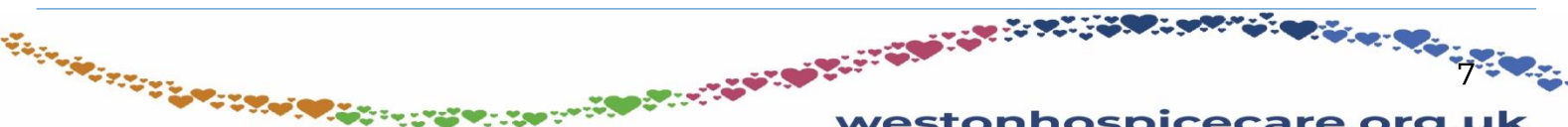
A Weston Hospicecare patient March 2020

The In-patient Unit:

- Manages symptoms that are particularly complex and have been difficult to control at home.
- Helps people adapt to changes so they can go back home.
- Provides care at the end of life when it is not possible or preferred to die at home.
- Provides a 24/7 Advice Line supported by nursing and medical staff, which received 421 (increase of 58) calls proving invaluable advice to professionals, families and those looking after someone needing advice or support to continue care in their normal place of residence.
- At the start of the Covid-19 pandemic we had to introduce visiting restrictions to our In-patient unit, being one of the hardest decisions we have had to make and completely foreign to the way we usually work. The restriction to visitors in the In-patient unit, with patients family members being furloughed and reduced staff due to shielding etc. led to more patients staying at home.

"I felt the care was individualised to me, I could say what I wanted. I came out of the session and felt I had turned the corner. I could see no way forward for me but after the session I can honestly say I improved greatly."

A Weston Hospicecare patient July 2019



Day Services

| | 2020 | 2019 |
|--------------------------|-------|-------|
| Total number of patients | 162 | 163 |
| Attendance (sessions) | 1,445 | 1,285 |

“Compassionate, sympathetic and friendly staff. Proactive and positive environment. Very beneficial interaction with peers, especially with regards to coping mechanisms, both actual and potential. Provides a change of scenery/location and thus helps overcome (as far as possible) cabin fever, isolation and feeling completely alone. Reassurance in knowing that medical assistance available if required and brilliant food.”

A Weston Hospicecare patient April 2019

- Our Day Services play a crucial role in promoting independent living and quality of life for patients and carers.
- Day Services was temporarily closed during March due to Covid-19.
- Non-cancer attendance remains over 30%.

Family Support Team

| | 2020 | 2019 |
|-----------------------------|-------|------|
| Chaplaincy | | |
| Face to face contacts | 1,127 | 905 |
| Total number of patients | 167 | 195 |
| Bereavement service | | |
| Face to face contacts | 550 | 710 |
| Total number of clients | 223 | 244 |
| Volunteer contacts | 228 | 314 |
| Coffee morning | 119 | 126 |
| Buddy Groups (Hospice only) | 201 | 281 |
| Companion services | | |
| New referrals | 96 | 85 |
| Volunteer contacts | 680 | 423 |

“The entire Hospice team has been outstanding in their guidance, understanding and care. I can’t thank you enough. I could never have done it without you.”

A Weston Hospicecare relative October 2019

“The care and understanding shown by L was sympathetic and caring. I can’t thank you enough for refraining and pointing the way from despair to hope.”

A Weston Hospicecare relative November 2019

- Caring for the family, including after death is a key component of hospice support. Face -to-face consultations in some areas has gone down partly due to Covid-19 in March. Group attendance and bereavement coffee mornings remain well attended, but stopped in March.
- Our clinical volunteers remain integral to the work of the hospice providing companionship and emotional support.

Compliments and Complaints

- The hospice aims to provide the best possible care and as a hospice, we take every suggestion and complaint seriously and aim to learn from these occasions. We also take the opportunity to learn from compliments and share good practice.
- In 2019-20, we received over 350 compliments and 5 complaints in our Clinical areas. This is slightly up from 2018-19 at 342 compliments and 1 complaint in our Clinical areas.
- We aim for 90% of our patient’s friends and family to be extremely likely to recommend our service to their friends and family if they needed similar care or treatment. In 2019-20, we achieved this with 94% (with 100% likely to recommend).

iWantGreatCare

The hospice continues to take part in “iWantGreatCare”, a platform to let patients leave meaningful feedback on their care, say thank you and help the next patients. iWantGreatCare demonstrates that we are transparent, aware and open to patients’ experience as a central part of delivering high quality care.

<https://www.iwantgreatcare.org/hospitals/weston-hospice>

Most of the patient/relative quotes in this report are taken from the “iWantGreatCare” platform.

Our People



Our people, whether paid staff or volunteers, are the heart of our organisation. Each person, in each team has an important role to play – bringing different skills, knowledge and expertise – which support the successful running of the hospice.

Our clinical teams are supported by our catering and housekeeping teams to provide the best care possible for our patients and their families/carers. Our retail and fundraising teams raise the much needed income to support the work we do. Our staff in finance, maintenance, facilities, reception, HR, training and volunteer services provide support to keep our other teams functioning.

We focus our recruitment for both paid staff and volunteers on equal opportunities, concentrating on role requirements.

Employees

We remain committed to recruiting, developing and retaining qualified, experienced, competent and well-motivated professionals. We seek to recruit from all areas of our community.

We employ 102 whole time equivalent staff in the charity including Retail. We have a staff consultation group which considers staff issues at the request of the senior management team or directly from staff.

The hospice promotes continued learning and development and seeks opportunities and support for all staff to develop themselves both personally and professionally.

We have secured funding from Health Education England (HEE) for a number of training courses for our staff including a non-medical prescribing course for some of our community nurse specialists.



Volunteers

The hospice is reliant on the goodwill, commitment and dedication freely given by volunteers, who are the lifeblood of the hospice. Each volunteer brings their own specific skills, humour, interests and experience. Volunteers support the work of all teams whether it is in our main hospice building, out in our shops and retail business hub, or working amongst the community in support groups.

Prior to the Covid-19 pandemic, we had 591 active volunteers, 378 of whom support the retail team. Towards the end of March 2020, in line with government guidance, the difficult decision was made to stand down all volunteers with the exception of Trustees and the Family Support team who were able to offer their services safely via telephone and video links.

Services are continually reviewed and new voluntary roles developed and reintroduced in line with service requirements.

The hospice strives to forge close ties within the community and continues to work with local schools and colleges in identifying opportunities for volunteering. We also retain links with companies who run employee volunteering schemes, and with organisations who offer return to work programmes; offering long term unemployed the opportunity to gain valuable skills and regain their confidence through volunteering.

Financial review

Overall the Charity had total income of £4,604k (2019 £4,754k) and generated a net deficit of £213k, a negative swing of £688k from the 2019 position of £475k net surplus.

There was a significant decrease in legacy income which totalled £410k for the year (2019 £878k).

During the year, the value of investments also decreased, in the main due to the Covid-19 pandemic, giving a negative movement of £245k, compared to the prior year profit of £50k.

Over a three-year period, it is our plan to produce a balanced operating performance. The hospice is committed to minimising operating costs without impairing the quality of its services.

One future uncertainty has been around funding of the NHS pension increases from 14.3% to 20.6% introduced from 1st April 2019. It has since been confirmed that the government (via NHS England) will cover this increased cost until at least 31st March 2023.



Charity shops (retail trading)

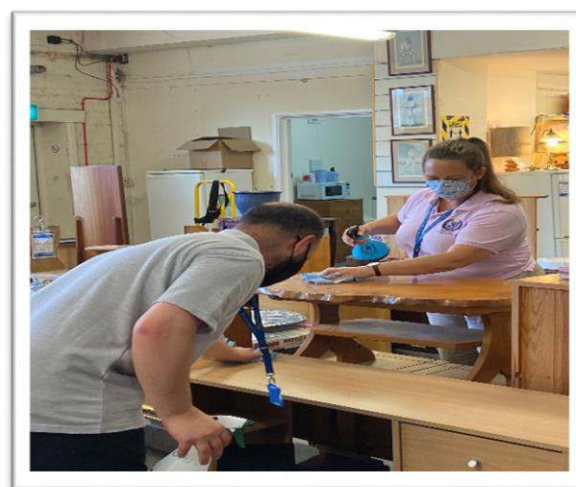
Total retail income including gift aid was £1,742k in 2020 (£1,639k excluding gift aid). The total net contribution to the Hospice was £280k. (In 2019, net contribution was £389k).

The trading year has been a challenging one due to the changing face of traditional retail and increasing shop closures in the High

Street. In order to keep abreast of the changes we have taken the opportunity to review aspects of our current retail strategy such as our new goods ratio, pricing levels, gift aid processes, staffing models and infrastructure. We are also reviewing our shop portfolio and engaging with landlords in order to seek the best possible result for the Hospice. The end of the trading year 2019-20 was badly affected by the Covid-19 pandemic, trade slowed throughout February and by mid-March we began to close the shops in anticipation of full lock down. This was handled in a very structured way and the team were very professional ensuring that the building and contents were left in the best possible condition.

Staffing

At year-end, we had 53 employees, and 395 highly valued volunteers helping in our shops, warehouse, and online team, in our offices and with our logistics team.



Health and Safety

Our shops at Cheddar, Weston High Street, Waterloo Street, Devonshire Road and the Burnham £1 shop all received full or partial refits in the financial year 2019-2020, which has created great shopping environments for our customers, as well as improving facilities and fire safety for our staff well-being.

