

CHARITY NO: SC013682

COMPANY NO: SC092520



**ACCORD HOSPICE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**



ACCORD HOSPICE

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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ACCORD HOSPICE

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Phil Hanlon, Chairman
Colin Reid, Vice Chairman
Brian Hunt
Kirsty Dickson
Cathy MacGillivray
Louise Watson
Graham Montgomery (Resigned October 2020)
Aileen White
Andrew Renwick
Laurna Woods
John Drury

Chief Executive

Jacki Smart

Company Secretary

Alastair Crae

Principal Office

7 Morton Avenue
Paisley
PA2 7BW

Charity Number:

SC013682

Company Number:

SC092520

Independent Auditors

Wylie & Bisset (Audit) Limited
Chartered Accountants
168 Bath Street
Glasgow
G2 4TP

Bankers

Royal Bank of Scotland plc
Paisley Chief Office
Moncrieff Street
Paisley
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Solicitors

Cochran Dickie
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Paisley
PA1 1BX

Investment Advisors

Rathbones
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G2 1EH

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REFERENCE AND ADMINISTRATIVE INFORMATION

Honorary Patron of ACCORD Hospice Guy W.N.H. Clark CVO. JP.
Former Lord Lieutenant of Renfrewshire

Honorary President of ACCORD Hospice Mr Norman Walker, DL

Honorary Vice Presidents of ACCORD Hospice

Councillor Lorraine Cameron, Provost of Renfrewshire
Mrs Mary Ann Crichton-Maitland
Office of Moderator Church of Scotland, Presbytery of Greenock and Paisley
Rt. Rev. John Keenan LLB PhL STB, Bishop of Paisley
Miss A G Cook, MBE

Donations from Charitable Trusts

Beaverbrook's Charitable Trust
Elizabeth Frankland Moore and STAR Foundation
J & J R Wilson Trust
Julia & Hans Rausing Trust
Malcolm Family Trust
Meikle Foundation
Miss I F Harvey Charitable Trust
National Lottery Community Fund
Paisley Community Health Trust
Paisley Community Trust
Paul Charitable Trust
Peter Brough Bequest Fund
Russell Lang Charitable Trust
W A Cargill Fund

ACCORD HOSPICE

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

Chairman's Report For the year ended 31 March 2021

This has been a difficult year for the whole population. The coronavirus pandemic has, tragically, taken many thousands of lives and brought profound social and economic disruption. Each of us has been forced to adapt to new challenges and to find inventive ways to support each other.

What has been true of individuals has been no less the case for ACCORD as an organisation. The report that follows demonstrates that, despite the many and varied challenges thrown up by the pandemic, our staff and supporters have responded in a quite remarkable manner. New approaches to care have been invented and the best aspects of what has emerged will be retained, with benefit, into the future. I want to draw particular attention to the manner in which our community orientated services have adapted and I am excited about the new community hub which will integrate all that has been best in these services with a new approach that will increase ACCORD's capacity to provide specialist end of life care within the patient's home.

At the beginning of last year's report, I thanked Helen Simpson for her many years of service to ACCORD and welcomed Jacki Smart as our new Chief Executive. It has been a baptism of fire for Jacki, but she has led the organisation through this unprecedented period in a manner that has been appreciated by all.

That said, I am grateful to all our staff and volunteers for their hard work, dedication and flexibility during this difficult year and our Board of Directors and the Senior Management Team for their leadership.

Professor Phil Hanlon

Chairman

ACCORD HOSPICE

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

Report of the Trustees for the year ended 31 March 2021

The Trustees present their annual operational and strategic report and financial statements of the charity for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK.

The legal and administrative information on pages one and two forms part of this report.

Our purpose

Our purpose is to provide palliative and end of life care to people living with or affected by a life limiting illness. We serve a population of over 200,000 people living in Renfrewshire and parts of East Renfrewshire (Barrhead, Neilston and Uplawmoor). ACCORD is an independent charity which provides free palliative care for adult patients (over eighteen years of age) while also supporting their families and carers. We endeavour to improve the quality of life of everyone under our charge, ensuring each receives expert, dignified and compassionate care. We focus on each individual, encouraging the patient, their loved ones and carers to cope with their situation as best they can and make the most of the time available to them. Across the UK, each hospice offers a range of services which varies according to its history and geography: this diversity helps to give the hospice movement strength and vibrancy. At ACCORD, we strive to retain the fruits of all we have achieved to date while, at the same time, evolving to meet future needs. In partnership with patients and their families, we provide compassionate, individualised care that addresses not only the physical signs of illness but also emotional, spiritual and social needs. We assist and support patients throughout their illness and end of life, continuing to comfort their loved ones into bereavement and remembrance. We are always adapting what we provide to the changing needs of individuals and communities. Consequently, our work is not confined to our hospice building and, through various collaborations, we are able to bring the ethos of hospice care to other settings. In short, we seek to optimise all that brings meaning, comfort and hope, ensuring that we value and celebrate life in all its diversity. This ethos is summed up in the following quote:

'You matter because you are you, and you matter until the last moment of your life. We will do all we can, not only to help you die peacefully, but also to live until you die.'

Dame Cicely Saunders

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Our progress this year

Looking back over the year, all at ACCORD are extremely proud of what has been achieved in the challenging and often volatile context brought about by the Coronavirus pandemic. Stakeholders, patients, families and community alike have shown faith, support, gratitude and loyalty to us over this period and for that we are genuinely grateful. The Coronavirus brought challenges to our finances, our workforce, our quality of care and services and our resilience. We stood fast and worked through these and are delighted at the end of the year to be able to report so much positivity, learning, team building and good outcomes for those we serve. We remained committed to our purpose and focussed relentlessly on the delivery of sustainable, high quality palliative and end of life care to those who needed it.

Opportunities for change, improvement and development that emerged were grasped: in-train developments were accelerated and new opportunities were prioritised. We focussed on the need to evolve and modernise our infrastructure and environment to sustain the new ways of working brought on by the pandemic. We listened to and learned from what people told us they wanted and have evolved key elements of our clinical and support models to suit. We have also brought on new services to address gaps in the community, particularly to support difficulties experienced with grief and bereavement.

Our networks grew stronger with new collaborations and connections secured that will only enhance our delivery of services moving forward. We became a stronger team and were kind and supportive to each other and remained flexible and adaptable throughout. All in all, our teams report the last year as a success.

Below is a synopsis of some particular areas of our activity worthy of focus, presented in the context of our organisation's strategic aims with specific acknowledgement that some of those are borne from the pandemic and therefore not necessarily part of our four-year Strategy, ACCORD 2017-2021. A reminder that the vision of the Strategy is that *'by 2021, everyone who needs palliative care will have access to it'*. As our priorities have shifted to respond to the pandemic, some areas in this strategy remain in progress and are yet incomplete. Given that, and the uncertainty that exists as we watch the pandemic begin to settle, we will extend the delivery date of this strategy until 2022 and add in a "Recovery and Renewal Strategy" that will align with it for the next 12 months.

Our teams have engaged with the Strategy's intent and incorporated its vision and values into their day to day working practices and in their development and learning plans. Progress and risks were reported regularly to the Board of Directors through governance channels, keeping our local Health & Social Care Partnership and Healthcare Improvement Scotland abreast of such development. We evidenced impact and activity to the Board alongside that.

Strategic Aim 1

We said...

The whole community becomes more aware of the importance of good palliative and end of life care to the well-being of society.

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Communications

With the impact of the Coronavirus came a devastating increase in the focus on death and dying across our communities. People have watched the number of deaths increase and this has brought the importance of a good experience of death and dying even more to the fore. Families could no longer take for granted access to their loved ones in hospitals, hospices and care homes and the rituals once expected following the death of a loved one were cut short or eradicated with often devastating effect. Healthcare staff, patients, carers and families acknowledged ACCORD's experience in this area and turned to us to seek information and support to help in dealing with the practical and emotional elements of someone's death.

We responded in line with this strategic aim and increased awareness and guidance as much as possible using communications activity in the following ways.

- We developed and updated information sources for our patients and families that helped them navigate the end of life period with loved ones.
- We created information that signposted to broader sources of help and support.
- We generated regular social media communications aimed at signposting and offering support, reassurance and a place for remembering loved ones.
- We 'marketed' our Patient and Family support, Day Therapy Zoom support and Bereavement Network support in the press, on the radio, on the web and on social media.
- We undertook stakeholder engagement and feedback to make sure we knew what people wanted our focus to be on this year and moving forward.
- Our communications team sent our ACCORDian newsletter to our supporters twice this year. This keeps the public up to date with what's happening at ACCORD and this year allowed us to offer updates and reassurance about our 'business as usual' philosophy.
- We continued to grow our social media followings across Facebook, Twitter and Instagram with a follower increase of 7% this year with engagement across the platforms higher than ever before. Facebook remains our main platform and this year where we ran 28 Facebook events with a reach of 128,000. For the first time, we also held 7 "live" Facebook events. In total, we have raised £16.2k through Facebook fundraising.

An example of a piece of feedback that we received on Facebook was as follows:

'We were absolutely overwhelmed and blown away by the outstanding care and compassion from all staff members at ACCORD. They treated us like we were their own. Mum received the most immaculate care that she deserved. I will never forget how you all helped us through a hard week. Truly from my heart I thank you'.

Volunteers

ACCORD has a volunteering complement of more than 450 people and, while restrictions have meant they were not always able to be with us this year, we have remained in touch, supported them where possible and made sure our relationships and communications remained strong. We have had very little attrition this year which is very reassuring and we remain very grateful to each of our volunteers for giving the gift of time to help our organisation. Restrictions have also made it difficult to engage the resource required to develop and draft our new strategy for volunteering but that activity is now scheduled to begin in May 2021.

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Gleniffer Outreach

This was not able to remain open in its traditional form during lockdown but continued to be a virtual community resource for individuals who sought advice and support. Example interactions included:

- Zoom group catch ups for those unable to continue to meet in person.
- Individual check in and follow up to contact.
- 'Singing for Health' Lung Cancer Zoom support group.

Participation

Engagement with an increasingly diverse number of patients, carers, families and volunteers ensures that we remain person-centred and involve our community in the development of our services. In the past year we have asked our service users to explore their experiences of ACCORD and share their views. Some examples:

- *'They are doing their level best in the current situation and put their patients first'* (CNS Lockdown evaluation July 2020).
- *'I am able to ask expert advice and talk through treatments...great continuity with someone who knows me as many of the hospital professions change each time you are there'* (DTU Lockdown evaluation June 2020).
- *'This has helped me a lot with the loss of my husband. I know it has been hard because of the virus and think my life has been made easier by being involved with your service. You all do a great job and I appreciate the contact'* (Patient and Family Support evaluation October 2020).
- *'The Zoom group is so important. I can't leave my bed but I can still join in'* (DTU Zoom evaluation March 2021).

