

St Gemma's Hospice

Report and Financial Statements

For the year ended 31 March 2020



Charity Registration No: 1015941

Company Registration No: 02773867



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Reference and Administrative Information

Charity Name

St Gemma's Hospice

Charity Registration Number

1015941

Company Registration Number

02773867

Registered Office

329 Harrogate Road
Moortown
Leeds
LS17 6QD

Patrons

The Right Rev Marcus Stock, Catholic Bishop of Leeds
The Right Rev Nick Baines, Anglican Bishop of Leeds
The Earl and Countess of Harewood
Professor Gerald Richards
Tom Riordan CBE
Arif Ahmad
Zulfi Hussain MBE
HM Lord-Lieutenant for West Yorkshire, Ed Anderson
Marilyn Stowe
Henry Cohen

Bankers

HSBC Bank plc
108 Harrogate Road
Leeds
LS7 4NU

Investment Advisers

Investec Wealth and Investment
2 Gresham Street
London
EC2V 7QN

Auditor

Deloitte LLP
Registered Auditor
1 City Square
Leeds
LS1 2AL

Trustees' Report

Our Vision:

The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Our Purpose:

St Gemma's Hospice acknowledges the value of life and the importance of dignity in death. We provide and promote the highest quality palliative and end of life care, education and research

Our Values:

- Caring** - Treating each person with kindness, empathy, compassion and respect
- Aspiring** - Continually learning and developing; striving for excellence in everything we do
- Professional** - Delivering high standards through team work, a skilled workforce and good governance

Our Strategy 2018 - 2028:



Impact

St Gemma's University Teaching Hospice will improve care for patients and families through research, education and translating evidence into practice



Connect

St Gemma's Hospice will work in partnership with others to provide the standard of care we would want for our own families



Extend

St Gemma's Hospice will develop palliative and end of life care services in Leeds to meet the needs of more people in the future

OUR FOUNDATIONS

Scope

The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Quality

Continuous improvement is sought across all areas of the Hospice

Sustainability

Our Hospice services, estate and workforce are financially viable and fit for the future

Statement from the Chair and the Chief Executive

We are delighted to introduce the St Gemma's Report and Financial Statements for the year to 31 March 2020. St Gemma's Hospice provides and promotes the highest quality palliative and end of life care, education and research. We strive to meet the complex and changing needs and preferences of people with a terminal illness and support their families and carers, including children and young people. Through education and research our Academic Unit of Palliative Care enables us to improve care and support for many more people than those who receive services directly from St Gemma's.

Our passion for safe, high quality patient and family care, responding to the needs of our community, working with partners in the city and ensuring the long-term sustainability of St Gemma's has continued to drive our leadership of the Hospice during 2019/20. This has been particularly important during the COVID-19 pandemic, which impacted the last weeks of the 2019/20 year and required significant investment of time, energy, resources and expertise.

St Gemma's has responded to the COVID-19 pandemic with flexibility and resilience. Even in these very difficult times we have delivered our core service of compassionate care. We have also seen significant transformation of our clinical and support services in a very short period of time, including remote consultations with patients, support of families and the provision of significantly more tele-education.

St Gemma's care is rated Outstanding by the Care Quality Commission. We continually review the evidence required to meet the new CQC inspection framework for hospices and commissioned a mock CQC inspection which provided valuable feedback and some areas for improvement. We have made strong progress against our three Quality Account priorities for 2019/20: electronic prescribing and medicines administration; patient discharge; and implementation of the triage model in our Community Services.

During 2019/20 we have made significant enhancements to the way we collect and analyse feedback from patients and families about their

experience of care. We received many more survey responses than in previous years and the feedback was excellent, with some areas suggested for ongoing development which are being actioned.

St Gemma's took part in The Sunday Times Best Companies Survey for the third year in 2019. We again achieved an improved ranking in the 100 Best Not-for-Profit Organisations, securing 18th place, indicating excellent levels of staff engagement. Staff wellbeing is vitally important and this year we have expanded our wellbeing initiatives to include more social events, increased health promotion, staff conferences, support for working carers and, particularly during COVID-19, providing safe spaces for staff to discuss their fears and concerns.

St Gemma's continues to host the Leeds Palliative Care Network (LPCN), bringing together health, social care, third sector and academic professionals in partnership to drive real systems change, promoting the highest quality of consistent, equitable and sustainable care in the final phase of life. This year the LPCN has launched a website, delivered further integration of care and delivered expert education for a wide range of professionals.

As a University Teaching Hospice, St Gemma's is a leading academic centre of palliative care within the UK. Our Academic Unit of Palliative Care (AUPC), working in collaboration with the University of Leeds and others, improves care through research, education and translating evidence into clinical practice. This year we have provided clinical placements for 173 students and delivered an extensive programme of clinical education for professionals across health and social care, as well as training for St Gemma's own staff. We have secured further grant income and continued to recruit to our existing research programmes as well as opening new research studies relating to access to palliative care for people from Black, Asian and Minority Ethnic (BAME) communities, improving palliative care for people who are homeless, and supporting earlier access to palliative care for people with COPD (Chronic Obstructive Pulmonary Disease).

St Gemma's Hospice provides services free of charge to patients, families, friends and carers. The majority of our funding continues to be provided through the generous support of our local community in the form of donations, legacies, fundraising initiatives and our chain of charity shops. We could not provide our vital care without the generous support of our local community, in terms of funding support and volunteering. We are also very grateful to the NHS for their contribution to our income. Core NHS grant funding this year represented 28% of our total income.

The Hospice has a challenging budget every year, particularly in light of growing demand for care. The impact of the COVID-19 pandemic has made this challenge much more significant. Recovering from the financial impact of the pandemic, managing the risks of EU exit and maximising voluntary income are key risks for the Hospice. We have a strong reserves position and are actively engaged in local, regional and national discussions about future NHS funding support as well as reviewing in depth our voluntary income generation opportunities and plans.

We are reporting a strong set of financial results for 2019/20 despite the impact of COVID-19 since early March 2020. We have generated a surplus of £534k (excluding gains/losses on investments) and income has grown by 7.2% to £11.6m.

Cash balances remain robust and general reserves have increased to £7.5m giving cover for our assessed financial risks. However, COVID-19 has brought unprecedented financial challenge to the future sustainability of the Hospice. During 2020/21 we will assess the long term impact of COVID-19 with a full review of our budget position and a revised five year financial outlook that supports the financial sustainability of the Hospice.

We offer sincere thanks to our Board of Trustees, including Debra Fairley who retired from the Board during the year, but spent much time supporting us during COVID-19 in a volunteer role in the Hospice kitchen. We welcome our new Trustees, Philomena Corrigan, Dr Mohammed Sattar and Dr Jonathan Smith who joined us in January 2020, and Reverend Barry Miller who was appointed in March 2020.

We are also grateful to our Patrons for their ongoing contributions and are delighted to welcome Marilyn Stowe and Henry Cohen as Patrons of the Hospice.

Sincere thanks go as always to the Sisters of the Cross and Passion, who continue to provide inspiration, support and challenge to the appointed Trustees and the Hospice Leadership Team.

Dr Peter Belfield
Kerry Jackson

Chair
Chief Executive





24

**Retail
Outlets**

(2018/19: 24)



7,850
Twitter
Followers
(2018/19: 7,500)



List ranking: 44th

270

Staff Members

(2018/19: 255)



**Strategic
Highlights
2019/20**

986

**Volunteers
contributed**



**129,813
hours**

(2018/19: 942) (123,344)

£11,633,424

Annual Income

(2018/19: £10,848,502)



511

**Admissions
to In-Patient
Unit**



(2018/19: 517)



154,000

Website Visits

(2018/19: 160,000)



**Cancer : Non Cancer
Split (New Referrals)**

(2018/19: 73%, 27%)



605,673
Retail Customers
(2018/19: 610,000)

28%
CCG Core Grant
(2018/19: 26%)



 **16,300**
Facebook Followers
(2018/19: 15,500)



1,711
Day Services
Attendances

Retail Items Sold **1,169,228**
(2018/19: 1,140,000)



 **1,355**
New Patient
Referrals
(2018/19: 1,228)

173
Student
Placements
(2018/19: 118)



720

External
Healthcare
Professionals
Trained
(2018/19: 640)



5,036
Community Nursing and Medical
Face-to-Face Consultations
(2018/19: 5,005)

List ranking
18th



(2018/19: 67th)



13 days
Average In-Patient
Length of Stay
(2018/19: 13 days)

Strategic Report

St Gemma's Hospice is a registered charity. Our objectives are the:

- Palliative care, treatment or relief of people with active, progressive and advanced illness without regard to their means, culture, faith or belief at St Gemma's Hospice in Leeds and such other places as the Charity thinks fit and in the community;
- Relief of those who have experienced loss and bereavement, in particular families, friends and carers, through the provision of counselling, advice and support; and
- Provision of education and training for professionals and volunteers engaged in palliative care.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Hospice and in planning future activities which are set out in this report.

Our services are open to patients over the age of 18 regardless of race, religion, sexual orientation, age or diagnosis. We provide care to people with a range of diagnoses including cancer, neurological conditions and end stage respiratory and heart disease. We also provide support to families and carers including children and young people.

The Hospice team provides specialist palliative care, where the patient has unresolved needs that exceed the expertise of the referring team, and end of life care. Care is provided by our specialist team of doctors, nurses, social workers, therapists, counsellors and spiritual care workers and by our team of vital support staff and volunteers. Much of our care is provided in people's own homes and care homes, with care also offered in our In-Patient Unit and Day Services in Moortown.

St Gemma's care is individual and holistic, seeking to alleviate symptoms such as pain and breathlessness as well as supporting people's emotional and spiritual wellbeing. We recognise the unique physical, emotional, social and spiritual needs of each person and place a high value on respect, choice and empowerment.

Our services are free to patients and those close to them, but they are not free to provide. The local community continues to provide thousands of volunteer hours every year as well as providing the majority of our funding through donations, fundraising and gifts in wills. We are extremely grateful for the amazing generosity of local people. Grant income received from the NHS also provides essential funding; core NHS funding in 2019/20 represented 28% of the total income generated by St Gemma's Hospice.

The Hospice is subject to periodic review by the Care Quality Commission. The latest review was an unannounced inspection on 13 July 2016 when St Gemma's Hospice services were rated as Outstanding.



The Year Under Review

Strategic Priorities

We identified four strategic priority areas of focus for 2019/20:

Future In-Patient Services model:

Our clinical leadership team continues to work on potential future In-Patient service models, accounting for a future rise in demand for both specialist and end of life care beds. We have a clear admissions process and set of admissions criteria, and work closely with other healthcare providers, such as Leeds Community Healthcare and Leeds Teaching Hospitals Trust, to ensure equity and accessibility across the Leeds system.

Recruitment of Registered Nurses on the In-Patient Unit continues to be a challenge, as it is nationally. In 2019/20 we undertook an extensive review of the establishment and tested different staff/patient ratios. Recruitment to Healthcare Assistant posts has been very successful, and we have supported two members of staff to start apprenticeships to become Registered Nurses, a long-term strategy which we believe is a good investment for the Hospice. The Hospice has commissioned Establishment Genie, a workforce planning organisation, to review nurse staffing across all clinical services to ensure we optimise patient care through effective deployment. Establishment Genie has kindly supported us during the COVID-19 pandemic to look at different staffing options, and the workforce planning work will continue while we look at more flexible bed models for the future.

