

CHARITY NO: SC010159

COMPANY NO: SC299663

**ST ANDREW'S HOSPICE (LANARKSHIRE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

ST ANDREW'S HOSPICE (LANARKSHIRE)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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ST ANDREW'S HOSPICE (LANARKSHIRE)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Mr Stephen Giusti Mr Joseph Cairney Sister Rita Dawson Mr Matt Donnelly Mrs Marian Gardner Mrs Marcella MacLean Mr George McCall Mr Harry McMenamin Sister Geraldine O'Connor (until 04.11.20) Sister Jacinta Rankin (from 04.11.20)
Chief Executive	Bruce High (until 14.02.21) Joy Farquharson (from 15.02.21)
Principal Office	1 Henderson Street Airdrie Lanarkshire ML6 6DJ
Charity Number:	SC010159
Company Number:	SC299663
Independent Auditors	Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP
Bankers	Royal Bank of Scotland plc 80 Main Street Coatbridge ML5 3DZ
Solicitors	Ness Gallacher Stewarton Chambers 95 Stewarton Street Wishaw ML2 8AG

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Operational and Strategic Report of the Trustees for the year ended 31 March 2021

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021.

The Trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

St Andrew's Hospice is established for charitable purposes only. The Hospice is open to all people without distinction of race, gender, sexual orientation, religion or belief. To ensure that no one is excluded and in common with hospices worldwide, all services are provided free of charge to the patients.

The objectives of the charity are the relief of sickness and disability in furtherance of the aims, charism and ethos of the Religious Sisters of Charity, in particular by

- a) The provision of palliative nursing, medical and other care services for those in need;
- b) The provision of pastoral care services;
- c) The provision of education and research into any aspect of care services provided by the Hospice;
- d) The provision of services to members of the Religious Sisters of Charity who are in need.

Significant activities

St Andrew's Hospice aims to provide the highest standard of specialist palliative care to the people of Lanarkshire. The Hospice does this through its; Inpatient Unit, Outpatient Department, Wellbeing programme and Compassionate Lanarkshire (CLAN) services. In addition, the Hospice provides a range of support services for patients and their families, including pastoral and spiritual support, bereavement counselling, counselling in anticipatory grief and social welfare advice and support. Education and training in palliative and end of life care is a further objective of the Hospice through the promotion and implementation of "Enriching & Improving Experience", the national palliative and end of life care training initiative.

This report marks the end of one of the most difficult years in the Hospice's history due to the effects of the COVID-19 pandemic. The pandemic significantly changed how clinical services were provided and the day to day operational activity of the majority of staff. Significant changes were made to ensure patients' safety as well as the safety of families and staff in relation to infection control. For the first time in its history, the Hospice closed to the general public. We had to drastically reduce our visiting at the beginning of the pandemic, allowing patients only one designated visitor for the duration of their stay. We had to introduce the use of enhanced PPE for all our staff and visitors. Our Outpatient Dept. was closed and our Community Team stopped visiting patients' homes. Our face to face counselling stopped, as did any group activity. In addition, from late March 2020, all face to face fundraising activity stopped, our retail shops closed and our door to door lottery canvassing was put on hold. Non-clinical staff, where possible, worked from home or for roles that couldn't be carried out remotely, we were able to take advantage of the government's furlough scheme. Over the first few months, we were able to adapt ways of

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working to allow us to implement digital services for outpatients in the community. In addition, we were able to facilitate a number of staff working from home once we were able to source and set up appropriate IT equipment.

Despite all of this, the Hospice continued to deliver on the Strategic Commissioning Plan (SCP) set out by South Lanarkshire's Integration Joint Board (IJB) for 2019-22 including the following:

- a) Identify opportunities to support and improve people's pathways of care.
- b) Help deliver the full breadth and depth of care needs of PEOLC patients and their families, loved ones and carers.
- c) Help improve the early identification of those with palliative care needs, as a gateway to establishing support in line with what matters to the person.
- d) Have conversations about 'What Matters to Me' with those affected, leading to a shareable plan – most often an Anticipatory Care Plan.

Volunteers

St Andrew's Hospice is indebted to over 600 volunteers who give up their time to help the Hospice as well as to all those people who throughout the course of the year have helped support the Hospice financially, including the donation of goods and consumables. As we commenced this year, due to the pandemic, we had to step back all of our volunteers from all roles to ensure their safety and minimise footfall within the Hospice. The HR Team along with Departmental Managers ensured that regular contact was made with all volunteers to update them and maintain their commitment to the Hospice. Thankfully, the majority of our volunteers returned to our shops when they reopened, however some have chosen to wait until they have received both vaccines. Volunteers returned to the clinical area when Lanarkshire moved to Level 1.

Achievement and performance

Charitable activities

Review of activities

The principal activity of the charity is the operation of the Hospice for the care of people with life limiting conditions and their families. The localities that the Hospice serves are: North Lanarkshire (with the exception of Cumbernauld & Kilsyth) and South Lanarkshire (with the exception of East Kilbride, Rutherglen, Cambuslang and Hamilton). Care is provided free to patients, and referrals are accepted from GPs, Hospital Consultants and Palliative Care Clinical Nurse Specialists (CNSs) in both hospital and the community. For some Outpatient Services and Bereavement Support patients/carers can self-refer.

The past year has seen considerable disruption and adaptation to all services provided by the Hospice as a result of the pandemic. From early March 2020, a COVID Response Team was formed which was responsible for overseeing all aspects of the management of Hospice services during the pandemic. The main focus of everyone's effort for the past 12 months has been on continuing to provide as many of our services as possible, in a safe manner for both patients and staff as well as in accordance with Scottish Government legislation and guidance. For some services and planned development, this has resulted in significant changes or delays but the

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pandemic has also allowed us to develop new ways of working and develop new services which we will continue as part of our remobilisation plans. This is particularly relevant to the development of virtual services and consultations and use of technology. We have also been successful at securing grants/funding to continue services such as Music Therapy and develop new work including Hearty Hospice Meals. Our Lanarkshire-wide Compassionate Lanarkshire project was stopped briefly for 3 months to reconfigure the services to be COVID compliant. However, it has been fully operational again, digitally, since July 2020.

Inpatients

During the period 1st April 2020 to 31st March 2021 the Inpatient Unit (IPU) had a total of 298 referrals and 231 admissions. This is a reduction of 31% and 43% respectively compared to the previous year.

COVID-19 had a substantial impact on referrals and admissions during the year in a number of ways including reduced bed availability (we have only used 1 bed within our 3 bedded rooms since 16th March 2020), and a reported hesitancy on behalf of patients and families to be admitted to any healthcare facilities due to the risk associated with COVID. In addition, it has also been reported to us that families chose to keep their loved ones at home as they were furloughed or working from home.

Occupancy during the year was 73% based on 23 available beds during the period, 70% based on 24 funded beds and 56% based on our 30 bed capacity, a significant reduction compared to 78% and 97% for 24 and 30 beds respectively for the previous year. Average length of stay for 2020/21 was 23 days which is an increase from 16 the previous year. Significant changes were also made in relation to how the Inpatient Unit functioned during the peak of the pandemic including closing off communal spaces such as sitting rooms and we had to drastically change our visiting guidance to reduce the risk to patients, staff and families visiting. The change in visiting guidelines was not only very hard on patients and families but also on staff who are used to ensuring that patients have the opportunity to spend as much time as possible with their loved ones while in the Hospice.

We also had to make significant changes to how visitors entered and left the building to minimise risks but also to introduce the wearing of PPE while within the IPU. In addition, for a 5-week period at the beginning of the pandemic, St Andrew's Hospice was the only Specialist Palliative Care unit in Lanarkshire as Kilbryde Hospice was utilised as additional COVID beds. Significant changes also had to be put in place to allow us to be able to segregate patients if a patient tested positive. We also introduced strict protocols around admissions to minimise the risk of COVID-19 to patients and staff. Patients are tested prior to admission as well as every 4 days with consent. All patients have been cared for in single rooms with no mixing of either patients or visitors.

