

Company registration number: 04925273

Charity registration number: 1103635

THE NORTH NORTHUMBERLAND HOSPICE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

The North Northumberland Hospice

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The North Northumberland Hospice

Reference and Administrative Details

Patron	The Lady Joicey
Trustees	P W Atkinson CBE (appointed 27 April 2021) L H M Carroll S Hulme (resigned 25 July 2022) L A Ilderton (appointed 27 April 2021 and resigned 12 February 2022) J Kelly (appointed 27 April 2021) J L E Lothian (resigned 30 April 2022) J A Rutherford (resigned 27 July 2021) E C Beauchamp (appointed 30 May 2022) J Cooke MBE (appointed 20 September 2022) D Trafford (appointed 18 July 2022) S E Sherrard (appointed 22 March 2022)
Key Management Personnel	M Thornicroft, Interim CEO C Orife, Interim Care Manager. Registered Manager N Brereton, Interim Finance Manager (appointed September 2022) J McQueen, People Manager G Dickson, CEO (resigned 30 April 2022) N Burnett, Clinical Lead (resigned 30 April 2022) K Burton, People Manager (resigned 29 July 2022) B Stimpson, Finance Manager (resigned 30 September 2022)
Registered Office	Unit 3 Willowburn Avenue Alnwick NE66 2DG The charity is incorporated in England and Wales.
Company Registration Number	04925273
Charity Registration Number	1103635
Bankers	HSBC Grey Street 110 Grey Street Newcastle upon Tyne NE1 6JG
Auditor	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

The North Northumberland Hospice

Chairperson's Report 2021-2022

As I write this year's report, I remind myself of the quote, "problems are not the problem: coping is the problem"

The Hospice is not immune from difficulties, and the recovery from the impact of COVID-19 has been challenging for all. Many have shown strong resilience and determination. We have consolidated to improve many aspects of our end of life palliative care work which you will read in the trustee report.

The trustees have continued to progress with carrying out their governance role to ensure suitable systems, control practices, and procedures. We have an ongoing programme with the management team for improvements and updates to ensure the organisation is strong for delivering end of life palliative care, bereavement and dementia support, from our main bases in Alnwick and Berwick-upon-Tweed.

The hard work over the last year of all our HospiceCare staff was recently recognised at the annual North Northumberland Voluntary Forum awards ceremony in September 2022, when the Hospice received the Project/Organisation of the Year award. This award was made against stiff local competition and is a testament to the hard work of our clinical, retail, and community. The Hospice also received the Alnwick Mayor's Civic Award 2021/ 2022 in recognition of the caring work during the pandemic.

The Hospice reports a favourable financial position with a solid vision to ensure sustainability. We plan to employ a Head of Income Generation to manage the delivery of our strategic values for economic sustainability to increase our palliative care. The Hospice is grateful to the community who have generously supported us financially. These range from goods donated to our shops, money put into our tins, business partnerships, trusts and foundations, regular donations, and the selfless time given by volunteers who help us, including those who organize their fundraising and those that support our events. Also, for the legacies, kindly left to us. All these contributions are appreciated and allow us to serve the community of North Northumberland.

There are future opportunities for collaborative working, which will be an integral part of our future progress to reach unmet needs. Some of these partners include Tynedale Hospice at Home, and The North East Hospice Collaborative, which consists of seven hospices in North East. Work is ongoing with The Northumberland Palliative and End of Life Care Strategy partners, including representatives from health and social care, the voluntary sector, patient representatives, and councillors from Northumberland County Council.

The coming year will see us focus on further consolidation and developing our culture to be responsive and dynamic by enhancing the palliative services we provide to the people of North Northumberland. I look forward to working with my colleagues on the Board of Trustees and the wider Hospice team.

I thank the board of trustees, the care team, all hospice staff, the volunteers, and all those that support the Hospice's work. We will now and in the future strive to provide the highest level of palliative care that has always been at the heart of HospiceCare North Northumberland.

Lucy Carroll, Chairman
October 2022

The North Northumberland Hospice

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

Structure, governance and management

Nature of governing document

The North Northumberland Hospice operating as HospiceCare North Northumberland (The Hospice) is the local charity supporting people living with life limiting illnesses.

The Hospice is a charitable company limited by guarantee, company number 04925753, and is a registered charity, number 1103635 (England and Wales) incorporated on 8 October 2003. Following a rebranding in March 2008, the Hospice is known for trading purposes only as HospiceCare North Northumberland, but this does not affect either its charity or company registrations. The charitable company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members (the only class of which at present are current trustees and the company secretary) are required to contribute an amount not exceeding £10. The directors of the company are also charity trustees for the purpose of charity law.

Induction and training of trustees

New trustees are invited to meet with the Chairman and CEO, then a wider group of trustees prior to appointment, in order to gain an overall understanding of the day to day work of the Hospice. All trustees are provided with a comprehensive induction. An information folder has been produced and issued to all existing and new trustees, giving them information on their governance responsibilities as a Hospice trustee, background information on the Memorandum and Articles of Association, Financial Accounts, Business Plan and Contingency Plan. Governance training is provided by a leading charity law firm with comprehensive training on the legal duties and responsibilities of trustees.