Future Community Services model:

Demand for St Gemma's specialist Community Services is increasing both in terms of the number of referrals and the complexity of care. During 2019/20 we introduced a new role of Triage Nurse to respond to referrals and provide high quality, timely specialist advice and support for patients, families and professionals. The introduction of this new model resulted in positive feedback and improvements in both the time taken to triage patient referrals and the time from referral to initial contact with a patient.



Alongside this change we also introduced a patient stratification framework with 3 tiers defining complexity and severity of patient needs and setting out the assessment time required in each tier. This has improved the timeliness of assessments and resulted in a more effective use of resources. The changes also put us in a stronger position to respond to the COVID-19 pandemic.

Enhancement of Hospice culture:

In 2019/20 we continued to focus on enhancing our Hospice culture. This year we have achieved the following:

- Launched and embedded our Hospice Behaviour Framework
- Improved our induction process, ensuring our organisation's key cultural expectation and messages are clear to new starters
- Developed a 6-month training programme for middle managers – key areas of training identified by this cohort were delivered and evaluated successfully. We will continue to build upon this work to support managers and their teams
- Extended the use of our Learning Management System (LMS) across the workforce. We piloted a new personal recognition and development system on the LMS, which focuses on our Behaviour Framework, personal development and regular appraisal. We aim to roll this out more broadly across the Hospice
- Actively engaged and listened to staff who are leaving the organisation by proactively holding exit interviews
- Enhanced our wellbeing offer, as outlined in the Staff section of this report. Clear communication about our wellbeing offer has been particularly important during the COVID-19 pandemic with heightened staff anxiety and changing work patterns.

Enhanced digitisation:

We made progress in all areas of our plan during 2019/20:

- Infrastructure & Connectivity – delivered on a solid programme of network, hardware and software upgrades across the Hospice
- City-Wide Collaborations – continued our partnership with city healthcare providers and Leeds City Council to leverage existing systems and contacts, and drive efficiencies
- Digital Innovation – further developed our use of SystemOne and PPM+ to increase digitisation in clinical areas; used tele-education to a greater extent for clinical training and implemented ways of obtaining real-time patient and family feedback.

The COVID-19 pandemic required us to work differently to continue to provide high quality, effective care and support to our patients and families. We rapidly established a process and system for remote consultations, enhanced our tele-education offer to support the broader system locally, regionally and nationally, and ensured that as many staff members as possible could work remotely with access to all required systems and resources.

Sincere thanks for the care and support you gave my mum. I am so grateful that her illness was short, her care exemplary and her death was as she wanted it to be.

I cannot speak highly enough of your care, compassion or expertise – you made all the difference. St Gemma's is a wonderful place but it's the people who make it exceptional"

Community Service Feedback

I was physically, mentally and emotionally worn out... the support group was a life saver to me."

Carer's Feedback

Patient and Family Care

The number of new patient referrals to St Gemma's has risen by just over 10% compared with last year and demonstrates an ongoing upward trend in annual referrals. This number reflects individual patients accessing our care; many patients access more than one St Gemma's service over time, for example specialist care at home, attendance at Day Services and In-Patient admission.

Long term trends show a steady increase in the number of patients with a non-cancer diagnosis accessing our services. We continue to see patients with increasingly complex needs. In-Patient admissions remain broadly similar to last year, despite continuing nursing staff shortages which have sometimes restricted admissions. We continue to work proactively with partners to improve the identification and transfer of patients to St Gemma's, where this is their preferred place of care.

Community nursing visits remained stable and medical consultations increased, despite a reduction in face to face visits during March 2020 as a result of COVID-19. Most of our Community Clinical Nurse Specialists are able to prescribe medicines to patients at home; this results in a comprehensive first assessment and reduces the number of follow-up visits needed. We continue to invest in the training and development of the team.

The ongoing transformation of our Day Services has resulted in a further significant rise in attendances.

Equality of Access

One of our aims for 2019/20 was to improve accessibility. As part of the work done through our internal Involve Group, we now routinely report the ethnicity of our patient population, benchmarked against citywide data. The ethnicity mix of patients during the year showed greater diversity than in St Gemma's catchment population overall (White British 63% vs. 77% in the catchment population). The data highlights some ethnic groups that are still under-represented which is the basis of ongoing work.

We have worked closely with referrers and our Community Engagement Group to break down some of the barriers to access. We have been able to facilitate meaningful admissions for many whose first language is not English, using both formal and informal interpreting services – one of our own staff was able to speak to a patient in her own language on a day-to-day basis which she found really special.

During the year we have also supported other groups who may find access to palliative and end of life care more difficult, including patients with learning disabilities and homeless people. We have specific programmes of work underway to ensure that we learn from our experiences with harder to reach groups and amend our approach to care where appropriate, which will continue during 2020/21.

Improving Clinical Care

Each year St Gemma's identifies priorities for clinical quality improvement; these are set out in our Quality Account. This year we made strong progress against our three priorities:

- Patient Safety: Electronic Prescribing and Medicines Administration (EPMA)
- Patient Experience: Patient Discharge
- Clinical Effectiveness: Implementation of the Triage Model in the Community

We measure the quality of our clinical care in a variety of ways including patient outcome measures, patient and family feedback, complaints, service evaluation and audit, patient safety incidents, benchmarking, staff views and the findings of national and local reviews. Our key performance indicators for 2019/20 do not give rise to any significant areas of concern. Patient falls on the wards have continued to reduce since the introduction of safety huddles in 2017/18 following work with Leeds Teaching Hospitals NHS Trust and the NHS Improvement Academy.

Patient and family feedback is extremely important to the Hospice. We use the information to improve and transform services for the future and to recognise and celebrate outstanding care.

During 2019/20 there has been a significant increase in engagement with patients and families, and in capturing experience across the Hospice.

New digital technology has been embedded to support real time feedback capability; we have developed a suite of surveys, available in a variety of digital and paper formats. All questionnaires can be translated as required.

We have improved how we report, analyse and learn from patient and family feedback, which also now includes compliments, concerns and feedback from social media platforms. A service improvement register helps identify any emerging and recurring themes and detailed quarterly reports are shared with the Involve Group and the Clinical and Academic Governance Committee.



Throughout the 2019/20 year we conducted a bereaved carers' survey for families of patients who died in the In-Patient Unit. During January to March 2020 the same survey was conducted across the city of Leeds in collaboration with the Leeds Palliative Care Network, with all key providers of palliative and end of life care taking part. One of the highlights for St Gemma's was our 79% return rate.

Across the range of St Gemma's surveys in 2019/20 with a total response of 219 surveys we heard the following:

Question/Topic	Response
Do you feel your relative died in the right place?	99% Yes
Relief of pain	99% very satisfied/satisfied
Relief of symptoms other than pain	97% very satisfied/satisfied
Being cared for with dignity	98% very satisfied/satisfied
Respecting wishes before and after death	98% very satisfied/satisfied

During November 2019 we surveyed patients and families who were receiving care from our Community Clinical Nurse Specialist service (62 surveys were returned). The responses showed:

Question	Response
Were you treated with respect?	100% very satisfied/satisfied
Was the nurse helpful in assessing your problems?	100% very satisfied/satisfied
Did you feel listened to?	100% very satisfied/satisfied
Did you feel involved in decisions about your care?	98% very satisfied/satisfied
How satisfied are you with the service provided by the Community Nursing Team?	98% very satisfied/satisfied

Across all our surveys we asked if people felt they could ask a question or raise a concern. For 98% of 349 responses the answer was yes.

Coordination of Care

We recognise the critical importance of working with others in the city to improve care. The Leeds Palliative Care Network (LPCN) is hosted by St Gemma's Hospice. The LPCN is a collaborative partnership group, committed to the highest quality

consistent, equitable and sustainable care in the final phase of life. It brings together health, social care and academic professionals across Leeds, provides strong partnerships and transcends traditional boundaries to bring about systems wide change.

The LPCN has secured recurrent funding and is driving change across Leeds in a number of important ways:

- The new Leeds Palliative Care Website www.leedspalliativecare.org.uk launched this year as a vital source of support for people receiving palliative or end of life care and their loved ones. A specific area for health and care professionals has a wide range of resources including policies and guidance, and training and recruitment opportunities
- Enhancing and supporting end of life care for all people across Leeds. Examples are further integration with heart failure services, Chronic Pulmonary Obstructive Disease (COPD), movement disorders, dementia, frailty and the homeless population
- Understanding care and any inequities through working closely with the Academic Unit of Palliative Care (AUPC), Public Health, and the delivery of the Leeds Bereaved Carers Survey, which now incorporates primary care
- Providing expert education for community and hospital staff, GPs and care homes, including tele-education in order to support more professionals to improve patient care, and the integration of research and evidence into all developments. Training provision has been extended to other providers, all of which has been even more beneficial during the COVID-19 pandemic.

Finally, the LPCN is working alongside Leeds CCG to develop the new strategy for palliative and end of life care across Leeds.





We continued to recruit to existing studies such as the Leeds Cancer Pain assessment study, the Access to Medicines at the End of Life programme and the Supporting Timely Engagement with Palliative Care study. We have also opened new studies around: access to palliative care for people from BAME communities; exploring expert views on improving palliative care for people who are homeless; and supporting earlier access to palliative care for people with COPD.

“ St Gemma’s was the best experience I have had so far in my entire medical career... everyone was helpful and friendly, they were approachable, always ready to teach and involve me in patient management. Overall it was an excellent placement. ”

4th Year Medical Student

Academic Unit of Palliative Care (AUPC)

The AUPC has continued to develop during 2019/20, expanding the amount of education being delivered and the scope of people being trained locally and regionally. This year we hosted 173 students on clinical placements at the hospice compared to 118 last year. We delivered education to 720 Health Care Professionals in Leeds and Yorkshire compared to 640 the previous year.

As well as increasing numbers of people trained, we have provided high quality education on a wide range of areas in palliative and end of life care and in different ways to a wide range of roles and professions.

This includes courses on Advanced Communication Skills and dementia and symptom management; training for professionals caring for homeless people at the end of life; tele-education for GPs and Community Clinical Nurse Specialists; mentoring community and hospital nursing staff and running the European Certificate in Palliative Care.

We also delivered a comprehensive internal programme for all staff and had 5 staff on apprenticeships including 3 Registered Nursing degree students.

We have developed our tele-education capability and were able to smoothly and quickly adapt to additional remote learning in March 2020.

During 2019/20 the AUPC research team secured additional grant income and recruited a significant number of patients to clinical studies, as well as continuing to publish extensively in peer reviewed journals.



Staff Engagement

St Gemma's staff are our most important resource; the St Gemma's team is skilled, professional and compassionate. We place a high value on the wellbeing and engagement of our Hospice team and the creation of a positive, empowering workplace culture.

Although our reporting and formal engagement focuses predominantly on our employees, all individuals working with the Hospice, as temporary workers or volunteers (collectively our workforce), are included in our engagement activities. The Hospice's Values and Behaviours Framework covers all of our workforce. Opportunities to engage and to report matters of concern are available to all.