All non-essential staff/volunteers were withdrawn from the IPU at the height of the pandemic. (Music Therapist, Complementary Therapists etc.) Patients' families were given information in relation to visiting and other restrictions prior to admission as well as at admission to ensure they were fully informed. The Hospice was closed to the general public from mid-March and only patients' visitors were allowed access. Non-essential maintenance was put on hold and we segregated the clinical side of the Hospice from the non-clinical side and put in place separate entrance/exits, dining facilities and toilets.

To ensure patients could continue to be in touch with family and friends, laptops/tablets etc. were made available to allow easy communication. We also went on to train Digital Champions within the IPU to help facilitate communication for patients.

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Outpatients

Following lockdown measures being put in place in March 2020, all face to face Outpatient services were suspended until June 2020. During this 3-month period, regular support calls were carried out by staff working from home to over 100 patients known to St Andrew's Hospice Outpatient Teams.

During this period, staff also worked to redesign and redevelop services to enable them to take place digitally. We also had to ensure we had the digital infrastructure to support these services as well as ensuring our staff had the necessary skills. This was a significant change in way of working for clinical staff, however they embraced it as they understood the significance of our services to patients, the majority of whom were shielding and socially isolated. Our services resumed from July 2020, offering patients and carers support using telephone, NHSL Near Me and other digital platforms.

Our Wellbeing programme adapted and Wellbeing@Home which provides information, exercise and activities to promote self-management and wellbeing using a digital platform. The Wellbeing@Home programme in the last 6 months has hosted 216 live online activities with a total of 876 attendances. This figure does not include the number of patients engaging with our non-live online sessions. Furthermore, over this period a total of 488 support calls were carried out by Outpatient staff. Wellbeing@Home attendance rates are currently 70%. This is an increase from the 60% attendance rate we had the previous year for the face to face Wellbeing programme. This rise is most likely a result of the Wellbeing service now being more easily accessible and offering patients the choice of which sessions they wish to join at a time that is most convenient to them.

Unfortunately, our Physiotherapy and Occupational Therapy clinics have seen a significant decrease in referrals this year, however this is most likely due to the suspension of face to face clinics. We have also learned that a lot of Healthcare Professionals presumed that because face to face services were not available that no service was available.

Music Therapy resumed in September with online sessions including one to one and group work. Within the one to one sessions, the Music Therapist is able to offer lessons in specific instruments - the ukulele has proven to be very popular. The group sessions - named Musical Memories - is a group session where participants get to discuss music and the wonderful memories and feelings that music evokes. Sessions usually finish off with a group sing along. Since September, 32 sessions have been offered with 155 attendances.

The success of digital services can be credited to the introduction of Digital Champion roles. Digital Champions can visit patients in their own home setting up devices, Wi-Fi and demonstrating how to use e-mail, social media and Zoom. The aim is that, with support from Digital Champions, patients will be able to use the internet safely, confidently and effectively. At this time, over 20 patients have been supported by our Digital Champions. Devices such as iPads, Chromebooks and Mi-Fi have been issued by our team, using funding and equipment from Connecting Scotland. This has contributed in many patients accessing digital services for the first time. Not only have our patients been able to use these devices to connect with the Hospice, they have used them to stay in touch with friends and family during lockdown so they have been greatly beneficial. Patients and carers have engaged very well with digital services and have adapted to them more readily than anticipated. Our plans to develop Art Therapy as part of our Outpatient Services has been put on hold until we can resume face to face groups.

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The Outpatient Team has also produced monthly newsletters for patients to keep them informed of activities as well as organising Afternoon Tea during Hospice Care Week in October which was delivered to each patients' home and Christmas Gift Boxes for every patient, with the kind support of local businesses and the Fundraising Team

Hospice Hearty Meals (HHM) is a community project which was set up in response to the COVID-19 pandemic and subsequent lockdown. Home cooked meals, which are prepared by the SAH Catering Team, are delivered 3 times per week for patients/clients/carers in the community who are struggling to access and prepare nutritional meals due to lockdown. This project has been funded for the past year and has received excellent feedback from those who have utilised it. Since its commencement, the HHM project has delivered over 2,000 meals across Lanarkshire to those most in need. Patients have expressed the health and wellbeing benefits of having a nutritious meal 3 times per week and carers have enjoyed the respite they provide, with some carers stating it gave them more valuable and meaningful time with their loved one before they died. As well as supporting patients living in the community, the HHM project has also been utilised for supporting patients returning home after an inpatient stay who have minimal support at home or live alone. The project has been fully funded by grants received from external sources.

Carer Connections, an online programme, was introduced in March 2021 and offers advice and support for carers of patients living with life limiting illness. The programme includes: a monthly Zoom chat, hand massage tutorials, Walk & Talk with Carers walking group and complementary therapies.

An online resource library has been made available on the SAH website. The library consists of useful videos which people can access at any time from home. These include Fatigue Management, Energy Conservation, Sleep Hygiene, Mindfulness, Guided Relaxation and Tai Chi.

Community/ Compassionate Lanarkshire (CLAN)

CLAN is a pan-Lanarkshire project in partnership with Strathcarron and Kilbryde Hospices. SAH is the lead organisation and has strategic responsibility and accountability for the overall project. A Project Steering Group is in place with representation from all three Hospices plus South Lanarkshire Health and Social Care Partnership (SLHSCP). CLAN aims to support vulnerable and isolated individuals and their carers in Lanarkshire, who are affected by life-limiting illnesses including; cancer, heart disease, COPD and progressive neurological conditions. This support can help people to stay at home longer, reduce social isolation, support relatives and carers and is also used to signpost people to other services/organisations.

CLAN was suspended for 3 months when the UK went into lockdown in March 2020.

Over this 3 month period, CLAN patients and their families continued to receive support via telephone. CLAN services resumed in July. In the last 6 months CLAN at St Andrew's has received a total of 102 referrals.

Our befrienders have continued to support clients via telephone and we currently have 27 clients matched and being regularly supported by a CLAN befriender.

The project is utilising a new outcome measure tool called Wellbeing Star. All staff involved in the project have undergone training in the use of this nationally recognised tool. The outcome star measures the 8 main wellbeing indicators. Results help us identify areas of concern and shape the overall action plan. The Wellbeing Star is able to identify the wellbeing areas that are impacted by CLAN services. On our most recent review, we were able to identify that 82% of service users showed improvement in more than one area and 64% showed improvement in 3 or more areas.

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The 4 main areas influenced include; looking after yourself, activity, feeling positive and managing symptoms.

Complementary therapies are currently being delivered remotely. These therapies include Distance Reiki, Aromatherapy and Guided Relaxation. Our Complementary Therapy staff have also developed online training to support those at home. These sessions include hand massage and mindfulness. At present, there are approx. 60 therapies being delivered each month to patients and their families.

A weekly Mindfulness group which is delivered via Zoom has also commenced for patients and carers. The aim of these sessions is to introduce patients and carers to mindfulness techniques which will enhance mental and physical wellbeing, and help people cope more effectively with increasing stress & anxiety as well as other associated symptoms commonly experienced in palliative care. Mindfulness resources are also available to people who wish to explore mindfulness techniques at home. These include: mindfulness diaries, mindfulness colouring, mindfulness puzzles, mindfulness games, mindfulness/memory jars and listening books.

Bereavement Support and Counselling

The Bereavement Support and Counselling Service seeks to provide help to people experiencing bereavement, including those with no previous connection to the Hospice. The service was severely impacted by COVID-19 restrictions. Although the service was suspended in from March – June, we nevertheless still managed to deliver a total of 544 telephone/digital counselling sessions over the course of the year with reduced staffing levels. The service has found over the

12 months that not all clients are willing to participate in telephone/digital sessions and would prefer to wait until they can participate in face to face counselling. Our Bereavement Support Group has been suspended during the 12-month period. Over the 12-month period, we have seen a significant increase in NHS/Care/Nursing Home staff seeking support in dealing with personal grief or situations they have found themselves in as a result of the pandemic. This was particularly evident during the 1st and 2nd lockdown periods.

The Spiritual Care Service provided 579 telephone/digital counselling /support sessions. Over the 12-month period, the Children's Service has supported 21 children and carers (107 sessions) who have been affected by loss and grief. The Children's Group Service on a Friday evening has been suspended for the 12-month period. Overall, the department provided 1,230 sessions of support to people from the wider community.