The North Northumberland Hospice

Trustees' Report

Organisational structure

The Hospice has a Board of trustees which currently comprises seven members, with twelve being the maximum permitted under the Articles of Association. The trustees come from a variety of backgrounds, bringing an appropriate mix of clinical, professional and managerial skills and experience that enables them to contribute to the effective working of the Hospice. There are bi-monthly Board meetings to review the governance of the operations and strategy, which are also attended by the Chief Executive. Committee groups reporting to the Board have been established to deal with designated areas of trustee responsibility as follows:

- Clinical Governance Group - Bi-monthly, between Board meetings, to review clinical governance, clinical strategy and provide support for the senior team.
- Finance and Income Generation Committee – Bi-monthly, between Board meetings to review the financial performance of the organisation against financial budgets and forecasts, cash and reserves positions, fundraising strategy, staffing/HR issues, and all aspects of the administrative support functions.
- People and Support Services Committee - Bi-monthly, between Board meetings, to review Human Resources, Data, Health and Safety governance, people and marketing and communications strategy and provide support for the senior team.
- Trustee Annual Review Committee – Meeting annually, to consider and make recommendations to the Board regarding staff remuneration packages, updating terms of reference, reviewing skill matrix of the Board and delegated schedules.

The management team and Board of trustees work to appropriate Charity Commission and Companies House Codes of Conduct. Copies of Standing Order Financial Instructions have been issued to all members of the Board and a Policy folder is available to all relevant persons.

All trustees, staff, and volunteers are subject to Disclosure and Barring Service checks where appropriate, before taking up a post with the Hospice.

The Hospice is registered with the Care Quality Commission, Information Commissioner's Office, Fundraising Regulators and Gambling Licencing Authority.

The Hospice operates a policy of equal opportunities.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Lucy Carroll
Paul Atkinson
Simon Hulme
Lesley Ilderton (resigned 12 February 2022)
Janet Kelly
Jane Lothian (resigned 30 April 2022)
Sue Sherrard (appointed 22 March 2022)

The North Northumberland Hospice

Trustees' Report

Objectives and activities

Objects and aims

Founded in 1995, the Hospice provides palliative care to people who have life limiting illnesses. We address their physical, emotional, social and psychological needs, enhancing their quality of life while at the same time supporting their carers and families.

The Hospice objects are:

- The care and relief of persons suffering from a potentially life-limiting illness, the support of carers and the bereaved, all in such ways as the Trustees shall from time to time think fit, and primarily in North Northumberland.
- The provision in the interest of social welfare of recreational facilities for such persons.

The Hospice operates from two sites, Alnwick and Berwick-upon-Tweed, to accommodate the largely rural and sparsely populated area of North Northumberland. Patient choice and their individual needs determine where HospiceCare services are delivered, whether at home or in the Hospice building. The Hospice adopts a holistic approach to patients and families, offering services and interventions of care and support which are flexible and tailored to meeting their needs.

We are caring, we pursue excellence, we innovate, we collaborate, we communicate, and we adopt a can-do attitude. We are HospiceCare North Northumberland.

The trustees regularly review our objectives, aims and activities, looking at the number of people we reach, the type and extent of services we provide, and the benefits we bring to our patients and their families. Palliative care is a continually developing field, and we respond by expanding our services to achieve the best possible outcome in each patient's circumstances. We have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The North Northumberland Hospice

Trustees' Report

Achievements and performance

Review of activities and the public benefit.

By April 2021, the UK was beginning to emerge from the COVID-19 pandemic. However, with restrictions still in place, including the "Rule of six" or two households for indoor gathering, all our teams faced unprecedented challenges. These affected all our staff, particularly our frontline nursing team who had to use a range of PPE - collected each week from a central store in Durham - and provided remote telephone helpline services rather than in-house care.

We pride ourselves on being an innovative and flexible organisation, and we mobilised and responded at speed to the changing circumstances of our community as the year progressed. By July 2021, most COVID-19 restrictions were removed in England, and our face-to-face services began a recovery process.

All our services are free to everyone who accesses them, and are available thanks to the generosity of the communities we serve.

A New Strategy

Following a full consultation within the organisation, and with stakeholders the 2021 - 2024 strategy was approved by the trustees and adopted by the whole organisation. The trustees recognise the need to be flexible and to regularly consult and review the strategy.

Governance

During the year the trustees worked on an internal governance review, and engaged with a specialist to provide invaluable training to help improve their governance role to be able to deliver the strategic aims, objectives, and priorities.

The CEO and trustees have focused on strengthening the governance processes and systems, improving reporting and information to trustees, to support their assurance role.

In late 2021 the CEO and the board of trustees commissioned an external clinical review, which was completed in February 2022. In order to carry out the recommendations, which ensured continuous improvement of our Clinical services, we paused our Hospice at Home care for a short period to update practice, policies and procedures.

Tynedale Hospice at Home have provided support to assist with this vital work.

Our Impact

At the end of the financial reporting period, we provided the following operational services for the public benefit.

Hospice at Home Service

We deliver practical care and support in the home to adults aged 18 years and over who are nearing the end of their lives. A dedicated team of trained healthcare assistants provide this service, managed and coordinated by our registered nurses.

We adhered to current infection prevention guidelines and legislation regarding COVID-19, adapting our PPE policies and procedures to reflect this.

During the year, we delivered 12,500 hours of care and support, travelled 66,500 miles across North Northumberland and supported 99 people.

Nurse Services

The aim is for our nursing team to work with the Primary Care Network team of GPs, Community Nurses, Macmillan Nurses, and allied health professionals across North Northumberland to provide practical support with palliative and end of life illness. This involves our Hospice Registered Nurses:

- administering medication in response to symptom management
- offering advice and support to those suffering life-limiting illnesses and their carers
- assisting with Advance Care planning if desired.