Plans for next twelve months:

Our financial focus will be on the recovery from the effects of the Covid-19 pandemic. We have begun a cautious phased opening of our shops, putting in very strict measures to ensure the continued safety of our staff and customers. This requires a lot of additional training for our team and presents a very different way of working for us at this present moment. At the time of writing some of our staff are still on furlough and we thank them for their patience as we work through this process. We will also be working alongside an external agency who will help us review our organisation and put in place plans to help us in the future, reviewing our strategy in light of recent changes. We plan expand of our online offering and diversify into other areas of this arena to generate additional income.

**Fundraising**

The fundraising team raises funds from individuals, from our local community, the business sector, local and national grant-giving trusts, and through events.

Total voluntary income for this year was £1,395k, down against the previous year's £1,717k largely due to smaller gifts in wills this year.

Legacy income was received from 25 estates contributing to the £410k income reported. We are very grateful to everyone who remembered us in their Will. Make Your Will Week, held in February again this year was a great success, with an increased number of participants and donations. We would like to thank the local solicitors firms who supported the event this year.

We ran four hospice-managed events this year, the Men's March in March, the annual Mendip Challenge in June, It's a Hospice Knock Out in September and the Midnight Beach Walk in October. Sadly we had to postpone the Strictly Fun Dancing in March due to the Covid-19 situation. The events were popular and well-supported. We achieved a particularly good result for our flagship Mendip Challenge event, which still proves as popular as ever. Overall even with Strictly postponement, we exceeded expected income across the four events by £12k. We are grateful for the kind sponsorship of Howards Motor Group, the Grand Pier, Thatchers and Evo Business Club.



Income from trusts and grants (restricted and unrestricted) was slightly down on the previous year, at £18k (2019 £25k). We extend particular thanks to The St James Place Charitable Foundation, Freemasons Grand Charity, Dame Violet Wills Will Trust, Thomas J Horne Memorial Trust, for their generous contributions.



Once again this year we were extremely well supported by our local community who helped us by organising fetes, cake sales, sponsored events, entertainment and tea parties. This support is invaluable to us and without it we would not be able to raise the necessary income that the hospice needs. Our Friends' groups continued to work hard on our behalf once more this year, with a busy programme of fashion shows, fairs, coffee mornings etc. We so appreciate their hard work and commitment.

Challenge events (which includes London Marathon places, skydives, etc.). Due to a new challenge in the form of a wing walk we brought in more than the previous year, and finished the year strongly. Weston Hospicecare's lottery income was up on the previous year, despite having to put canvassing on hold due to the pandemic.

We are very grateful for the continuing support and generosity of our many donors and supporters throughout the year.

Investment Powers and Policy

Our investment portfolio is managed by Rathbones, who manage the funds according to a relatively low-risk profile consistent with the powers provided under the charity's memorandum and articles of association, and the investment policy set out by the trustees. The investment policy takes into account such factors as:

- A prudent level of reserves, as informed by regular reviews of the organisation's business plan, risk profile and reserves policy;
- A sufficient level of liquidity; and
- Appropriate diversification, at modest risk, within the investment asset pool.

During the financial year, the investment yield of approx. 3% was a valuable source of income.

Principal risks and uncertainties

One of our most important assets is our reputation, which has been hard-earned over 30 years. Any serious incident that could damage our standing in the community will have a significant impact on our ability to raise funds.

A focused and engaged Senior Management Team, supported by our Board of Trustees, communicating openly in a culture of mutual support and without fear, ensures we work in alignment to maintain and enhance our reputation.

Hospice Governance is provided by a series of Trustee-led sub-Committees with clear terms of reference to home in on specific mission-critical aspects of our work.

Hospice risk registers provide a framework for risk identification, quantification, mitigation, and thus management to an acceptable level. The risk registers are reviewed annually to verify continued suitability.

Hospice policies and procedures are monitored and reviewed according to a master schedule. Of these, our Risk Management Policy guides our strategic management of risk, and our Reserves Policy ensures that sufficient reserves are maintained to weather storms and carry us through uncertain periods.

The charity has considered the impact of Brexit on its operations. The main risks facing the organisation are around medicines, recruitment and investments. The NHS is issuing guidance and we are following that guidance which does not consider it helpful or appropriate for organisations to be stockpiling medicines. Recruitment of EU workers may present a risk but to date the charity has not experienced issues regarding this and does not employ significant levels of EU workers which indicate few future issues will be experienced. Investments are very volatile and Brexit represents an additional uncertainty. The charity is advised by Rathbones who manage volatility within our investment strategy and the trustees believe it has resilience to withstand significant fluctuations in the market as a result of Brexit.

Reserves Policy

The charity will maintain sufficient reserves, according to its Reserves Policy which requires the calculation of reserves on both a going concern basis, and on a theoretical basis of close-down. The minimum level of reserves is calculated for both scenarios and the higher of these two informs the ongoing minimum level of reserves. This exercise has revealed that the level of reserves demanded as a going concern is significantly higher than the level of reserves demanded for the theoretical close-down scenario, and thus it is the former which sets our level of reserves according to the calculation described below.

The level of reserves that would be necessary to maintain the charity's full objectives and services, taking into account the reasonably likely risks over a future two-year period, is used for the calculation on a going concern basis.

Free reserves will be defined in accordance with Charity Commission guidelines to exclude restricted and designated funds, and to exclude the value of fixed assets required to operate the hospice. Where a significant proportion of reserves relates to investment property the appropriateness of including its value will be assessed at the time of the calculation.

Reserve requirements are estimated by a risk-based approach estimating a plausible "worst

case" reduction in our income streams and increase in our expenses – a range of annual percentage reductions between 10-40% are postulated for the various income streams and a 5% annual increase is postulated for our expenses. The resulting cash impact is aggregated over a two-year period which is considered to represent a reasonable period associated with the worst case scenario and is long enough for us to readjust income streams and, if necessary, to reduce expenditure.

There are also specific provisions made for future known issues e.g. trading losses, insofar as they have not been provided for in the financial statement.

The total reserves predicted by this calculation will be further increased by a factor of 10% as insurance against, and to meet the problems posed by, unforeseeable events with both very low probability and very high impact, such as (but not restricted to) the Covid-19 pandemic during 2020. This factor of 10% is based on our experience during the Covid-19 pandemic, extrapolated over the period envisaged.

The total funds held by the group at 31 March 2020 totalled £6,628k (2019: £6,841k) per the details set out in note 23 to the accounts.

Restricted funds at 31 March 2020 total £372k (2019: £382k), and are not available for general use by the Charity.

Designated funds total £14k at 31 March 2020 (2019: £4k) with the addition of £5k to the Friends fund, and the Jill Dando fund being set up in 2019. This being a special fund set up in memory and honour of our former patron, on the 20th anniversary of her untimely death.

Of the total funds referred to above, the free reserves available to the Charity, without the need to dispose of tangible fixed assets total £3.5m (2019: £3.9m) which equates to approximately 9 months running costs.

Current reserves are in excess of the amount recommended by our reserves policy but given the huge uncertainty that prevails over the risk of further lockdowns, national or local, that could require us once again to close our shops but this time without the safety net of the CJRS and small business grants, to further

curtail our fundraising activities which are still hampered by social gathering restrictions, and the depressed income levels we are suffering as a result, and with further uncertainty over Brexit trade talks also adding to the risk, it is prudent and appropriate that we are carrying more reserves than usual during this period to guarantee the sustainability of our care, which thus far we have managed to maintain throughout the pandemic.

Pay rates for key management personnel

The board of trustees and the senior management team comprise the key management personnel of the hospice. All trustees give of their time freely and no trustees received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 28 of the accounts.

The current Chief Executive had his pay benchmarked against similar roles in comparable organisations.

The Chief Executive undertakes the pay review of other members of the senior management team, benchmarking informally. There is an emphasis on ensuring value for money whilst enabling the recruitment and retention of appropriate skills and experience.

The remuneration paid to key management personnel is set out in note 14 to the accounts.

Fundraising Practices

The Trustees confirm that Weston Hospicecare Limited undertakes its fundraising activities in accordance with best practice and in line with current Code of Fundraising Practice.

Weston Hospicecare Limited is registered with the Fundraising Regulator, the independent body established to set and maintain standards of appropriate charitable fundraising in the UK. We ensure we adhere to the 'fundraising promise' as set out by the Fundraising Regulator. We take the management of our data very seriously and conform to Data protection legislation. We only collect and use personal information for the use it was intended and do not sell or buy data to or from third parties. We send out two

newsletters per year and those, along with any other communications are based on the interests and wishes of the supporter.

We have ensured that we are complying with the General Data Protection Regulations which came into force in May 2018 by continually reviewing our policies and practices relating to personal data, including our consent procedures and our fundraising database retention periods. We provide all of our supporters with clear and easy opportunities to change their communication preferences at any time. Our Privacy Notice, outlining how we use supporter data is available on our website or can be communicated verbally or in writing for those without internet access by calling our supporter care department. We also have a complaints procedure should anyone wish to raise an issue or complain about any of our activities (including fundraising). During 2019/20 we didn't receive any complaints relating to our fundraising and communications practices.

Weston Hospicecare Limited also raises funds from trusts, foundations and companies. Funds raised are used as per the supporter's wishes, whether set aside for specific purposes (restricted) or for general hospice expenses (unrestricted). We ensure that we comply with any agreed arrangements with our supporters such as named recognition in the statutory accounts. We also have robust internal control systems to ensure that the grants are spent for the specified purpose (if any) and closely monitored. Any requests for anonymity are always respected and adhered to.