Pastoral / Spiritual & Social Care

The spiritual needs of our patients and families remain at the forefront of all that we do. We are proactive in supporting patients and families to deal with issues of transition loss, anticipatory grief and spiritual wellbeing. The Spiritual Care Team continue to be regularly called upon to preside over the funerals of patients and families, who have no live church connection or no religious belief. Despite the pandemic, we recruited 2 Trainee Specialist Palliative Care Chaplains who, as well as working within the team, are undertaking additional education at Glasgow University – we are the first hospice in Scotland to undertake training for Chaplains in this way.

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Education

Over the year, the Education Department was severely impacted by COVID-19 restrictions but has managed to deliver some in-house, in-person education and training for small groups of 8 people. 8 staff members attended training in Communication, Loss, Grief & Bereavement and 16 staff members attended Compassionate Care Core Skills Update. Additional COVID-19 related eLearning resources were made available to staff along with a number of Lunch & Learn sessions on a wide variety of topics.

Our Palliative Care Modules in partnership with Glasgow Caledonian University (GCU) have also been significantly affected by the pandemic, with no teaching taking place during 2021/21 and the majority of students who would have been due to submit assignments putting forward mitigation for delaying submission. Unfortunately, none of the participants from Jan-March 2020 have submitted their assignments to date.

Our Spiritual Care Conference was not able to go ahead in October as planned – consideration will be given for this year based on the guidance at the time.

Facilities

- The Hospice estate continues to perform well. The ongoing heating issues are very close to final resolution following extensive dialogue with key contractors and considerable delays due to the pandemic. The recently commissioned in-house laundry supports a bespoke linen service which provides our patients with a more personal service with improved finish quality of laundered items. This in turn has reduced our costs as well as our environmental performance compared to outsourced linen. The Facilities Team have introduced a Facilities Helpdesk, which allows staff to log facilities issues on the shared drive and monitor progress as the repair is triaged, updated and completed. The team has prioritised freshening up all patient rooms upon discharge, to ensure the fabric and decor remain in good condition. The team have started developing a Planned Preventative Maintenance programme to ensure the estate is kept in good condition and to allow budgeting as appropriate. The Facilities team have worked closely with the Outpatient Team to facilitate and implement the Hospice Hearty Meal programme including preparing the meals and delivering them to patients. This is regarded as an innovative program which is drawing positive media attention. The Housekeeping Team have had to adapt to significant changes in line with infection control procedures – following national guidance and increasing cleaning regimes to following national guidance.

Liaison with other agencies

The Hospice is a member of the Scottish Hospice Leadership Group, the Scottish Partnership for Palliative Care and Hospice U.K. Links with other Scottish hospices have proven to be very valuable during the pandemic and the ability to share learning. In addition, St. Andrew's participates with the majority of other Scottish hospices in a National Hospice Fundraising Forum (Scotland's Hospices Together) to benefit from economies of scale and collaborate on national fundraising initiatives which has reaped dividends with a significant donation in April 21. In addition, St. Andrew's Hospice works closely with St. Margaret of Scotland Hospice (Clydebank) and St. Joseph's Hospice (Hackney) - the other two hospices in the U.K. founded by the Religious Sisters of Charity.

SAH has continued to contribute to the Hospice UK benchmarking programme which records data in 3 specific areas (Tissue Viability, Medicines Incidents and Falls), however this too has been affected by the pandemic with less hospice participation. Despite this, results from this benchmarking continue to show improvement and indicate that St Andrew's Hospice continues to perform well over the indicators measured.

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SAH continues to be well represented on the NHSL Specialist Palliative Care Improvement Group. The main focus of this group is the implementation of Lanarkshire's Palliative Care Strategy and developing new ways of delivering care. Following the first wave of the pandemic, various other ways of delivering specialist palliative care have been explored including Nurse Led Beds, Hospice@Home and Allied Healthcare Professional (AHP)-led short stay beds. These are all currently being considered by the Strategic Group but would require considerable funding. SAH also work closely with Strathcarron Hospice and Kilbryde Hospice to deliver the CLAN project as described in the Community section above.

We continue to work closely with South Lanarkshire's Health and Social Care Partnership, the lead commissioner of Palliative Care Services for both North and South Lanarkshire. Quarterly performance reports are submitted to them and these reports, along with the Hospice's financial performance, are reviewed at quarterly contract monitoring meetings. The CEO was also recently involved in the recruitment process for the new Director, Health & Social Care in South Lanarkshire Health and Social Care Partnership.

Fundraising activities

The single biggest impact on our finances this year was the Covid Pandemic as evidenced by the drop in fundraised income across most of our income streams. Donations and legacies dropped from £1,728,383 last year to £1,425,838, Fundraising Events dropped from £1,016,513 to £642,908, and Shop Income dropped from £1,059,919 to £334,751.

In last year's report we indicated that there was minor impact last year with closure of our shops only for 2 weeks out of the year and the postponement of our overseas trek. This year was very different. The shops sadly had to remain closed until summer where we gradually reopened only to have to close again following the discovery of the emergent new strain in late December, and remained closed beyond the end of the financial year.

We could not run any physical events at all, such as the Annual Ball or the Midnight Walk and supporters were limited in the events that they would normally run to support the hospice. Our lottery canvassers had periods of months when they could not go out to recruit new players for our lottery. With no funerals allowed people were unable to send money from collections at funerals or offerings from churches. And with long periods of closure on the high street shops, restaurants and pubs income from collecting cans tumbled.

To cope with the sudden changes, we had to adapt quickly. Sadly, many of the fundraising and retail team spent large periods on furlough to save the Hospice money and allow us to claim grants from Governments. We created new virtual events and promoted use of credit or debit cards, online donations and use of the telephone to make gifts. Virtual and remote events were created and we created an emergency appeal. And we were flooded with waves of generosity from the people of Lanarkshire and beyond who gave generously to support the work of the Hospice.

The previous investment in Lottery recruitment saw Lottery income see a slight rise in income from £932,623 last year to £941,760 this year. The change in emphasis from events to financial appeal resulted in an increase in Gift Aid income. There is a significant drop in income from our Refurbishment Project from £305,007 last year to £37,548. With the Refurbishment works having been completed in April 2018 the appeal was winding down even before the pandemic and was scheduled to finish in May 2020.

Although we had to cancel events and saw a reduced income we were able to trim costs there by not having financial outlay. We also had staff vacancies in the fundraising team which we chose not to fill during the pandemic. As a result, events costs were reduced from £468,830 last year to £232,626 so although we had a large drop in income, we saw a much smaller drop in net income. Given the suspension of lottery canvassing for two periods due to Covid we actually reduced our

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lottery costs this year. However, organisational support costs and accounting adjustments, some which were historic makes those savings appear to be minimal with costs this year of £394,948 compared to £402,931 last year. Similarly, there were significant allocation of support costs regarding our retail operation which sees our costs rise from £538,699 last year to £566,186.

Financial review

The financial position of the Hospice has been of paramount concern over the 12-month period, especially given the significant limitations the pandemic enforced on our fundraising and retail teams. We were thankfully able to apply for and successfully obtain various grants both for direct patient related services but also which compensated for lost income such as closed retail outlets. The ability to access the Government furlough scheme was critical to retaining staff's employment especially for those who could not work from home or for whom their job was not viable during the pandemic. We are also very grateful to the population of Lanarkshire for their unwavering support through this unprecedented year for everyone within our community.

Financial position

The financial activities of the charity are as set out in the attached financial statements.

During the period under review, the overall income was £8,567,253 (2020: £8,470,338).

The net income for the year was £728,603 (2020: net expenditure of £729,763) after allowing for gains on investments of £501,420 (2020: losses of £297,239).

The total of the accumulated Unrestricted General Fund at 31 March 2021 was £3,417,253 (2020: £2,506,842).

Principal funding sources

NHS Lanarkshire is the single largest funder providing 38% of our total income. Our grant agreement identifies areas of core business where the NHS provides 50% of funding. However, developments in some clinical areas and in fundraising have been fully funded by the Hospice or external grants. Unusually, a further 20% of our total income has come from The Treasury, business support grants and the furlough scheme directly as a result of the pandemic which have been very welcome when fundraising has been so curtailed.