The North Northumberland Hospice

Trustees' Report

Care and Support Groups.

Our two Wellbeing Centres at Greensfield House in Alnwick and Hazel Marsden House in Berwick provide the ideal bases for our support groups to meet. These sessions were interrupted during the COVID - 19 lockdowns, but we maintained regular contact with our beneficiaries virtually and by telephone and email.

Dementia Café Alnwick & Berwick Wellbeing Centres.

Our service supports people living with dementia and their carer. It allows social engagement, advice and support from our Dementia Support worker.

Services include Dementia Cafés, Walking Football, and client visits. The cafes are run regularly at our Wellbeing Centres in Alnwick and Berwick.

During the year, we delivered 260 hours of care and support with cafes, football, and client visits. We supported 35 clients.

Family/Bereavement Support Service

We provide a listening and support service for those suffering from bereavement or pre-bereavement. We offer support for those caring for loved ones with a life-limiting illness, and our trained volunteers understand the feelings of grief and loss associated with bereavement.

By July 2021, our face-to-face service work was reinstated.

Our volunteers continued their work throughout the pandemic, as they delivered telephone bereavement support when face-to-face appointments were not allowed.

During the year, we delivered 320 hours of bereavement support, involving 41 clients.

Our People

Volunteer awards

Our first award ceremony was held in October 2021, and was developed to show appreciation and recognition for those staff and volunteers who have provided long service to HCNN. Awards are given in increments of 5 years; however, volunteers also receive an award after 1 year of volunteering. This will be annual event.

Staff and volunteer training.

"Bluestream" is a training platform which was originally rolled out to all clinical staff members during the pandemic. We made the decision to adopt the platform for all staff, and volunteers, including trustees. This enables us to manage and monitor all the statutory training that our staff need to fulfil their roles.

Who supported us?

Our Staff

All of our staff showed unwavering hard work to ensure our services remained stable during the recovery process of the pandemic. Our unreserved thanks go to the team who have shown remarkable resilience, and have adapted quickly to change.

Our volunteers

We are fortunate to have approximately 170 enthusiastic and committed volunteers who contribute many hours of their time. They support the organisation with bereavement support, at wellbeing cafes, fundraising events, retail shops, administrative work, helping at events, drivers, and the Castleside Crafters. During the year, we managed to re-engage with our volunteers, and our sincere thanks go to all the people that give their skills and time.

The North Northumberland Hospice

Trustees' Report

Our donors

By July 2021, our fundraising team began planning our usual events for the year ahead, including the Open Gardens, Sponsored Golf days, Great North Run, and community events for 2022. The team initiated new ways to fundraise, including UK's online match funding Christmas Challenge campaign, which incentivized community groups to raise funds. Our retail shops began to trade again in 2021.

We need to raise over £800,000 annually to provide our current level of care in the community, and the NHS fund only 4% of this income. This fact is a challenge.

Summary of Trustee Review

The trustees recognise how well the entire staff and volunteer team responded to the changes in the government coronavirus measures during the year, whilst continuing to deliver HospiceCare's palliative care provision, fundraising and marketing activities to support our caring work.

Our Plans for The Future

1. **Reach unmet needs** - we will continue to explore where our support and care can make the most significant impact and continue to do more for our communities.

2. **Keeping our 'quality'** - Our key asset is the high quality of our services. The people whom we employ to support our community need to be well-trained and supported. As we grow and reach unmet needs, we will ensure we maintain the highest quality in all that we do.

3. **Being sustainable** - We recognise that within the growth, we must ensure the longevity of our services. Being mindful of our financial needs and diversifying our income streams is one way we will be sustainable in the future. Work has begun on implementing Gift Aid in all our retail shops, which will make a significant difference to our income.

To achieve our strategy, we have focussed on four fundamental changes which will enable us to achieve our three key aims moving forward.

1. **Governance** - The Board of Trustees will continue to recruit new trustees and ensure a wide skills base to support the delivery of the governance role. We are planning to implement an external governance review with an aim to continually improve the performance of the Board to fulfil the duties of trustees.

2. **A new Head of Income Generation post** - To remain financially sustainable within a growing organisation, we need to focus on a diverse income portfolio. We plan to appoint a Head of Income Generation to ensure that we can deliver this.

3. **"I Matter" and the Nurture Fund**- To deliver quality within our services, we recognise the importance of valuing our team members, staff, and volunteers. We will continue with the 'I Matter' which is an employee wellbeing programme, and the Nurture Fund to champion the needs of our workforce (training and resilience) to continue to provide 'quality' within all our services.

4. **Collaboration** - Working within rural North Northumberland, we recognise the need to ensure that our services dovetail seamlessly within the local healthcare environment. Working with Northeast Hospices Collaborative, and more closely with Tynedale Hospice at Home, the Primary Care Network and Northumbria Healthcare NHS Foundation Trust, we aim to ensure that our services reach those who need us at the right time and in the right way.

The North Northumberland Hospice

Trustees' Report

Financial review

After an uncertain start, we benefitted from charitable grants (donations from Trusts) totalling over £125,000 resulting in a surplus of £99,232 for the year. 2020/21 income included a successful business interruption insurance claim, which contributed to a surplus of £298,438 in 2020/21.