The Hospice recognises the importance of engaging with its workforce. Engagement is important in maintaining high standards of clinical and business delivery, especially during the volatile times of change brought about by COVID-19 and EU Exit. We therefore aim to maintain open dialogue between the Board, the Hospice Leadership Team and our workforce.

The Board and Senior Management regularly engage with the workforce through a range of formal and informal channels, both written and face to face, and interactive video conferencing has facilitated engagement further during COVID-19.

We were pleased to have been named 18th in The Sunday Times Best Not for Profit Companies list for 2020 (survey undertaken in October 2019). This is the third consecutive year we have featured on the list, having ranked number 67th in 2019, and 76th in 2018.



This reflects our commitment to improving our engagement and creating the conditions that help our people to do their best work. We follow up the results every year with each department and enable employees to see what changes are being made as a result of the survey by promoting a 'You Said, We Did' approach. Workshops were held on key areas of feedback and the workforce were all invited to contribute to the development of our Hospice Behaviours Framework.

We value and invest in our workforce through fair pay and benefits, flexibility of working arrangements and training and learning opportunities across both clinical and non-clinical areas of the Hospice. During 2019/20, we have also developed our use of apprenticeships with 3 new apprentices appointed in Retail and Health Care settings.

Diversity and Inclusion

We are passionate about creating an inclusive workplace that promotes and values diversity in all of its forms. We recognise the difference diversity and inclusion makes to the services we provide, internally and externally.

We have worked hard as an organisation over the last 12 months – in part through our Involve Group – to ensure diversity and inclusion is high on the agenda of everything we do for our workforce and to improve healthcare outcomes for the people of Leeds.

We have made significant progress with the Board and leadership team in fostering and cultivating an inclusive work environment. During the year we have developed Board and Hospice Diversity Statements, appointed a Board Diversity Champion and created a Diversity and Inclusion Group. We also ran a successful Trustee recruitment campaign which has widened the diversity of the Board.

We were placed 44th in the Inclusive Companies Top 50 Employers list. This award recognises the efforts of organisations in moving towards a truly diverse workforce, and their commitment to equality and inclusion.

We were proud to receive this recognition in this first year of participation, and also as a guide to how we can continue to develop our work in this area.

We remain a Disability Confident Employer and hold Leeds Commitment to Carers status.

Volunteers

In 2019/20 St Gemma's extended its team of volunteers to over 900, providing a wide range of experience, skills and dedicated service across all areas of the Hospice. We were proud to host thank you events for over 200 volunteers in November 2019. The Lord Mayor of Leeds and the Deputy Lord Lieutenant of West Yorkshire celebrated the long service of 78 volunteers, including a 40 years' service award.

We continued during the year to work across our local community to encourage involvement in volunteering at the Hospice with information on the diversity of roles available.

We were able to enhance the patient experience in our Therapies and Day Services' areas with volunteers. We improved recruitment of volunteers across the retail chain by further developing relationships with the communities surrounding each of our shops, for example delivering talks, holding stalls and distributing flyers.

We also expanded our guidance and support for staff who manage volunteers.

The final weeks of the 2019/20 year saw a fall in the number of active volunteers, due to the closure of our retail outlets and restrictions on numbers of people attending the Hospice site as a result of COVID-19. We have been actively working with volunteers to facilitate a safe return to their roles where appropriate and feasible. Finally, we will be revising our volunteer recruitment programme as we develop plans to emerge from the pandemic.



“ Volunteering has provided me with a productive way to ‘give back’.

I’m delighted to feel I am helping others at a difficult time.

Hospice Volunteer ”

“ As a volunteer for St Gemma's it gives me a sense of fulfilment and recognition to know that I am making a difference. ”

“ I am very proud to work for the organisation and am excited to be part of their future. ”

Environment

St Gemma's continues to invest in the estate and infrastructure to harness environmental benefits, ensure compliance with legislation and deliver a sustainable future.

During 2019/20 we upgraded our lighting with the installation of more efficient LED lighting across the Hospice and further improved CCTV coverage.

We were awarded Leeds in Bloom & Yorkshire in Bloom spring and summer Competition Gold awards, adding to the number of prestigious awards won for our gardens.

We made changes during the COVID-19 pandemic for patients, visitors and staff to support social distancing and to follow enhanced infection prevention and control regulations.

During 2020/21 we will review our environmental policy and refresh our sustainable environmental plan to ensure we invest in our estate and facilities to support outstanding patient care.

“The Gardens were our haven and gave us such peace and comfort throughout the darkest period of our lives.”

Community Engagement & Raising Funds

We promote St Gemma's work across a variety of channels to a broad range of audiences. Our vision, values and priorities are threaded through internal and external communications, with a consistent brand and tone so that people know what to expect as they engage with us.

We have continued to communicate with our key stakeholder groups, showing both the breadth of care that the Hospice can provide as well as the ways people can support us. Our regular supporter newsletter was mailed to over 50,000 people in 2019/20 and our engagement through digital channels such as Facebook and Twitter continues to grow.

Linked to the work of our Involve Group, we regularly attend community events to promote our services. For example, we attended a recruitment fair at The Reginald Centre in Chapeltown, promoting job vacancies within our workforce to a mainly Black, Asian and Minority Ethnic (BAME) audience. We also participated in Leeds Pride celebrations for the first time.

We supported a number of national awareness campaigns throughout the year, including Dying Matters Week, Volunteers Week and Hospice Care Week.

Work continued on raising awareness and dispelling myths around hospice care, aiming to break down barriers to access and to show that hospices are welcoming places that help patients with a wide variety of life-limiting illnesses and support their loved ones. To understand the awareness of St Gemma's across our communities and shape our future plans we commissioned a public perceptions research survey in February 2020. Initial results are promising and show good levels of awareness and understanding of our role in the city.

More than 1,200 people generously donate to St Gemma's each month. Last year we launched paperless direct debits to make it even easier for supporters to sign up to a regular gift, while reducing paper processing for the Hospice. Our new lottery is growing rapidly with over 7,800 St Gemma's members to year end.

Gifts to honour and celebrate the life of a loved one continue to play a major part in caring for today's patients and raised over £307,000 in 2019/20. This includes 775 funeral donations from families and friends of loved ones who have been touched by our care. Light up a Life is a key tradition for many families at Christmas and an important income generation activity for the Hospice, bringing in over £50,000 annually.

Our retail chain delivered another exceptional year, with income of almost £3m from 24 shops and our first city centre shop opening in the Merrion Centre. The retail operation served more than 600,000 customers, selling over 1 million items whilst also making strong progress in the development of our ecommerce presence and eBay platform. The shops help us to build strong local relationships and strengthen the profile and reputation of the Hospice. Retail income is a real community effort, relying on the generosity of donors and volunteers alongside Hospice staff and our committed shoppers.

During the year we delivered a comprehensive programme of fundraising events and also supported local community members and groups with their own fundraising activities for St Gemma's. An example of this was in September 2019 when the Hospice held its first 'Leeds Night of the Proms' at Leeds Town Hall. The event was a successful collaboration between the Hospice, Leeds City Council and Leeds Symphony Orchestra, with the St Gemma's Hospice Choir having a starring role. The event was a great opportunity to increase engagement, attracting an audience of new and existing supporters.

Community and event activity raised around £900k to support Hospice income, forging strong relationships with local communities and businesses and raising the profile of our work.

We are extremely grateful to all those who make donations, take part in fundraising events, leave a gift in their Will, donate their time through volunteering or help the Hospice in any way. It would simply not be possible to raise the money needed for patient and family care without this support.

As indicated throughout this report we had to make significant changes as a result of the COVID-19 pandemic, including the abrupt closure of our shops and cessation of participation events in the final weeks of 2019/20. Since March 2020 we have been focused on maintaining and expanding those income streams that have been affected less by the crisis, and at the same time looking forward to build new plans to ensure a strong, sustainable recovery.



Looking Ahead

St Gemma's Strategy provides a framework for the long-term development of services under three pillars of Impact, Connect and Extend, supported by foundations of scope, quality and sustainability. Our Strategy has been developed considering national best practice, the needs and wishes of patients, families and staff, as well as the social and economic environment, anticipated growth in need, and the requirement for services to be flexible and responsive to user needs. Our Strategy is consistent with the city wide End of Life Care Strategy adopted by providers and commissioners across Leeds.



We have already identified that population changes will increase the need and demand for our care over the coming years. The COVID-19 pandemic has made dramatic changes to our world and has highlighted further the importance of a good death and support for the bereaved. In the short term it has also meant an increase in the complexity of patient need resulting from late referrals for care, fewer face to face consultations in primary and secondary care and social isolation further impacting on people's physical and mental wellbeing. As we write this report we are still significantly affected by the pandemic in the way we provide care.

The other very significant impact of COVID-19 is on our financial position. St Gemma's has lost significant sources of income over the past few months, with our charity retail outlets closed, participation events cancelled and many businesses and community organisations operating at significantly reduced levels, if at all. We have received financial support from the Government but this is unlikely to continue and we must map out a new financial path for the future.

Our key areas of focus for 2020/21 will be:

- **Responding to the COVID-19 Pandemic:** Services have been transformed rapidly and dramatically over recent months in response to the pandemic and we will continue to respond as circumstances change, ensuring safe, caring, responsive, effective and well-led services
- **Planning Care for the Future:** we have begun a process of reviewing all our services – clinical, academic and non-clinical, in light of expected future need and demand, the transformation we have delivered in recent months and years, known areas of risk and the ongoing impact of COVID-19
- **Securing our Financial Future:** We are carefully considering our financial position with an updated budget plan for 2021/22 and a revised five year financial outlook that supports the financial sustainability of the Hospice. We will continue to work closely with Leeds CCG in negotiating a longer term contract that supports our future funding requirements. We are working with West Yorkshire hospices, as a collaborative, to influence strategic discussions at West Yorkshire and Harrogate Health and Care Partnership level. This highlights the pivotal role of hospices in shaping and providing palliative and end of life care, the potential opportunities for working at a regional level and identify any funding gaps. Hospice UK and NHSE has appointed KPMG to undertake a sector wide review of palliative and end of life care during 2020/21. This review will consider sustainability across nine key principles which includes taking a transformative approach to statutory funding with our commissioners
- **Delivering Clinical Quality Improvements:** as outlined in our Quality Account and relating to: Single Nurse Administration of Drugs; Care of Patients who die at St Gemma's and the Bereaved; and Widening Access for Homeless and Vulnerably Housed People
- **Further Enhancing Hospice Culture:** we will continue our focus on staff induction and training, and on leadership and development for our managers. We will engage with staff to obtain regular feedback, and keep staff wellbeing and support high on our agenda
- **Further Digital Innovation:** we remain a forward thinking, ambitious organisation and we will continue to use digital innovations to deliver improvements in care and our internal infrastructure.

Financial Review

Year on Year Income Review

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006 and the Charities Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102).

The statement of financial activities shows an overall surplus for the year of £533,514 (2019: surplus £198,053) prior to any gains or losses on investments. Total income for the year was £11,633,424 (2019: £10,848,502) representing an overall increase of £784,922 (7.2%).

The financial position has significantly improved through one-off receipts from the Government via Leeds CCG (£151,000), Retail Grant Scheme (£450,000) and a generous donation from the Sisters of the Cross and Passion (£150,000) to support ongoing Estate development.