Investment policy and objectives

In May 2014, the trustees enlisted the services of Brewin Dolphin Ltd to establish a portfolio for reserves of £2,000,000.

The investment objective for long-term reserves is to generate a return in excess of inflation whilst generating an income to support the ongoing activities of the charity.

The investment objective for short-term reserves is to preserve the capital values with a minimum level of risk.

Assets should be readily available to meet unanticipated cash flow requirements. Our investments seen a significant decrease in value at the start of the pandemic however have gradually returned to pre-pandemic levels

The closing market value for this portfolio, as at 31 March 2021, was £2,721,758 (2020: £2,192,112).

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Reserves policy

The target of the Hospice within this year was to maintain a minimum of 3 months of free reserves. The overall financial position remains healthy at the end of the year. The Hospice has free reserves of £3,417,253 (2020: £2,506,842) covering 4.9 months (2020 – 3.4 months) operating costs.

Going concern

The charity has cash resources with some finance debt connected to the significant refurbishment project. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and repay the finance debts. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements. There are no known, material uncertainties regarding the charity's ability to continue as a going concern.

Principal risks and uncertainties

The trustees have a duty to identify and review the risks to which the charitable company is exposed.

Structures are in place to oversee the operational risks that the Hospice is subject to and these are managed through the Integrated Governance Committee, which, as a sub-committee of the Board of Trustees, reports into that Board. Reporting into the Integrated Governance Committee are the following sub committees; Clinical Risk and Audit, Medicines Management, Control of Infection, Health & Safety, Risk Management, Patient Experience, Information Governance, Education and Fundraising.

The major strategic risks and uncertainties for the charity are;

1. . the continuation of the current financial arrangement and partnership with South Lanarkshire's Health and Social Care Partnership (See "liaison with other agencies" paragraph 4 above).
2. . the delivery of fundraising activities in a difficult ongoing financial climate due to COVID-19.
3. . the recommencement of face to face fundraising activities with ongoing/changing restriction on gatherings resulting from the pandemic and unknown consumer confidence.
4. Increased demand for clinical services as a result of the pandemic

The trustees are satisfied that the partnership working with SLHSCP/NHS Lanarkshire and the current fundraising strategies are sound and that risks to the charity are minimised.

Future plans

The Trustees Strategy Sub-Group meets six times a year to review strategic developments and report to the full Board of Trustees. The Group has continued to oversee the ongoing issues relating to the heating system which have not been resolved as quickly as hoped due to the pandemic. In addition, the Strategy Group has led on reviewing the Hospice's Investment Policy and provider, overseeing the implementation of the RBS loan for the remaining Refurbishment and considering COVID remobilisation.

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Other plans identified by this group during 2020/21 were as follows:

Hospice Strategy

- The adaptation of Outpatient & Community Services to digital during the pandemic.
- Implementation of an integrated Payroll and HR system

Finance Strategy

- Conversion of the loan for the capital appeal.
- Close monitoring and mitigation of the financial stresses placed upon the organisation as a result of the pandemic.
- Budget planning for year ahead and beyond

Clinical Strategy

- Adherence to national guidelines during the pandemic while still providing patient centred palliative care
- Continuing to contribute to, challenging and helping to shape NHSL's Palliative Care Strategy.
- Remobilisation of Hospice Services.

Fundraising Strategy

- Monitoring of the Fundraising performance and strategy particularly in relation to the contracted out Lottery canvassing project and the changing fundraising environment relating to COVID-19.
- Implementation of contactless fixed-value donation system.
- Reviewing Retail strategy following shutdowns due to the pandemic.

In addition, from the beginning of the financial year, it was evident that there would be a significant impact from the COVID-19 pandemic on the Hospice's fundraising capability and consequentially the overall finances of the Hospice. The Board and Strategy Group's focus turned to examining the following:

Maximising new income streams through:

- The use of virtual events
- Emergency appeal/s
- The use of the Job Retention Scheme.
- Exploring other income possibilities such as trusts, government grants etc.

Reducing expenditure through:

- Leaving vacancies unfilled, where this would not impact upon the service we provide.
- Offering the possibility of voluntary redundancies, again where this would not impact upon the service we provide.

ST ANDREW'S HOSPICE (LANARKSHIRE)
Operational and Strategic Report of the Trustees for the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The company was incorporated on 27th March 2006, established by a Memorandum and Articles of Association.

The members of the charitable company are all members of the Religious Sisters of Charity.

Permission was granted by the Registrar of Companies to omit the word "limited" from the company name.

New Articles of Association and a governing document of the charitable company were accepted on 31 August 2012.

Recruitment and appointment of new trustees

The Directors of the charitable company are also charity trustees for the purposes of charity law. The trustees have authority to appoint any person to be a trustee at any time. That person, however, will hold office only until the next Annual General Meeting at which point they will be formally elected.

Organisational structure / Decision making

The Board of Trustees is responsible for the overall direction and management of the charity and meets regularly. The Board appoints a Chief Executive who is responsible for the day to day management of the charity along with the other members of the Senior Management Team.

The Senior Management Team (SMT) currently comprises: Chief Executive, Deputy Chief Executive, Head of Fundraising, Lead Consultant, Director of Mission, Head of Finance, Head of Human Resources and Organisation Development and the Facilities Manager. Senior Management Team meetings are held formally every 4 weeks. A formal agenda is followed and actions planned and documented and approved minutes are available. From January 2021, an additional SMT Finance Strategy Meeting is also held monthly and attended by the relevant budget holders.

Induction and training of new trustees

All trustees of the charity are already very experienced in charity management. They are all aware of and fully committed to the work of the Hospice as well as to the Hospice's ethos, mission and values which continue to be those of the Religious Sisters of Charity. In addition, they all receive an induction pack containing details of their responsibilities and are offered regular update lectures on the same subject.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The trustees consider that the Chief Executive and the Deputy Chief Executive roles comprise the key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis.

ST ANDREW'S HOSPICE (LANARKSHIRE)

Operational and Strategic Report of the Trustees for the year ended 31 March 2021

The remuneration policy for all employees is to match the skills, experience and qualifications of each position consistent with a framework allowing for market levels in the sector within the locality of the Hospice.

Wider network / Related organisations

St Andrew's Hospice (Lanarkshire) is an independent charity and has no subsidiaries or any interests in other companies or charities.

The members of the charitable company are all members of the Religious Sisters of Charity who founded the Hospice in 1986. The ethos and values of the Sisters of Charity remain the core values of the Hospice - those of: Human Dignity, Compassion, Justice, Advocacy and Quality in the care provided for the most vulnerable in our communities.

The Hospice operates within the national policy context around the provision of specialist palliative care in Scotland and complies with the Public Service Reform (Scotland) Act 2010.

The Hospice is registered and inspected by Healthcare Improvement Scotland (HIS).

The Hospice meets the best practice guidelines of the Nursing and Midwifery Council for nursing care.

The Hospice is a member of the Scottish Partnership for Palliative Care and a member of Hospice UK, the Scottish and UK-wide representative bodies, respectively, for palliative care. At a local level the Hospice works closely with SLHSCP / NHS Lanarkshire and its staff; in the three University hospitals, the other two hospices supporting Lanarkshire residents (Kilbride and Strathcarron), the Community Specialist Palliative Care Team, GP surgeries, care homes and other care centres across Lanarkshire.

Risk management

The trustees have examined the major risks to which the charity is exposed. In particular, they examined those related to Operations, Governance, Finance, Compliance and External Factors which may have an impact on the charity. They are satisfied that systems are in place in order to mitigate exposure to the major risks. The trustees will continue to review their policies in the light of issues raised during the charity's on-going risk assessment.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of St Andrew's Hospice (Lanarkshire) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the charitable will continue in business.

ST ANDREW'S HOSPICE (LANARKSHIRE)
Operational and Strategic Report of the Trustees for the year ended 31 March 2021

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 1st September 2021 and signed on their behalf by:

DocuSigned by:

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Mr Stephen Giusti
Trustee

ST ANDREW'S HOSPICE (LANARKSHIRE)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ST ANDREW'S HOSPICE (LANARKSHIRE) FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of St Andrew's Hospice (Lanarkshire) (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Statements. 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.