Total income for the year was £1,048,019. Income generated by retail sales and other trading of £292,363 was 162% higher than 2020/21, in main due to our retail units being open for much of the year.

Estimated legacies of over £250,000 were received and/or notified during the year. This is a variable but welcome income stream, in which we plan to invest more resource.

These results reflect the commitment and adaptability of our fundraising and retail teams, supported by our marketing and wider Hospice teams, together with our community and volunteers to boost the profile and reputation of the Hospice.

We have continued to benefit from a continued growth in business partnership working and the support of regular donors.

Grants from trusts and foundations were again an important source of income, as reported above, and is a wonderful result for the small dedicated team of volunteers who work exclusively on trust applications.

The NHS Trust contract value of £42,060 was a very minor increase on the previous contract.

Investment income is currently derived from bonds and savings accounts and at £3,222 is a 40% reduction on the previous year, due mainly to the impact of the conflict in Ukraine.

As the country and the economy move on from the pandemic disruption, our income streams are reverting to a more normal pattern and we work continuously on the long-term sustainability of our funding sources, through increased regular giving, further development of partnerships with local businesses, and a longer-term project to stimulate legacies.

Total resources expended were £948,787 which was an increase of £157,288 on the previous year, due mainly to staff returning to work throughout the majority of the year.

Expenditure on charitable activities increased by £127,276 as a result of increased activities through the year and responding to the increased demands for care support.

The charity's total funds increased from £1,030,913 to £1,130,145 at 31 March 2022, of which £1,010,500 was unrestricted.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of six to nine months of operating expenditure, which would equate to holding approximately £500,000 to £750,000 in free reserves.

At the year end, free reserves were £770,468 (2021: £606,481), an increase of £163,987 in the year.

The North Northumberland Hospice

Trustees' Report

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

The North Northumberland Hospice

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The North Northumberland Hospice for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

Disclosure of information to auditor


Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

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

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on *2/12/22* and signed on its behalf by:



L H M Carroll
Chairman and Trustee



E C Beauchamp
Trustee

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Opinion

We have audited the financial statements of The North Northumberland Hospice (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

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

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

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Care Quality Commission; Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Use of our report

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



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of
Azets Audit Services
Chartered Accountants
Statutory Auditor

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 5/12/22

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

The North Northumberland Hospice

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

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	569,507	75,910	645,417	613,610
Charitable activities	4	42,060	-	42,060	41,976
Other trading activities	5	291,005	1,258	292,263	111,682
Investment income	6	3,222	-	3,222	5,257
Other income	7	15,689	49,368	65,057	317,412
Total Income		921,483	126,536	1,048,019	1,089,937
Expenditure on:					
Raising funds	8	(346,622)	(1,258)	(347,880)	(317,868)
Charitable activities	9	(321,741)	(279,166)	(600,907)	(473,631)
Total Expenditure		(668,363)	(280,424)	(948,787)	(791,499)
Net income/(expenditure)		253,120	(153,888)	99,232	298,438
Transfers between funds		(101,155)	101,155	-	-
Net movement in funds		151,965	(52,733)	99,232	298,438
Reconciliation of funds					
Total funds brought forward		858,535	172,378	1,030,913	732,475
Total funds carried forward	21	1,010,500	119,645	1,130,145	1,030,913

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 21.

The North Northumberland Hospice

Comparative Statement of Financial Activities for the Year Ended 31 March 2021

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


	Note	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	535,081	78,529	613,610
Charitable activities	4	41,976	-	41,976
Other trading activities	5	110,179	1,503	111,682
Investment income	6	5,257	-	5,257
Other income	7	155,070	162,342	317,412
Total income		<u>847,563</u>	<u>242,374</u>	<u>1,089,937</u>
Expenditure on:				
Raising funds	8	(311,944)	(5,924)	(317,868)
Charitable activities	9	<u>(212,090)</u>	<u>(261,541)</u>	<u>(473,631)</u>
Total expenditure		<u>(524,034)</u>	<u>(267,465)</u>	<u>(791,499)</u>
Net income/(expenditure)		323,529	(25,091)	298,438
Transfers between funds		<u>(82,628)</u>	<u>82,628</u>	-
Net movement in funds		240,901	57,537	298,438
Reconciliation of funds				
Total funds brought forward		<u>617,634</u>	<u>114,841</u>	<u>732,475</u>
Total funds carried forward	21	<u><u>858,535</u></u>	<u><u>172,378</u></u>	<u><u>1,030,913</u></u>

The North Northumberland Hospice

(Registration number: 04925273)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	201,638	220,748
Current assets			
Debtors	17	307,295	218,789
Cash at bank and in hand		<u>682,981</u>	<u>653,208</u>
		990,276	871,997
Creditors: Amounts falling due within one year	18	<u>(61,769)</u>	<u>(61,832)</u>
Net current assets		<u>928,507</u>	<u>810,165</u>
Net assets		<u>1,130,145</u>	<u>1,030,913</u>
Funds of the charity:			
Restricted			
		<u>119,645</u>	<u>172,378</u>
Unrestricted income funds			
Designated funds		115,163	112,180
Unrestricted funds		<u>895,337</u>	<u>746,355</u>
Total unrestricted funds		<u>1,010,500</u>	<u>858,535</u>
Total funds	21	<u>1,130,145</u>	<u>1,030,913</u>

The financial statements on pages 16 to 38 were approved by the trustees, and authorised for issue on 21.03.22 and signed on their behalf by:


L H M Carroll
Chairman and Trustee


E C Beauchamp
Trustee

The North Northumberland Hospice

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		99,232	298,438
Adjustments to cash flows from non-cash items			
Depreciation	8	17,127	15,918
Investment income	6	<u>(3,222)</u>	<u>(5,257)</u>
		113,137	309,099
Working capital adjustments			
Increase in debtors	17	(88,506)	(112,681)
Increase in creditors	18	3,482	9,627
(Decrease)/increase in deferred income		<u>(3,545)</u>	<u>2,095</u>
Net cash flows from operating activities		<u>24,568</u>	<u>208,140</u>
Cash flows from investing activities			
Interest receivable and similar income	6	3,222	5,257
Purchase of tangible fixed assets	16	-	(3,630)
Sale of tangible fixed assets		<u>1,983</u>	<u>-</u>
Net cash flows from investing activities		<u>5,205</u>	<u>1,627</u>
Net increase in cash and cash equivalents		29,773	209,767
Cash and cash equivalents at 1 April		<u>653,208</u>	<u>443,441</u>
Cash and cash equivalents at 31 March		<u><u>682,981</u></u>	<u><u>653,208</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The North Northumberland Hospice

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

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Unit 3 Willowburn Avenue, Alnwick, NE66 2DG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The North Northumberland Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The presentational currency of the charitable company is Sterling.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

The North Northumberland Hospice

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

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

Depreciation is estimated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset. An estimate of the useful economic life is detailed in the depreciation accounting policy. During the year the total depreciation charge was £17,127.

Income and endowments

Income is recognised when the Hospice is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Turnover is the amount derived from the provision of goods/services, stated after trade discounts, other sales taxes and VAT.

Donations and legacies

Cash donations are recognised on receipt. Other donations are recognised once the Hospice has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Donated services and facilities

Goods donated for resale at the charity shops are not recognised in the financial statements of the charity until sold.

The North Northumberland Hospice

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

Investment income

Investment income, where appropriate, is included when receivable.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs incurred in connection with fund raising events.

Other expenditure

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

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

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Government grants included within other operating income includes the UK Government assistance provided through Coronavirus Job Retention Scheme during the Covid-19 pandemic.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £2,500.00 or more are initially recorded at cost.

The North Northumberland Hospice

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

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Property	2% Straight Line
Fixtures, Fittings and Other Equipment	10% - 20% Straight Line
Motor Vehicles	20% Straight Line
Computer Equipment	50% Straight Line
Leasehold Improvements	Straight Line over 10 year lease term

Impairment of fixed assets

At each reporting end date, the Hospice reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The North Northumberland Hospice

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

Pensions and other post retirement obligations

All eligible employees are automatically enrolled into a workplace pension scheme. Some clinical staff are members of the NHS pension scheme. Contributions to the defined contribution plans are charged to the income and expenditure account as they become payable.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Community Fundraising	36,327	2,210	38,537	70,414
Legacies	265,446	-	265,446	88,517
Donations from Trusts	53,400	73,700	127,100	132,635
Sponsored events and donations	<u>214,334</u>	<u>-</u>	<u>214,334</u>	<u>322,044</u>
Total for 2022	<u>569,507</u>	<u>75,910</u>	<u>645,417</u>	<u>613,610</u>

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations from trusts	64,351	68,284	132,635
Community fundraising	68,969	1,445	70,414
Legacies	88,517	-	88,517
Sponsored events and donations	<u>313,244</u>	<u>8,800</u>	<u>322,044</u>
	<u>535,081</u>	<u>78,529</u>	<u>613,610</u>

4 Income from charitable activities

	2022 £	2021 £
NHS Trust contract	<u>42,060</u>	<u>41,976</u>
	<u>42,060</u>	<u>41,976</u>

In 2022 and 2021 all of the income is unrestricted.

The North Northumberland Hospice

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

5 Income from other trading activities

	2022 £	2021 £
Fundraising events	46,417	41,759
Shop income	242,145	66,150
Lottery income	3,701	3,773
	<u>292,263</u>	<u>111,682</u>

In 2022, the income from trading activities is allocated between unrestricted funds of £291,005 and restricted funds of £1,258 relating to fundraising events.

In 2021, income from trading activities is allocated between unrestricted funds of £110,179 and restricted funds of £1,503 relating to fundraising events.

6 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Interest receivable and similar income;				
Interest receivable on bank deposits	3,222	-	3,222	5,257
Total for 2021	<u>5,257</u>	<u>-</u>	<u>5,257</u>	

7 Other income

£49,368 (2021: £162,342) received from Hospice UK is restricted with the remaining £15,689 (2021: £155,070) being for unrestricted purposes.