Community leadership and collaboration

ACCORD's Chief Executive, through an active role in the community planning agenda in Renfrewshire and on the Renfrewshire Health and Social Care Partnership (RHSCP) Strategic Planning Group (SPG), has taken the lead in a piece of work aimed at tackling the increasing gap in health outcomes resulting from health inequalities. These arise due to a variety of factors beyond health itself like poverty, housing, unemployment and health literacy to name a few. While the delivery of this work is governed by the SPG and not the ACCORD Board, the approach taken in leadership of it has meant the ACCORD name and ethos is now more broadly known and understood across the majority of the third sector organisations in Renfrewshire, large and small, and the opportunities to raise awareness of the value of good palliative and end of life care have increased tenfold.

We engaged and collaborated even more than usual with statutory organisations like NHS Greater Glasgow and Clyde, RHSCP, and Renfrewshire Council. St Vincent's Hospice, Ardgowan Hospice, Recovery Across Mental Health (RAMH), the Renfrewshire Carers Centre, Engage Renfrewshire and many other third sector partners became close contacts and peers during a difficult time. The strength brought about by joining forces and combining knowledge, experience and resource has had a positive impact on the availability of support to the people we all serve.

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We played an active role in National Forums and Groups and very much appreciated the support brought by the Scottish Hospice Leadership Group, Hospice UK and the Scottish Partnership for Palliative Care as key leaders in the palliative care world.

Strategic Aim 2

We said...

In each community, a network of care will be developed so that palliative and end of life services are provided in more settings and by a wider variety of professions. Access to these services will be available to all who can benefit regardless of age, gender, diagnosis, social group or location.

Our progress to date

Research

To inform and understand local people's palliative and end of life care needs, we secured funding last year to undertake research and produce a high level map of the whole system model of palliative and end of life care service provision in the RHSCP area. The data map has been produced using a variety of sources to look at how people in their last year of life utilise health and social care services across hospital, hospice and community. The aim of the project was to look at how the system is working, build on the good areas of work and address areas for improvement, including capacity and demand information.

The current pandemic has unfortunately delayed the progression of the study but we have adopted a pragmatic approach to continue this work and, despite the ongoing challenges, have managed to move forward. Phase 1 is well underway with the data sets required extracted and uploaded from the NHS to the Glasgow Safe Haven. The data has also been "cleaned" by the Safe Haven analysts and awaits analysis by the Information Services Division of NHS Scotland (ISD) colleagues who are currently redirected to Covid-19 reporting.

While waiting for the ISD analysts to return we have been working on Phase 2 which involves the linking of non-NHS data sources, such as those from hospices and The Marie Curie nursing service. Phase 1 data will tell us how many deaths there are in the hospital and how these patients have used hospital services. Phase 2 will show how the wider hospice services link into this network of care and will help both the hospices and our commissioners understand how we can continue to provide and develop our services in Renfrewshire.

Community Impact

The community teams and functions at ACCORD have worked hard this year to continue to deliver for local people and to sustain services where restrictions and infection risks made it very difficult. Risk assessments are in place to make sure patients who require an in-person visit are able to have one while the remaining patients have sought and received support from more digital and virtual platforms. We have worked hard to develop reliable and sustainable technology solutions and connectivity which mean this blended, virtual model continues to deliver for people wherever they are.

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Evaluations show a good success rate and this model will be retained, and evolved, in the future as our emerging community model is implemented. Activity and impact are best described as follows:

- ACCORD's community consultant continued to provide in-person and virtual support to patients who required support at home with symptom management or support to die at home.
- Referrals to the Clinical Nurse Specialist (CNS) team remained mostly stable although they dipped a bit in the last quarter after the initial post lockdown rise. Earlier in the pandemic, the CNS team were providing daily 'Teams' meetings with care home staff to support them with palliative and end of life care, and these are still ongoing. Case load numbers were maintained and, despite a change in personnel in that team resulting in less staff being available for a period, contacts increased from the previous year. The blended model will be retained post pandemic as it offers more available time to improve reach and impact.
- Allied Health Professionals (AHPs) outreach referrals dipped only slightly with in-person contacts less due to risk assessments. Often essential medical or nursing visits provided our AHP's with the key information they required to support patients, minimising the need for home visits as a significant number of people were shielding, isolating or were just uncomfortable receiving people into their homes during a lockdown situation.
- Day Therapy Unit (DTU) delivered a virtual, blended service to patients to ensure that isolation and exclusion were not an issue for patients who relied on DTU as their place to access clinical and emotional support. Despite the lack of in-person contact, this team made a huge contribution to the outcomes and experiences of the people they served this year with evaluations showing really positive feedback.
- The outpatient Lymphoedema service has continued to be available for those in need.
- The referrals to our 'Patient and Family Support' team were variable with a reduction correlating to the opening of the Renfrewshire Bereavement Network (reported separately). Overall, activity levels and contacts were increased with the number of people reached quite significantly higher.
- Social work support was in significant demand both from community and inpatients with referral and contact numbers increasing.
- Despite an almost impossible set of circumstances with this service not deemed essential and the inability to see anyone in person, the Complementary Therapy (CT) team delivered virtual relaxation, meditation and reiki support to over 565 people and a large number of staff.
- Our Outreach facility closed at the end of March and was replaced by the Renfrewshire Bereavement Network (RBN).
- We continued to undertake our participation and engagement activities albeit in different formats.

Despite the impact of the Covid-19 pandemic, ACCORD's core services adapted and continued to be available and deliver for a consistent number of people. The teams are delighted with these statistics but would ask that they are considered alongside patient/carer experience information and other information sources that demonstrate that high quality and safe care was also maintained.

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Community Review

The Coronavirus pandemic has had a significant impact on the nature and frequency of services provided by ACCORD Hospice. While teams have faced challenges relating to flexible and new ways of working and the risks of exposure to the virus while carrying out essential clinical duties, they have also embraced the opportunities which emerged to modernise their services and to work in very different ways. The Senior Management Team (SMT) was keen to ensure that the opportunities for progression were not lost as the pandemic continued and the opportunity presented to progress and conclude the long standing review of community services was seized.

This review was established in 2019 specifically to address a number of key areas focussed on strategic fit, sustainability and the desire to deliver for people's needs and wants while achieving best value. In November 2020, following a series of staff and patient/family engagement meetings and a review of hard and soft literature locally, nationally and internationally, the ACCORD Board approved a revised model for all community clinical and support services and agreed to move towards implementation. The model will go live in May 2021 and preparation for that is underway.

The new model sees the evolution of DTU, CT and Outreach services into a 'Community Support' team and all AHP, CNS and Lymphoedema services evolved into a 'Community Clinical' team alongside our Community Consultant lead. All of this will sit under the umbrella of a new 'Community Hub' which will have its own identity and space in the Hospice building. A new 'Hospice at Home' service will also be piloted in the Community Hub recognising the increasing demand for people's preferred place of death to be at home.

There are a number of key outcomes addressed in this model:

- Crisis hospital/hospice admissions at end of life will be reduced.
- More people are able to die at home if they wish or stay at home for longer during the end of life phase.
- Patients and families will report less social isolation, greater resilience and feel more supported and enabled to lead or participate in the care of loved ones at home.
- We will be able to support an increased number of referrals and face to face interactions in the community.
- Communities will begin to build capacity and capability to befriend and support families facing loss with less reliance on statutory and charity services.
- Our model will have focussed on 'what matters to you' rather than 'what's the matter with you?'
- Greater clarity on ACCORD's role in supporting the use of Anticipatory Care Plans in the community.

Introduction of the Renfrewshire Bereavement Network (RBN)

The RBN is a collaboration between ACCORD, St Vincent's Hospice, RHSCP and Renfrewshire Council (and supported by RAMH) and was commissioned in August 2020 to respond to the bereavement needs of Renfrewshire's community, recognising the difficulties anticipated during and after the pandemic.

Collectively, the RBN aims to provide support to people in the Renfrewshire area who are experiencing difficulties with loss or grief. It helps by offering access to the most appropriate

ACCORD HOSPICE

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advice, guidance and counselling available – all from a single point of access. It has delivered above and beyond what was anticipated with 50 clients at the time of writing and support being delivered in a tiered model which has evaluated well.

People who need support are able to contact a new dedicated helpline where they can discuss the help they need. After an assessment, staff who have been trained to manage calls will aim to make sure each person who accesses this service will receive the most appropriate support for their individual circumstances. The service is available to adults in the Renfrewshire area regardless of their gender, social group or location.

We have been fortunate to secure more funding for a 12 month extension to the service until March 2022. We also have the continued commitment of the staff and volunteers who have helped to support its development.

Here are some quotes from the evaluation feedback from people who have used the service:

- *“It helped me understand why I was feeling the way I was and not be afraid of certain things”.*
- *“Good to have someone to talk to and give me support out with my family. Also let me cry a lot and understand”.*
- *“It allowed me to talk with someone who is not involved, which meant I could talk freely and not upset anyone”.*
- *“Speaking to someone who understood what I was going through. Someone who listened to me”.*

Strategic Aim 3

We said...

All palliative and end of life care should be characterised by an identifiable ethos. It should be multidisciplinary, clinically excellent and person centred while catering for physical, psychological and social needs of the patient and his or her family and carers.

Our progress to date

Inpatient care

ACCORD's 8 beds have remained open for the past 12 months with only a short two week closure for new admissions implemented in response to a small Covid-19 outbreak that was rapidly brought under control. We consolidated Inpatient services with St Vincent's Hospice on the ACCORD site for 4 months at the start of the pandemic to ensure sustainable availability of beds. Staff worked flexibly from both organisations to cover the consolidated service.

The recent upgrade of our Inpatient Unit (IPU) meant that there was no need to change the footprint of the ward or to reduce beds to ensure compliant social distancing. Our single rooms with patio/garden access meant access was maintained while risk was contained and this meant that we were able to allow essential visits in line with national guidance for people at the end of their life. The IPU is well connected digitally with support available for patients in the form of tablets, PCs and televisions all enabled to allow patients to connect virtually with their families

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and friends. The physiotherapy and occupational therapy staff offered activities and interventions to prevent isolation where they could and also assisted inpatients to connect using technology.