ST ANDREW'S HOSPICE (LANARKSHIRE)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ST ANDREW'S HOSPICE (LANARKSHIRE) FOR THE YEAR ENDED 31 MARCH 2021

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Operational and Strategic Report of the Trustees which includes the Strategic Report and 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors Report.

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

- adequate accounting records have not been kept, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 14 and 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

ST ANDREW'S HOSPICE (LANARKSHIRE)**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ST ANDREW'S HOSPICE (LANARKSHIRE) FOR THE YEAR ENDED 31 MARCH 2021**

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

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

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations;
- Compliance with Coronavirus Job Retention Scheme; and
- Submission of gift aid claims.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries;
- Overstated Coronavirus Job Retention Scheme claims; and
- Overstated gift aid claims:

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, the audit committee and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business;
- Substantive testing of Coronavirus Job Retention Scheme and gift aid claims.

ST ANDREW'S HOSPICE (LANARKSHIRE)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ST ANDREW'S HOSPICE (LANARKSHIRE) FOR THE YEAR ENDED 31 MARCH 2021

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at:<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

Our audit work has been undertaken so that we might state to the charitable company's members and 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Jenny Simpson (Senior Statutory Auditor)

1st September 2021

*168 Bath Street
Glasgow
G2 4TP*

For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor

Wylie & Bisset (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ST ANDREW'S HOSPICE (LANARKSHIRE)
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2021
(including an Income and Expenditure account)

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Income and endowments from:							
Donations and legacies	4	2,476,230	182,970	2,659,200	1,896,752	215,263	2,112,015
Charitable activities	5	3,280,374	-	3,280,374	3,162,953	-	3,162,953
Other trading activities	6	1,929,307	-	1,929,307	3,112,362	-	3,112,362
Investments	7	66,967	-	66,967	83,008	-	83,008
Other Income	8	-	631,405	631,405	-	-	-
Total Income		7,752,878	814,375	8,567,253	8,255,075	215,263	8,470,338
Expenditure on:							
Raising funds	9	653,175	-	653,175	756,268	-	756,268
Charitable activities	10	5,676,337	798,496	6,474,833	6,445,367	236,151	6,681,518
Other trading activities	11	1,195,952	-	1,195,952	1,448,101	-	1,448,101
Investment management costs	12	16,110	-	16,110	16,975	-	16,975
Total Expenditure		7,541,574	798,496	8,340,070	8,666,711	236,151	8,902,862
Net income/(expenditure) and net movement in funds before gains and losses on investments							
		211,304	15,879	227,183	(411,636)	(20,888)	(432,524)
Net gains/(losses) on investments	24	501,420	-	501,420	(297,239)	-	(297,239)
Net income/(expenditure)		712,724	15,879	728,603	(708,875)	(20,888)	(729,763)
Transfers between funds	24	-	-	-	(14,940)	14,940	-
Net movement in funds		712,724	15,879	728,603	(723,815)	(5,948)	(729,763)
Funds reconciliation							
Total Funds brought forward	24	9,717,607	163,377	9,880,984	10,441,422	169,325	10,610,747
Total Funds carried forward	24	10,430,331	179,256	10,609,587	9,717,607	163,377	9,880,984

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

ST ANDREW'S HOSPICE (LANARKSHIRE)**BALANCE SHEET AS AT 31 MARCH 2021**

	Note	2021	2020
		£	£
Fixed assets:			
Tangible assets	16	8,419,990	8,695,764
Investments	17	2,721,758	1,092,112
Total Fixed assets		<u>11,141,748</u>	<u>9,787,876</u>
Current assets:			
Investments	17	-	1,100,000
Stocks	18	52,646	60,779
Debtors	19	476,779	521,798
Cash at bank and in hand	26	2,235,481	514,913
Total Current assets		<u>2,764,906</u>	<u>2,197,490</u>
Liabilities:			
Creditors falling due within one year	20	<u>(2,056,707)</u>	<u>(2,104,382)</u>
Net Current assets		708,199	93,108
Liabilities:			
Creditors falling due in more than one year	21	(1,240,360)	-
Net assets		<u>10,609,587</u>	<u>9,880,984</u>
The funds of the charity:			
Unrestricted funds	24	10,430,331	9,717,607
Restricted funds	24	179,256	163,377
Total Charity funds		<u>10,609,587</u>	<u>9,880,984</u>

Approved by the trustees on 1st September 2021 and signed on their behalf by:

DocuSigned by:

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Name: Mr Stephen Giusti

Company no: SC299663

ST ANDREW'S HOSPICE (LANARKSHIRE)**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 MARCH 2021**

	Note	Total Funds 2021 £	Total Funds 2020 £
<i>Cash flows from operating activities:</i>			
Net cash provided by/(used in) operating activities	26	1,816,618	(66,866)
<i>Cash flows from investing activities:</i>			
Purchase of tangible fixed assets		(56,703)	(105,232)
Purchase of fixed asset investments		(489,723)	(292,001)
Proceeds from the sale of fixed asset investments		461,497	214,589
Interest received		417	2,561
Dividend income		66,550	80,447
Net cash (used in) investing activities		<u>(17,962)</u>	<u>(99,636)</u>
<i>Cash flows from financing activities:</i>			
Loan and overdraft repayments in year		<u>(78,088)</u>	<u>(270,000)</u>
Net cash (used in) financing activities		<u>(78,088)</u>	<u>(270,000)</u>
Change in cash and cash equivalents in the year		1,720,568	(436,502)
Cash and cash equivalent brought forward	27	<u>514,913</u>	<u>951,415</u>
Cash and cash equivalents carried forward	27	<u>2,235,481</u>	<u>514,913</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are presented in sterling which is the financial currency of the charity and rounded to the nearest £.

(b) Funds structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal. Further details of each fund are disclosed in note 24.

(c) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting 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.

ST ANDREW'S HOSPICE (LANARKSHIRE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 23).

(d) Expenditure recognition

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. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

- Expenditure on charitable activities includes Specialist Palliative Care and other activities undertaken to further the purposes of the charity and their associated support costs;
- Raising funds – other trading activities includes fundraising costs, shop costs and lottery costs;
- Investment management costs – costs associated with the management of the charity's investment portfolio

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

(e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. Refer to the Operational and Strategic Report of the Trustees for more information about their contribution.

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

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****1. Accounting Policies (continued)**

compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on time spent. The allocation of support and governance costs is analysed in note 13.

(g) Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

Assets under construction	Basis Not depreciated
Freehold property	3% straight line
Furniture and fittings	20% straight line
Motor vehicles	25% straight line

(h) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(i) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

(j) 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.

(k) Cash at bank and in hand

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

(l) 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.

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****1. Accounting Policies (continued)****(m) Realised gains and losses**

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

(n) Pensions

A number of hospice employees have opted to remain in the National Health Service Superannuation Scheme. This is a defined benefit scheme administered independently from the hospice and the directors understand that the scheme was adequately funded at the balance sheet date. The contributions payable to the scheme are charged to the Statement of Financial Activities in respect of the relevant accounting period.

The National Health Service Pension Scheme is available to staff of more than one employer and it is not possible to identify each institution's share of the underlying assets and liabilities of the scheme. In these circumstances Financial Reporting Standard 102, provides for contributions to such schemes to be accounted for as if it were a defined contribution scheme. As such the cost recognised within the hospice Statement of Financial Activities will be equal to the contribution payable to the scheme for the year.

The hospice also operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

(o) Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

(p) Operating leases

The charity classifies the lease of properties as operating leases; the title to the properties remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

(q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(r) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

ST ANDREW'S HOSPICE (LANARKSHIRE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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

(s) Judgements and key sources of estimation and uncertainty

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

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

Depreciation of fixed assets – fixed assets are depreciated over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of senior management, with reference to assets expected life cycle.

Allocation of expenditure between activities – Support costs are allocated between charitable activities and governance based on the time spent by senior management on undertaking the charity's activities.