Shop income of £2,987,331 (2019: £3,046,918) represents a year on year decrease of £59,587 (1.9%) across 24 charity shops. Trading was adversely affected during March 2020 due to the impact of COVID-19.

Income from donations, trusts, grants and fundraising events of £2,387,912 (2019: £2,425,577) has decreased by £37,665 (1.5%). This reflects strong growth in trust grants of £105,208 offset by a reduction of £142,873 across donations and events. This reflects the continuing challenges of the very competitive Leeds fundraising market and COVID-19.

Total expenditure of £11,099,910 (2019: £10,650,449) increased by £449,461 which represents an increase of 4.2%. This increase is due to the annual pay award and the full year effect of CCG funded initiatives which include the extension of Therapies and Specialist Community Nursing Services. We continue to control expenditure and drive improvements in line with our long term financial plan.

The investment portfolio generated a loss of £646,088 (2019: surplus £300,884). The 12 months to 31 March 2020 saw the portfolio lose substantial value as a result of the huge disruption caused by

the coronavirus global pandemic. As at September 2020, the investment portfolio had recovered its financial position but continues to fluctuate in response to global market conditions.

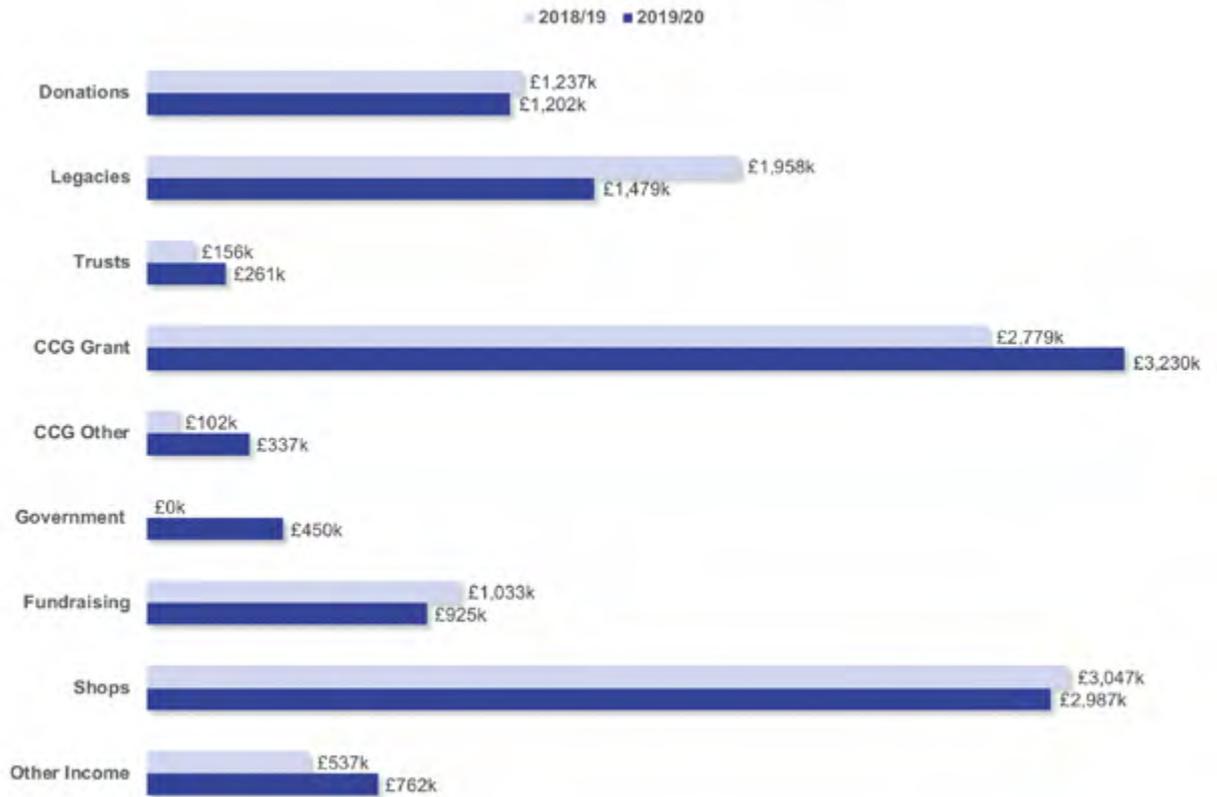
The investment portfolio is managed for long term growth in both its capital value and the level of income it can generate. For the year to March 2020 the portfolio's total return was -8.1% compared to the benchmark -9.3%; the three year cumulative return shows +3.9% compared to the benchmark -1.3%.

At year end the investment portfolio was valued at £5,320,401 (2019: £5,998,550) with investment management fees of £28,251 (2019: £26,560). Overall investment income was £219,069 (2019: £203,631) of which the investment portfolio contributed £192,054 (2019: £183,838). The remaining £27,015 (2019: £19,793) was generated from bank interest on approved short and medium term deposits. Post year end the value of investments has recovered materially and the portfolio value as at 30 September 2020 is £6,010,822.

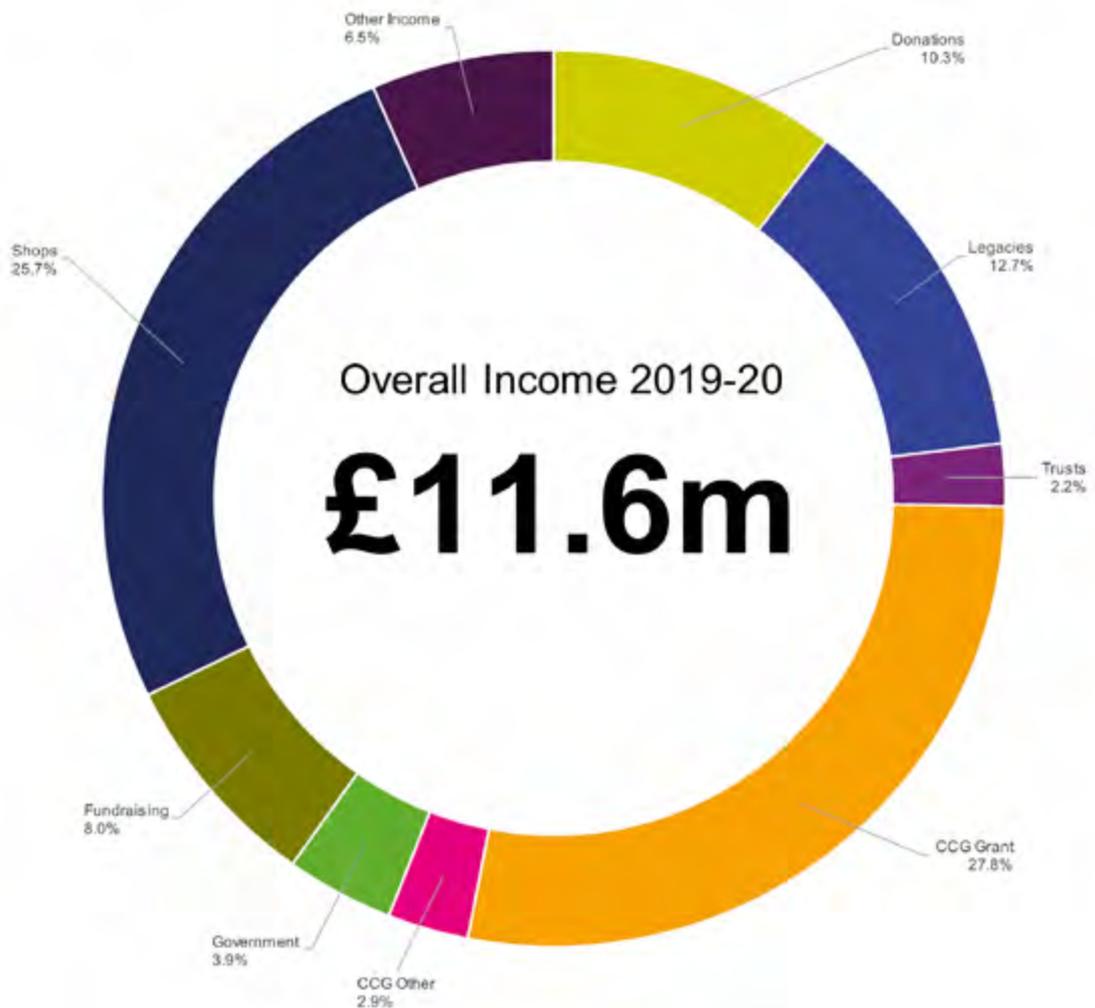
The portfolio is managed by external fund managers (Investec) and performance is monitored by the Finance and Business Committee. All investment decisions are made in accordance with the approved investment policy. This policy sets out the investment powers, objectives, the types of investment and the benchmarks used for performance monitoring. A range of benchmarks are used to assess investment performance including a bespoke benchmark, agreed with the external fund managers, that reflects the Trustees' wish for good returns balanced with the need to limit risk. At the year end the portfolio was invested in a mixture of equities (72%), fixed interest bonds (14%), property (5%), cash (2%) and infrastructure assets (7%).



St Gemma's Hospice Services Ltd (trading subsidiary) continued to sell bought in goods and provide room hire on a commercial basis in the Academic Unit of Palliative Care. The company made a net surplus of £19,663 (2019: £24,379) in the year which will be transferred to the Hospice under Gift Aid.



Total Income



Reserves

The Board of Trustees operates a risk-based approach to determine the levels of reserves needed to cover key financial risks and support the long term strategy and five year plan.

The general reserves are drawn from unrestricted funds, excluding funds designated for future expenditure and those funds already invested in fixed assets. The unrestricted general reserve is currently £7,472,574 (2019: £7,329,373) which covers the assessed financial risks.

Total designated reserves at 31 March 2020 were £3,979,809 (2019: £4,277,291) of which £3,171,708 (2019: £3,425,695) has been invested in fixed assets.

During the year, the Sisters of the Cross and Passion generously donated £150,000. This forms a designated fund towards future planning of the Hospice Estate. See notes 16 and 17 of the financial statements for further information on reserve utilisation.

Fixed Assets and Investments

The movements in fixed assets and investments during the period are set out in notes 10 and 11 to the financial statements. The Board of Trustees has the power to invest the charity's money in the manner they consider most beneficial for the purposes of St Gemma's Hospice.



Structure, Governance and Management

St Gemma's Hospice was founded in 1978 by the Sisters of the Cross and Passion who retain ultimate control of the company. The members of the company all belong to this congregation.

The Hospice is a charitable company limited by guarantee and a registered charity. The company was set up under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

The directors of the company are also charity Trustees for the purposes of charity law and are known as the Board of Trustees. Trustee Indemnity Insurance is provided for the benefit of the Trustees.

The Trustees have complied with the duty (set out in section 4 of the Charities Act 2006) to have due regard to public benefit guidance published by the Charity Commission.

The Board of Trustees consists of the current members of the company who serve for a term of five years and such other persons who are elected in a general meeting to hold office for an initial term of three years after which they are eligible for re-election.

At 31 March 2020 there were five members of the Board of Trustees who were representatives of the Sisters of the Cross and Passion. The remaining members of the Board of Trustees have been recruited for their experience and skills in relevant areas including medicine and nursing, finance, legal and commerce. The Trustees who served during the year are set out on page 4.