Referrals for inpatient care dipped a bit – likely related to the availability of family at home during lockdown but also due to a reluctance in the vulnerable patient group to attend institutions. Despite the dip in referrals, admission numbers were on a par with the year before (at 135) and occupancy of around 72% for the year (with peaks and troughs as is usual). Rarely were there no beds available with occasional waits of a few days. We worked with other hospice partners to refer on to their available beds if the wait was inappropriate. Statistics also show our admissions for 'End of Life' care increased while discharges (indicating admission for symptom assessment and control) dipped. Length of stay also reduced which increased turnaround times.

Hospital Palliative Care

Our investment in hospital palliative care services in the Royal Alexandra Hospital along with the commitment and flexibility of our consultant workforce ensured that palliative care support to hospitalised patients, with and without Covid-19, was more accessible than ever. That team is to be commended for having worked tirelessly throughout to be available to support colleagues with some of the most difficult clinical decisions they had ever made. Their reach extended beyond Renfrewshire to Inverclyde Royal Hospital out of hours, an arrangement definitely above and beyond expectation and very much appreciated by all.

Education

ACCORD's ethos for palliative and End of Life Care is further promoted through the following programmes of education and training:

- We focussed on skills maintenance, education and quality improvement to ensure our teams were evolving and our services developing in line with standards and best practice. Educational and quality programmes were maintained despite the challenging context and lack of 'in-person' training. Methods that emerged have evaluated well and will be retained as we move forward. Six hospices in Glasgow have used a virtual collaborative approach to train all staff on medicines management. This model will be retained.
- We quickly responded to the pressure on staff in care homes this year by developing a bespoke ECHO programme for them aimed at supporting teams with end of life care and staff wellbeing. This was received very well.
- We implemented a 'medicines courier service' in response to the delays experienced in receiving much needed end of life medicines for dying patients in care homes.
- We now have an agreed understanding of the role of the Advanced Nurse Practitioner (ANP) in the organisation with one staff member progressing well through her training.
- ACCORD's ECHO hub education platform has grown from strength to strength and coordinated programmes of education and case management support using online technology for our own teams and other professionals in the Renfrewshire area.
- Helping other people to develop their skills, knowledge and expertise, to collectively improve standards of end of life care, has remained a priority for ACCORD. As such, our outreach training saw the Education Department continue to deliver a variety of palliative care education to local care staff and communication skills training has been delivered at foundation and advanced levels in conjunction with NHS Greater Glasgow Clyde Acute services.

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In order to ensure we sustain this blended approach to education and are enabled to deliver it reliably, we have invested in a staff intranet site as part of our new website development which will host and support our internal education and quality improvement effort.

Quality

We have successfully maintained safety and quality across all of our clinical services and have delivered on our quality and clinical effectiveness work plans under the guidance and scrutiny of our Clinical Governance committee.

- To ensure safety remained the priority and to ensure our controls were as they should be in the pandemic, we sought review and feedback from local and national assurance teams. This allowed us provide reassurance that all was as it should be. Staff have managed the risks of transmission of the Coronavirus extremely well with grip being maintained all year and our patients largely unaffected.
- To ensure we worked in line with emerging guidance and national decision making, we took an active role in the local and national managerial and clinical forums that were established to lead the palliative care world through the response to the pandemic.
- Unfortunately it has been difficult to host visitors and non-essential students and staff looking for work experience this year due to restrictions but we have signposted those interested in palliative care to hospital teams and educational resources as much as possible.
- The clinical services could not function in isolation and vital support teams have worked behind the scenes, often at home, to ensure our patient facing staff are supported to deliver the best standard of care possible. These teams of management, finance, reception and administration support essential governance, oversight and operational management to ensure the organisation and the staff are provided with the necessary information and guidance to maintain our standards of care and reporting. Our housekeeping, portering, maintenance and catering teams have become champions in ACCORD applying valuable skills and knowledge in many ways including nutritional support to patients and staff, facilities maintenance and repair, Infection Prevention and Control practice and logistics support. All of this is aimed at ensuring our clinical and non-clinical environments met a high standard of cleanliness and our staff were set up for success. In this year in particular, their adaptability to ever-changing guidance and regulation has been notable and valued by the whole of ACCORD. They have worked flexibly to ensure outcomes were always met and are integral to our successes this year.

Strategic Aim 4

We said...

The resources needed to fulfil this vision will come from central government, local authorities, health boards and wider sources of support within communities.

Our progress to date

Traditionally at ACCORD we have set a deficit budget of between £250,000 and £540,000 so that a wider range of services can be maintained. Fortunately, through the generosity of those who have left money to ACCORD in legacies, we rarely realise a reported overall deficit. We have robust financial governance in place and a strategy that ensures that we focus on financial sustainability over the longer term. Never has this been more needed and valuable than in the

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last year where the restrictions imposed due to the Coronavirus pandemic have resulted in considerable reductions in retail and fundraising opportunities with our income hit hard. Our strategy ensured that we responded to these financial challenges flexibly and re-adjusted our approaches to maximise income where we could.

Retail

When able to be open, our shops have been performing above forecasted income and in a sustained way, re-affirming the success of the revised retail strategy of a couple of years ago. In addition, on-line retail activity has been a new focus and a huge success with activity regularly seen on EBay and our Facebook page.

Lottery

Our lottery player numbers have declined due to lack of in-person canvassing but overall the lottery remains buoyant.

Fundraising

Our fundraising team has adapted well to virtual fundraising and events, regular giving campaigns and appeals while also supporting individuals remotely to fundraise for us. Donations have been generous and have come in many forms locally and ACCORD is grateful and thankful for the generosity of gifts and cash received from our local community who were aware of our potential difficulties. In support and in recognition of the need for a reliable and sustainable virtual and digital fundraising infrastructure, we have invested in the design and development of a new website and platform which will 'go live' in May 2021 and will enable these virtual activities to be more sustainable. We are delighted by the emerging functionality of the website and the positive impact we believe it will have on patients, families and fundraising.

Trust/Grant Income

Our accounts revealed much to celebrate in this past year. This is in no small part down to the funding received from Trusts and grants, both Covid-19 specific and in general. This helped replace lost income and support investment needed to allow us to deliver in a different way. Despite economic challenges, we remain humbled by this support, often given without question or challenge, and simply aimed at keeping us afloat and able to serve.

Government Income

Around 43% of our funding comes from the NHS via the RHSCP every year. We appreciate this income and seek to ensure it is used to best effect. We were also extremely grateful to have received significant funds from the Scottish Government in recognition of the vital role that hospices had to play in the pandemic and the risks that we faced due to income losses. ACCORD wishes to express heartfelt thanks for this recognition and investment.

We are also extremely grateful to all our supporters for everything they have done for the hospice this year. With less than half of our funding coming from the NHS via the RHSCP, our fundraising and trading income streams are vital in ensuring we can continue to provide the range and quality of care for which we know. We offer grateful thanks to everyone who has contributed to our

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success this year, whether by leaving a gift in their Will, donating to (or buying from) one of our shops, playing our lottery or joining in with one of our fundraising activities.

Our Teams

Our people are core to the successful delivery of our strategy and remain our most valuable assets. We believe that staff who are enabled, empowered and supported will deliver excellent patient care. This year we have invested essential time, effort and resource to ensure ACCORD Hospice remains a great place to work, to learn and to grow.

We have:

- Invested in the Scottish Living Wage accreditation process to ensure we pay staff as we should.
- Continued to support staff wellbeing using the 'Healthy Working Lives' approach. This has promoted good physical and mental health as well as offering education on healthier diet, exercise and how to recognise the signs of ill health early.
- Introduced a structured approach to staff engagement and communication with:
 - An all staff forum receiving good attendance and participation
 - All staff Zoom catch ups weekly to help teams at home remain connected
 - Team meetings via Zoom and socially distanced in person
 - SMT presence on site every day with doors open and available
 - Regular leadership walk rounds and check ins
- Introduced revised salary schedules that support staff to be paid at an equivalent rate to similar jobs in the public sector.
- Invested in a new HR system to ensure staff have access to up to date information, policies and all of the information that we hold in their personal files. It will also help centralise training records and streamline requests for leave etc.

In relation to the Coronavirus pandemic and the impact it could have had on staff, we have worked hard to protect them from harm. We are grateful that the pandemic has had little impact on our ability to provide safe staffing levels. Our staff have been flexible, adaptable, committed and compliant with all of the rules we have introduced to protect everyone and we are extremely grateful for that commitment.

Specific actions in support are listed below.

- The majority of staff have received Covid-19 vaccinations in line with the NHS.
- All staff are supported to self-test twice per week.
- We introduced peer flu immunisation programme to the organisation.
- We funded the delivery of a series of emotional wellbeing sessions from a wellbeing coach. These have been well received and supported space to discuss stress, anxiety, isolation etc.
- We have honoured the Scottish Government "thank you" to NHS staff of £500 and made this available to all of our staff.
- We are moving to offer financial advice and guidance to staff, recognising the practical areas of concern now affecting some families as we emerge from lockdown.

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Volunteers

While the pandemic has restricted our usual volunteer activity, volunteers still donated in excess of 10,000 hours of their time throughout the year and we are indebted to them for their dedicated support to the charity. Without their continuing support we would find it difficult to maintain the level of support we provide to our patients and their families. One notable input from a single volunteer involved the Santa's Grotto 'Zoom' sessions aimed at supporting local children to meet with Santa, albeit virtually. This became renowned on social media and attracted children from across the UK.

Our work is only possible because of the dedicated service that our staff and volunteers provide, and we would like to thank them for their hard work and commitment. During the year ACCORD employed 78 members of staff to deliver the range of care and services needed to provide the quality care and services for patients and their families and to meet regulatory requirements.

Financial Review

Despite the unprecedented times we have all experienced in the last 12 months or so, our financials looked favourable at the end of February 2021. However, unlike last year's final month which had a significantly detrimental impact when the pandemic first hit, March 2021 continued the positive trend in terms of our financial results. Our total income for the year has been significantly bolstered by one-off Grant income of £628,627 and, together with savings we have managed to achieve against our cost base, we show an overall surplus for the year of £906,073. For a year which started with so much anxiety and uncertainty, we have emerged in a much better position than we could have imagined.

Income

Our total operating income increased by 9.6% to £3,387,206. The pandemic impacted a number of our income streams in different ways and is explained in some detail in the next few paragraphs.

Grant income – the total of £628,627 is made up of government funding (£396,000), income of £155,000 from Renfrewshire Council's COVID support funds and £77,627 of income received via the government job retention scheme ("furlough"). All of these are unique to the current year and all were designed to offset income "lost" during the lockdown arrangements.

Health Board Funding – a total of £1,450,686 of funding was received or accrued (including benefits in kind) in the past year. This total also includes the funding to cover payment of the government announced £500 payment for all NHS and associated staff. Year on year, our mainstream funding was uplifted by 4.8% from last year.