When entering into commercial partnerships we always obtain written agreements, making clear the roles and responsibilities of each party. In 2019/20 Weston Hospicecare Limited continued working with Lottery Fundraising Services Ltd to help raise the profile of our Lottery through venue sales (stands at supermarkets etc). Lottery Fundraising Services were also contracted to do a limited amount of door-to-door sales to raise Lottery numbers and there were significant levels of control around this including (but not limited to) hospice-led training.

We recognise that the users of our services and indeed our supporters can be vulnerable

and require protection from abuse and exploitation. The privacy and dignity of our patients and sensitivity to their needs and wellbeing is paramount to us. Our safeguarding adults at risk policy governs how we deal with vulnerable people and this can be made available on request, as required by the Fundraising Regulator.

Plans for future periods

Our financial focus during 2020/21 will be on recovery from the Covid-19 pandemic, and getting back on the track of our pre-Covid-19 budget as quickly as possible. Only by doing so can we restore full patient services and continue to develop and expand our clinical care in the months and years ahead.

Budget 2020/21

We expect the majority of 2020/21 to be affected in one way or another by the recovery from Covid-19 and national lockdown. In some respects, our approved budget for 2020/21 has become academic because the underlying assumptions have been swept away by the events of 2020 year to date. However, we believe we must not lose sight of our status, plans and budget pre-Covid-19 so that we continue to measure ourselves against that baseline and return to “normal” as soon as we can.

Despite the national and local economic ravages of the Covid-19 pandemic, we believe the hiatus imposed by the virus during March-September 2020 (time of writing) also presents an opportunity. Weston Hospicecare has come through the crisis well, thanks to the creativity, enthusiasm and resilience of our staff, and we aspire to bounce back stronger from the crisis by incorporating some of what we have learned about our organisation during this period. As regards our ability to not only restore our income to pre-Covid-19 levels but to build on these, there are two main strands to our approach:

- Our Fundraising team has discovered new ways of working, in particular the use of technology and the ability to run virtual events either standalone or in combination with mass participation events, which reach out to a wider support base. The best of these will be

retained in future alongside those more traditional ways of fundraising for an optimum blend which has the possibility of exceeding our pre-Covid-19 recipe.

- Pre-Covid-19, we were already reviewing our Retail operations and looking at all aspects such as pricing strategies, proportion of new goods, hub infrastructure, staffing model, gift aid processes, shop portfolio composition, engagement with landlords, and more. The closure of all our shops has afforded us the time and headspace to accelerate our review, coupled with the assistance of external charity retail consultants to augment our own analysis. Our hope is to effectively re-invent our Retail organisation in such a way that it can generate significantly more funds to support our charitable purpose.

This two-strand approach, running alongside the continued support of our Clinical Commissioning Groups, will enable the Hospice to emerge from the Covid-19 crisis in best possible shape.

We wish to acknowledge and repeat our appreciation for the generous financial aid received from central government in the form of the Covid-19 Job Retention Scheme, grant funding for hospices administered by Hospice UK, and from local authorities in the form of small business grants to shops.

Clinical Services & Strategy

Care for patients and their loved ones remains at the heart of everything we do.

2019/20 was Year 1 of the 5-Year strategy that we developed during 2018. The CEO address to this report summarises some of the Clinical improvements and service expansion we undertook during Year 1. It was always planned that Year 2 would be more of a year of consolidation, to bed in those expanded services, measure our effectiveness, and manage our way through a period of great change as long-serving key medical and

clinical staff retired from our In-Patient Unit.

This illustrates our approach of taking the Hospice forward through cycles of service development matched by iterations of income growth, to ensure we remain balanced and sustainable.

As we look to gradually and safely emerge from the Covid-19 lockdown, this is still our intention for Year 2 of our 5-Year strategy, but now the emphasis is first on re-starting those Clinical services which have been temporarily suspended, such as Outpatient Day Services (Day Hospice) and Complementary Therapies, and restoring full income generation after enforced closure of all shops and cancellation or postponement of many fundraising activities, to sustain those. Our goal is to end 2020/21 (Year 2) with all Clinical services running, and monthly income at levels which not only meet our original 2020/21 budget but which are set to grow into 2021/22. Nonetheless, the impact of Covid-19 on prior months means we do expect to finish 2020/21 behind our original budget. Financial forecasting for the full year will be updated monthly.

Governance

Alongside all usual governance activities, our key governance focus areas for 2020/21 will include:

- The Hospice Risk Management System and processes around annual review of Risk Registers.
 - Re-focus on our Information Governance and GDPR Improvement Plan.
 - Overhaul of our Retail processes and procedures, fully integrated with a new EOPS system.
 - Sustained commitment to staff and volunteer training, both statutory and mandatory training and elective training (within the constraints of our budget).
- Further improvements to our Staff Appraisal system and completion rates.
 - Maintenance and continuous improvement of our pan-Hospice policies and procedures.

Structure, Governance and Management

Governing document

Weston Hospicecare is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Operating name

The hospice operates under the name of Weston Hospicecare Limited. The hospice has one wholly owned trading subsidiary, Weston Hospicecare Mart Limited which deals with all new goods sales and commission on gift aid.

Trustee induction and training

Following selection and recruitment, the prospective trustees receive an induction pack, which covers the responsibilities of a trustee within the charity and specific information about Weston Hospicecare Limited, and receive training where appropriate. The existing Board of Trustees can co-opt new trustees at any time, usually after a probationary period as an observer. The AGM then ratifies co-opted trustees.

The hospice gives all trustees an extensive 'Trustee Manual' to guide them as to how the charity operates and what is expected of them.

Directors and trustees

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Recruitment and appointment of trustees

New trustees are recruited to the charity following an assessment of the skills and experience within the team and identification of any gaps; the aim is to have a broad range of skills and abilities including business, finance, human resources and clinical skills. All members of the Board are non-executive and the positions are unpaid

Organisation

The main objective of the trustees is, in conjunction with the senior management team, to develop the strategic direction of the hospice ensuring that this remains within the remit of the charity, maintain the ethos and principles agreed, and to ensure that a robust monitoring system is in place to review performance. The day-to-day management of the hospice has been delegated to the Chief Executive and senior management team, consisting of:

- Chief Executive
- Director of Patient Services
- Director of Fundraising & Communications
- Director of Retail
- Finance Manager
- HR Manager

There are bi-monthly meetings of the Board of Trustees and the senior management team attends these. In addition, sub-committees consist of trustees and the senior management team, meeting bi-monthly as a rule, covering subjects such as clinical governance, finance and business planning and income generation. Each sub-committee has its own terms of reference.

There is appropriate clinical governance in place to monitor and improve our service. Monitoring of staff and public health and safety is core to governance at all levels.

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

other jurisdictions.

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also directors of Weston Hospicecare for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group 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 group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware; and
- The trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken steps that he/she is obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

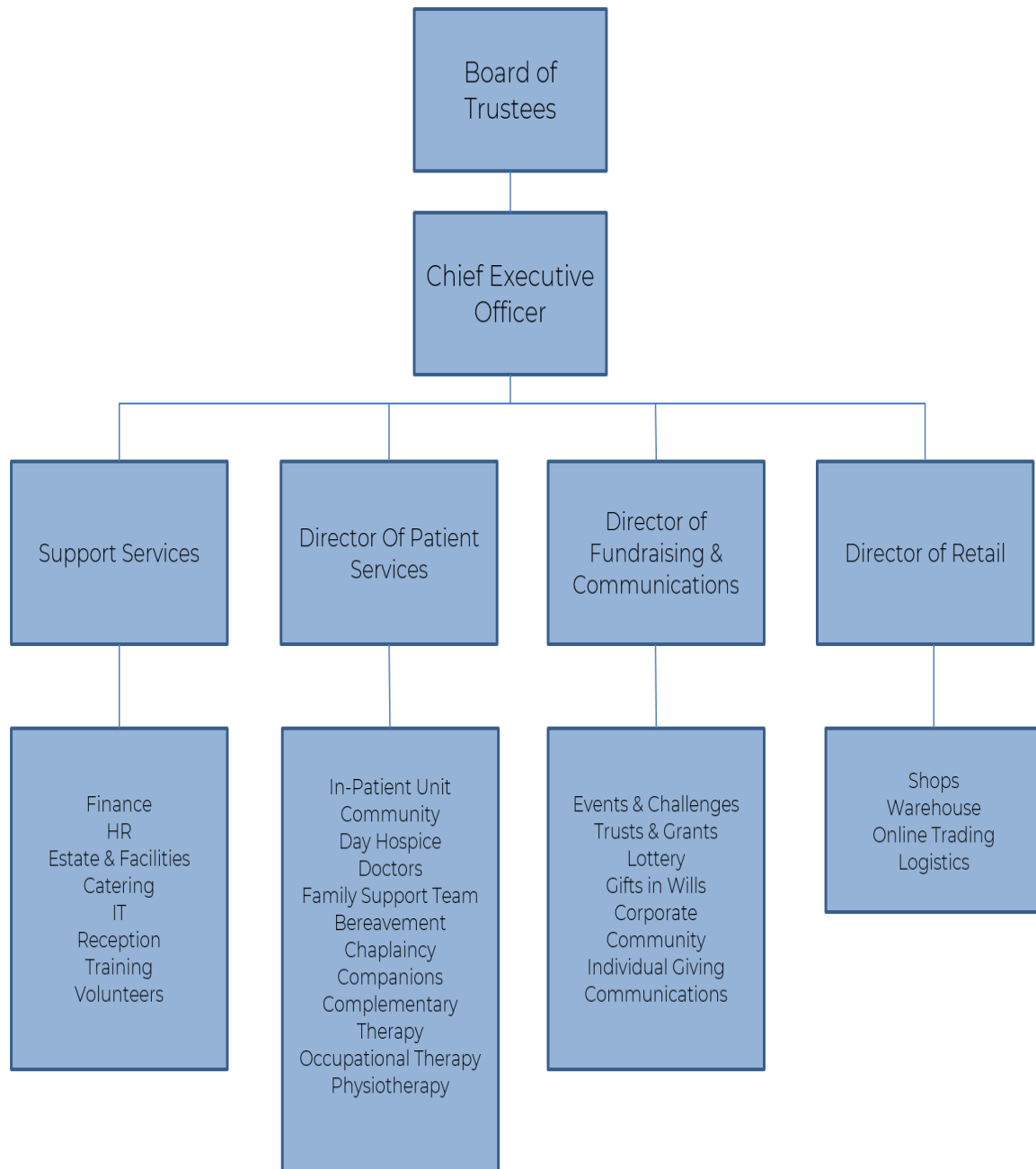
This Report, incorporating the Strategic Report, was approved by the Trustees and signed on its behalf by