The Board of Trustees is responsible for overseeing the Hospice's strategy and performance. It is chaired by Dr Peter Belfield. The Board has overall responsibility for ensuring the organisation is managed efficiently, approves the strategy and oversees its implementation. The Board powers are detailed in the Memorandum of Association and Articles of Association.

St Gemma's has a formal code of conduct for Trustees with job descriptions and role profiles for

key positions (e.g. Chair). There is an induction programme in place for all new Trustees to familiarise them with the operation of the Hospice. This includes meeting with the Hospice Leadership Team (HLT) and familiarising themselves with the Hospice strategy and governance arrangements.

Development opportunities are available for Trustees to ensure we continue to develop skills, knowledge and expertise to support effective Board performance.



Full meetings of the Board of Trustees are held at least four times a year to review the performance of the Hospice and to agree any major changes to the strategy or financial plans. These are supported by focussed strategy and development sessions during the year.

The Board is supported by three Committees that meet on a quarterly basis:

Clinical and Academic Governance Committee – Chair, June Toovey

This Committee has delegated responsibility for oversight of clinical governance, clinical strategy and academic strategy and delivery.

Corporate Governance Committee – Chair, Sue Ansbro

This Committee has delegated responsibility for oversight of Hospice corporate governance arrangements and compliance with the Charity Governance Code. The Committee is also responsible for overseeing the major risks of the Hospice.

Finance and Business Committee – Chair, Angus Martin

This Committee has delegated responsibility for oversight of the financial strategy, annual budget, income generation and longer term financial planning. The Committee is also responsible for overseeing the investment of Hospice funds and recommending the appointment of an investment manager to the Board.

Scheme of delegation

The Board has approved a scheme of delegation under which the majority of operational management and decision making is delegated to the Chief Executive. The Chief Executive has a key role in the management and monitoring of service delivery, patient satisfaction, financial performance, the assessment and control of risk, and the prioritisation and allocation of resources.

St Gemma's has a well-established Hospice Leadership Team (HLT), reporting to the Board and its Committees, leading on strategy development, overseeing the provision of Hospice services and managing risk. The HLT is supported by Heads of Department, closely managing day to day service provision. The HLT comprises the Chief Executive, Kerry Jackson; Chief Nurse, Heather McClelland; Chief Medical Officer and Consultant in Palliative Care, Dr Mike Stockton; and Chief Operating Officer, Jason Kirk. The Chief Executive and HLT are not members of the Board and have no beneficial interest in the company.

Senior Staff Pay

The pay of the senior staff is reviewed by the Board of Trustees, through its Remuneration Committee. The amount paid to senior employees is carefully considered compared to other roles in the market and is benchmarked against other local hospices and national hospice reward and charity reward surveys and data. Best practice recommendations on setting remuneration, including those of the National Council for Voluntary Organisations (NCVO) are also taken into consideration. The Hospice also directly employs three medical consultants on NHS equivalent contracts, in line with national agreements.

The levels paid are those necessary to ensure a well-run, effective organisation in line with regulatory requirements. Competitive salaries also help the Hospice to attract, recruit and retain the best possible calibre of staff, in a competitive environment.

Risk Management and Principal Risks

The Board has overall responsibility for establishing and maintaining the whole system of internal control and the management of risk, including reviewing the effectiveness of internal controls. The Board has adopted a risk-based approach to establishing and maintaining internal controls, which are embedded within day to day management and governance processes.



The Board of Trustees assesses and reviews the management of the major risks to which the charity and its subsidiary company, St Gemma's Hospice Services Limited, are exposed, including financial, clinical and business risks.

The risk register is developed by the HLT and is scrutinised by the relevant Committees and Board on a quarterly basis. The Chief Operating Officer prepares an Annual Governance Statement (AGS) which identifies how the Hospice ensures effective governance in compliance with the voluntary Charity Governance Code.

The key risks facing the Hospice are:

- The achievement of income targets to support financial sustainability. This remains a key risk due to the impact of COVID-19 on our key income streams and the challenging and competitive Leeds market place within which we operate. We had an independent review of our income generation activities during the year and this has supported the development of a new income strategy that continues to support a well-diversified income portfolio. We are working closely with Leeds CCG in negotiating a longer term contract that supports our funding requirements and delivers continuous improvement in outcomes for local people. We monitor our finances closely and have adequate reserves to withstand short term funding fluctuations. If we identify any longer term trend of reduced income levels, our reserves will ensure continuity of service provision whilst we develop plans to secure additional income or implement an appropriate efficiency programme.

- Ability to meet current and future demand for our services. We regularly monitor national and regional trends in order to forecast how they will impact the services we offer and how these services need to be adapted to meet these changing requirements.

We have developed a ten year strategy that considers longer term trends, supports service transformation and integrates with Leeds city wide providers. We continue to work in partnership with health and care professionals and organisations across the local health economy, demonstrating the impact of the care we deliver. As the West Yorkshire integrated care partnership develops, we are working in collaboration with hospices across the region to ensure we have effective representation to influence funding and long term developments in end of life care.

As part of the key risks identified above, Trustees are continuing to assess the business impact of the global pandemic and EU Exit on financial planning and service provision. We have established a focus group that reviews EU Exit risks across six key themes and considers action plans to manage and mitigate the identified risks. COVID-19 has brought unprecedented challenge to the funding environment; at the same time we are dealing with rising demand and increased costs for providing key services. Given the continued uncertainty, the impact cannot be fully quantified at this stage but the financial sustainability of the Hospice remains a strategic priority for 2020/21 and beyond.

Information Governance

We continue to develop and embed a robust and comprehensive Information Governance framework throughout the Hospice in line with the Information Commissioner's Office (ICO) guidelines. This approach means we can confidently give assurance to the Board of Trustees on Information Governance arrangements. On an annual basis we complete the NHS Data Security and Protection Toolkit which enables us to measure and publish performance against the National Data Guardian's ten data security standards.

Trustees Fundraising Statement

Income Generation at St Gemma's is conducted by a team of fundraisers and retail staff directly employed by the charity and led by the Director of Income Generation. No external professional fundraisers have been utilised during the year. The fundraising staff within the Income Generation team are all members of the Hospice Income Generation Network, formerly the National Association of Hospice Fundraisers. There have been no failures to comply with the standards set by these organisations and St Gemma's is fully committed to the delivery of high quality, engaging and compliant fundraising activity.

The Trustees of the Hospice monitor the activities of the Income Generation team via quarterly meetings of the Finance and Business Committee. The Chair of the Committee also meets monthly with the Chief Operating Officer and Director of Income Generation. Policies to protect vulnerable individuals are in place and all fundraisers are aware of their responsibilities in this area. During 2019/20 there were five complaints (2019: two) relating to the Hospice's fundraising activities and three (2019: seven) relating to the chain of charity shops. All were resolved satisfactorily during the year.

Going Concern

The Trustees have reviewed the cash position of the Hospice and the cash forecasts for twelve months from the date of signing the financial statements. COVID-19 has brought unprecedented financial challenge to the future sustainability of the Hospice. Trustees have considered budget plans and a revised five year financial outlook in considering the sustainability of the Hospice. They are satisfied that the charity has a reasonable expectation of continuing in operational existence for the foreseeable future and so they have continued to adopt the going concern basis in preparing the financial statements.

In so far as the Trustees are aware:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP have expressed their willingness to continue as auditor for the next financial year.

The Trustees' Report, including the Strategic Report, was approved by the Board and signed on its behalf on 4 December 2020 by:



Dr Peter Belfield

Chair of Trustees

Trustees' Responsibilities Statement

The Trustees (who are also directors of St Gemma's Hospice for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements the Trustees are required to:

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

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

In so far as the Trustees are aware:

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

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

Independent Auditor's Report to the members of St Gemma's Hospice

Opinion

In our opinion the financial statements of St Gemma's Hospice (the 'charitable company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of financial activities (including the consolidated income and expenditure account);
- the balance sheets;
- the consolidated cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 23.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including

the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in respect of these matters.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the Trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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



Sarah Anderson FCCA (Senior statutory auditor)

For and on behalf of Deloitte LLP
Statutory Auditor

Leeds, United Kingdom
4 December 2020

Consolidated Statement of Financial Activities

(Including consolidated income and expenditure account)

For the year ended 31 March 2020

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2020 £	Total Funds 2019 £
INCOME FROM						
Donations, legacies and trusts	2	3,123,814	-	267,828	3,391,642	3,350,361
Other trading activities:	3					
Sale of donated goods		2,926,004	-	-	2,926,004	2,977,979
Fundraising events		925,379	-	-	925,379	1,032,937
Lottery		112,836	-	-	112,836	126,677
Commercial trading operations		88,472	-	-	88,472	94,466
		<u>4,052,691</u>	<u>-</u>	<u>-</u>	<u>4,052,691</u>	<u>4,232,059</u>
Charitable activities – Provision of Hospice Services:						
CCG funding	4	3,507,310	-	60,000	3,567,310	2,880,996
Other grants		-	150,000	-	150,000	-
Education and research		121,382	-	20,000	141,382	91,574
Bistro		88,811	-	-	88,811	89,482
Other		22,519	-	-	22,519	399
		<u>3,740,022</u>	<u>150,000</u>	<u>80,000</u>	<u>3,970,022</u>	<u>3,062,451</u>
Investments	5	219,069	-	-	219,069	203,631
Total income		<u>11,135,596</u>	<u>150,000</u>	<u>347,828</u>	<u>11,633,424</u>	<u>10,848,502</u>
EXPENDITURE ON						
Raising funds:						
Cost of selling donated goods		2,176,975	56,930	-	2,233,905	2,117,074
Costs of raising income from donations, legacies, trusts and fundraising events		1,243,571	41,049	-	1,284,620	1,330,318
Investment management fees		28,251	-	-	28,251	26,560
Commercial trading operations		68,809	-	-	68,809	70,087
		<u>3,517,606</u>	<u>97,979</u>	<u>-</u>	<u>3,615,585</u>	<u>3,544,039</u>
Charitable activities – Provision of Hospice Services		6,718,836	579,710	185,779	7,484,325	7,106,410
Total Expenditure	6	<u>10,236,442</u>	<u>677,689</u>	<u>185,779</u>	<u>11,099,910</u>	<u>10,650,449</u>

Consolidated Statement of Financial Activities (Including consolidated income and expenditure account) For the year ended 31 March 2020

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 March 2020 Total funds £	31 March 2019 Total Funds £
Net income/(expenditure) before investment (losses)/gains	8	899,154	(527,689)	162,049	533,514	198,053
Net (losses)/gains on investments	11	(646,088)	-	-	(646,088)	300,884
Net income/(expenditure)		253,066	(527,689)	162,049	(112,574)	498,937
Transfer between funds	16/17	(109,865)	230,207	(120,342)	-	-
Net movement in funds		143,201	(297,482)	41,707	(112,574)	498,937
RECONCILIATION OF FUNDS:						
Total funds brought forward		7,329,373	4,277,291	250,181	11,856,845	11,357,908
Net movement in funds for the year		143,201	(297,482)	41,707	(112,574)	498,937
Total funds carried forward	18	7,472,574	3,979,809	291,888	11,744,271	11,856,845

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derive from continuing activities.