Retail operations – our income from shops and the Store decreased by 43% to £210,506 due to the extended periods of closure of all of our premises to comply with lockdown restrictions. We were only able to trade for a short period over the summer months and into autumn and all shops were closed again from 26 December until the end of the financial year, and into April 2021.

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Having said that, it is pleasing to report that, despite the additional social distancing requirements and other safety procedures which we put in place, we showed extremely encouraging income from all of our shops during the periods they were able to open.

Lottery income – this was down by 11.3% (£36,097) from last year's total. The main reason for the reduction was due to a loss of around 800 players in the past year. The reasons for this are not totally clear but we believe the majority of people have decided to stop playing for financial reasons, most likely as a result of the pandemic impacting their personal financial status. In addition to that, we were not able to carry out our cash collections nor to canvass for new players. Finally, we also decided to postpone our Christmas Bumper Draw until Easter 2021 which also had an impact on the total revenue reported. Having said all of that, we are fairly pleased with the end result in what was a challenging year for our Lottery.

Fundraising – together with retail operations, this was the income stream most impacted by the lockdown restrictions which effectively meant either cancellation or a long-term postponement of a number of the larger, face to face events which were planned. Nevertheless, our team came up with a number of innovative virtual and similar events throughout the year which, together with a few of the more traditional events such as Light Up A Life and our Art Exhibition which were dramatically altered in how they were staged, contributed to a respectable total income of £136,258 in the year.

Trust Donations – total income from all Trusts was £188,185 in the year, a slight reduction from the prior year. We were delighted to receive an award from the Julie and Hans Rausing Trust of £120,000 which had a significant impact on the total, but we would also like to recognise the valuable support which continued to be offered by our local and regular trusts, many of whom were still willing and able to provide financial support to us through the pandemic.

Donations – we were delighted with our Donations total of £345,217 which increased by 16.4% from last year. Within this amount, there was a very welcome £48,600 from Baillie Gifford which was our share of a £1m award to all Scottish hospices. Monetary donations, in general, continued at very pleasing levels and we would like to thank anyone who made a donation in the past 12 months, of whatever size. It should also be noted that, particularly at the start of the initial lockdown period, a significant number of local individuals and businesses and some larger organisations also made significant non-financial donations to us (including food, other essential supplies and significant amounts of PPE and similar items). These are too numerous to mention individually, but the magnitude of kindness and generosity shown to the hospice in that period in particular was very humbling and very much appreciated.

Investment income – this was down by 17.6% to £100,411 which reflects a lower level of distributions and dividends from our investments in the last year.

Overall, we are very pleased at the ending position for income for the last financial year. There are clearly one-off and specific amounts received due to the Covid-19 situation which have significantly bolstered our numbers in certain areas which were adversely affected by it.

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Expenditure

Our total expenditure was £3,267,305, a reduction of £201,471 (or 5.8%) from last year. As always, the largest element of our expenditure (last year at just over 78%) is staff-related and associated with our main objective of providing end of life care to those who need it. We were especially pleased that we were able to operate under-budget for the year both in terms of staff and other operating costs and that, more importantly, we were able to maintain our services throughout the period of the pandemic with minimal impact. There were lower than anticipated absences throughout the year which helped maintain salary-related costs at a satisfactory level. During the past year, there was a significantly different split of expenses due to the revised modes of operation we had in place. Our shops were closed for long periods so there were savings on utilities and similar overheads and some rent incentives were also offered by landlords. We focussed throughout the year on reducing footfall into the building and strengthening the cleaning regime within the hospice which reduced non-essential expenditure on premises, catering and administration but incurred increased costs associated with PPE, new scrubs and similar items (some of which were donated). A large part of the reduction in expenditure was on the direct costs of fundraising events and of the lottery which reduced by £45,438 and £44,203 respectively due to the reduced activity in both of these areas.

Our total operating costs, as always, exclude the financial benefit we receive from our fantastic volunteers. In the past year during lockdown periods, their involvement was much less in real terms compared to previous years but there was still a significant saving to ACCORD as a result. We never underestimate the importance of our volunteers to our operating results and we look forward to having many more of them back with us in 2021-22.

Overall Summary

We had an operating surplus this year of £119,901 compared with a deficit of £378,484 last year as a result of the items noted above within income and expenditure. We are aware of the unusual nature of events in the past year and the unique impact of some of the major contributors to both income and expenditure in the year. As a result of this, there was even more focus than normal by the Senior Management Team and the Board on our financial position as the pandemic developed. There is no doubt that this effort yielded significant rewards for us which reflect in the results reported.

When legacies of £182,537 and investment gains of £603,635 are added to the surplus, this brings the total for the year to £906,073. It should be remembered that a significant part of the investment gains for this year offset the impact of the investment losses reported last year. All things considered, we are very pleased with how our financials ended for 2020-21 but we are under no illusion that the past year's activity was unprecedented and should be looked at with very careful consideration.

Financial Risk Assessment for 2021-22

The normal financial risk within ACCORD is that we typically forecast sizeable deficit budgets to allow us to operate at the most efficient levels we can while allowing legacies and the use of our reserves if necessary to cover any shortfalls. We move into 2021-22 with an improved financial position from this time last year and we also have received a second tranche of government funding which is expected to cover the majority of our forecasted deficit for this year. That brings a significant level of assurance as we start another uncertain, though slightly more optimistic year.

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Funding of £540,000 was received in April 2021 and that means that we are now forecasting only a very small deficit for the year (£38,774). Having said that, our predicted deficit assumes our shops will open again in April 2021, our lottery numbers will increase as we are allowed to start collections and canvassing again imminently and, probably most importantly, our fundraising activities get back to a more normal footing. These assumptions are themselves subjective as these can easily be eliminated if there was to be a third spike of Covid-19 or further lockdowns are placed on us in the coming months. An uncertain future can also have an impact on donations received and to a lesser extent the levels of future investment income. Any reductions in these income streams will impact our final deficit but we are fortunate to be able to start with a relatively small forecasted deficit and as such the financial risk of a major hit on our reserves is mitigated. We have a Service Level Agreement in place with Renfrewshire HSCP which should guarantee funding for 2021-22 at above the current year levels (excluding the NHS £500 bonus award) and that helps us significantly by reducing the levels of income we are required to generate internally.

As we move into 2021-22 our increased reserves put us in good shape as we plan for the future. In reality, because of the recent funding received, we are focussing already on 2022-23 which we forecast will be a much more challenging year for ACCORD than the coming year with likely pressure on government funding as well as the expected removal of all of the Covid-related income streams from which we have benefitted in recent times. Prudent financial management over the past number of years means that ACCORD has a reasonably healthy level of reserves which can be called on as necessary as we navigate the road ahead in what will undoubtedly be challenging times as our economy tries to recover fully from the significant and uncertain long-term financial impact of the Covid-19 pandemic.

Investment policy

ACCORD continues to retain Rathbones as Independent Advisers to manage our investments on as discretionary basis. This was ratified by our Finance and Governance committee after we invited a small but varied group of advisers to tender for ACCORD's investment management services during the year. We had not done a review of this important part of our business for a number of years and this exercise gave us comfort that we were getting good value for money as well as a high standard of service and support. We have one investment portfolio and this is operated on a "low to medium" risk basis with a focus on total return. This investment policy was confirmed again this year by the Finance and Governance Committee. The objectives are still to generate medium to long term capital growth as well as reasonable levels of investment income, without exposure to high risk equities, bonds or other more speculative investments. It remains ACCORD's policy to specifically exclude any investments in the tobacco sector, but, apart from that, there are no restrictions nor limitations currently in place on investments held. We continue to look beyond any short-term uncertainties and to focus on the longer term horizon.

Risk Management

The Directors have a formal risk management process in place to assess major risks to which the Charity is exposed – these are categorised as clinical, financial, reputational and those specific to the charity. The process involves identifying the types of risks, prioritising them in terms of potential impact and likelihood of occurrence and reviewing the systems established to mitigate

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those risks. The hospice ensures good governance through a committee structure with sub-groups. The Finance and Governance and Clinical Governance Committee is chaired by a Trustee who reports to the Board on matters considered at each meeting. Registers for strategic and operational risks are reviewed on a regular basis. There are also four sub-committee groups covering Quality and Practice Development, Drugs and Therapeutics, Risk Management and Infection Control, where Risk Management is an item on the meeting agenda of all these groups.

With the outbreak and prolonged period of the COVID-19 pandemic, our Business Continuity Plan has been reviewed in relation to the impact on service provision, sustainability of care and availability of staff with appropriate risk assessments and action plans developed and reviewed as information and guidance emerges. This currently remains as one of ACCORD's most critical and significant risks, both operationally and financially.

Our services are regulated and were last inspected by Healthcare Improvement Scotland in August 2017. The report can be accessed on our website, www.accordhospice.org.uk.

The Directors are satisfied that appropriate policies, procedures and systems are already in place or are being further developed to mitigate exposure to the major risks.

Reserves Policy

Our total funds at 31 March 2021 are £7,084,635 of which £331,109 is in Restricted Funds. The largest part of this (£316,020) is our Resource Centre Fund, which covered the cost of creating our day care and resource centre. This is restricted because, if this building was ever to be sold, the funding would be repayable. We received two Trust awards totalling £16,985 which were fully spent in the year on technology upgrades required within the hospice to allow more remote and digital working. We received £77,627 from the Coronavirus Job Retention Scheme against wages costs paid for staff who were furloughed in the year. Finally, we received a further £7,000 from Dr Ronald Baxter (in memory of his late wife Wendy) which will be used to cover costs associated with further developing our ECHO training capability and education programme. We spent the final balance from the February Foundation and we retain £200 in the Community Fund for Outreach which will be spent in 2021-22.

Unrestricted funds total £6,753,526 of which £6,333,206 (94%) is designated. Our Designated funds are made up of:

- £20,000 in our Service Development Fund which represents a general fund for the future development of our buildings.
- £1,902,496 in our Fixed Asset Fund which represents the net book value of the fixed assets held on the balance sheet.
- £3,612,710 in our Investment Fund representing the market value of the investments in our main investment account which are identified as longer-term.
- £370,000 in our Non-Health Board Funded Posts Fund which represents the expected annual costs of positions (and projects) we retain in ACCORD which are not funded by the HSCP.