J E Driscoll

Chair

17th September 2020

Organisational Structure



Reference and administrative details

Charity Number : 900328

Company Number : 02414541

Registered Office : Jackson-Barstow House, 28 Thornbury Road, Uphill, Weston-super-Mare,
North Somerset BS23 4YQ

Our advisors

Auditors Mazars LLP, 90 Victoria Street, Bristol BS1 6DP

Bankers Lloyds Bank plc, 2 South Parade, Weston-super-Mare, BS23 1JL

Solicitors Powells with Chawner Grey, 7-13 Oxford Street, Weston-super-Mare, BS23 1TE

Investment Advisors Rathbone Brothers plc, 1 Curzon Street, London W1J 5FB

Investment Managers CCLA Investment Management Ltd, 80 Cheapside, London, EC2V 6DZ

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law. The trustees and officers serving during the year and since the year-end were as follows:

John Davey, Vice Chair, Treasurer

Judi E Driscoll, Chair

John Bangham (Appointed 21st May 2020)

Dr John Dixon

Hilary Emery

John Katsouris

Michelle Michael

Leslie Millar

Simon Price

Dr Peter Smith

Angela M Smythe (Resigned 21st November 2019)

Elizabeth Turner

Secretary

John Davey

The key management personnel serving during and since the year end were:

Chief Executive Officer

Paul Winspear

Director of Patient Services

John Bailey

Director of Fundraising & Communications

Mark Flower

Director of Retail

Gemma Turner

Finance Manager

Roslyn Seymour

HR Manager

Sonja Hammond

Independent auditor's report to the members of Weston Hospicecare Limited

Opinion

We have audited the financial statements of Weston Hospicecare Limited (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 charity's affairs as at 31 March 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, 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 included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the parent charity 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Richard Bott (Senior statutory auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street, Bristol, BS1 6DP

| | Note | Restricted funds | Unrestricted Funds | | | Total funds |
|---|--------------|------------------|--------------------|---------------|------------------|------------------|
| | | | General | Designated | Total | |
| | | 2020 | 2020 | 2020 | 2020 | 2019 |
| | | £ | £ | £ | £ | £ |
| Income and Endowments from: | | | | | | |
| Donations and gifts in wills | 3 | 5,282 | 916,058 | - | 921,340 | 1,331,382 |
| Other trading activities | 4 | - | 2,344,544 | - | 2,344,544 | 2,303,994 |
| Investment income | 5 | - | 89,625 | - | 89,625 | 89,186 |
| Charitable activities | 6 | 123,523 | 1,102,039 | 5,048 | 1,230,610 | 1,019,725 |
| Other income | 7 | - | 17,800 | - | 17,800 | 9,730 |
| Total income | | 128,805 | 4,470,066 | 5,048 | 4,603,919 | 4,754,017 |
| Expenditure on: | | | | | | |
| Raising funds | 8,9,10 | 1,962 | 2,234,676 | - | 2,236,638 | 2,180,710 |
| Charitable activities | 11 | 78,496 | 2,256,371 | 704 | 2,335,571 | 2,148,319 |
| Total Expenditure | | 80,458 | 4,491,047 | 704 | 4,572,209 | 4,329,029 |
| (Gains) and losses on revaluation and disposal of investment assets | | - | 244,677 | - | 244,677 | (49,606) |
| Net Income/(Expenditure) | | 48,347 | (265,658) | 4,344 | (212,967) | 474,594 |
| Transfers between funds | 23 | (57,944) | 52,629 | 5,315 | - | - |
| Net movement of funds for the year | | (9,597) | (213,029) | 9,659 | (212,967) | 474,594 |
| Total funds at 1 st April 2019 | | 381,856 | 6,455,234 | 4,254 | 6,841,344 | 6,366,750 |
| Total funds at 31st March 2020 | 23,24 | 372,259 | 6,242,205 | 13,913 | 6,628,377 | 6,841,344 |

| | Note | Restricted funds | Unrestricted Funds | | | Total funds |
|---|--------|------------------|----------------------|-------------------------|--------------------|------------------|
| | | 2019 £ | General 2019 £ | Designated 2019 £ | Total 2019 £ | 2018 £ |
| Income and Endowments from: | | | | | | |
| Donations and gifts in wills | 3 | 94,281 | 1,237,101 | - | 1,331,382 | 796,563 |
| Other trading activities | 4 | 30 | 2,303,964 | - | 2,303,994 | 2,007,127 |
| Investment income | 5 | - | 89,186 | - | 89,186 | 56,532 |
| Charitable activities | 6 | 54,387 | 961,338 | 4,000 | 1,019,725 | 918,097 |
| Other income | 7 | 900 | 8,830 | - | 9,730 | 9,356 |
| Total income | | 149,598 | 4,600,419 | 4,000 | 4,754,017 | 3,787,675 |
| Expenditure on: | | | | | | |
| Raising funds | 8,9,10 | 571 | 2,180,139 | - | 2,180,710 | 1,974,485 |
| Charitable activities | 11 | 21,391 | 2,125,386 | 1,542 | 2,148,319 | 1,982,488 |
| Total Expenditure | | 21,962 | 4,305,525 | 1,542 | 4,329,029 | 3,956,973 |
| (Gains) and losses on revaluation and disposal of investment assets | | - | (49,606) | - | (49,606) | 120,226 |
| Net Income/(Expenditure) | | 127,636 | 344,500 | 2,458 | 474,594 | (289,524) |
| Transfers between funds | | (24,386) | 25,268 | (882) | - | - |
| Net movement of funds for the year | | 103,250 | 369,768 | 1,576 | 474,594 | (289,524) |
| Total funds at 1 st April 2018 | | 278,606 | 6,085,466 | 2,678 | 6,366,750 | 6,656,274 |
| Total funds at 31st March 2019 | 23 | 381,856 | 6,455,234 | 4,254 | 6,841,344 | 6,366,750 |

| | Note | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|--|------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Intangible assets | 16 | | 35,946 | | 620 |
| Tangible assets | 17 | | 2,779,748 | | 2,672,279 |
| Investments | 18 | | <u>2,273,752</u> | | <u>2,802,991</u> |
| | | | 5,089,446 | | 5,475,890 |
| Current assets | | | | | |
| Stocks | 19 | 93,469 | | 65,367 | |
| Debtors | 20 | 408,867 | | 449,477 | |
| Cash at bank and in hand | | 1,582,886 | | 1,318,881 | |
| | | <u>2,085,222</u> | | <u>1,833,725</u> | |
| Creditors: amounts falling due within one year | 21 | (468,616) | | (382,921) | |
| | | | | | |
| Net current assets | | | 1,616,606 | | 1,450,804 |
| Provisions | 22 | | (77,675) | | (85,350) |
| Total assets less current liabilities | | | <u>6,628,377</u> | | <u>6,841,344</u> |
| Charity Funds | | | | | |
| Restricted funds | 23 | | 372,259 | | 381,856 |
| Unrestricted funds | 23 | | 6,256,118 | | 6,459,488 |
| | | | <u>6,628,377</u> | | <u>6,841,344</u> |

The financial statements were approved and authorised for issue by the Trustees on 17th September 2020 and signed on their behalf by:

Mr. J. Davey

Trustee

The notes on pages 29 to 53 form part of these financial statements.

Company Registered Number: 02414541

| | Note | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|--|------|-----------|-------------------------|-----------|-------------------------|
| Fixed assets | | | | | |
| Intangible assets | 16 | | 35,946 | | 620 |
| Tangible assets | 17 | | 2,771,343 | | 2,657,598 |
| Investments | 18 | | <u>2,274,752</u> | | <u>2,803,991</u> |
| | | | 5,082,041 | | 5,462,209 |
| Current assets | | | | | |
| Stocks | 19 | - | | - | |
| Debtors | 20 | 495,515 | | 567,721 | |
| Cash at bank and in hand | | 1,534,032 | | 1,204,132 | |
| | | | <u>2,029,547</u> | | <u>1,771,853</u> |
| Creditors: amounts falling due within one year | 21 | (450,228) | | (352,060) | |
| | | | | | |
| Net current assets | | | 1,579,319 | | 1,419,793 |
| Provisions | 22 | | (77,675) | | (85,350) |
| Total assets less current liabilities | | | <u><u>6,583,685</u></u> | | <u><u>6,796,652</u></u> |
| Charity Funds | | | | | |
| Restricted funds | 23 | | 372,259 | | 381,856 |
| Unrestricted funds | 23 | | 6,211,426 | | 6,414,796 |
| | | | <u><u>6,583,685</u></u> | | <u><u>6,796,652</u></u> |

The financial statements were approved and authorised for issue by the Trustees on 17th September 2020 and signed on their behalf by:

Mr. J. Davey

Trustee

The notes on pages 29 to 53 form part of these financial statements.