2. Legal status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3. Related party transactions and Trustees' expenses and remuneration

The members of the charity are representatives of the Order of the Religious Sisters of Charity. £24,907 (2020: £18,704) was paid to the Order in respect of Sister Catherine Egan, Director of Patient & Public Liaison. At the year end there was a balance due from the Hospice of £nil (2020: £490).

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2020: £nil). Expenses paid to the Trustees in the year totalled £nil (2020: £nil).

During the year one trustee (2020: 6) made a donation totalling £271 (2020: £4,045).

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****4. Income from donations and legacies**

	2021	2020
	£	£
Donations and legacies	1,425,838	1,728,383
Gift aid	147,064	78,625
Refurbishment project	37,548	305,007
Business Support Grants	157,750	-
Treasury funding	891,000	-
	<u>2,659,200</u>	<u>2,112,015</u>

Income from Business Support Grants includes £139,000 (2020: £nil) received from North Lanarkshire Council and £18,750 (£2020: £nil) from South Lanarkshire Council towards the running costs of the Hospice retail stores. Treasury funding income represents £891,000 (2020: £nil) received from the Scottish Government in respect of Covid-19 funding. There are no unfulfilled conditions or contingencies associated with these grants.

5. Income from charitable activities

	2021	2020
	£	£
Specialist palliative care	3,280,374	3,162,953
	<u>3,280,374</u>	<u>3,162,953</u>

Income from charitable activities includes £3,280,374 (2020: £3,162,953) received from NHS Lanarkshire towards the running costs of the Hospice services. There are no unfulfilled conditions or contingencies associated with this grant.

6. Income from other trading activities

	2021	2020
	£	£
Fundraising events	642,908	1,016,513
Shop income	334,751	1,059,919
Lottery income	941,760	932,623
Café	-	69,139
Education income	9,888	20,310
Hospitality income	-	13,858
	<u>1,929,307</u>	<u>3,112,362</u>

7. Investment income

	2021	2020
	£	£
Dividend income	66,550	80,447
Deposit account interest	417	2,561
	<u>66,967</u>	<u>83,008</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****8. Other Income**

	2021	2020
	£	£
Coronavirus Job Retention Scheme	631,405	-
	<u>631,405</u>	<u>-</u>

Income from the Coronavirus Job Retention Scheme includes £631,405 (2020: £nil) received from the UK Government. There are no unfulfilled conditions or contingencies associated with these grants.

9. Expenditure on raising funds

	Direct Costs	Support Costs	2021
	£	£	£
Fundraising costs	-	653,175	653,175
	<u>-</u>	<u>653,175</u>	<u>653,175</u>

	Direct Costs	Support Costs	2020
	£	£	£
Fundraising costs	-	756,268	756,268
	<u>-</u>	<u>756,268</u>	<u>756,268</u>

10. Analysis of expenditure on charitable activities

	Specialist Palliative Care	2021
	£	£
Staff & consultant cost	4,731,770	4,731,770
Non payroll clinical costs	228,269	228,269
Premises costs	293,210	293,210
Other costs	173,202	173,202
Depreciation	299,161	299,161
CLAN	140,208	140,208
Governance costs (Note 13)	174,490	174,490
Support costs (Note 13)	434,523	434,523
	<u>6,474,833</u>	<u>6,474,833</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****10. Analysis of expenditure on charitable activities (continued)**

	Specialist Palliative Care £	2020 £
Staff & consultant cost	4,420,585	4,420,585
Non payroll clinical costs	412,901	412,901
Premises costs	437,059	437,059
Other costs	202,366	202,366
Depreciation	316,339	316,339
Refurbishment project	42,363	42,363
South Lanarkshire Community Palliative care project	33,105	33,105
North Lanarkshire Community Palliative care project	26,970	26,970
CLAN	128,006	128,006
Governance costs (Note 13)	170,076	170,076
Support costs (Note 13)	491,748	491,748
	<u>6,681,518</u>	<u>6,681,518</u>

11. Expenditure on other trading activities

	Direct Costs £	Support Costs £	2021 £
Café provisions and consumables	1,686	506	2,192
Fundraising costs	178,933	53,693	232,626
Shop expenses	435,503	130,683	566,186
Lottery costs and prizes	303,790	91,158	394,948
	<u>919,912</u>	<u>276,040</u>	<u>1,195,952</u>

	Direct Costs £	Support Costs £	2020 £
Café provisions and consumables	24,112	6,632	30,744
Fundraising costs	367,697	101,133	468,830
Shop expenses	422,494	116,205	538,699
Lottery costs and prizes	316,014	86,917	402,931
Hospitality costs	5,409	1,488	6,897
	<u>1,135,726</u>	<u>312,375</u>	<u>1,448,101</u>

12. Investment management costs

	2021 £	2020 £
Investment manager fees	16,110	16,975
	<u>16,110</u>	<u>16,975</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****13. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

2021:						
Cost type	Total Allocated 2021	Raising funds	Palliative care	Trading activities	Governance related	Basis of apportionment
	£	£	£	£	£	
Staff costs	1,443,409	601,378	398,478	252,470	191,083	Staff costs
Premises costs	32,503	8,390	17,843	4,105	2,165	Staff costs
Other costs	21,830	9,551	8,207	2,538	1,534	Staff costs
Depreciation	33,316	13,326	9,995	6,663	3,332	Staff costs
Total	1,531,058	632,645	434,523	265,776	198,114	

2020:						
Cost type	Total Allocated 2020	Raising funds	Palliative care	Trading activities	Governance related	Basis of apportionment
	£	£	£	£	£	
Staff costs	1,609,906	695,191	443,643	287,696	183,376	Staff costs
Premises costs	48,562	12,984	26,820	5,350	3,408	Staff costs
Other costs	29,855	12,906	11,599	3,043	2,307	Staff costs
Depreciation	35,149	15,178	9,686	6,281	4,004	Staff costs
Total	1,723,472	736,259	491,748	302,370	193,095	

Governance costs:	2021	2020
	£	£
Auditor's remuneration	7,170	6,995
Support costs (see above)	198,114	193,095
	205,284	200,090

Breakdown of governance and support costs by activity;

2021:	Support costs	Governance	2021
	£	£	£
Raising funds	632,645	20,530	653,175
Specialist palliative care	434,523	174,490	609,013
Trading activities	265,776	10,264	276,040
	1,332,944	205,284	1,538,228

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****13. Allocation of governance and support costs (continued)**

2020:	Support costs	Governance	2020
	£	£	£
Raising funds	736,259	20,009	756,268
Specialist palliative care	491,748	170,076	661,824
Trading activities	302,370	10,005	312,375
	<u>1,530,377</u>	<u>200,090</u>	<u>1,730,467</u>

14. Analysis of staff costs and remuneration of key management personnel

	2021	2020
	£	£
Salaries and wages	4,862,853	4,850,986
Social security costs	415,774	416,065
Other pension costs	235,634	236,851
Total staff costs and employee benefits	<u>5,414,261</u>	<u>5,503,902</u>

	2021	2020
	£	£
Key management personnel remuneration	<u>163,372</u>	<u>167,833</u>

The number of employees whose employee benefits fell within the following bands are as follows:

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

	2021	2020
	No.	No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>212</u>	<u>219</u>

Included within salaries and wages are redundancy payments totalling £81,210 (2020: £nil).

15. Net income/(expenditure) for the year

	2021	2020
	£	£
This is stated after charging:		
Depreciation	332,477	351,488
Interest paid	29,802	42,363
Auditor's remuneration:		
Audit fees	<u>7,170</u>	<u>6,995</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****16. Tangible Fixed Assets**

	Freehold Property £	Fixtures and fittings £	Motor Vehicles £	Computer Equipment £	Total £
Cost or valuation					
At 1 April 2020	9,808,206	289,591	134,054	30,564	10,262,415
Additions	15,198	34,089	-	7,416	56,703
At 31 March 2021	<u>9,823,404</u>	<u>323,680</u>	<u>134,054</u>	<u>37,980</u>	<u>10,319,118</u>
Depreciation					
At 1 April 2020	1,204,757	238,135	117,092	6,667	1,566,651
Charge for the year	294,702	17,692	9,366	10,717	332,477
At 31 March 2021	<u>1,499,459</u>	<u>255,827</u>	<u>126,458</u>	<u>17,384</u>	<u>1,899,128</u>
Net book value					
At 31 March 2021	<u>8,323,945</u>	<u>67,853</u>	<u>7,596</u>	<u>20,596</u>	<u>8,419,990</u>
At 31 March 2020	<u>8,603,449</u>	<u>51,456</u>	<u>16,962</u>	<u>23,897</u>	<u>8,695,764</u>

Freehold Property includes a balance of £125,000 of donated land which cannot be disposed of.