	2022 £	2021 £
CJRS	1,942	37,644
Hospice UK grant	49,781	162,342
Insurance Claims	-	55,901
Retail Grants	13,334	59,008
Other income	-	2,517
	<u>65,057</u>	<u>317,412</u>

The North Northumberland Hospice

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

8 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Staff costs	34,550	34,550	44,512
Marketing and publicity	3,890	3,890	567
Other direct costs of generating voluntary income	17,729	17,729	29,514
	<u>56,169</u>	<u>56,169</u>	<u>74,593</u>

b) Costs of trading activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Staff costs	105,854	105,854	102,079
Depreciation, amortisation and other similar costs	119,122	119,122	63,989
Other direct costs of activities for generating funds	66,735	66,735	77,207
	<u>291,711</u>	<u>291,711</u>	<u>243,275</u>

The North Northumberland Hospice

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

9 Expenditure on charitable activities

		Unrestricted		Total	Total
	Note	General	Restricted	2022	2021
		£	£	£	£
Clinical services and support costs	10	<u>321,741</u>	<u>279,166</u>	<u>600,907</u>	<u>473,631</u>
		Activity undertaken directly	Activity support costs	2022	2021
		£	£	£	£
Clinical Services		352,345	236,117	588,462	465,813
Governance costs		-	12,445	12,445	7,818
		<u>352,345</u>	<u>248,562</u>	<u>600,907</u>	<u>473,631</u>

The North Northumberland Hospice

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

10 Analysis of governance and support costs

Support and Governance costs

	Governance costs £	Support costs £	Total 2022 £
Administration costs	-	216,864	216,864
Marketing costs	-	19,253	19,253
Audit fee	5,250	-	5,250
Legal and professional fees	4,974	-	4,974
Trustee costs	2,221	-	2,221
	<u>12,445</u>	<u>236,117</u>	<u>248,562</u>
	Governance costs £	Support costs £	Total 2021 £
Administration costs	-	231,692	231,692
Property costs	-	10,625	10,625
Marketing costs	-	15,529	15,529
Audit fee	5,250	-	5,250
Legal and professional fees	7,984	-	7,984
Trustee costs	84	-	84
	<u>13,318</u>	<u>257,846</u>	<u>271,164</u>

11 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	5,250	5,250
Depreciation of fixed assets	<u>17,127</u>	<u>16,310</u>

12 Trustees remuneration and expenses

Two trustees received reimbursed expenses from the charity during the year totalling £239 (2021: no trustees received reimbursed expenses).

The North Northumberland Hospice

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

13 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	601,752	475,887
Social security costs	39,745	28,650
Pension costs	40,774	35,326
	<u>682,271</u>	<u>539,863</u>

The above staff costs include non payroll staff costs.

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2022 No	2021 No
Chief Executive Officer	1	1
Nurse manager	1	1
Nurses	9	4
Health care assistants	15	17
Administrative managers	3	2
Administrative staff	3	5
Domestic staff	2	2
Income generation and marketing	3	3
Retail manager	1	1
Retail staff	8	10
	<u>46</u>	<u>46</u>

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

The total employee benefits of the key management personnel of the charity were £164,975 (2021 - £109,591).

14 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>5,250</u>	<u>5,250</u>

The North Northumberland Hospice

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

15 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

16 Tangible fixed assets

	Freehold Property £	Fixtures, fittings and office equipment £	Motor vehicles £	Computer equipment £	Leasehold improvements £	Total £
Cost						
At 1 April 2021	125,936	55,470	8,300	3,978	255,226	448,910
Disposals	-	(8,021)	-	-	-	(8,021)
Transfers	229,058	-	-	-	(229,058)	-
At 31 March 2022	<u>354,994</u>	<u>47,449</u>	<u>8,300</u>	<u>3,978</u>	<u>26,168</u>	<u>440,889</u>
Depreciation						
At 1 April 2021	(52,762)	36,653	5,840	3,978	234,453	228,162
Charge for the year	5,956	4,277	1,660	-	5,234	17,127
Eliminated on disposals	-	(6,038)	-	-	-	(6,038)
Transfers	229,058	-	-	-	(229,058)	-
At 31 March 2022	<u>182,252</u>	<u>34,892</u>	<u>7,500</u>	<u>3,978</u>	<u>10,629</u>	<u>239,251</u>
Net book value						
At 31 March 2022	<u>172,742</u>	<u>12,557</u>	<u>800</u>	<u>-</u>	<u>15,539</u>	<u>201,638</u>
At 31 March 2021	<u>178,698</u>	<u>18,817</u>	<u>2,460</u>	<u>-</u>	<u>20,773</u>	<u>220,748</u>

17 Debtors

	2022 £	2021 £
Trade debtors	5,315	25,418
Prepayments	23,883	20,487
Accrued income	253,741	172,627
VAT recoverable	24,356	257
	<u>307,295</u>	<u>218,789</u>

The North Northumberland Hospice

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

18 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	16,911	8,798
Other creditors	16,788	15,831
Accruals	15,176	20,764
Deferred income	12,894	16,439
	<u>61,769</u>	<u>61,832</u>

	2022	2021
	£	£
Deferred income at 1 April 2021	16,439	14,344
Resources deferred in the period	12,894	16,439
Amounts released from previous periods	<u>(16,439)</u>	<u>(14,344)</u>
Deferred income at year end	<u>12,894</u>	<u>16,439</u>

19 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	2022	2021
	£	£
Land and buildings		
Within one year	28,500	28,500
Between one and five years	76,500	84,833
After five years	23,500	42,000
	<u>128,500</u>	<u>155,333</u>

The North Northumberland Hospice

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

20 Pension and other schemes

The Hospice operates two pension schemes.

Staff who are current or recent members of the NHS Pension Scheme (a multi-employer scheme), but are not yet drawing down its benefits, continue membership in their Hospice employment, and the Hospice pays the employer's contribution of 14.3%. This is a defined benefit scheme, but for these accounts it is treated as a defined contribution scheme as the hospice is not liable for any underfunding.