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- £100,000 in our Dilapidations Fund which is expected to cover the currently anticipated costs required to return each of our shops to its original state on exiting the lease, if required.
- £242,000 in our new “ACCORD@Home” Fund which covers the incremental 2 year costs of creating our new community service offering less the amount of funding which already in place.
- £56,000 to fund the Renfrewshire Bereavement Network project for a further 12 months.
- £30,000 to allow us to create and further develop a cohesive Volunteer strategy for the hospice.

In addition, we have a total of £420,320 of Unrestricted Funds which are available for use for any purpose.

ACCORD reviewed its reserves policy within the last year after taking cognisance of recent economic factors and ongoing reviews of the performance of our income streams and our expenditure against budgets. We operate with a deficit budget each year with an expectation that a part of the deficit will be covered by legacies. In addition to our main palliative and end of life care costs, we also have costs associated with our Shops, Lottery and Fundraising activities. We receive funding from Renfrewshire HSCP each year covering approximately 43% of our total operating costs and which is received quarterly in advance. We attempt to cover the remainder of our costs from a mixture of Donations, Trusts, Investment, Fundraising, Shops and Lottery income. All of these revenue streams have an element of uncertainty which could mean that there is a shortfall at any time. We have a degree of certainty associated with our income due to the funding we have received from the government already to cover the majority of our 2021-22 deficit (as mentioned earlier).

We recognise the importance of ensuring financial security, especially in the current climate, but also the need to continue to offer a level of services which our many supporters would expect. Taking that into account, our reserves policy remains to retain sufficient unrestricted funds to cover at least six months' of our “core” palliative care costs (net of HSCP funding) and not more than twelve months' costs, where “core” costs exclude overheads relating to Fundraising, Lottery and trading activities. Looking at our initial 2021-22 budget, these core costs are expected to be around £3,220,000 and with funding expected at £1,442,000, our unrestricted funds should be in the range from £888,000 to £1,776,000.

For the purposes of aligning with our reserves policy, the designated Fixed Asset Fund, the Investment Fund and the Dilapidations Fund are excluded from what we view as unrestricted funds immediately available to cover our “core” costs. The undesignated balance in General Funds in addition to the other Funds not mentioned above are funds which are truly available to us to cover these costs for the coming year and the second year of ACCORD@Home. Our true unrestricted funds for core use therefore currently sit at around £1,138,000, which is above our minimum target level and not a cause of undue concern at this time. It should be noted that our HSCP funding is received quarterly in advance and we held £1,348,675 of readily accessible cash balances at the end of March 2021.

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

Future Plans and Strategy Report

This year has been challenging but progressive and evolutionary for ACCORD, in no small part due to the opportunities that have arisen as we have responded to a longstanding global pandemic. We have focussed on remaining financially secure and accessible, while building a digitally enabled, modern organisation with facilities and services that are fit for purpose in a world fraught with uncertainty. It has been a tough year for all staff and the lifting of restrictions are long awaited and will be most welcome. We will continue to closely monitor the impact of this on our staff's wellbeing over the coming months.

As we move forward, we have three main priorities:

- To recover from this pandemic and take stock of the impact of it on our organisation as we plan for the next 5 years.
- To continue to protect, develop and evolve services to be sustainable and of high quality in this uncertain time but also to maximise reach and impact for the people that we serve.
- To ensure we remain financially viable in the medium to long term, particularly as the economic and political factors at play post pandemic remain uncertain. It is possible that we will face a downturn in income again or be in a temporary disinvestment position from central and local government and we may have to respond accordingly while protecting staff and services as much as we can.

The need for collaborative and partnership working will become more important than ever and the relationships and networks already in place will help to enable this.

As a charity, we cannot do any of the above without the kind support of many people across Renfrewshire. These include health care professionals whom we work closely alongside each day, those who commission our services, members of the public whose generous donations mean we can continue to provide our care and the many volunteers who help in diverse ways.

Only together can we make end of life care and support better for people in our community. We are grateful to everyone who has contributed in any way to the work of ACCORD over the last year.

Structure, governance and management

ACCORD Hospice is a charitable Company limited by guarantee to the extent of £1.05 per member and has no share capital. ACCORD Hospice was incorporated on 1st April 1985 and is a registered Scottish Charity. It is established under its Memorandum of Association which sets out the objects and powers of the company and is governed by its Articles of Association which set out the legal and organisational procedures to which its administration must adhere. Revised Articles of Association are now in draft with sign off expected in May 2021. We have also developed a policy that sets out the role of Company Members and the mutual commitments involved in that role to ensure there is clarity and understanding.

The Directors are appointed in accordance with the Articles of Association. The Directors of the Hospice are its Trustees for the purpose of charity law and throughout this report are referred to as the Directors or as the Board of Directors. Each Director may serve for a period of three

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

years and at each Annual General Meeting a third of the members of the Board of Directors shall retire and are eligible for re-election.

The Board comprises of individuals with a wide range of skills, based in business, financial and healthcare areas. To maintain the balance, retiring Directors are replaced by those with a similar skill set, wherever possible.

Potential Directors are identified by existing Board members and meet the Chairman and other Directors to establish whether their appointment is appropriate. They then require to become members of the Company before being appointed by the whole Board. All Trustees are vetted through the Protection of Vulnerable Groups Act (PVG). In addition, Healthcare Improvement Scotland, our regulators, now also undertake a vetting process (PVG) and take up two references for the selected charity Trustees.

New Directors meet the Chairman of the Board and senior management at the Hospice for a tour of the facilities and familiarisation with the services provided. They receive a copy of the Directors' Manual which contains the salient documents governing the management of the Hospice and which are updated as required. Directors are encouraged to attend relevant courses and the annual Strategic Planning Day for Directors and senior management.

The Board of Directors (which may have up to twenty five members, but not less than five) administers the Charity. The Board meets regularly and holds an annual meeting to review policy and strategy. A Management Committee meets more frequently and there are also sub-committees for clinical, finance and property matters. The Chief Executive, the Director of Finance and Governance and the Senior Management Team, appointed by the Board of Directors manage the day to day operation of the Charity. To facilitate effective operations, the Chief Executive, the Director of Finance and Governance have authority (within the terms of delegation approved by the Directors) for operational matters, including finance, employment and service provision.

The Hospice is a member of Hospice UK and the Scottish Partnership for Palliative Care, both organisations are umbrella and representative organisations which, through a collaborative approach, supports and contributes to the development and strategic direction of palliative care in the United Kingdom and Scotland respectively. The hospice is also a member of the Lotteries Council, an organisation which provides helpful information on good practice and changes in law affecting fundraising activities.

Key management personnel and remuneration: The Trustees consider the Board of Directors, the Chief Executive, the Director of Finance and Governance and the Senior Management Team as comprising the key management personnel of the charity in charge of directing and controlling the charity and running the charity on a day to day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 3 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the Hospice's policy, withdraw from decisions where a conflict of interest arises. The salaries of the charity's Chief Executive and its Director of Finance and Governance are reviewed annually along with other members of the Senior Management Team.

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

Trustees' responsibilities in relation to the financial statements

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

Company law requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity 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.

Approved by the Trustees on 24th May 2021 and signed on their behalf by:

DocuSigned by:

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Name: Phil Hanlon

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ACCORD HOSPICE FOR THE YEAR ENDED 31 MARCH 2021

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ACCORD HOSPICE FOR THE YEAR ENDED 31 MARCH 2021

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 23 and 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

ACCORD HOSPICE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ACCORD HOSPICE FOR THE YEAR ENDED 31 MARCH 2021

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

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

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

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

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

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

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

- Regulations and legislation pertinent to the charity's operations; and
- Compliance with Coronavirus Job Retention Scheme under the Coronavirus Act 2020
- Submission of gift aid claims
- The charity's memorandum & articles.

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

- Posting inappropriate journal entries.
- Overstated Coronavirus Job Retention Scheme claims.
- Overstated gift aid claims

ACCORD HOSPICE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ACCORD HOSPICE FOR THE YEAR ENDED 31 MARCH 2021

Audit response to the risks identified;

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

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

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

ACCORD HOSPICE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ACCORD HOSPICE FOR THE YEAR ENDED 31 MARCH 2021

DocuSigned by:



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Jenny Simpson (Senior Statutory Auditor)

24th May 2021

*168 Bath Street
Glasgow
G2 4TP*

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

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

ACCORD HOSPICE
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDING 31 MARCH 2021

| | Notes | 2021 Total £ | 2020 Total £ |
|--|-------|--------------------|--------------------|
| Expenditure | | | |
| Clinical pay costs | 12 | 1,796,373 | 1,761,400 |
| Non-clinical pay costs | 12 | 284,830 | 285,212 |
| Direct patient costs | 12 | 97,639 | 120,974 |
| Non direct patient costs | 12 | 267,543 | 308,691 |
| Administration | 12 | 78,788 | 102,597 |
| Governance costs | 13 | 70,639 | 70,167 |
| Support costs | 13 | 286,087 | 287,507 |
| Investment managers fees | 11 | 6,063 | 13,053 |
| Fundraising and publicity | 10 | 22,028 | 67,598 |
| Cost of operating shops | 10 | 256,767 | 306,210 |
| Lottery costs | 10 | 100,548 | 145,367 |
| Total expenditure | | <u>3,267,305</u> | <u>3,468,776</u> |
| Operating Income | | | |
| Shop sales | 6 | 210,506 | 484,540 |
| Lottery income | 6 | 283,716 | 319,813 |
| Donations and benefits in kind | 4 | 371,796 | 324,388 |
| Fundraising events and other income | 6 | 136,258 | 291,033 |
| Trusts | 4 | 188,185 | 195,300 |
| Covid-19 support | 4, 8 | 628,627 | - |
| Investment income | 7 | 100,411 | 121,867 |
| Other operating income | 8 | 43,600 | - |
| | | <u>1,963,099</u> | <u>1,736,941</u> |
| NHS – Greater Glasgow & Clyde (Renfrewshire HSCP) | 5 | <u>1,424,107</u> | <u>1,353,351</u> |
| Total Operating Income | | <u>3,387,206</u> | <u>3,090,292</u> |
| Surplus/(Deficit) on operating activities | | 119,901 | (378,484) |
| Other Income | | | |
| Legacies | 4 | <u>182,537</u> | <u>228,773</u> |
| Surplus/(Deficit) for the year before (gains)/(losses) on investments | | <u>302,438</u> | <u>(149,711)</u> |

All incoming resources and resources expended derives from continuing activities.