Company Registered Number: 02414541.

| Cashflow Statement | Note | Total funds | |
|---|-------|------------------|--------------------|
| | | 2020 £ | 2019 £ |
| Cashflows from operating activities: | | | |
| Net cash provided by operating activities | 25 | 194,038 | 635,833 |
| Cash flows from investing activities | | | |
| Dividends and interest from investments | 5 | 89,625 | 89,186 |
| Purchase of intangibles, property, plant and equipment | 16,17 | (304,220) | (173,262) |
| Purchase of investments | 18 | (621,329) | (2,417,011) |
| Proceeds from sale of investments | 18 | 905,891 | 1,000,809 |
| Net cash provided by(used by) investing activities | | 69,967 | (1,500,278) |
| Change in cash and cash equivalents in the reporting period | | 264,005 | (864,445) |
| Cash and cash equivalents at the beginning of the period | | 1,318,881 | 2,183,326 |
| Cash and cash equivalents at the end of the period | 25 | 1,582,886 | 1,318,881 |

The notes on pages 29 to 53 form part of these financial statements.

1. General Information

Weston Hospicecare Limited is a charity registered in England and Wales and a private company limited by guarantee. The registered office is Jackson-Barstow House, 28 Thornbury Road, Uphill, Weston-super-Mare, BS23 4YQ.

2. Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Weston Hospicecare meets the definition of a public entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling which is the functional currency of the charity and group and rounded to the nearest pound. Comparative information relates to the year ended 31 March 2019.

2.2 Preparation of the accounts on a going concern basis

The charity reported a cash inflow of £264k during the year. The Trustees aim to achieve a balanced financial performance, and they are confident that the steps that they have undertaken this year will result in a continued positive performance over the next 1-3 years. The Charity has reserves as disclosed on page 13 which the trustees consider adequate and on this basis, the Trustees have prepared the accounts on a going concern basis.

2.3 Basis of consolidation

The financial statements consolidate the accounts of Weston Hospicecare Limited and of its subsidiary undertaking ('subsidiary') on a line by line basis.

The charity has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the group was a £213k deficit (2019: £475k surplus).

2.4 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on the reference and administrative details page. 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.

2.5 Fund accounting

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.

Designated funds comprise 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 financial statements.

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 financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.6 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.

For gifts in wills, 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 gift in will 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 gifts in wills 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 gift in will is treated as a contingent asset and disclosed if material.

2.7 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Costs of generating funds are those costs incurred in fundraising and those costs incurred in trading activities that raise funds.

The costs of charitable activities are those of providing a community based specialist palliative care service.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

2.8 Intangible Assets

Intangible assets over £500 are capitalised and stated at cost less amortisation. Amortisation is provided so as to write off the cost over their useful lives as follows:

Computer software - over 3 years

2.9 Tangible fixed assets and depreciation

Tangible fixed assets over £500 are capitalised and stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property - 2% straight line, except where an asset is re-lived.

Leasehold Property - evenly over the life of the lease

Motor vehicles - 25% straight line

Fixtures & fittings - 20% straight line

Computer equipment - over 3 years

Medical Equipment - 25% straight line

Freehold property is stated at cost or valuation in the balance sheet less accumulated depreciation to date. The organisation's investment in freehold property is included at a value based upon the open market value of similar properties in the vicinity.

Assets under construction are capitalised but not depreciated until they are commissioned.

2.10 Investments

Listed investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment. These are valued at cost as there is not thought to be a significant difference with their market value.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Items donated for resale are not included in the financial statements until they are sold.

2.12 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.

2.13 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

2.14 Creditors and provisions

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

2.15 Financial instruments

The Charity only has financial assets and 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.

2.16 Pensions

Employees can join a defined contribution pension scheme which is administered by Scottish Widows. The group also contribute to the NHS pension scheme on behalf of a number of staff who are eligible to join such schemes. Staff transferring from the NHS may continue to contribute to the NHS scheme. The NHS scheme is a defined benefit scheme but the charity is unable to identify its share of the underlying assets and liabilities and as permitted by FRS 102 (section 17 of Charities SORP), it accounts for the Plan as if it were a defined contribution scheme. As such these accounts do not recognise any assets or liabilities in relation to this scheme.

2.17 Donations in kind

In addition to the amounts included in the financial statements, the organisation benefited from many hours of volunteer help during the year, most of which came in the form of direct assistance in manning the administration office, fund raising, publicity and uncharged professional services. The charity could not have achieved its current level of accumulated funds or clinical service provision without their gratefully received assistance. Volunteers time is not recognised in the financial statements.

2.18 Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

2.19 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make some judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure. However, the nature of estimation means that actual outcomes could differ from those estimates.

A key area of judgement in these financial statements is the recognition of legacy income, which requires judgement about whether the income is probable or not, and whether Weston Hospicecare holds entitlement to the monies. There is also estimation uncertainty regarding the reliability of the amount to be received. Many of the gifts in wills in the pipeline will include properties which are inherently uncertain in value as well as sometimes there being uncertainty regarding the amount of the estate to which Weston Hospicecare is entitled. The value of accrued income relating to gifts in wills has been estimated at £27k at 31st March 2020.

There are also judgements made in determining whether provisions are required and at what value. A provision for dilapidation has been made either where a specific claim has been registered, or where a lease is due to end within the next three years and Weston Hospicecare does *not* intend to renew the lease – for properties where the lease is intended to be renewed, such properties are maintained annually to a standard where the risk of dilapidation costs are negligible and therefore no provision is made. There have been no actual costs to compare the estimates to however. A dilapidations provision of £78k is held at the year-end and is disclosed in note 22.

2.20 Employee Benefits

Short-term employee benefits and contributions to defined contribution pension schemes are recognised as an expense in the period in which they are incurred.

3. Donations and Gifts in wills

| | Restricted funds | Unrestricted Direct | Total funds | Restricted funds | Unrestricted funds | Total funds |
|---------------------------------|------------------|---------------------|----------------|------------------|--------------------|------------------|
| | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ |
| Trusts and grants | - | 18,100 | 18,100 | - | 17,840 | 17,840 |
| Covenants and Gift Aid | 4,282 | 180,640 | 184,922 | 8,031 | 109,666 | 117,697 |
| Other Donations and Collections | 1,000 | 307,552 | 308,552 | 1,000 | 317,158 | 318,158 |
| Gifts in wills | - | 409,766 | 409,766 | 85,250 | 792,437 | 877,687 |
| | 5,282 | 916,058 | 921,340 | 94,281 | 1,237,101 | 1,331,382 |

4. Other trading activities

| | Restricted funds | Unrestricted Direct | Total funds | Restricted funds | Unrestricted Direct | Total funds |
|-------------|------------------|---------------------|------------------|------------------|---------------------|------------------|
| | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ |
| Fundraising | - | 473,944 | 473,944 | 30 | 385,547 | 385,577 |
| Lottery | - | 232,157 | 232,157 | - | 206,764 | 206,764 |
| Shops | - | 1,638,443 | 1,638,443 | - | 1,711,653 | 1,711,653 |
| | - | 2,344,544 | 2,344,544 | 30 | 2,303,964 | 2,303,994 |

5. Investment income

| | Restricted funds | Unrestricted Direct | Total funds | Restricted funds | Unrestricted Direct | Total funds |
|----------------------|------------------|---------------------|---------------|------------------|---------------------|---------------|
| | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ |
| Dividends receivable | - | 74,649 | 74,649 | - | 76,453 | 76,453 |
| Interest receivable | - | 14,976 | 14,976 | - | 12,733 | 12,733 |
| | - | 89,625 | 89,625 | - | 89,186 | 89,186 |

6. Charitable activities

| | Restricted funds | Unrestricted Direct | Designated | Total funds | Restricted funds | Unrestricted Direct | Designated | Total funds |
|------------------------|------------------|---------------------|--------------|------------------|------------------|---------------------|--------------|------------------|
| | 2020 | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| In-Patient Unit | 2,355 | 677,153 | 5,048 | 684,556 | 49,837 | 644,161 | 4,000 | 697,998 |
| Community | 20,718 | 191,748 | - | 212,466 | 1,000 | 180,844 | - | 181,844 |
| Day Hospice | 100,000 | 50,685 | - | 150,685 | 3,200 | 58,318 | - | 61,518 |
| Other Patient Services | 450 | 182,453 | - | 182,903 | 350 | 78,015 | - | 78,365 |
| | 123,523 | 1,102,039 | 5,048 | 1,230,610 | 54,387 | 961,338 | 4,000 | 1,019,725 |

7. Other Income

| | Restricted funds | Unrestricted Direct | Total funds | Restricted funds | Unrestricted Direct | Total funds |
|--------------|------------------|---------------------|-------------|------------------|---------------------|-------------|
| | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 |
| | £ | £ | £ | | | £ |
| Other income | - | 17,800 | 17,800 | 900 | 8,830 | 9,730 |
| | - | 17,800 | 17,800 | 900 | 8,830 | 9,730 |