See note 15 for comparative Consolidated Statement of Financial Activities analysed by funds.

The accounting policies and notes on pages 38 to 51 form part of these accounts.

Balance Sheets

As at 31 March 2020

	Note	Group 2020 £	2019 £	Charity 2020 £	2019 £
FIXED ASSETS					
Tangible assets	10	3,171,708	3,425,695	3,171,708	3,425,695
Investments	11	5,320,401	5,998,550	5,320,403	5,998,552
		<u>8,492,109</u>	<u>9,424,245</u>	<u>8,492,111</u>	<u>9,424,247</u>
CURRENT ASSETS					
Stocks		17,361	18,426	-	-
Debtors	12	1,233,443	976,960	1,270,760	1,017,897
Current asset investments		2,013,491	1,516,166	2,013,491	1,516,166
Cash at bank and in hand		853,380	724,424	832,063	698,241
		<u>4,117,675</u>	<u>3,235,976</u>	<u>4,116,314</u>	<u>3,232,304</u>
CREDITORS: amounts falling due within one year	13	<u>(865,513)</u>	<u>(803,376)</u>	<u>(864,154)</u>	<u>(799,706)</u>
NET CURRENT ASSETS		<u>3,252,162</u>	<u>2,432,600</u>	<u>3,252,160</u>	<u>2,432,598</u>
NET ASSETS		<u>11,744,271</u>	<u>11,856,845</u>	<u>11,744,271</u>	<u>11,856,845</u>
Represented by:					
FUNDS					
Unrestricted funds:					
Designated fund	16	3,979,809	4,277,291	3,979,809	4,277,291
General fund	16	7,472,574	7,329,373	7,472,574	7,329,373
Restricted funds	17	291,888	250,181	291,888	250,181
TOTAL FUNDS		<u>11,744,271</u>	<u>11,856,845</u>	<u>11,744,271</u>	<u>11,856,845</u>

The deficit of parent charity for the year for Companies Act purposes is £112,574 (2019: surplus of £474,588). As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented in respect of the parent charity.

The financial statements on pages 30 to 51 were approved and authorised for issue by the Board of Trustees on 4 December 2020 and signed on its behalf by:



Dr Peter Belfield
Chair to the Board of Trustees

Company Number: 02773867

The accounting policies and notes on pages 38 to 51 form part of these accounts.

Consolidated Cash Flow Statement

For year ended 31 March 2020

	Notes	Group 2020	Group 2019
		£	£
NET CASH PROVIDED BY OPERATING ACTIVITIES	19	691,205	(68,274)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends and interest received		219,069	203,631
Purchase of tangible fixed assets		(321,137)	(231,083)
Loss on disposal of fixed assets		5,083	3,284
Purchase of investments		(628,151)	(478,531)
Proceeds on sale of investments		651,189	200,136
Movement on cash held by Investment Managers		9,023	309,182
Net cash outflow from investing activities		<u>(64,924)</u>	<u>6,619</u>
Change in cash and cash equivalents during the year		<u>626,281</u>	<u>(61,655)</u>
Cash and cash equivalents at the beginning of the year		<u>2,240,590</u>	<u>2,302,245</u>
Total cash and cash equivalents at the end of the year		<u><u>2,866,871</u></u>	<u><u>2,240,590</u></u>
Reconciliation to balance sheet:			
Cash at bank and in hand		853,380	724,424
Current asset investments		2,013,491	1,516,166
Balance at 31 March		<u><u>2,866,871</u></u>	<u><u>2,240,590</u></u>

The accounting policies and notes on pages 38 to 51 form part of these accounts.

Statement of Accounting Policies

For year ended 31 March 2020

Company and charitable status

St Gemma's Hospice, a public benefit entity, is incorporated in England and Wales as a charitable company limited by guarantee not having a share capital. The Sisters of the Cross and Passion are the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of investments which have been included at market value. The financial statements have been prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019 and the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements comprise St Gemma's Hospice and its wholly-owned subsidiary undertaking, St Gemma's Hospice Services Limited. The summarised profit and loss account for the subsidiary is shown in note 1. The results of the subsidiary are consolidated on a line by line basis.

Preparation of the financial statements – going concern basis

The principal risks facing the charity are discussed in the Trustees' report. COVID-19 has brought unprecedented challenge to the financial sustainability of the Hospice. Trustees have considered budget plans and a revised five year financial outlook in considering the sustainability of the Hospice. The Trustees have also reviewed the cash position of the charity and cash forecasts at the date of signing the financial statements and are satisfied that the charity will be able to meet all of its financial commitments for at least twelve months from the date of signing.

As a consequence, the Trustees believe that the charity is well placed to manage its financial risks successfully. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Income

Income is recognised when the Group and Charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received by way of donations, fundraising events, trading, legacies and Leeds Clinical Commissioning Groups receipts are credited in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT. Lottery income is from Local Hospice Lottery and the joint lottery with Sue Ryder Wheatfields and is included net after associated expenditure.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the



executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed where material. Income tax recoverable on income received and bank interest received are included in these accounts on the accruals basis.

Deferred income includes amounts received in respect of grants for work to be carried out in the next financial year.

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.

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. The full value of the freehold peppercorn rent is not valued due to the prohibitive cost of doing so.

All income arises in the United Kingdom.

Expenditure

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

Costs of raising funds include the costs incurred in generating voluntary income, fundraising trading costs, including the costs of running the charity shops, and investment management costs.

Charitable expenditure has been analysed by activity, these costs enable the Hospice to meet its charitable aims and objectives.

Support costs relate to those functions that assist the work of the Hospice but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. Governance costs are associated with the governance arrangements of the charity. They include compliance with statutory and constitutional requirements, expenditure incurred on Board of Trustees meetings and legal advice for the Trustees. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.



Expenditure is included in the Statement of Financial Activities inclusive of any VAT which cannot be recovered.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in the furtherance of the general objectives of the charity.

Designated funds are amounts that have been put aside at the discretion of the Board of Trustees. Restricted funds are funds subject to specific conditions imposed by donors. Where restricted funds are received for the purchase of fixed assets then the funds are transferred to designated funds once the purchase has been made. See Notes 16 and 17 for further information on funds and funds utilisation.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation.

Tangible fixed assets individually costing more than £1,000 are capitalised and included in the accounts at cost. Provision is made for depreciation on all tangible assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Improvements to leasehold property costs
- 5% per annum on a straight line basis

Fixtures and fittings
- 10% per annum on a straight line basis

Motor vehicles
- 25% per annum on reducing balance basis

Computers
- 25% per annum on a straight line basis

Investments

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Current investments represent monies invested in short-term liquid money market instruments. In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Stock

Stock of purchased goods is valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

Employee benefits

The Hospice operates two pension schemes. A defined benefit scheme with the National Health Service Superannuation Scheme, is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service Pension agencies. In addition there is a Group Personal Pension Scheme administered by Standard Life which is available to all other employees. Contributions to both Schemes are charged directly to the Statement of Financial Activities. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments

are initially recognised at transaction value and subsequently measured at their settlement value. 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.

Current asset investments includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors 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.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.



Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.



Notes to the Group Financial Statements

For year ended 31 March 2020

1. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned subsidiary, St Gemma's Hospice Services Limited which is incorporated in the UK and registered in England. The company undertakes trading activities including the sale of bought in goods and the provision of room hire within the St Gemma's Academic Unit of Palliative Care.

A summary of its trading results for the period is shown below. The company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

Profit and Loss account	2020	2019
	£	£
Turnover	88,472	94,466
Cost of sales	(36,260)	(40,279)
Gross profit	52,212	54,187
Administrative expenses	(1,832)	(1,674)
Management charge	(30,717)	(28,134)
Operating profit	19,663	24,379
Charitable donation to St Gemma's Hospice	(19,663)	(24,379)
Retained in subsidiary	-	-
Aggregate Capital and reserves	2	2

2. INCOME FROM DONATIONS, LEGACIES AND TRUSTS

	2020	2020	2020
	Unrestricted	Restricted	Total
	Funds	Funds	
	£	£	£
Donations	1,152,809	48,839	1,201,648
Legacies	1,479,109	-	1,479,109
Grants	491,896	218,989	710,885
	<u>3,123,814</u>	<u>267,828</u>	<u>3,391,642</u>
2019 Comparative			
	2019	2019	2019
	Unrestricted	Restricted	Total
	Funds	Funds	
	£	£	£
Donations	1,212,384	24,579	1,236,963
Legacies	1,957,721	-	1,957,721
General grants from Trusts	25,203	130,474	155,677
	<u>3,195,308</u>	<u>155,053</u>	<u>3,350,361</u>

In 2020, grants include unrestricted government grants of £450,000 relating to the COVID-19 retail grant scheme.

At 31 March 2020 there were legacies totalling £632,150 (2019: £141,300) that had been notified as receivable to the charity but have not been included in the financial statements as their value cannot be reliably quantified.

Included in donations income is gift aid received or receivable of £141,127 (2019: £140,947).

3. INCOME FROM OTHER TRADING ACTIVITIES

	2020 £	2019 £
Sale of donated goods	2,926,004	2,977,979
Fundraising events	925,379	1,032,937
Lottery	112,836	126,677
Income from wholly owned subsidiary:		
Room hire	24,644	23,209
Sale of purchased goods	61,327	68,939
Lottery License fee	2,501	2,318
	<u>4,052,691</u>	<u>4,232,059</u>

The sales of donated and purchased goods in 2020 includes donations under retail gift aid of £708,880 (2019: £692,409) and the associated gift aid of £175,093 (2019: £171,025). St Gemma's Hospice had 24 shops at the year end (2019: 24) although they were not trading at 31 Mar 2020 due to COVID-19.