ACCORD HOSPICE
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2021

| | Note | Unrestricted Funds 2021 £ | Designated Funds 2021 £ | Restricted Funds 2021 £ | Total Funds 2021 £ | Unrestricted Funds 2020 £ | Designated Funds 2020 £ | Restricted Funds 2020 £ | Total Funds 2020 £ |
|--|-----------|------------------------------------|----------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|----------------------------------|--------------------------|
| Income and endowments from: | | | | | | | | | |
| Donations and legacies | 4 | 1,269,533 | - | 23,985 | 1,293,518 | 609,961 | - | 138,500 | 748,461 |
| Charitable activities | 5 | 1,424,107 | - | - | 1,424,107 | 1,353,351 | - | - | 1,353,351 |
| Other trading activities | 6 | 630,480 | - | - | 630,480 | 1,095,386 | - | - | 1,095,386 |
| Investments | 7 | 100,411 | - | - | 100,411 | 121,867 | - | - | 121,867 |
| Other incoming resources | 8 | 43,600 | - | 77,627 | 121,227 | - | - | - | - |
| Total Income | | 3,468,131 | - | 101,612 | 3,569,743 | 3,180,565 | - | 138,500 | 3,319,065 |
| Expenditure on: | | | | | | | | | |
| Raising funds | | | | | | | | | |
| Other trading activities | 10 | 480,012 | - | - | 480,012 | 621,170 | - | - | 621,170 |
| Investment management | 11 | 6,063 | - | - | 6,063 | 13,053 | - | - | 13,053 |
| Charitable activities | 12 | 2,218,392 | 459,702 | 103,136 | 2,781,230 | 2,287,302 | 501,909 | 45,342 | 2,834,553 |
| Total Expenditure | | 2,704,467 | 459,702 | 103,136 | 3,267,305 | 2,921,525 | 501,909 | 45,342 | 3,468,776 |
| Net income/(expenditure) and net movement in funds before gains and losses on investments | | | | | | | | | |
| | | 763,664 | (459,702) | (1,524) | 302,438 | 259,040 | (501,909) | 93,158 | (149,711) |
| Net gains/ (losses) on investments | 22 | - | 603,635 | - | 603,635 | - | (344,856) | - | (344,856) |
| Net income/(expenditure) | | 763,664 | 143,933 | (1,524) | 906,073 | 259,040 | (846,765) | 93,158 | (494,567) |
| Transfers between funds | 22 | (703,953) | 703,953 | - | - | (244,092) | 381,085 | (136,993) | - |
| Net movement in funds | | 59,711 | 847,886 | (1,524) | 906,073 | 14,948 | (465,680) | (43,835) | (494,567) |
| Funds reconciliation | | | | | | | | | |
| Total Funds brought forward | 22 | 360,609 | 5,485,320 | 332,633 | 6,178,562 | 345,661 | 5,951,000 | 376,468 | 6,673,129 |
| Total Funds carried forward | 22 | 420,320 | 6,333,206 | 331,109 | 7,084,635 | 360,609 | 5,485,320 | 332,633 | 6,178,562 |

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

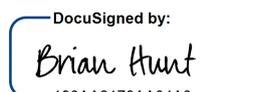
All income and expenditure derives from continuing activities.

ACCORD HOSPICE

BALANCE SHEET AS AT 31 MARCH 2021

| | Note | 2021 | 2020 |
|---------------------------------------|------|--------------------|--------------------|
| | | £ | £ |
| Fixed assets: | | | |
| Tangible assets | 16 | 2,218,516 | 2,308,989 |
| Investments | 17 | 4,545,865 | 3,743,957 |
| Total Fixed assets | | <u>6,764,381</u> | <u>6,052,946</u> |
| Current assets: | | | |
| Investments | 17 | - | 162,250 |
| Stock | 18 | 7,121 | 10,356 |
| Debtors | 19 | 110,185 | 85,387 |
| Cash at bank and in hand | 25 | 1,348,675 | 919,759 |
| Total Current assets | | <u>1,465,981</u> | <u>1,177,752</u> |
| Liabilities: | | | |
| Creditors falling due within one year | 20 | <u>(1,145,727)</u> | <u>(1,052,136)</u> |
| Net Current assets | | 320,254 | 125,616 |
| Net assets | | <u>7,084,635</u> | <u>6,178,562</u> |
| The funds of the charity: | | | |
| Unrestricted funds | 22 | 420,320 | 360,609 |
| Designated funds | 22 | 6,333,206 | 5,485,320 |
| | | 6,753,526 | 5,845,929 |
| Restricted funds | 22 | 331,109 | 332,633 |
| Total Charity funds | | <u>7,084,635</u> | <u>6,178,562</u> |

Approved by the trustees on 24 May 2021 and signed on their behalf by:

DocuSigned by:

 190AA2178AA04A3...
 Name: Brian Hunt

DocuSigned by:

 28C8D593DDFE455...
 Name: Professor Phil Hanlon

Company no: SC092520

ACCORD HOSPICE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 MARCH 2021

| | Note | Total Funds 2021 £ | Total Funds 2020 £ |
|--|-----------|-----------------------------|-----------------------------|
| <i>Cash flows from operating activities:</i> | | | |
| Net cash provided by/(used in) operating activities | 24 | 380,376 | (117,315) |
| <i>Cash flows from investing activities:</i> | | | |
| Interest received | | 7,274 | 7,704 |
| Purchase of property, plant and equipment | | (18,448) | (103,946) |
| Proceeds from the sale of property, plant and equipment | | 2,600 | - |
| Purchase of investments | | (555,683) | (535,534) |
| Proceeds from the sale of investments | | 205,683 | 536,013 |
| Cash released from/(allocated to) investments | | 313,977 | (6,095) |
| Dividends received | | 93,137 | 114,163 |
| Net cash provided by investing activities | | <hr/> 48,540 | 12,305 |
| Change in cash and cash equivalents in the year | | 428,916 | (105,010) |
| Cash and cash equivalent brought forward | 25 | <hr/> 919,759 | 1,024,769 |
| Cash and cash equivalents carried forward | 25 | <hr/> <hr/> 1,348,675 | 919,759 |

ACCORD HOSPICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

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

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

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

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

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

(b) Funds structure

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal. Further details of each fund are disclosed in note 22.

(c) Income recognition

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

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

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

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

ACCORD HOSPICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies (continued)

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 21).

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

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

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

(e) Donated services and facilities

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

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

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

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

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****1. Accounting Policies (continued)****(g) Tangible fixed assets and depreciation**

All assets costing more than £10,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

| | |
|------------------------|----------------------------|
| | Basis |
| Freehold property | 2% straight line |
| Medical equipment | 10% - 20% straight line |
| Furniture and fittings | 10% - 33.33% straight line |
| Motor vehicles | 25% straight line |
| Shop costs | 25% - 33.33% straight line |
| DTU Outlay | 2% straight line |
| Corridor Works | 10% - 15% straight line |
| IPU-Fit out | 2% straight line |

(h) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The charity does not acquire put options, derivatives or other complex financial instruments.

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

(i) Stock

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

(j) Debtors

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

(k) Cash at bank and in hand

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

(l) Creditors and provisions

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

(m) Realised gains and losses

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

ACCORD HOSPICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies (continued)

(n) Pensions

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

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

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

(o) Contingent liabilities

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

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

(p) Operating leases

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

(q) Financial instruments

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

(r) Employee Benefits

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

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

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****(s) Judgements and key sources of estimation and uncertainty**

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

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

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

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

2. Legal status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.05.

3. Related party transactions and Trustees' expenses and remuneration

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

Director's Indemnity Insurance was paid on behalf of the directors during the year which amounted to £670 (2020: £668).

During the year no Trustee had any personal interest in any contract or transaction entered into by the charity (2020: none).

Donations totalling £2,165 (2020: £1,383) were made by 7 trustees and related parties of the charity (2020: 4). These amounts do not include the significant contribution Trustees make in supporting many of the hospice's fundraising events. This level of support is greatly appreciated from a financial and ambassadorial undertaking.

4. Income from donations and legacies

| | 2021 | 2020 |
|-------------------------|------------------|----------------|
| | £ | £ |
| Donations | 345,217 | 296,597 |
| Treasury funding | 396,000 | - |
| Covid-19 support grants | 155,000 | - |
| Income from trusts | 188,185 | 195,300 |
| Legacies | 182,537 | 228,773 |
| Benefit in kind | 26,579 | 27,791 |
| | <u>1,293,518</u> | <u>748,461</u> |

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****5. Income from charitable activities**

| | 2021 | 2020 |
|----------------------------|------------------|------------------|
| | £ | £ |
| Specialist palliative care | 1,424,107 | 1,353,351 |
| | <u>1,424,107</u> | <u>1,353,351</u> |

6. Income from other trading activities

| | 2021 | 2020 |
|--------------------------------|----------------|------------------|
| | £ | £ |
| Fundraising and special events | 136,258 | 291,033 |
| Shop income | 210,506 | 484,540 |
| Lottery income | 283,716 | 319,813 |
| | <u>630,480</u> | <u>1,095,386</u> |

7. Investment income

| | 2021 | 2020 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Dividends - equities | 93,137 | 114,163 |
| Interest on cash deposits | 7,274 | 7,704 |
| | <u>100,411</u> | <u>121,867</u> |

8. Other incoming resources

| | 2021 | 2020 |
|---|----------------|-------------|
| | £ | £ |
| Gain on disposal of fixed assets | 2,600 | - |
| Insurance income | 41,000 | - |
| Coronavirus Job Retention Scheme Income | 77,627 | - |
| | <u>121,227</u> | <u>-</u> |

9. Government Grants

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| NHS | 1,450,686 | 1,381,142 |
| Scottish Government - Treasury Funding | 396,000 | - |
| Coronavirus Job Retention Scheme Income | 77,627 | - |
| Renfrewshire Council - Business interruption grants | 155,000 | - |
| | <u>2,079,313</u> | <u>1,381,142</u> |

There are no unfulfilled conditions or contingencies associated with any government grants received in the year. The charity did not receive any other form of government assistance.