17. Fixed and Current Asset Investments

Movement in listed investments	2021 £	2020 £
Market value brought forward at 1 April 2020	2,192,112	2,411,939
Add: additions to investments at cost	489,723	292,001
Disposals at carrying value	(427,579)	(202,264)
Add net (loss)/gain on revaluation	467,502	(309,564)
Market value as at 31 March 2021	<u>2,721,758</u>	<u>2,192,112</u>

Net cash invested in the year was £28,226 (2020: net cash invested of £77,412).

Investments at fair value	2021 £	2020 £
Comprised:		
Equities	<u>2,721,758</u>	<u>2,192,112</u>
Total	<u>2,721,758</u>	<u>2,192,112</u>
Disclosed as;		
Fixed Asset investments	2,721,758	1,092,112
Current Asset investments	-	1,100,000
Total	<u>2,721,758</u>	<u>2,192,112</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****17. Fixed and Current Asset Investments (continued)**

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy sections of the Report of the Trustees.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. In terms of specific risks including foreign exchange and credit risks, the charity uses specialist investment managers to balance and limit the overall financial risk by operating a portfolio which provides a high degree of diversification of holdings within a fairly wide band of investment asset classes all of which are quoted on recognised stock exchanges. In addition, the charity does not make use of riskier derivatives or more complex financial instruments in this area. Liquidity risk is expected to be low as all assets are traded in markets with high trading volumes and not in any markets subject to exchange controls or trading restrictions. In terms of potential Brexit implications, the charity, like most other entities, is monitoring developments closely but at this stage is relatively confident that the current portfolio and future plans for it will shield it from any significant risks when that process is completed.

18. Stock

	2021	2020
	£	£
Stock	52,646	60,779
	<u>52,646</u>	<u>60,779</u>

19. Debtors

	2021	2020
	£	£
Trade Debtors	1,309	6,551
Sundry debtors	180,850	109,579
Legacy debtors	41,653	41,653
Tax and social security	11,299	36,592
Prepayments and accrued income	241,668	327,423
	<u>476,779</u>	<u>521,798</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****20. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Bank loans and overdrafts	41,552	1,360,000
Creditors control account	27,176	95,665
Social security and other taxes	96,442	146,184
Other creditors	27,501	33,847
Deferred income (Note 23)	1,681,151	235,407
Accruals	182,885	233,279
	<u>2,056,707</u>	<u>2,104,382</u>

The bank loan is secured over the property of the charity. There is a bond and floating charge and 1st standard security.

North Lanarkshire Council holds a security (to the value of £70,000) over the land on which the hospice is constructed.

21. Creditors: amounts falling due over one year

	2021	2020
	£	£
Loans	1,240,360	-
	<u>1,240,360</u>	<u>-</u>
Analysed as:	£	£
Due within 1-2 years	42,327	-
Due within 2-5 years	126,981	-
Due in more than 5 years	1,071,052	-
	<u>1,240,360</u>	<u>-</u>

22. Analysis of Net Debt

Cash & Cash Equivalent	1 April		Non- Cash	31 March
	2020	Cash Flow	Changes	2021
	£	£	£	£
Cash at bank in hand	514,913	1,720,568	-	2,235,481
	<u>514,913</u>	<u>1,720,568</u>	<u>-</u>	<u>2,235,481</u>
Borrowings				
Debt due within one year	(1,360,000)	1,318,448	-	(41,552)
Debt due after one year	-	(1,240,360)	-	(1,240,360)
	<u>(1,360,000)</u>	<u>78,088</u>	<u>-</u>	<u>(1,281,912)</u>
Total	<u>(845,087)</u>	<u>1,798,656</u>	<u>-</u>	<u>953,569</u>

23. Deferred income

	2021	2020
	£	£
Balance as at 1 April 2020	235,407	146,186
Amount released to income earned from charitable activities	(235,407)	(146,186)
Amount deferred in year	1,681,151	235,407
Balance as at 31 March 2021	<u>1,681,151</u>	<u>235,407</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****23. Deferred income (continued)**

Deferred income comprises a Scottish Government grant, donations and tickets sold for future events, along with deposits paid for lottery draws taking place in the year to 31st March 2022.

24. Analysis of charitable funds

Analysis of Fund movements	As at 1 April 2020	Income	Expenditure	Gains / (losses)	Transfers	As at 31 March 2021
	£	£	£	£	£	£
Unrestricted funds						
Completed refurbishment project	5,142,632	-	206,755	-	78,087	5,013,964
Fixed asset designated fund	2,068,133	-	125,722	-	56,703	1,999,114
Total designated funds	7,210,765	-	332,477	-	134,790	7,013,078
General funds	2,506,842	7,752,878	7,209,097	501,420	(134,790)	3,417,253
Total unrestricted funds	9,717,607	7,752,878	7,541,574	501,420	-	10,430,331
Restricted funds						
Music Therapy	8,750	-	-	-	-	8,750
Children's Support Services	-	3,000	1,580	-	-	1,420
Community Team Minibus	-	3,649	3,155	-	-	494
Cuddle Bed	416	-	416	-	-	-
SMI HR System	150	-	150	-	-	-
CLAN	1,626	-	1,626	-	-	-
PAT tester	12,740	140,208	140,208	-	-	12,740
Bed linen	220	-	220	-	-	-
Bath chair hoist	8,580	-	8,580	-	-	-
Laundry	1,838	-	1,838	-	-	-
Hospice Hearty Meals	1,238	-	1,238	-	-	-
Info tech	-	24,232	-	-	-	24,232
Projector	-	1,250	1,000	-	-	250
Patient care	2,000	-	2,000	-	-	-
Hand massage training	-	8,481	2,305	-	-	6,176
Home grown	607	-	607	-	-	-
Flower therapy	-	350	346	-	-	4
Capital appeal	212	-	212	-	-	-
Car park	-	1,000	1,000	-	-	-
Complimentary Therapy	125,000	-	-	-	-	-
Coronavirus Job Retention Scheme	-	800	610	-	-	190
Income	-	631,405	631,405	-	-	-
Total restricted funds	163,377	814,375	798,496	-	-	179,256
TOTAL FUNDS	9,880,984	8,567,253	8,340,070	501,420	-	10,609,587

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****24. Analysis of charitable funds (continued)**

Analysis of Fund movements	As at 1 April 2019 £	Income £	Expenditure £	Gains / (losses) £	Transfers £	As at 31 March 2020 £
Unrestricted funds						
Completed refurbishment project	5,348,209	-	207,557		1,980	5,142,632
Fixed asset designated fund	1,838,811	-	143,931	-	373,253	2,068,133
Total designated funds	7,187,020	-	351,488	-	375,233	7,210,765
General funds	3,254,402	8,255,075	8,612,462	-	(390,173)	2,506,842
Total unrestricted funds	10,441,422	8,255,075	8,666,711	(297,239)	(14,940)	9,717,607
Restricted funds						
Music Therapy Children's Support System	4,250	13,000	8,500	-	-	8,750
PS4/Tablets	575	-	676	-	101	-
Minibus	2,000	-	2,030	-	30	-
Cuddle Bed	15,000	-	-	-	(14,584)	416
SMI HR System	10,500	-	10,350	-	-	150
CLAN	12,000	10,000	-	-	(20,374)	1,626
PAT tester	-	140,746	128,006	-	-	12,740
Bed linen	-	2,000	1,780	-	-	220
Bath chair hoist	-	8,580	-	-	-	8,580
Laundry	-	7,000	5,162	-	-	1,838
Virtual tour	-	5,000	3,762	-	-	1,238
Mattresses	-	1,500	2,394	-	894	-
Projector	-	2,000	2,489	-	489	-
NEBOSH Training	-	2,000	-	-	2,000	2,000
Hand massage training	-	1,000	1,830	-	830	-
Hygge room	-	1,737	1,130	-	-	607
Flower therapy	-	7,500	7,679	-	179	-
Capital appeal	-	500	288	-	-	212
Car park	-	7,700	-	-	(7,700)	-
South Lanarkshire Community Palliative Care Project	125,000	-	-	-	-	125,000
North Lanarkshire Community Palliative Care Project	-	-	26,970	-	26,970	-
Total restricted funds	169,325	215,263	236,151	-	14,940	163,377
TOTAL FUNDS	10,610,747	8,470,338	8,902,862	(297,239)	-	9,880,984

ST ANDREW'S HOSPICE (LANARKSHIRE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

24. Analysis of charitable funds (continued)

The Trustees have created the following designated funds:

Completed refurbishment fund – represents the book value of the clinical area refurbishment, net of the bank borrowing.