8. Costs of raising funds – voluntary income

| | Restricted funds | Unrestricted | | Total funds | Restricted funds | Unrestricted | | Total funds |
|--------------|------------------|--------------|---------|-------------|------------------|--------------|---------|-------------|
| | 2020 | Direct | Support | 2020 | 2019 | Direct | Support | 2019 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Fundraising | - | 100,416 | 26,800 | 127,216 | 21 | 114,472 | 25,828 | 140,321 |
| Depreciation | 24 | 1,010 | 952 | 1,986 | 5 | 505 | 1,080 | 1,590 |
| | 24 | 101,426 | 27,752 | 129,202 | 26 | 114,977 | 26,908 | 141,911 |

9. Costs of raising funds - fundraising

| | Restricted funds | Unrestricted | | Total funds | Restricted funds | Unrestricted | | Total funds |
|----------------------------------|------------------|------------------|----------------|------------------|------------------|------------------|----------------|------------------|
| | | Direct | Support | | | Direct | Support | |
| | 2020 | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Fundraising | 389 | 204,791 | 57,029 | 262,209 | 60 | 184,559 | 54,437 | 239,056 |
| Lottery | - | 117,982 | 9,628 | 127,610 | - | 112,060 | 9,383 | 121,443 |
| Shops | - | 1,408,552 | 224,925 | 1,633,477 | 415 | 1,393,584 | 213,497 | 1,607,496 |
| Depreciation | 1,549 | 54,039 | 9,432 | 65,020 | 70 | 40,515 | 10,710 | 51,295 |
| Loss on disposal of fixed assets | - | 640 | - | 640 | - | - | - | - |
| | 1,938 | 1,786,004 | 301,014 | 2,088,956 | 545 | 1,730,718 | 288,027 | 2,019,290 |

10. Costs of raising funds - Investment management costs

| | Restricted funds | Unrestricted | | Total funds | Restricted funds | Unrestricted | | Total funds |
|---------------------------|------------------|---------------|----------|---------------|------------------|---------------|----------|---------------|
| | | Direct | Support | | | Direct | Support | |
| | 2020 | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Investment property costs | - | - | - | - | - | (465) | - | (465) |
| Investment managers' fees | - | 18,480 | - | 18,480 | - | 19,974 | - | 19,974 |
| | - | 18,480 | - | 18,480 | - | 19,509 | - | 19,509 |

11. Expenditure on charitable activities

| | Restricted funds | Unrestricted | | | Total funds | Restricted funds | Unrestricted | | | Total funds |
|------------------------|------------------|------------------|----------------|------------|------------------|------------------|------------------|----------------|--------------|------------------|
| | | Direct | Support | Designated | | | Direct | Support | Designated | |
| | | 2020 | 2020 | 2020 | | | 2020 | 2019 | 2019 | |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | |
| In-Patient Unit | - | 783,785 | 330,943 | 127 | 1,114,855 | 1,848 | 705,364 | 326,693 | 1,006 | 1,034,911 |
| Community Day Hospice | 25,224 | 337,331 | 85,130 | 50 | 447,735 | 311 | 328,221 | 81,300 | - | 409,832 |
| Other Patient Services | 3,650 | 50,277 | 78,654 | 220 | 132,801 | 3,836 | 49,056 | 81,037 | 245 | 134,174 |
| Depreciation | 28,773 | 469,845 | 59,920 | - | 558,538 | 2,057 | 444,684 | 57,186 | 129 | 504,056 |
| | 20,849 | 23,524 | 36,962 | 307 | 81,642 | 13,339 | 9,879 | 41,966 | 162 | 65,346 |
| | 78,496 | 1,664,762 | 591,609 | 704 | 2,335,571 | 21,391 | 1,537,204 | 588,182 | 1,542 | 2,148,319 |

12. Governance costs

| | Restricted funds | Unrestricted | | Total funds | Restricted funds | Unrestricted | | Total funds |
|-----------------------------|------------------|---------------|----------|---------------|------------------|---------------|----------|---------------|
| | | Direct | Support | | | Direct | Support | |
| | | 2020 | 2020 | | | 2020 | 2020 | |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Audit fees | - | 15,106 | - | 15,106 | - | 13,681 | - | 13,681 |
| Auditors' non audit costs | - | 4,265 | - | 4,265 | - | 6,954 | - | 6,954 |
| Trustee indemnity insurance | - | 1,496 | - | 1,496 | - | 1,680 | - | 1,680 |
| | - | 20,867 | - | 20,867 | - | 22,315 | - | 22,315 |

Governance costs shown above are no longer separately disclosed on the face of the SOFA but are included within support costs.

13. Net resources expended

This is stated after charging/(crediting):

| | Total funds | Total funds |
|--|-------------|-------------|
| | 2020 | 2019 |
| | £ | £ |
| Amortisation of intangible fixed assets | 10,344 | 392 |
| Depreciation on tangible fixed assets | 150,442 | 134,181 |
| Loss on disposal of fixed assets | 640 | 250 |
| Operating lease costs (land & buildings) | 252,730 | 262,224 |
| Operating lease costs (other) | 22,458 | 23,152 |
| Audit fees | 15,106 | 13,681 |
| Auditors non-audit fees | 4,265 | 6,954 |

14. Staff costs

Staff costs were as follows:

| | 2020 | 2019 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,620,627 | 2,464,787 |
| Social security costs | 202,193 | 188,144 |
| Defined contribution pension costs | 178,800 | 160,485 |
| | 3,001,620 | 2,813,415 |

Social security and pension costs are allocated to activities in proportion to the related staff costs incurred.

The key management personnel of the group, all employed by the Charity, were as follows:

2018/19 and 2019/20
Chief Executive
Director of Patient Services
Director of Retail
Director of Fundraising & Communications
Finance Manager
HR Manager

The total employee benefit of the key management personnel was £363,012 (2019: £337,207)

The average monthly number of employees during the year was as follows:

| | 2020 Number | 2019 Number |
|-------------------------------|----------------|----------------|
| Fundraising | 9 | 9 |
| Shops | 53 | 51 |
| Clinical | 61 | 62 |
| Premises and support | 20 | 19 |
| Management and administration | 11 | 11 |
| | 154 | 152 |

The numbers of higher paid employees were:

| | 2020 Number | 2019 Number |
|--------------------------------|----------------|----------------|
| In the band £60,001 - £70,000 | 1 | - |
| In the band £70,001 - £80,000 | - | - |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £90,001 - £100,000 | 1 | 1 |
| | 3 | 2 |

During the year pension contributions of £25,196 (2019: £17,130) were made on behalf of the staff earning in excess of £60,000.

15. Cost Allocation

| Support Function | Cost of Gen. Vol. Income | Cost of Generating Funds | | | | Resources Expended on Charitable Activities | | | | Total funds 2020 | Total funds 2019 |
|-------------------------------|-------------------------------|--------------------------|---------------------------|----------------|----------------|---|---------------|------------------------|----------------|------------------|------------------|
| | Fundraising (non-Events Team) | Lottery | Fundraising (Events Team) | Shops | IPU | Community | Day Hospice | Other Patient Services | | | |
| | £ | £ | £ | £ | £ | £ | £ | £ | | | |
| Catering | - | - | - | - | 49,813 | 1,660 | 29,057 | 2,491 | 83,021 | 95,646 | |
| Management Services | 11,554 | 5,777 | 17,331 | 23,108 | 23,108 | 17,331 | 11,554 | 5,777 | 115,540 | 115,171 | |
| Corporate | 1,655 | 1,655 | 7,722 | 13,790 | 11,032 | 8,274 | 5,516 | 5,516 | 55,160 | 50,068 | |
| Facilities | 2,750 | - | 8,250 | 38,500 | 176,000 | 16,500 | 22,000 | 11,000 | 275,000 | 264,126 | |
| Finance | 2,832 | 2,196 | 3,432 | 28,213 | 15,367 | 7,634 | 1,165 | 9,781 | 70,620 | 68,226 | |
| Governance | 476 | - | 1,386 | 9,636 | 4,902 | 2,179 | 755 | 1,534 | 20,868 | 22,315 | |
| HR | 3,417 | - | 9,952 | 69,216 | 35,208 | 15,648 | 5,426 | 11,016 | 149,883 | 141,241 | |
| IT | 4,118 | - | 8,956 | 42,462 | 15,513 | 15,904 | 3,181 | 12,805 | 102,939 | 92,569 | |
| Support Costs excl JBH | 26,800 | 9,628 | 57,029 | 224,925 | 330,943 | 85,130 | 78,654 | 59,920 | 873,031 | 849,362 | |
| Properties | 952 | 223 | 3,433 | 5,776 | 17,603 | 3,560 | 9,895 | 5,904 | 47,346 | 53,756 | |
| Total Support costs | 27,754 | 9,851 | 60,462 | 230,701 | 348,546 | 88,690 | 88,549 | 65,824 | 920,377 | 903,118 | |

Support costs are allocated to the receiving area on an appropriate basis which may be headcount, time, number of meals etc.

Designated funds have not been included in this analysis.

Costs reported elsewhere e.g. Audit fees reported under 'Governance costs' are excluded.

| | | |
|---------------------|----------------|----------------|
| Staff Costs | 529,396 | 490,529 |
| Revenue Expenditure | 331,365 | 342,494 |
| Depreciation | 59,483 | 70,095 |
| Total | 920,377 | 903,118 |

Allocation of support costs is based on the most appropriate method of allocation which includes number of meals, headcount, floor area etc.

Costs reported as 'Direct' costs under other categories are not included in the table shown. Costs which relate to either restricted or designated funds have not been re-allocated.