4. INCOME FROM CHARITABLE ACTIVITIES

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total £
Provision of Hospice services			
Grant income from CCG	3,507,310	60,000	3,567,310
Sisters of the Cross and Passion grant	150,000	-	150,000
Education and research	121,382	20,000	141,382
Bistro	88,811	-	88,811
Other	22,519	-	22,519
	<u>3,890,022</u>	<u>80,000</u>	<u>3,970,022</u>
2019 Comparatives			
	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total £
Provision of Hospice services			
Grant income from NHS Leeds	2,799,158	81,838	2,880,996
Hospice UK grant	-	-	-
Education and research	91,574	-	91,574
Bistro	89,482	-	89,482
Other	399	-	399
	<u>2,980,613</u>	<u>81,838</u>	<u>3,062,451</u>

5. INVESTMENT INCOME

	2020 £	2019 £
Listed securities	192,054	183,838
Bank and other interest	27,015	19,793
	<u>219,069</u>	<u>203,631</u>

6. ANALYSIS OF EXPENDITURE

	2020 Direct Costs	2020 Support Costs	2020 Total
	£	£	£
Expenditure on raising funds			
Costs of selling donated goods	2,093,408	140,497	2,233,905
Costs of raising income from donations, legacies, trusts and fundraising events	1,182,395	102,225	1,284,620
Investment management fees	28,251	-	28,251
Cost of wholly owned subsidiary:			
Room hire	18,444	-	18,444
Purchased goods	50,365	-	50,365
	<u>3,372,863</u>	<u>242,722</u>	<u>3,615,585</u>
Expenditure on charitable activities			
Provision of Hospice services			
Inpatient Care	4,402,092	639,436	5,041,528
Community Care	1,077,948	80,097	1,158,045
Day Services	585,941	25,743	611,684
Bereavement Support	175,200	16,175	191,375
Education and research	454,017	27,676	481,693
	<u>6,695,198</u>	<u>789,127</u>	<u>7,484,325</u>
Total expenditure	<u>10,068,061</u>	<u>1,031,849</u>	<u>11,099,910</u>

2019 Comparatives

	2019 Direct Costs	2019 Support Costs	2019 Total
	£	£	£
Expenditure on raising funds			
Costs of selling donated goods	1,993,618	123,456	2,117,074
Costs of raising income from donations, legacies, trusts and fundraising events	1,229,383	100,935	1,330,318
Investment management fees	26,560	-	26,560
Cost of wholly owned subsidiary:			
Room hire	18,184	-	18,184
Purchased goods	51,903	-	51,903
	<u>3,319,648</u>	<u>224,391</u>	<u>3,544,039</u>
Expenditure on charitable activities			
Provision of Hospice services			
Inpatient Care	4,190,568	601,125	4,791,693
Community Care	1,019,696	85,780	1,105,476
Day Services	555,756	14,367	570,123
Bereavement Support	141,304	12,609	153,913
Education and research	460,714	24,491	485,205
	<u>6,368,038</u>	<u>738,372</u>	<u>7,106,410</u>
Total expenditure	<u>9,687,686</u>	<u>962,763</u>	<u>10,650,449</u>

7. ANALYSIS OF SUPPORT COSTS

	Provision of Hospice Services						Total	
	2020	Raising Funds	Inpatient Care	Community Care	Day Services	Bereavement Support		Education & Research
	£	£	£	£	£	£	£	
Governance	14,801	38,994	4,884	1,570	986	1,689	62,924	
Finance	45,379	119,549	14,975	4,813	3,024	5,174	192,914	
IT	41,383	109,018	13,656	4,389	2,758	4,718	175,922	
HR	15,025	39,581	4,958	1,593	1,001	1,713	63,871	
Admin	47,282	124,562	15,603	5,015	3,151	5,391	201,004	
Estates and Depreciation	63,161	166,395	20,843	6,699	4,209	7,202	268,509	
	15,691	41,337	5,178	1,664	1,046	1,789	66,705	
Total	242,722	639,436	80,097	25,743	16,175	27,676	1,031,849	
	2019	Raising Funds	Inpatient Care	Community Care	Day Services	Bereavement Support	Education & Research	Total
	£	£	£	£	£	£	£	£
Governance	14,713	39,414	5,624	942	827	1,606	63,126	
Finance	42,794	114,641	16,359	2,740	2,405	4,671	183,610	
IT	34,422	92,212	13,159	2,204	1,934	3,757	147,688	
HR	15,633	41,880	5,976	1,001	878	1,706	67,074	
Admin	39,985	107,117	15,285	2,560	2,247	4,364	171,558	
Estates and Facilities Depreciation	60,011	160,767	22,942	3,842	3,372	6,550	257,484	
	16,833	45,094	6,435	1,078	946	1,837	72,223	
Total	224,391	601,125	85,780	14,367	12,609	24,491	962,763	

The allocation is based upon the headcount in these areas, adjusted for those costs which were only incurred on the Hospice site, being IT, Finance and administration together with a proportion of building and maintenance costs.

8. NET INCOME/ (EXPENDITURE) FOR THE YEAR

	2020 £	2019 £
This is stated after charging:		
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	16,100	15,700
- Fees payable to the charity's auditor for other services to the group:		
taxation services	1,100	2,600
the audit of the charity's subsidiary	3,800	3,600
reporting to group auditor	1,100	1,000
Depreciation		
- on owned fixed assets	215,833	178,164
- on leased fixed assets	354,208	354,208
Rental of land and buildings under operating leases	491,614	456,273
Hire of equipment under operating leases	11,021	8,581
	<u> </u>	<u> </u>

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY

	2020 £	2019 £
Aggregate remuneration comprised:		
Wages and salaries	6,845,673	6,503,316
Social security costs	596,486	569,203
Other pension costs	559,007	519,806
	<u> </u>	<u> </u>
	<u>8,001,166</u>	<u>7,592,325</u>

The overall average and whole time equivalent (WTE) employees during the period was as follows:

	2020		2019	
	No.	WTE	No.	WTE
Provision of Hospice Services	159	127	153	122
Raising funds	76	63	68	57
Support functions	35	32	37	31
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>270</u>	<u>222</u>	<u>258</u>	<u>210</u>

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2020 No.	2019 No.
£60,001 - £70,000	-	1
£70,001 - £80,000	3	1
£100,001 - £110,000	1	1
£120,001 - £130,000	-	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY (continued)

The key management personnel of the parent Charity, listed on page 4, are the same as the Group. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Group for the year totalled £496k (2019: £440k).

As shown above, St Gemma's Hospice has employed five individuals who earned over £60,000. Two of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership team (HLT), responsible for running the Hospice. The Chief Executive is not the highest paid employee.

No trustees received remuneration during the current or prior year. No travel or subsistence expenses were paid to trustees during the current or prior year

10. TANGIBLE FIXED ASSETS

CHARITY AND GROUP	Improvements to Leasehold Property £	Computer Equipment £	Fixtures And Fittings £	Motor Vehicles £	Total £
Cost					
At 1 April 2019	6,670,892	511,476	3,085,433	41,549	10,309,350
Additions	-	74,818	228,141	18,178	321,137
Disposals	-	-	(11,436)	-	(11,436)
At 31 March 2020	<u>6,670,892</u>	<u>586,294</u>	<u>3,302,138</u>	<u>59,727</u>	<u>10,619,051</u>
Depreciation					
At 1 April 2019	4,167,306	389,043	2,309,739	17,567	6,883,655
Charge for year	354,208	76,879	128,414	10,540	570,041
Disposals	-	-	(6,353)	-	(6,353)
At 31 March 2020	<u>4,521,514</u>	<u>465,922</u>	<u>2,431,800</u>	<u>28,107</u>	<u>7,447,343</u>
Net book value					
At 31 March 2020	<u>2,149,378</u>	<u>120,372</u>	<u>870,338</u>	<u>31,620</u>	<u>3,171,708</u>
At 31 March 2019	<u>2,503,586</u>	<u>122,433</u>	<u>775,694</u>	<u>23,982</u>	<u>3,425,695</u>

All tangible fixed assets are used for or to support charitable purposes.

11. FIXED ASSET INVESTMENTS

CHARITY	Cost	Valuation	Total
	Unlisted	Listed	
	£	£	£
Cost / market value at 1 April 2019	2	5,998,550	5,998,552
Additions	-	628,151	628,151
Disposal proceeds	-	(651,189)	(651,189)
Unrealised losses	-	(693,841)	(693,841)
Realised gains	-	47,753	47,753
Increase in cash deposits	-	(9,023)	(9,023)
Cost / market value at 31 March 2020	2	5,320,401	5,320,403
GROUP		Valuation	Total
		Listed	
		£	£
Market value at 1 April 2019		5,998,550	5,998,550
Additions		628,151	628,151
Disposal proceeds		(651,189)	(651,189)
Unrealised losses		(693,841)	(693,841)
Realised gain		47,753	47,753
Increase in cash deposits		(9,023)	(9,023)
Market value at 31 March 2020		5,320,401	5,320,401

The unlisted investment represents an investment in the subsidiary undertaking:

Name of Subsidiary	Class of Shares Held	Percentage of Shares Held
St Gemma's Hospice Services Limited	Ordinary	100%

St Gemma's Hospice also holds a minority share in an unlisted investment, Hospice Quality Partnership, which was acquired for £10.

Listed Investments

The historic cost of listed fixed asset investments at 31 March 2020 was £4,668,014 (2019: £4,621,381). The investments are managed by an external fund manager. The funds can be analysed as follows:

	2020	2019
	£	£
Fixed interest	736,203	880,300
UK Equities	2,525,808	3,149,197
Overseas equities	1,325,538	1,323,941
Property	263,305	270,532
Alternative Assets	388,560	284,570
Cash deposits	80,987	90,010
	5,320,401	5,998,550

Post year end the value of investments has recovered materially and the portfolio value as at 30 September 2020 is £6,010,822.

12. DEBTORS

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	3,763	8,569	-	-
Amounts due from subsidiary undertaking	-	-	41,080	49,506
Income tax recoverable	185,408	49,880	185,408	49,880
Other debtors	899,821	797,948	899,821	797,948
Prepayments	144,451	120,563	144,451	120,563
	<u>1,233,443</u>	<u>976,960</u>	<u>1,270,760</u>	<u>1,017,897</u>

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade creditors	106	512	-	-
Other creditors	680,097	578,174	678,844	575,016
Accruals and deferred income	185,310	224,690	185,310	224,690
	<u>865,513</u>	<u>803,376</u>	<u>864,154</u>	<u>799,706</u>

Included in other Creditors is £215,447 (2019: £124,663) received by St Gemma's in the role of host of the Leeds Palliative Care Network, which involves collaborative working with other palliative and end of life care providers in Leeds.

14. DEFERRED INCOME

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Brought forward	-	49,380	-	49,380
Released in the year	-	(49,380)	-	(49,380)
Deferred income	<u>36,723</u>	<u>-</u>	<u>36,723</u>	<u>-</u>
Carried forward	<u>36,723</u>	<u>-</u>	<u>36,723</u>	<u>-</u>

The deferred income figure includes £14,167 for monies received to support our Academic Unit of Palliative Care in the delivery of the CNS ECHO project. £21,656 has been received from the Leeds CCG for controlled drugs funding. In addition £900 has been received in advance for training courses delivered by the Academic Unit of Palliative Care.