There is a "Direction" from the Department of Health which enables operation of the NHS Pension Scheme for staff who are contributing members in another employment or have been up to 12 months before joining the Hospice. Under this there is an obligation to ask new staff whether they qualify, and offer them continued membership if they do. They can decline in writing, and bank staff often do. New enrolments cannot be made into the scheme. For qualifying staff who decline to contribute in this employment, auto-enrolment rules for the People's Pension are followed.

The NHS Pension employer contribution rose from 14.3% to 20.6% in April 2019, however the government agreed to fund the increase centrally for the first 2 years, and has continued this for the present year in the face of the pandemic. There is also an admin fee of .08%. When the subsidy is removed, it will add iro £6K to staff costs.

All other staff are auto-enrolled in or offered membership of the (defined contribution) People's Pension, and the Hospice makes a contribution of 5%.

As at 31 March the Hospice's liabilities were:

	2022 £	2021 £
NHS Pension Employee Contributions	999	1,211
NHS Pension Employer Contributions	<u>1,966</u>	<u>2,283</u>
	<u>2,965</u>	<u>3,494</u>
	2022 £	2021 £
People's Pension Employee Contributions	868	840
People's Pension Employer Contributions	<u>1,327</u>	<u>1,274</u>
	<u>2,195</u>	<u>2,114</u>

The North Northumberland Hospice

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

21 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
General					
Unrestricted Fund	746,355	921,483	(668,363)	(104,138)	895,337
Designated					
Budget deficit	112,180	-	-	2,983	115,163
Total unrestricted funds	858,535	921,483	(668,363)	(101,155)	1,010,500
Restricted funds					
Alnwick Youth Hostel	860	-	(860)	-	-
Berwick Equipment Fund	597	-	-	(399)	198
Building Fund Donations	10,175	-	(318)	-	9,857
Dementia Walking Football	4,684	-	(918)	-	3,766
Department of Health	22,298	-	(715)	-	21,583
Dementia Therapy Sessions	2,350	-	-	-	2,350
Northern Rock Foundation	17,968	-	(1,287)	-	16,681
Admiral Nurse - Henfrey Trust	8,640	-	-	-	8,640
Sir James Knott Trust Fund	6,553	-	(205)	-	6,348
Wolfson Foundation	23,020	-	(720)	-	22,300
Hospice at Home	36,763	44,671	(175,636)	101,388	7,186
Ambling Angelas Fund	568	-	-	-	568
Berwick Garden Fund	33	-	-	-	33
Dementia Project	8,101	733	(4,868)	-	3,966
Develop & Promote Berwick Services - Lough fund	3,404	10,000	(4,815)	-	8,589
Berwick Hospice Services	100	1,000	-	-	1,100
Co-op Wellbeing	1,445	-	-	-	1,445
Headsets	35	-	-	-	35
CF - RWE Renewables Middlemoor Wind Farm Community	24,784	-	(24,784)	-	-
Hospice at Home- Government Covid Grants	-	49,368	(49,368)	-	-
Willan travel costs	-	10,000	(10,000)	-	-
Winham- Elderly	-	5,000	-	-	5,000

The North Northumberland Hospice

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

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Barbour ALN garden furniture	-	764	(930)	166	-
Community Foundation Clinical Travel Grant	-	5,000	(5,000)	-	-
Total restricted funds	172,378	126,536	(280,424)	101,155	119,645
Total funds	1,030,913	1,048,019	(948,787)	-	1,130,145
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
Unrestricted Fund	617,634	847,563	(524,034)	(194,808)	746,355
Designated					
Budget deficit	-	-	-	112,180	112,180
Total unrestricted funds	617,634	847,563	(524,034)	(82,628)	858,535
Restricted					
Alnwick Youth Hostel	1,720	-	(860)	-	860
Berwick Equipment Fund	597	-	-	-	597
Building Fund Donations	10,493	-	(318)	-	10,175
Dementia Walking Football	4,684	-	-	-	4,684
Department of Health	23,013	-	(715)	-	22,298
Dementia Therapy Sessions	2,350	-	-	-	2,350
Northern Rock Foundation	19,255	-	(1,287)	-	17,968
Admiral Nurse - Henfrey Trust	8,640	-	-	-	8,640
Sir James Knott Trust Fund	6,758	-	(205)	-	6,553
Wolfson Foundation	23,740	-	(720)	-	23,020
Hospice at Home	-	182,730	(228,595)	82,628	36,763
Ambling Angelas Fund	568	-	-	-	568
Berwick Garden Fund	33	-	-	-	33
Alnwick Youth Hostel Revenue	318	-	(318)	-	-
Dementia Project	8,101	-	-	-	8,101
Develop & Promote Berwick Services - Lough fund	4,569	10,000	(11,165)	-	3,404

The North Northumberland Hospice

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

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Berwick Hospice Services	2	4,415	(4,317)	-	100
CF Covid-19 Response	-	10,000	(10,000)	-	-
Co-op Wellbeing	-	1,445	-	-	1,445
Headsets	-	500	(465)	-	35
N Est Strategy	-	5,500	(5,500)	-	-
Souter Travel	-	3,000	(3,000)	-	-
CF - RWE Renewables Middlemoor Wind Farm Community	-	24,784	-	-	24,784
Total restricted funds	<u>114,841</u>	<u>242,374</u>	<u>(267,465)</u>	<u>82,628</u>	<u>172,378</u>
Total funds	<u>732,475</u>	<u>1,089,937</u>	<u>(791,499)</u>	<u>-</u>	<u>1,030,913</u>

The North Northumberland Hospice

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

The specific purposes for which the funds are to be applied are as follows:

Alnwick Youth Hostel

Donation to purchase and run a van for use of fundraisers and charity shop.