16. Intangible assets

| Charity and Group | Computer software £ |
|---|---------------------------|
| Cost | |
| At 1 st April 2019 | 33,721 |
| Additions | 34,642 |
| Disposals | - |
| Transfer between classes | 11,027 |
| As at 31st March 2020 | <u>79,390</u> |
| Amortisation | |
| As at 1 st April 2019 | 33,101 |
| Charge for the year | 10,343 |
| On disposals | - |
| As at 31st March 2020 | <u>43,444</u> |
| Net book value | |
| At 31st March 2020 | <u>35,946</u> |
| At 31 st March 2019 | <u>620</u> |

Amortisation is included in the consolidated statement of financial activities within restricted and unrestricted expenditure on charitable activities.

17. Tangible fixed assets

| | Freehold property | S/term leasehold property | Motor vehicles | Fixtures & fittings |
|--------------------------------------|----------------------------------|---------------------------|--------------------------|---------------------|
| | £ | £ | £ | £ |
| Group | | | | |
| Cost | | | | |
| At 1 st April 2019 | 3,530,966 | 88,991 | 39,098 | 306,982 |
| Additions | - | 89,240 | 21,575 | 34,195 |
| Disposals | - | - | (18,950) | (8,259) |
| Transfer between classes | (19,714) | 33,597 | (499) | 7,301 |
| At 31st March 2020 | 3,511,252 | 211,828 | 41,224 | 340,219 |
| Depreciation | | | | |
| At 1 st April 2019 | 1,063,114 | 72,245 | 36,717 | 257,917 |
| Charge for the year | 71,833 | 16,462 | 3,771 | 22,784 |
| On disposals | - | - | (18,950) | (7,619) |
| Transfer between classes | (16,114) | (269) | (499) | 7,302 |
| At 31st March 2020 | 1,118,833 | 88,438 | 21,039 | 280,384 |
| Net book value | | | | |
| At 31st March 2020 | 2,392,419 | 123,390 | 20,185 | 59,835 |
| At 31st March 2019 | 2,467,852 | 16,746 | 2,381 | 49,065 |
| | Assets under construction | Computer equipment | Medical equipment | Total |
| | £ | £ | £ | £ |
| Group | | | | |
| Cost | | | | |
| At 1 st April 2019 | 41,292 | 181,393 | 229,676 | 4,418,398 |
| Additions | 92,342 | 4,245 | 27,981 | 269,578 |
| Disposals | - | - | - | (27,209) |
| Transfer between classes | (41,292) | 9,576 | 4 | (11,027) |
| At 31st March 2020 | 92,342 | 195,214 | 257,661 | 4,649,740 |
| Depreciation | | | | |
| At 1 st April 2019 | - | 156,109 | 160,017 | 1,746,119 |
| Charge for the year | - | 10,633 | 24,959 | 150,442 |
| On disposals | - | - | - | (26,569) |
| Transfer between classes | - | 9,576 | 4 | - |
| At 31st March 2020 | - | 176,318 | 184,980 | 1,869,992 |
| Net book value | | | | |
| At 31st March 2020 | 92,342 | 18,896 | 72,681 | 2,779,748 |
| At 31st March 2019 | 41,292 | 25,284 | 69,659 | 2,672,279 |

| | Freehold property | S/term leasehold property | Motor vehicles | Fixtures and Fittings |
|--------------------------------------|----------------------------------|---------------------------|--------------------------|-----------------------|
| | £ | £ | £ | £ |
| Charity | | | | |
| Cost | | | | |
| At 1 st April 2019 | 3,500,093 | 47,778 | 39,098 | 241,152 |
| Additions | - | 89,240 | 21,575 | 34,195 |
| Disposals | - | - | (18,950) | (8,259) |
| Transfer between classes | (747) | 31,071 | (499) | 434 |
| Transfer from group company | - | - | - | - |
| At 31st March 2020 | 3,499,346 | 167,283 | 41,224 | 267,522 |
| Depreciation | | | | |
| At 1 st April 2019 | 1,032,242 | 31,032 | 36,717 | 206,768 |
| Charge for the year | 71,833 | 16,462 | 3,771 | 16,508 |
| On disposals | - | - | (18,950) | (7,619) |
| Transfer between classes | 2,853 | (2,794) | (499) | 433 |
| Transfer from group company | - | - | - | - |
| At 31st March 2020 | 1,104,075 | 44,700 | 21,039 | 216,090 |
| Net book value | | | | |
| At 31st March 2020 | 2,392,418 | 123,389 | 20,185 | 51,432 |
| At 31st March 2019 | 2,467,851 | 16,746 | 2,381 | 34,384 |
| | Assets under construction | Computer equipment | Medical equipment | Total |
| | £ | £ | £ | £ |
| Charity | | | | |
| Cost | | | | |
| At 1 st April 2019 | 41,292 | 144,749 | 229,676 | 4,243,838 |
| Additions | 92,342 | 4,245 | 27,981 | 269,578 |
| Disposals | - | - | - | (27,209) |
| Transfer between classes | (41,292) | 2 | 4 | (11,027) |
| Transfer from group company | - | - | - | - |
| At 31st March 2020 | 92,342 | 148,996 | 257,661 | 4,475,180 |
| Depreciation | | | | |
| At 1 st April 2019 | - | 119,464 | 160,017 | 1,586,240 |
| Charge for the year | - | 10,633 | 24,959 | 144,166 |
| On disposals | - | - | - | (26,569) |
| Transfer between classes | - | 3 | 4 | - |
| | | | | - |
| At 31st March 2020 | - | 130,100 | 184,980 | 1,703,837 |
| Net book value | | | | |
| At 31st March 2020 | 92,342 | 18,896 | 72,681 | 2,771,343 |
| At 31st March 2019 | 41,292 | 25,285 | 69,659 | 2,657,598 |

18. Fixed asset investments

| | Investments £ |
|--------------------------------------|-------------------------|
| Group | |
| Market value | |
| At 1 st April 2019 | 2,802,991 |
| Additions | 621,329 |
| Disposals | (905,891) |
| Losses on disposals/revaluations | (244,677) |
| At 31st March 2020 | <u>2,273,752</u> |
| Historical cost | <u>2,328,149</u> |

Group investments, at market value, comprise:

| | 2020 £ | 2019 £ |
|--------------------------------------|-------------------------|-------------------------|
| Fixed Interest Securities | 651,976 | 915,161 |
| UK Equities | 629,230 | 763,923 |
| Overseas Equities | 492,124 | 647,836 |
| Alternative Investments | 500,422 | 476,071 |
| At 31st March 2020 | <u>2,273,752</u> | <u>2,802,991</u> |

Investments are classified as UK or Overseas, based on the domicile of the individual fund management companies included in the portfolio.

| | Listed securities £ | Shares in group undertakings £ | Total £ |
|--------------------------------------|-------------------------|-----------------------------------|-------------------------|
| Charity | | | |
| Market Value | | | |
| At 1 st April 2019 | 2,802,991 | 1,000 | 2,803,991 |
| Additions | 621,329 | - | 621,329 |
| Disposals | (905,891) | - | (905,891) |
| Revaluations | (244,677) | - | (244,677) |
| At 31st March 2020 | <u>2,273,752</u> | <u>1,000</u> | <u>2,274,752</u> |
| Historic cost | <u>2,328,149</u> | <u>1,000</u> | <u>2,329,149</u> |

19. Stocks

| | Group | | Charity | |
|-------------------------------------|--------|--------|---------|------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Finished goods and goods for resale | 93,469 | 65,367 | - | - |

In the year ended 31st March 2020 £121,350 was the amount of inventory recognised as an expense (2019: £111,264). Stock to the value of £7,978 has been written down in the year (2019: £9,758).

20. Debtors

| | Group | | Charity | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Trade debtors | 84,115 | 70,035 | 84,115 | 70,035 |
| Amounts owed by group undertakings | - | - | 91,575 | 118,172 |
| Other debtors | 53,927 | 34,616 | 49,019 | 34,707 |
| Prepayments and accrued income | 270,825 | 344,826 | 270,806 | 344,807 |
| | <u>408,867</u> | <u>449,477</u> | <u>495,515</u> | <u>567,721</u> |

21. Creditors: Amount falling due within one year

| | Group | | Charity | |
|---------------------------------|----------------|----------------|----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Trade creditors | 189,180 | 128,665 | 177,687 | 105,452 |
| Social security and other taxes | 53,130 | 49,140 | 53,130 | 49,194 |
| Other creditors | 30,044 | 25,637 | 30,044 | 25,680 |
| Accruals and deferred income | 196,262 | 179,479 | 189,367 | 171,734 |
| | <u>468,616</u> | <u>382,921</u> | <u>450,228</u> | <u>352,060</u> |

Deferred income for 2020 was £96,732 (2019: £97,982). The amounts deferred at 31st March 2020 will be recognised in the 2020/21 financial year.

Deferred income relates to either invoices raised for the CCG block grant paid one month in advance or to lottery sales received for future draws

22. Provisions

| | Group | | Charity | |
|--------------------|---------------|---------------|---------------|---------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Opening Balance | 85,350 | 85,350 | 85,350 | 85,350 |
| Provision released | (7,675) | - | (7,675) | - |
| Closing Balance | <u>77,675</u> | <u>85,350</u> | <u>77,675</u> | <u>85,350</u> |

The provisions shown are dilapidation provisions for costs of possible works to make good dilapidations of leased properties. Please refer to note 2.19 for an explanation of what drives the decision whether or not to include a dilapidation provision.