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted Funds	Designated Funds	Restricted Funds	31 March 2019 Total Funds
	Notes	£	£	£	£
INCOME FROM					
Donations, legacies and trusts	2	3,195,308	-	155,053	3,350,361
Other trading activities:					
Sale of donated goods		2,977,979	-	-	2,977,979
Fundraising events		1,032,937	-	-	1,032,937
Lottery		126,677	-	-	126,677
Commercial trading operations		94,466	-	-	94,466
	3	<u>4,232,059</u>	<u>-</u>	<u>-</u>	<u>4,232,059</u>
Charitable activities – Provision of Hospice Services:					
Grant income from CCG		2,779,158	20,000	81,838	2,880,996
Education and research		91,574	-	-	91,574
Bistro		89,482	-	-	89,482
Other		399	-	-	399
	4	<u>2,960,613</u>	<u>20,000</u>	<u>81,838</u>	<u>3,062,451</u>
Investments Income	5	203,631	-	-	203,631
Total income		<u>10,591,611</u>	<u>20,000</u>	<u>236,891</u>	<u>10,848,502</u>
EXPENDITURE ON					
Raising funds:					
Cost of selling donated goods		2,066,186	50,888	-	2,117,074
Costs of raising income from donations, legacies, trusts and fundraising events		1,318,224	12,094	-	1,330,318
Investment management fees		26,560	-	-	26,560
Cost of lotteries		70,087	-	-	70,087
Commercial trading operations		70,087	-	-	70,087
		<u>3,481,057</u>	<u>62,982</u>	<u>-</u>	<u>3,544,039</u>
Charitable activities – Provision of Hospice Services					
		6,318,711	559,666	228,033	7,106,410
Total Expenditure	6	<u>9,799,768</u>	<u>622,648</u>	<u>228,033</u>	<u>10,650,449</u>

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (continued)

		Unrestricted Funds	Designated Funds	Restricted Funds	31 March 2019 Total Funds
	Notes	£	£	£	£
Net income/(expenditure) before investment gains	8	791,843	(602,648)	8,858	198,053
Net gains on investments	11	300,884	-	-	300,884
Net income/(expenditure)		1,092,727	(602,648)	8,858	498,937
Transfer between funds	16/17	(45,113)	162,287	(117,174)	-
Net movement in funds		1,047,614	(440,361)	(108,316)	498,937
RECONCILIATION OF FUNDS:					
Total funds brought forward		6,281,759	4,717,652	358,497	11,357,908
Net movement in funds for the year		1,047,614	(440,361)	(108,316)	498,937
Total funds carried forward	18	7,329,373	4,277,291	250,181	11,856,845

16. UNRESTRICTED FUNDS

CHARITY AND GROUP	01 April 2019	Income and net gain on Investment	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Designated Funds					
Maintenance and gardens	499,804	-	-	(45,806)	453,998
Investing in People	881	-	(881)	-	-
SOCP - future building plan	-	150,000	-	-	150,000
IT Development fund	38,550	-	-	(29,112)	9,438
Service Transformation fund	237,361	-	(84,798)	(10,929)	141,634
Leadership and development	50,000	-	(3,521)	-	46,479
Staff wellbeing	25,000	-	(18,448)	-	6,552
Fixed assets	3,425,695	-	(570,041)	316,054	3,171,708
	<u>4,277,291</u>	<u>150,000</u>	<u>(677,689)</u>	<u>230,207</u>	<u>3,979,809</u>
General Fund	7,329,373	10,489,508	(10,236,442)	(109,865)	7,472,574
Total unrestricted funds	<u>11,606,664</u>	<u>10,639,508</u>	<u>(10,914,131)</u>	<u>120,342</u>	<u>11,452,383</u>

16. UNRESTRICTED FUNDS (continued)

The maintenance and gardens fund is for ongoing building maintenance work to ensure that the Hospice is kept to the highest possible standard. The fixed asset fund represents reserves invested in fixed assets and each year a transfer is made equivalent to the value of additions in the year.

£150,000 was received during the year from the Sisters of the Cross and Passion for future building plans.

The leadership and development and staff wellbeing funds were designated in the prior year, being transferred from general funds. The transformation fund is designated to support ongoing service development needs of the hospice.

YEAR ENDED 31 MARCH 2019 COMPARATIVES

CHARITY AND GROUP	01 April 2018 £	Income and net gain on investment £	Expenditure £	Transfers £	31 March 2019 £
Designated Funds					
Maintenance and gardens	529,235	-	-	(29,431)	499,804
Investing in People	9,037	-	(8,156)	-	881
AUPC refurbishment	231,159	-	-	(231,159)	-
IT Development fund	49,399	20,000	-	(30,849)	38,550
Transformation fund	169,481	-	(82,120)	150,000	237,361
Leadership and development	-	-	-	50,000	50,000
Staff wellbeing	-	-	-	25,000	25,000
Securing your Hospice	431	-	-	(431)	-
Fixed assets	3,728,910	-	(532,372)	229,157	3,425,695
	<u>4,717,652</u>	<u>20,000</u>	<u>(622,648)</u>	<u>162,287</u>	<u>4,277,291</u>
General Fund	6,281,759	10,892,495	(9,799,768)	(45,113)	7,329,373
Total unrestricted funds	<u>10,999,411</u>	<u>10,912,495</u>	<u>(10,422,416)</u>	<u>117,174</u>	<u>11,606,664</u>

17. RESTRICTED FUNDS

CHARITY AND GROUP	1 April 2019 £	Income £	Expenditure £	Transfers £	31 March 2020 £
IPU & Day Hospice	23,148	-	-	(23,148)	-
Children's bereavement service	-	46,939	(46,939)	-	-
Competency Framework/EOL care outcomes	43,996	-	(3,667)	-	40,329
City wide education programme	32,332	-	(14,719)	(5,475)	12,138
Dedicated space Young People's service	-	60,000	-	-	60,000
Leeds Compassionate Communities	738	-	(738)	-	-
Training and Education	-	65,000	-	-	65,000
Restricted Trust Income	49,995	172,050	(74,219)	(69,675)	78,151
Sundry restricted donations	6,731	3,839	(2,058)	(1,600)	6,912
St Gemma's Hospice to Hospital In Reach Project	29,583	-	(29,583)	-	-
Enhanced Digitisation for In Patient Unit (IPU)	28,603	-	(6,718)	(20,444)	1,441
Mental Health Clinical Nurse Specialist	31,855	-	(6,440)	-	25,415
Patient & Family Engagement	3,200	-	(698)	-	2,502
Balance	<u>250,181</u>	<u>347,828</u>	<u>(185,779)</u>	<u>(120,342)</u>	<u>291,888</u>

17. RESTRICTED FUNDS (continued)

The children's bereavement service is funded by Children in Need to employ childrens bereavement workers.

The competency framework for nursing staff was funded by Leeds CCG. Health Education England provided funding to support the End of Life Care Outcomes project being undertaken within the Academic Unit of Palliative Care.

The Citywide education programme was set up to improve the provision of palliative care across the city.

The Hospice to Hospital In Reach project, Enhanced Digitisation for the In-Patient Unit, Mental Health Clinical Nurse Specialist, Patient and Family Engagement and Dedicated Space for Young People's Service are all funded by Leeds CCG.

The transfers represent expenditure on capital items within the different restricted funds.

YEAR ENDED 31 MARCH 2019 COMPARATIVES

CHARITY AND GROUP	1 April	Income	Expenditure	Transfers	31 March
	2018				2019
	£	£	£	£	£
IPU & Day Hospice	44,318	-	-	(21,170)	23,148
Children's bereavement service	11,718	38,005	(49,723)	-	-
Informatics Consultancy	13,355	-	(450)	(12,905)	-
Competency Framework/EOL care outcomes	68,609	-	(24,613)	-	43,996
Companion's scheme	6,743	-	-	(6,743)	-
City wide education programme	33,982	-	(1,650)	-	32,332
DoLS training	2,605	-	-	(2,605)	-
Conference update in symptom management	1,805	-	-	(1,805)	-
Leeds Compassionate Communities	839	-	(101)	-	738
Purchase and replacement of equipment	2,418	-	-	(2,418)	-
Restricted Trust Income	-	92,469	(14,046)	(28,428)	49,995
Sundry restricted donations	537	24,579	(8,385)	(10,000)	6,731
Health Foundation - Nurse led beds	370	-	(370)	-	-
St Gemma's Hospice to Hospital In Reach	60,548	-	(30,965)	-	29,583
Enhanced Digitisation for In Patient Unit (IPU)	38,175	-	(9,572)	-	28,603
Wireless Nurse Call System Upgrade	20,000	-	-	(20,000)	-
Mental Health Clinical Nurse Specialist	38,175	-	(6,320)	-	31,855
Patient & Family Engagement	14,300	-	-	(11,100)	3,200
Leeds Palliative Care Network	-	81,838	(81,838)	-	-
Balance	358,497	236,891	(228,033)	(117,174)	250,181

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2020 £
Tangible assets	-	3,171,708	-	3,171,708
Investments	5,320,403	-	-	5,320,403
Current assets	3,016,325	808,101	291,888	4,116,314
Current liabilities	(864,154)	-	-	(864,154)
Total net assets	7,472,574	3,979,809	291,888	11,744,271

Group	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2020 £
Tangible assets	-	3,171,708	-	3,171,708
Investments	5,320,401	-	-	5,320,401
Current assets	3,017,686	808,101	291,888	4,117,675
Current liabilities	(865,513)	-	-	(865,513)
Total net assets	7,472,574	3,979,809	291,888	11,744,271

2019 Comparatives

Charity	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2019 £
Tangible assets	-	3,425,695	-	3,425,695
Investments	5,998,552	-	-	5,998,552
Current assets	2,130,527	851,596	250,181	3,232,304
Current liabilities	(799,706)	-	-	(799,706)
Total net assets	7,329,373	4,277,291	250,181	11,856,845

Group	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2019 £
Tangible assets	-	3,425,695	-	3,425,695
Investments	5,998,550	-	-	5,998,550
Current assets	2,134,199	851,596	250,181	3,235,976
Current liabilities	(803,376)	-	-	(803,376)
Total net assets	7,329,373	4,277,291	250,181	11,856,845

19. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of net incoming resources to net cashflow from operating activities	2020 £	2019 £
Net (expenditure)/income for the reporting period	(112,574)	498,937
Investment income	(219,069)	(203,631)
Depreciation	570,041	532,372
Losses/(gains) on investments	646,088	(300,884)
Gain on sale of fixed assets	-	(1,358)
Decrease in stock	1,065	1,666
Increase in debtors	(256,483)	(310,632)
Increase/(decrease) in creditors	62,137	(284,744)
Net cash inflow and outflow from operating activities	691,205	(68,274)

20. FINANCIAL COMMITMENTS

At the balance sheet date the total future minimum lease payments under non-cancellable operating leases:

	Land & Buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within one year	435,083	419,415	11,223	11,797
Between one and five years	758,651	766,692	13,866	14,890
	<u>1,193,734</u>	<u>1,186,107</u>	<u>25,089</u>	<u>26,687</u>

21. PENSION COMMITMENTS

The Hospice contributes to two pension schemes. A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies. Contributions to this scheme are paid in respect of current service, and there is no liability to the Hospice in respect of past service. In addition, there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life, which is available to all employees.

The charge to the Statement of Financial Activities of £559,007 (2019: £519,806) represents contributions to the funds during the period. Contributions payable to the schemes at the year end date totalling £23,807 (2019: £20,044) are included in creditors.

22. RELATED PARTIES

Control

Throughout the period, St Gemma's Hospice was ultimately controlled by the Congregation of the Sisters of the Cross and Passion of our Lord Jesus Christ. The members of the company all belong to this Congregation.

Transactions

The Congregation retains freehold title to the Hospice which is let to the company on a long term lease for peppercorn rent. During the year, £150,000 was received from the Sisters of the Cross and Passion as a grant towards future building plans.

Trustee donations

The aggregate amount of cash donations received from Trustees during the year was £1,473 (2019: £2,318). This does not include income received from Trustees in relation to the purchase of tickets or items at fundraising events.

Trustee relationships

Schofield Sweeney has provided legal advice in relation to the Hospice's lease arrangements. Chris Schofield (Trustee) is Chairman of Schofield Sweeney.

23. JOINT ARRANGEMENT

St Gemma's Hospice has an arrangement with Sue Ryder Wheatfields to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries.

The income received during the year from this lottery was £107,802 (2019: £121,877) and is included in note 3.

St Gemma's Hospice is a local, independent charity, providing expert medical and nursing care to thousands of local people every year – all free of charge to patients and their families.

If you would like more information about our work, please contact us:

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