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****10. Raising funds – expenditure on other trading activities**

| | Direct Costs £ | Support Costs £ | Total 2021 £ |
|------------------------|-------------------------------|--------------------------------|-----------------------------|
| Fundraising costs | 22,028 | 86,542 | 108,570 |
| Costs of charity shops | 256,767 | 4,238 | 261,005 |
| Lottery costs | 100,548 | 9,889 | 110,437 |
| | <u>379,343</u> | <u>100,669</u> | <u>480,012</u> |

| | Direct Costs £ | Support Costs £ | Total 2020 £ |
|------------------------|-------------------------------|--------------------------------|-----------------------------|
| Fundraising costs | 67,598 | 87,962 | 155,560 |
| Costs of charity shops | 306,210 | 4,210 | 310,420 |
| Lottery costs | 145,367 | 9,823 | 155,190 |
| | <u>519,175</u> | <u>101,995</u> | <u>621,170</u> |

11. Investment management costs

| | 2021 £ | 2020 £ |
|-------------------------|-------------------|-------------------|
| Investment manager fees | 6,063 | 13,053 |
| | <u>6,063</u> | <u>13,053</u> |

12. Analysis of expenditure on charitable activities

| | Specialist Palliative Care £ | 2021 £ |
|----------------------------|---|-------------------|
| Clinical pay costs | 1,796,373 | 1,796,373 |
| Non-clinical pay costs | 284,830 | 284,830 |
| Direct patient costs | 97,639 | 97,639 |
| Non direct patient costs | 267,543 | 267,543 |
| Administration | 78,788 | 78,788 |
| Governance costs (note 13) | 56,512 | 56,512 |
| Support costs (note 13) | 199,545 | 199,545 |
| | <u>2,781,230</u> | <u>2,781,230</u> |

| | Specialist Palliative Care £ | 2020 £ |
|----------------------------|---|-------------------|
| Clinical pay costs | 1,761,400 | 1,761,400 |
| Non-clinical pay costs | 285,212 | 285,212 |
| Direct patient costs | 120,974 | 120,974 |
| Non direct patient costs | 308,691 | 308,691 |
| Administration | 102,597 | 102,597 |
| Governance costs (note 13) | 56,134 | 56,134 |
| Support costs (note 13) | 199,545 | 199,545 |
| | <u>2,834,553</u> | <u>2,834,553</u> |

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****13. Allocation of governance and support costs**

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

2021:

| Cost type | Total Allocated 2021 £ | Raising funds £ | Specialist palliative £ | Governance related £ | Basis of apportionment |
|------------------|----------------------------------|---------------------------|-----------------------------------|--------------------------------|-------------------------------|
| Staff costs | 297,961 | 66,051 | 166,866 | 65,044 | Staff time |
| Travel | 896 | 269 | 627 | - | Staff time |
| Photocopier | 657 | 328 | 329 | - | Software cost and usage |
| Computer support | 40,594 | 12,178 | 28,416 | - | Usage |
| Postage | 11,023 | 7,716 | 3,307 | - | Usage |
| Total | 351,131 | 86,542 | 199,545 | 65,044 | |

2020:

| Cost type | Total Allocated 2020 £ | Raising funds £ | Specialist palliative £ | Governance related £ | Basis of apportionment |
|------------------|----------------------------------|---------------------------|-----------------------------------|--------------------------------|-------------------------------|
| Staff costs | 293,874 | 64,398 | 164,834 | 64,642 | Staff time |
| Travel | 6,115 | 1,834 | 4,281 | - | Staff time |
| Photocopier | 1,788 | 894 | 894 | - | Software cost and usage |
| Computer support | 36,060 | 10,818 | 25,242 | - | Usage |
| Postage | 14,312 | 10,018 | 4,294 | - | Usage |
| Total | 352,149 | 87,962 | 199,545 | 64,642 | |

Governance costs:

| | 2021 £ | 2020 £ |
|---------------------------|------------------|------------------|
| Auditor's remuneration | 5,595 | 5,525 |
| Support costs (see above) | 65,044 | 64,642 |
| | 70,639 | 70,167 |

Breakdown of governance and support costs by activity;

2021:

| | Support costs £ | Governance £ | 2021 £ |
|----------------------------|---------------------------|------------------------|------------------|
| Raising funds | 86,542 | 14,127 | 100,669 |
| Specialist palliative care | 199,545 | 56,512 | 256,057 |
| | 286,087 | 70,639 | 356,726 |

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****13. Allocation of governance and support costs (continued)**

| 2020: | Support costs | Governance | 2020 |
|----------------------------|----------------------|-------------------|----------------|
| | £ | £ | £ |
| Raising funds | 87,962 | 14,033 | 101,995 |
| Specialist palliative care | 199,545 | 56,134 | 255,679 |
| | <u>287,507</u> | <u>70,167</u> | <u>357,674</u> |

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

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Salaries and wages | 2,179,051 | 2,186,419 |
| Social security costs | 162,207 | 160,678 |
| Other pension costs | 217,920 | 212,892 |
| Total staff costs and employee benefits | <u>2,559,178</u> | <u>2,559,989</u> |

| | 2021 | 2020 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Key management personnel remuneration | <u>336,619</u> | <u>371,888</u> |

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

| | 2021 | 2020 |
|---------------------|-------------|-------------|
| | No | No |
| £60,001 - £70,000 | 3 | 3 |
| £70,001 - £80,000 | 1 | 1 |
| £90,001 - £100,000 | 1 | 2 |
| £100,001 - £110,000 | 1 | 1 |
| £110,001 - £120,000 | 2 | 1 |

| | 2021 | 2020 |
|--|-------------|-------------|
| | No. | No. |
| The average weekly number of persons, by headcount, employed by the charity during the year was: | <u>71</u> | <u>77</u> |

15. Net income/(expenditure) for the year

| This is stated after charging/(crediting): | 2021 | 2020 |
|--|-------------|-------------|
| | £ | £ |
| Depreciation | 108,921 | 116,005 |
| Gain on disposal of fixed assets | (2,600) | - |
| Auditor's remuneration: | | |
| Audit fees | 5,595 | 5,525 |

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****16. Tangible Fixed Assets**

| | Freehold Properties £ | Medical Equipment £ | Furniture & Fittings £ | Motor Vehicle s £ | IPU Fit-out £ | DTU Outlay £ | Corridor Works £ | Shop Costs £ | Assets Under Construction £ | Total £ |
|---------------------------|-----------------------------|---------------------------|------------------------------|----------------------------|---------------------|--------------------|------------------------|--------------------|-----------------------------------|------------|
| Cost or valuation | | | | | | | | | | |
| At 1 April 2020 | 1,915,692 | 249,366 | 223,372 | 111,896 | 902,496 | 39,650 | 88,665 | 74,756 | - | 3,605,893 |
| Additions | - | - | - | - | 2,198 | 6,500 | - | - | 9,750 | 18,448 |
| Disposals | - | - | - | (19,140) | - | - | - | - | - | (19,140) |
| At 31 March 2021 | 1,915,692 | 249,366 | 223,372 | 92,756 | 904,694 | 46,150 | 88,665 | 74,756 | 9,750 | 3,605,201 |
| Depreciation | | | | | | | | | | |
| At 1 April 2020 | 790,566 | 186,793 | 195,882 | 63,038 | 29,418 | 66 | 2,660 | 28,481 | - | 1,296,904 |
| Charge for the year | 33,100 | 16,635 | 10,307 | 8,000 | 17,774 | 933 | 1,773 | 20,399 | - | 108,921 |
| Eliminated on disposal | - | - | - | (19,140) | - | - | - | - | - | (19,140) |
| At 31 March 2021 | 823,666 | 203,428 | 206,189 | 51,898 | 47,192 | 999 | 4,433 | 48,880 | - | 1,386,685 |
| Net book value | | | | | | | | | | |
| At 31 March 2020 | 1,125,126 | 62,573 | 27,490 | 48,858 | 873,078 | 39,584 | 86,005 | 46,275 | - | 2,308,989 |
| At 31 March 2021 | 1,092,026 | 45,938 | 17,183 | 40,858 | 857,502 | 45,151 | 84,232 | 25,876 | 9,750 | 2,218,516 |

The IPU fit-out relates to the refurbishment of the Inpatient Unit at the hospice and the Corridor works relates to the recent modernisation works carried out throughout the main hospice building. DTU Outlay relates to the refurbishment of the Day Therapy Unit.

Freehold property is carried at cost. A valuation was undertaken by an independent valuer on 1 July 2006, wherein the property was valued on an open market basis at £2,000,000.

At the time of purchasing the building in March 2006, the Trustees granted a standard security in favour of the Scottish Ministers over the freehold property. Had the property been sold before March 2021, the charity would have had to pay to the Scottish Ministers an amount equal to the excess of the sale price over the indexed purchase price. As this was not the case, no provision is required for this in the accounts. The charity is in the process of arranging a discharge of this security.

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****17. Fixed Asset and Current Investments**

| Movement in listed investments | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| Market value brought forward at 1 April 2020 | 3,509,075 | 3,854,410 |
| Add: additions to investments at cost | 555,683 | 535,534 |
| Disposals at carrying value | (182,243) | (557,397) |
| Add net gain/(loss) on revaluation | 580,195 | (323,472) |
| Market value as at 31 March 2021 | <u>4,462,710</u> | <u>3,509,075</u> |

Net cash released from investments in the year was £235,212 (2020: £536,013).

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| Investments at fair value | | |
| Comprised: | | |
| Equities | 4,462,710 | 3,509,075 |
| Cash on deposit held within the investment portfolio | 83,155 | 397,132 |
| Total | <u>4,545,865</u> | <u>3,906,207</u> |
| Disclosed as; | | |
| Fixed Asset investments | 4,545,865 | 3,743,957 |
| Current Asset investments | - | 162,250 |
| Total | <u>4,545,865</u> | <u>3,906,207</u> |

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

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. In terms of specific risks including foreign exchange and credit risks, the charity uses specialist investment managers to balance and limit the overall financial risk by operating a portfolio which provides a high degree of diversification of holdings within a fairly wide band of investment asset classes all of which are quoted on recognised stock exchanges. In addition, the charity does not make use of riskier derivatives or more complex financial instruments in this area. Liquidity risk is expected to be low as all assets are traded in markets with high trading volumes and not in any markets subject to exchange controls or trading restrictions.

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****18. Stock**

| | 2021 | 2020 |
|--------------|--------------|---------------|
| | £ | £ |
| Housekeeping | 991 | 1,357 |
| Kitchen | 850 | 1,475 |
| IPU | 3,786 | 6,136 |
| Store | 1,494 | 1,388 |
| | <u>7,121</u> | <u>10,356</u> |

19. Debtors

| | 2021 | 2020 |
|-------------------------------|----------------|---------------|
| | £ | £ |
| Other debtors and prepayments | 95,035 | 56,081 |
| VAT debtor | 15,150 | 29,306 |
| | <u>110,185</u> | <u>85,387</u> |

20. Creditors: amounts falling due within one year

| | 2021 | 2020 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 557,974 | 579,991 |
| Accruals | 132,591 | 93,874 |
| Deferred income (Note 21) | 455,162 | 378,271 |
| | <u>1,145,727</u> | <u>1,052,136</u> |

21. Deferred income

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Balance as at 1 April 2020 | 378,271 | 364,825 |
| Amount released to income earned from charitable activities | (378,271) | (364,825) |
| Amount deferred in year | 455,162 | 378,271 |
| Balance as at 31 March 2021 | <u>455,162</u> | <u>378,271</u> |

Deferred income comprises Health Board Funding received in advance for 2021/22 and payments in advance for Lottery draws.