Berwick Equipment Fund

Donation for equipment at Hazel Marsden House.

Building fund donations

This represents monies received towards the costs of adapting the premises at Berwick.

Dementia Walking Football

Provision of "walking football" facilities and coaching as therapeutic activity for Dementia patients: PF Charitable Trust, Persula Foundation, Rotary Club of Alnwick, The Sir James Knott Trust and an anonymous donation.

Department of Health

Monies received for the construction of a Mezzanine floor in the Berwick Hospice building.

Dementia Therapy Sessions - Fund: HospiceAid UK, Seahouses Rotary Club

Northern Rock Foundation

Grant towards capital costs of adapting Berwick premises to accommodate charity shop and improve clinical area.

Admiral Nurse - Henfrey Trust

Donations to fund work with dementia patients.

Sir James Knott Trust Fund

This represents monies received from the James Knott Trust Fund for the purpose of providing premises for the Hospice.

Wolfson Foundation

Monies received from the Wolfson Foundation for the purpose of providing premises at Berwick.

Ambling Angelas Fund

Monies raised towards refurbishment of Premises.

Berwick Garden Fund

Donation for garden maintenance.

Alnwick Youth Hostel Revenue

Monies set aside for running costs of shop/fundraising van.

The North Northumberland Hospice

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

Dementia Project

Fund for general support of Dementia Patients and their families. Added to by: the Inner Wheel Club of Alnwick, Ellingham Village Hall fund, The Community Treatment Team and a number of private donations.

Lough Fund for Berwick

Provision and promotion of hospice services within a 10 mile radius of Berwick Town Hall: The FB and PFB Lough Fund (Community Foundation)

Berwick Services

Provision of hospice services in the Berwick Area. Added to by: The Inner Wheel Club of Berwick, the Rotary Club of Berwick, Ancroft Parish Council, The Northern Angel Fund (Community Foundation)

Hospice at Home

The contributions to the Hospice at Home Fund this year were as follows: The Hospital of God at Greatham, The Hadrian Trust, The J H Burn Charitable Trust, The David & Ruth Lewis Family Charitable Trust, The Barbour Foundation, The JGW Patterson Foundation, The Inlight Trust, The Butler Ember Charity, The Elise Pilkington Charitable Trust, The Ardwick Trust, The Catherine Cookson Charitable Trust, The R W Mann Trust, The Albert Hunt Trust, The Business 250 Club and 3 individual donors.

CF Covid-19 Response

Grant from the Community Foundation to enable the charity to respond to the challenges of the pandemic.

Co-op Wellbeing Fund

Grant from the Co-operative Community Fund towards our wellbeing services

Headsets

Grant from Tesco Bags of Help Covid Community Fund to provide headsets to staff enabling Hands Free use of phones

Northumberland Estates Strategy

Grant from the Northumberland Estates Community Fund to buy in strategy support for trustees

Souter Travel

Grant from Souter Charitable Trust to cover costs of travel to deliver Hospice Care in patients' homes.

CF - RWE Renewables Middlemoor Wind Farm Community

Grant from the Middlemoor Windfarm Community Fund to replace outdated IT equipment

Willian travel costs

Grant to fund travel expenses of clinical staff visiting patients in rural North Northumberland

Winham- elderly

Fund to be used for the wellbeing of elderly patients, but not staffing costs

Barbour ALN garden furniture

Grant to purchase garden furniture for use of patients and staff at Greensfield House, Alnwick

Community Foundation clinical travel grant

Grant to fund travel expenses of clinical staff visiting patients in rural North Northumberland

The North Northumberland Hospice

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

22 Analysis of net assets between funds

	Unrestricted			Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	124,869	-	76,769	201,638
Net current assets/(liabilities)	<u>770,468</u>	<u>115,163</u>	<u>42,876</u>	<u>928,507</u>
Total net assets	<u>895,337</u>	<u>115,163</u>	<u>119,645</u>	<u>1,130,145</u>

	Unrestricted			Total funds at 31 March 2021 £
	General £	Designated £	Restricted £	
Tangible fixed assets	139,874	-	80,874	220,748
Net current assets/(liabilities)	<u>606,481</u>	<u>112,180</u>	<u>91,504</u>	<u>810,165</u>
Total net assets	<u>746,355</u>	<u>112,180</u>	<u>172,378</u>	<u>1,030,913</u>

23 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	<u>653,208</u>	<u>29,773</u>	<u>682,981</u>
Net funds	<u>653,208</u>	<u>29,773</u>	<u>682,981</u>

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	<u>443,441</u>	<u>209,767</u>	<u>653,208</u>
Net funds	<u>443,441</u>	<u>209,767</u>	<u>653,208</u>

24 Related party transactions

During the year the charity made the following related party transactions:

Trustees and their partners and businesses

The Hospice received £3,335 (2021: £7,787) in donations, fund raising events and ticket purchases from Trustees.

At the balance sheet date the amount due to/from Trustees and their partners and businesses was £Nil (2021 - £Nil).

Senior Managers and their partners

The Hospice received £581 (2021: £2,756) in donations and fund raising events from senior managers.

At the balance sheet date the amount due to/from Senior Managers and their partners was £Nil (2021 - £Nil).