23. Statement of funds

| | Brought Forward | Incoming resources | Resources expended | Transfers in/out | Gains/(losses) | Carried forward |
|---------------------------------|------------------|--------------------|--------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated Funds | | | | | | |
| Friends Designated Fund | 254 | - | (654) | 5,311 | - | 4,911 |
| Jill Dando Designated Fund | 4,000 | 5,048 | (50) | 4 | - | 9,002 |
| Total designated funds | <u>4,254</u> | <u>5,048</u> | <u>(704)</u> | <u>5,315</u> | <u>-</u> | <u>13,913</u> |
| General Funds | | | | | | |
| Weston Hospicecare Limited | 6,410,542 | 4,265,974 | (4,286,955) | 52,629 | (244,677) | 6,197,513 |
| Weston Hospicecare Mart Limited | 44,692 | 204,092 | (204,092) | - | - | 44,692 |
| Total general funds | <u>6,455,234</u> | <u>4,470,066</u> | <u>(4,491,047)</u> | <u>52,629</u> | <u>(244,677)</u> | <u>6,242,205</u> |
| Total unrestricted funds | <u>6,459,488</u> | <u>4,475,114</u> | <u>(4,491,751)</u> | <u>57,944</u> | <u>(244,677)</u> | <u>6,256,118</u> |
| Restricted funds | | | | | | |
| Capital Donations | 363,995 | 102,355 | (49,094) | (57,944) | - | 359,312 |
| Operating Costs | 17,861 | 26,450 | (31,364) | - | - | 12,947 |
| Total restricted funds | <u>381,856</u> | <u>128,805</u> | <u>(80,458)</u> | <u>(57,944)</u> | <u>-</u> | <u>372,259</u> |
| Total funds | <u>6,841,344</u> | <u>4,603,919</u> | <u>(4,572,209)</u> | <u>-</u> | <u>(244,677)</u> | <u>6,628,377</u> |

Purposes of unrestricted funds

Friends Designated Fund: The Board of Trustees resolved that £10,000 raised by the Friends of the Hospice would be set aside as a designated fund during the financial year 2015/16 and an additional £5,000 was added in 2019/20. The funds are being used for projects decided by the Friends of the Hospice, and initial views have been sought from their members.

Jill Dando Designated Fund: This fund has been designated by the Trustees in order to aid patients with insufficient personal resources to finance activities which have immediate spiritual, psychological or emotional impact on their wellbeing.

Purposes of restricted funds

Grants and donations:

Weston Hospicecare Limited has received grants and donations where the donor has restricted the intended use of the income. Where these have been received in relation to capital items, the assets have been capitalised under tangible fixed assets and the grants received have been included as a restricted fund and the depreciation charged on these items in the year are set against this restricted fund.

The Big Lottery Fund:

The charity recognises the contribution of funding from The Big Lottery Fund, which is recorded in the charity's accounts as a restricted fund. The movement on this fund during the financial year was as follows:

| | Brought Forward | Incoming resources | Resources expended | Gains/ (losses) | Carried forward |
|----------------------|-----------------|--------------------|--------------------|-----------------|-----------------|
| | £ | £ | £ | £ | £ |
| The Big Lottery Fund | 317 | - | (224) | - | 93 |

Transfers between funds

The 2019/20 accounts show transfers to designated and from restricted funds to unrestricted general funds. These have been undertaken for the following reasons:

| Transfer | Amount | Reason |
|---|---------------|---|
| | £ | |
| Transfer from general unrestricted fund to designated Friends fund | (5,311) | Funds spent on fixed assets which had already been released to the general fund, top-up of fund for 2019/20 (£5k) and interest earned on designated fund account. |
| Transfer from general unrestricted fund to designated Jill Dando fund | (4) | Interest earned on designated fund account. |
| Transfer from restricted funds to the general unrestricted fund | 57,944 | Transfer of major donation restricted in prior year. Restriction now lifted. |
| Total | <u>52,629</u> | |

24. Analysis of net assets between funds

| | Restricted funds | Unrestricted funds | Total funds | Total funds |
|-------------------------------|------------------|--------------------|------------------|------------------|
| | 2020 | 2020 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Intangible assets | - | 35,946 | 35,946 | 620 |
| Tangible fixed assets | 104,827 | 2,674,921 | 2,779,748 | 2,672,279 |
| Fixed asset investments | - | 2,273,752 | 2,273,752 | 2,802,991 |
| Current assets | 267,432 | 1,817,790 | 2,085,222 | 1,833,725 |
| Creditors due within one year | - | (468,616) | (468,616) | (382,921) |
| Provisions | - | (77,675) | (77,675) | (85,350) |
| | <u>372,259</u> | <u>6,256,118</u> | <u>6,628,377</u> | <u>6,841,344</u> |

25. Reconciliation of net movement in funds to net cash flow from operating activities

| | Note | 2020 | 2019 |
|--|-------|------------------|------------------|
| Net movement in funds for the reporting period(as per the statement of financial activities) | | (212,967) | 474,594 |
| Adjustments for: | | | |
| Depreciation/Amortisation | 16,17 | 160,785 | 134,573 |
| Dividends, interest and rents from investments | | (89,625) | (89,186) |
| Net losses/(gains) on disposal and revaluation of investments | | 244,677 | (49,606) |
| Loss on sale of fixed assets | 9 | 640 | 250 |
| (Increase) in stocks | 19 | (28,102) | (33,893) |
| Decrease in debtors | 20 | 40,610 | 161,370 |
| Increase in creditors | 21 | 85,695 | 37,731 |
| (Decrease) in provisions | 22 | (7,675) | - |
| Net cash provided by operating activities | | <u>194,038</u> | <u>635,833</u> |
| | | 2020 | 2019 |
| Analysis of cash and cash equivalents | | | |
| Cash in hand | | 1,582,886 | 1,318,881 |
| Total cash and cash equivalents | | <u>1,582,886</u> | <u>1,318,881</u> |

26. Pension commitments

The group contributes to personal pension schemes of its staff. These are defined contribution schemes.

The pension cost charge represents contributions payable by the charity and amounted to £178,800 (2019: £160,485). Contributions totalling £29,450 (2019: £23,467) were payable to the schemes at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31st March 2020 the Group had annual commitments under non-cancellable operating leases as follows:

| | Land and Buildings | | Other | |
|-------------------------|--------------------|---------|--------|--------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Group | | | | |
| Expiry date: | | | | |
| Within 1 year | 252,720 | 257,311 | 9,480 | 21,269 |
| Between 2 and 5 years | 399,243 | 585,359 | 10,577 | 11,768 |
| After more than 5 years | 117,011 | 172,601 | - | - |

At 31st March 2020 the Charity had annual commitments under non-cancellable operating leases as follows:

| | Land and Buildings | | Other | |
|-------------------------|--------------------|---------|--------|--------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Charity | | | | |
| Expiry date: | | | | |
| Within 1 year | 252,720 | 257,311 | 9,480 | 21,269 |
| Between 2 and 5 years | 399,243 | 585,359 | 10,577 | 11,768 |
| After more than 5 years | 117,011 | 172,601 | - | - |

28. Related Party Transactions

No trustee received any remuneration, however two trustees were reimbursed expenses to the value of £702 during the current year (2018/19: £947). The expenses related to mileage claims. Donations of £340 were received from three Trustees, including the two previously mentioned during the period (2019: £553). During the year the Charity incurred costs of £1,496 (2019: £1,680) relating to trustees' indemnity insurance and £2,000 relating to a board review (2019: Nil). There have been no additional related party transactions during the reporting period which require disclosure.

29. Covid-19 emergency funding

Emergency funding received from NHS England, local authorities and under the Coronavirus Job Retention scheme is recognised as income in the period to which it relates. As the shops were closed from mid-March 2020 until September 2020 we have recognised a due proportion of the local authority funding (Retail business grants) together with the accrued CJRS income in these financial statements, It is assumed that the Covid-19 emergency will not extend beyond 31 March 2021, therefore all other emergency funding will be recognised in 2020/21. Rent holidays claimed from landlords are only recognised where the landlord has explicitly agreed and are recognised in the period to which the relevant rent relates.

30. Subsidiaries

Weston Hospicecare Limited has one wholly owned trading subsidiary incorporated in the United Kingdom as detailed below.

| Company name | Country | Percentage shareholding | Description |
|---|-------------------|-------------------------|---|
| Weston Hospicecare Mart Limited (Registered Number 02516643) | England and Wales | 100 | Retailing of new goods and commission on gift aid via charity shops |

30. Principal subsidiaries (continued)

The profits chargeable to corporation tax are gift aided to Weston Hospicecare Limited. A summary of the trading results of the subsidiary is shown below. Audited financial statements will be filed with the Registrar of Companies.

| | 2020 | Weston Hospicecare Mart Limited 2019 |
|--|---------------|---|
| | £ | £ |
| Turnover | 204,092 | 204,805 |
| Cost of sales | (121,350) | (123,935) |
| Gross profit | 82,742 | 80,870 |
| Administration expenses | (24,739) | (29,220) |
| Operating profit | 58,003 | 51,650 |
| Profit / (loss) on ordinary activities before interest | 58,003 | 51,650 |
| Interest payable and similar charges | - | - |
| Profit / (loss) on ordinary activities before taxation | 58,003 | 51,650 |
| Tax on profit / (loss) on ordinary activities | - | - |
| Profit / (loss) for the financial year | 58,003 | 51,650 |
| | 2020 | 2019 |
| | £ | £ |
| Analysis of net assets of subsidiary | | |
| Fixed assets | 8,403 | 14,679 |
| Current assets | 147,252 | 180,303 |
| Current liabilities | (109,963) | (149,290) |
| Net assets | 45,692 | 45,692 |

30. Taxation

The charity's main activities have been exempted from corporation tax under Part II of CTA 2010.