Fixed asset designated fund – was set up during 2011 and represents the net book value of the remaining unrestricted assets held on the balance sheet.

Restricted funds comprise:

Music Therapy - Music therapy is provided for both inpatients and outpatients as a medium for communication and expression to improve health and wellbeing. Funding provided by The February Foundation, Sir Jules Thorn Charitable Trust and Doyle Cart Charitable Trust.

Children's Support System - purchase of games and books to support weekly Children Support Group for Children who have lost a close relative. Funding provided by Marshall & Viggars Charitable Trust.

PS4/Tablets - purchase of PS4 and tables for use by patients and family to aid communication. Funding provided by Heather Hoy Charitable Trust and Jeffrey Charitable Trust.

Minibus - purchase of new minibus which allows wheelchair access to aid patients accessing outpatient services. Funding provided by Scotmid Connect.

Cuddle Bed - purchase of cuddle bed to facilitate family time/overnight stays within the IPU. Funding provided by Miss Margaret B Reekie Charitable Trust.

SMI HR System - To purchase and implement a comprehensive HR and payroll system to improve functionality of both services. Funding provided by Miss MB Reekie Charitable Trust.

CLAN - Compassionate Lanarkshire (CLAN) is a partnership project between St Andrew's, Kilbryde and Strathcarron Hospices which aims to support vulnerable and isolated individuals and families in Lanarkshire affected by a life-limiting illness including; cancer, chronic obstructive pulmonary disease, heart disease and progressive neurological conditions. Joint funding from National Lottery Community Fund and South Lanarkshire Integrated Joint Board.

PAT Tester - To allow our Facilities team to undertake our own annual PAT Testing. Funded by Truemark Trust.

Bed Linen - This provided replacement of bed linen for the inpatient unit which is essential for good patient care and comfort. The donor of this was the Sir Alec Black Charity.

Bath Chair Hoist - To facilitate patients being able to access the Jacuzzi bath. Funding provided by Arnold Clark and Miss I Harvey Charitable Trust.

Laundry - To enable us to undertake the Hospice laundry in-house. Partial Funding provided by the Hugh Fraser Foundation.

ST ANDREW'S HOSPICE (LANARKSHIRE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

24. Analysis of charitable funds (continued)

Virtual Tour - This virtual tour of the newly refurbished hospice allow patients, their families as well as supporters to tour the hospice from our website which can help alleviate any anxiety prior to admission. The income for this came from Barrett Homes.

Mattresses - This provided replacement mattresses for the inpatient unit which are required for patient care and comfort and to ensure appropriate infection control processes can be maintained. Funding received from Carole Keating Foundation.

Projector - The new projector was required for one of our training rooms within our Education Dept. to allow us to continue to provide Specialist Palliative Care Education across Lanarkshire which is one of our strategic objectives. The donor of this was the Nationwide Building Society Community Trust.

NEBOSH Training - Our Facilities Manager undertook industry recognized NEBOSH training. Funding provided by North Lanarkshire Council.

Hand Massage Training - To facilities training of Befrienders and carers from across Lanarkshire to undertake hand massage for housebound patients. Funding provided by Health & Social Care North Lanarkshire.

Hygge Room - The Hygge Room in the Outpatients Dept. was created to offer a space of tranquillity and rest for both outpatients and inpatients families. The main donators to this were Nationwide Building Society Community Trust and Orcome Trust.

Flower Therapy - Therapeutic activity for Outpatients which encourages relaxation and socialisation. Funding provided by Miss E C Henry's Charitable Trust.

Capital Appeal - Various amounts of funding were provided towards the Capital Refurbishment project from Highgate Charitable Trust, Miss JB Woods Charitable Trust, The Society of Deacons and Free Presses and MV Hillhouse Trust.

Car Park – this relates to the car park donated to the Hospice in 2019. The land cannot be sold without the donor's permission.

South Lanarkshire Community Palliative Care -To provide emotional, therapeutic and practical support to patients with life limiting conditions and their carers living in South Lanarkshire.

North Lanarkshire Community Palliative Care – to provide emotional support, therapeutic and practical support to patients with life limiting conditions and their carers in North Lanarkshire.

Community Team - Income set aside to provide specifically for the care of patients within the Community

Complimentary Therapy - Set aside to provide specifically for Complementary Therapy, provided by our Comp Therapy team. In the face of the pandemic, this has been primarily delivered virtually.

Children Support Services - Restricted income set aside to provide specifically for Support Services for Children who the Hospice help deal with loss and bereavement in their lives.

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****24. Analysis of charitable funds (continued)**

Home Grown - Set aside to provide specifically for Gardening at home for users who might not otherwise get the opportunity.

Coronavirus Job Retention Scheme income - Government support to pay employees wages during the COVID 19 pandemic.

Info Tech - Set aside to provide specifically for IT costs

Patient Care - Set aside to specifically provide for Patient Care.

Hospice Hearty Meals - Income set aside to provide specifically for the Hospice Hearty Meals project. This is a project that was set up to help provide nutritious meals to those that would otherwise miss out on a hearty meal.

25. Net assets over funds

At 31 March 2021	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Tangible fixed assets	8,294,990	125,000	8,419,990
Fixed asset investments	2,721,758	-	2,721,758
Stock	52,646	-	52,646
Debtors	437,303	39,476	476,779
Bank & Cash	2,220,701	14,780	2,235,481
Creditors due within one year	(2,056,707)	-	(2,056,707)
Creditors due in more than one year	(1,240,360)	-	(1,240,360)
	<u>10,430,331</u>	<u>179,256</u>	<u>10,609,587</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****25. Net assets over funds (continued)**

At 31 March 2020	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	8,570,764	125,000	8,695,764
Fixed asset investments	1,092,112	-	1,092,112
Current asset Investments	1,100,000	-	1,100,000
Stock	60,779	-	60,779
Debtors	521,798	-	521,798
Bank & Cash	476,536	38,377	514,913
Creditors	(2,104,382)	-	(2,104,382)
	<u>9,717,607</u>	<u>163,377</u>	<u>9,880,984</u>

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

	2021 £	2020 £
Net income/(expenditure) for the year per the Statement of Financial Activities	728,603	(729,763)
Adjustments for:		
(Gains)/Losses on investments	(501,420)	297,239
Depreciation charges	332,477	351,488
Interest received	(417)	(2,561)
Dividends received	(66,550)	(80,447)
Decrease in debtors	45,019	34,385
Increase in creditors	1,270,773	123,572
Decrease/(Increase) in stock	8,133	(60,779)
Net cash provided by/(used in) operating activities	<u>1,816,618</u>	<u>(66,866)</u>

27. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	2,235,481	514,913
Total cash and cash equivalents	<u>2,235,481</u>	<u>514,913</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****28. Operating lease commitments**

At the balance sheet date the charity had outstanding commitment for future minimum lease payments under non-cancellable operating leases, which fall due as follows;

	2021	2020
	Land and Buildings £	Land and Buildings £
Under 1 year	204,250	123,163
Between 2 and 5 years	951,875	507,242
	<u>1,156,125</u>	<u>630,405</u>

29. Contingent Liability

There is a potential liability arising in the future in respect of dilapidation claims on the premises which the charity lease. At the year-end date it was not possible to accurately quantify any amounts which may become due and therefore this has not been included in the financial statements.