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****22. Analysis of charitable funds**

| Analysis of Fund movements | As at 1 April 2019 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (Losses) £ | As at 31 March 2020 £ |
|---|-------------------------------------|---------------------|--------------------------|------------------------|----------------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Service | | | | | | |
| Development Fund | 80,000 | - | (18,357) | (41,643) | - | 20,000 |
| Fixed Asset Fund | 1,991,580 | - | (109,281) | 103,946 | - | 1,986,245 |
| Investment Fund | 3,354,410 | - | (479) | - | (344,856) | 3,009,075 |
| Inpatient Unit | | | | | | |
| Refurbishment Fund | 7,510 | - | (7,510) | - | - | - |
| Non-Health Board | | | | | | |
| Funded Posts Fund | 370,000 | - | (365,212) | 365,212 | - | 370,000 |
| Dilapidations Fund | 147,500 | - | (1,070) | (46,430) | - | 100,000 |
| Total designated funds | 5,951,000 | - | (501,909) | 381,085 | (344,856) | 5,485,320 |
| General funds | 345,661 | 3,180,565 | (2,921,525) | (244,092) | - | 360,609 |
| Total unrestricted funds | 6,296,661 | 3,180,565 | (3,423,434) | 136,993 | (344,856) | 5,845,929 |
| Restricted funds | | | | | | |
| Resource Centre | 329,468 | - | (6,724) | - | - | 322,744 |
| Miss MJM Smith's Trust | 35,000 | - | - | (35,000) | - | - |
| Dr W & R Baxter Education Fund | 2,000 | - | (2,000) | - | - | - |
| Elizabeth Frankland Moore and Star Foundation | 10,000 | 15,000 | (15,000) | (1,993) | - | 8,007 |
| Morrison's Foundation - IPU | - | 100,000 | - | (100,000) | - | - |
| Robertson Trust | - | 16,000 | (16,000) | - | - | - |
| February Foundation | - | 5,000 | (4,618) | - | - | 382 |
| Community Fund – Outreach | - | 2,500 | (1,000) | - | - | 1,500 |
| Total restricted funds | 376,468 | 138,500 | (45,342) | (136,993) | - | 332,633 |
| TOTAL FUNDS | 6,673,129 | 3,319,065 | (3,468,776) | - | (344,856) | 6,178,562 |

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****22. Analysis of charitable funds (continued)****Analysis of Fund movements**

| | As at 1 April 2020 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (Losses) £ | As at 31 March 2021 £ |
|--|----------------------------|-------------|------------------|----------------|-------------------------|-----------------------------|
| Unrestricted funds | | | | | | |
| Service Development Fund | 20,000 | - | - | - | - | 20,000 |
| Fixed Asset Fund | 1,986,245 | - | 102,196 | 18,447 | - | 1,902,496 |
| Investment Fund | 3,009,075 | - | - | - | 603,635 | 3,612,710 |
| Non-Health Board Funded Posts Fund | 370,000 | - | 357,506 | 357,506 | - | 370,000 |
| Dilapidations Fund | 100,000 | - | - | - | - | 100,000 |
| ACCORD@Home Fund | - | - | - | 242,000 | - | 242,000 |
| Renfrewshire Bereavement Network Fund | - | - | - | 56,000 | - | 56,000 |
| Volunteer Strategy Programme Fund | - | - | - | 30,000 | - | 30,000 |
| Total designated funds | 5,485,320 | - | 459,702 | 703,953 | 603,635 | 6,333,206 |
| General funds | 360,609 | 3,468,131 | 2,704,467 | (703,953) | - | 420,320 |
| Total unrestricted funds | 5,845,929 | 3,468,131 | 3,164,169 | - | 603,635 | 6,753,526 |
| Restricted funds | | | | | | |
| Resource Centre | 322,744 | - | 6,724 | - | - | 316,020 |
| Elizabeth Frankland Moore and Star Foundation | 8,007 | 7,000 | 7,000 | - | - | 8,007 |
| February Foundation | 382 | - | 382 | - | - | - |
| Dr W & R Baxter Education Fund | - | 7,000 | 118 | - | - | 6,882 |
| Coronavirus Job Retention Scheme Awards | - | 77,627 | 77,627 | - | - | - |
| National Lottery Community Fund | - | 9,985 | 9,985 | - | - | - |
| Community Fund – Outreach | 1,500 | - | 1,300 | - | - | 200 |
| Total restricted funds | 332,633 | 101,612 | 103,136 | - | - | 331,109 |
| TOTAL FUNDS | 6,178,562 | 3,569,743 | 3,267,305 | - | 603,635 | 7,084,635 |

The unrestricted funds are available to be spent for any of the purposes of the charity.

The Trustees have created the following designated funds:

The Service Development Fund – was set up in 2016 and supplemented in 2018 and represents monies designated for the future development of the buildings.

The Fixed Asset Fund – was set up during 2011 and represents the net book value of the unrestricted assets held on the balance sheet.

The Investment Fund – represents the long term element of the investment portfolio which is held for long term gains and dividend income.

Inpatient Unit Refurbishment Fund – was set up in 2017 and represents monies designated for the refurbishment of the Inpatient Unit.

ACCORD HOSPICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

22. Analysis of charitable funds (continued)

Non-Health Board Funded Posts Fund – was set up in 2017 and represents monies designated for annual recurring staff costs to ACCORD Hospice that are outwith funding allocation (50% of agreed costs) from the Renfrewshire Health & Social Care Partnership.

Dilapidations Fund – was set up in 2017 and represents monies designated for costs of repairs required at the end of a tenancy or lease (applicable to all charity shops, store and Gleniffer Outreach Centre).

ACCORD@Home - was designated to cover the incremental 2 year costs of creating the new community service offering less the amount of funding which is already in place.

Renfrewshire Bereavement Network Fund – was set up to cover the cost of this project for a further 12 months.

Volunteer Strategy Programme Fund – was set up to allow the creation and further development of a cohesive Volunteer strategy for the hospice.

Restricted funds comprise:

The Resource Centre Fund – established in 2000 to provide for the building of a day care and resource centre. The Centre was funded by the Big Lottery and if sold, the funding would be repayable. Accordingly the asset has been treated as restricted.

The Miss M J M Smith's Trust – this fund was set up in 2018 to fund the cost of motorised bathing equipment and the creation of a wet-room and also to fund part of the refurbishment of the IPU. In 2020, this was received to fund the capital cost of a new mini bus.

Dr W & R Baxter Education Fund – was set up in 2018 to help fund ongoing training and educational activities within the hospice.

Elizabeth Frankland Moore and Star Foundation – the monies from this are to be allocated towards helping replace the vehicle transportation for patients.

Morrison's Foundation – IPU – these were funds received to be allocated towards the IPU refurbishment project.

Robertson Trust – the monies from this award are to go towards the capital costs of the Day Therapy Unit improvements.

February Foundation – the monies from this award are to go towards the cost of uniforms for our clinical staff.

Community Fund Outreach – the monies from this award are to go towards our 'Singing for Lung Health' activities currently carried out at our Outreach centre

Coronavirus Job Retention Scheme Awards - These were funds provided through the government's furlough scheme which were received for staff who were furloughed in the year.

National Lottery Community Fund - Funding for an Education Everywhere initiative to assist ACCORD in providing education and training from a mobile platform.

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****23. Net assets over funds**

| At 31 March 2020 | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2020 £ |
|------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| Tangible fixed assets | - | 1,986,245 | 322,744 | 2,308,989 |
| Investments | 734,880 | 3,009,075 | - | 3,743,957 |
| Current Asset Investments | 162,250 | - | - | 162,250 |
| Stock | 10,356 | - | - | 10,356 |
| Debtors | 85,387 | - | - | 85,387 |
| Bank & Cash | 419,870 | 490,000 | 9,889 | 919,759 |
| Creditors | (1,052,136) | - | - | (1,052,136) |
| | <u>360,609</u> | <u>5,485,320</u> | <u>332,633</u> | <u>6,178,562</u> |

| At 31 March 2021 | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2021 £ |
|-------------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| Tangible fixed assets | - | 1,902,496 | 316,020 | 2,218,516 |
| Investments | 933,155 | 3,612,710 | - | 4,545,865 |
| Stock | 7,121 | - | - | 7,121 |
| Debtors | 110,185 | - | - | 110,185 |
| Bank & Cash | 515,586 | 818,000 | 15,089 | 1,348,675 |
| Creditors | (1,145,727) | - | - | (1,145,727) |
| | <u>420,320</u> | <u>6,333,206</u> | <u>331,109</u> | <u>7,084,635</u> |

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****24. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

| | 2021 | 2020 |
|---|----------------|------------------|
| | £ | £ |
| Net income/(expenditure) for the year per the Statement of Financial Activities | 906,073 | (494,567) |
| Adjustments for: | | |
| (Gains)/ Losses on investments | (603,635) | 344,856 |
| (Gain) on disposal of fixed assets | (2,600) | - |
| Depreciation charges | 108,921 | 116,005 |
| Interest received | (7,274) | (7,704) |
| Dividends received | (93,137) | (114,163) |
| Decrease/(Increase) in stock | 3,235 | (3,354) |
| (Increase) in debtors | (24,798) | (24,050) |
| Increase in creditors | 93,591 | 65,662 |
| Net cash provided by/(used in) operating activities | <u>380,376</u> | <u>(117,315)</u> |

25. Analysis of cash and cash equivalents

| | 2021 | 2020 |
|---------------------------------|------------------|----------------|
| | £ | £ |
| Cash at bank and in hand | 1,348,675 | 919,759 |
| Total cash and cash equivalents | <u>1,348,675</u> | <u>919,759</u> |

26. Operating lease commitments

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

| | 2021 | 2020 |
|-----------------------|---------------------------|---------------------------|
| | Land and Buildings | Land and Buildings |
| | £ | £ |
| Under 1 year | 89,250 | 58,083 |
| Between 2 and 5 years | 67,479 | 74,958 |
| | <u>156,729</u> | <u>133,041</u> |

27. Contingent Liability

In relation to existing shop premises leases it is recognised that there are contingent liabilities for dilapidations however it is not yet possible to quantify the liabilities.

ACCORD HOSPICE**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****28. Capital Commitments**

Amounts contracted for but not provided in the financial statements:

| | 2021 | 2020 |
|---------------------|-------------|-------------|
| | £ | £ |
| Website development | 29,250 | - |