



Claire House
CHILDREN'S HOSPICE

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

CHAMPION ACCOUNTANTS LLP

Statutory Auditors, 2nd Floor, Refuge House, 33-37 Watergate Row, CHESTER, CH1 2LE

Registered Charity No. 1004058 Company No. 02620240

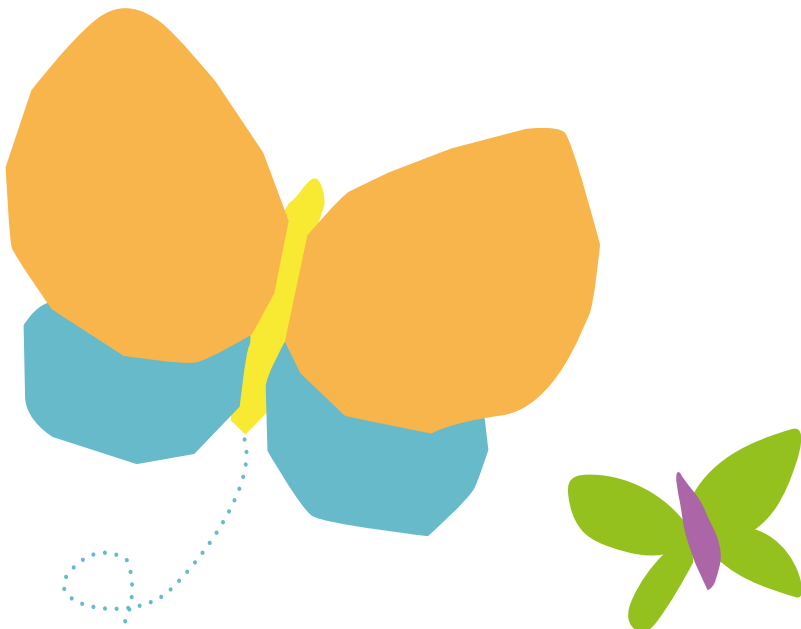
WELCOME

TO OUR 2021-22 ANNUAL REPORT



"You do not know how important a children's hospice is until you need it, until you are thrown into the whirlwind of having a poorly child."

PAUL & ANGELA, WHOSE SON JUDE CAME TO CLAIRE HOUSE.



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REPORT OF THE TRUSTEES

INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also the Directors for the purposes of company law, present their report and the consolidated financial statements of the Charity and its subsidiary for the year ended 31 March 2022. These are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

CHAIR'S AND CEO'S REPORT

Throughout the pandemic, we challenged ourselves to do as much as we could for the children and families that Claire House exists to support.

In 2021-22, families of seriously and terminally ill children were pushed to their limits, making our support even more vital. Throughout this time, we kept our doors open and transformed our services to reach as many children and families as we possibly could. This year, we cared for 434 children and families.

We focussed on continuing to provide outstanding medical care and emotional support throughout this difficult time. We supported children across our community with 1,280 days and nights of care – which included everything from trips to Chester Zoo to a 24-hour gaming marathon.

When children couldn't come to us, we visited them in hospital and provided around the clock support in their homes.

We continued to offer vital end-of-life care; supporting 108 children and young people, more than ever before.

With mental health a key concern, our Counselling Team continued to be there for families, increasing the number of sessions to 705 and offering support face to face or online, depending on what families wanted.

But we did not do this alone. It was thanks to our supporters, volunteers and dedicated staff that we were able to rise to the challenges and emerge a stronger and more versatile organisation.

Despite many of our fundraising events being cancelled time and time again, and restrictions continuing to impact our shops, our income remained stable. As well as our loyal supporters, we also relied on our strong



partnerships with other healthcare providers, local commissioners, additional Covid-related funding from NHS England, and some truly amazing one-off gifts.

By March 2022, despite ongoing economic and global political uncertainty, we were able to focus on the future and once again consider how we develop our services and facilities on the Wirral, in Liverpool, and across our community.

Whilst this year has been tremendously positive from a financial perspective, it has been for unpredictable and unique reasons, relating to several significant one-off donations. The future remains uncertain, however we are confident that we can rise to the challenges and continue to innovate so that we can offer the very best care to those who need us most.

We hope you enjoy reading this report, which demonstrates that even in the toughest of times, Claire House will always be here for the children and families whom we exist to serve.

Eileen Baidam
Chairman of Board of
Trustees and Consultant
Paediatric and Adolescent
Rheumatologist at Alder Hey
Children's Hospital

David Pastor, CEO

WHY CLAIRE HOUSE EXISTS AND OUR VISION

WHEN YOUR CHILD IS DYING, YOU HAVE ONE CHANCE TO GET THEIR CARE ABSOLUTELY RIGHT.

At Claire House we go to extraordinary lengths to help seriously and terminally ill children make the most of the time they have, however long or short that time may be.

Claire House provides specialist nursing care to babies, children and young adults, both at the hospice and at home. This includes end of life care, emergency respite, hospital support, day care and a range of groups, in addition to short breaks allowing children with complex health needs to have fun whilst their parents get a well-deserved rest.

In partnership with other healthcare providers, we are leading the way in developing children's palliative and end-of-life care for the region.

But Claire House is about more than medical care. Our Counselling and Therapy Teams support the whole family, both while a child is living and after they die. Our Specialist Nurses and Butterfly Coordinators work with children and families to try to achieve their 'bucket lists', including memory making sessions to help them create cherished keepsakes that last a lifetime.



"We needed professionals to help us through a scary and uncertain time and that's what Claire House did."

"Claire House are like family – they make bringing up Oliver easier and calmer. They're a support network we never knew we needed."

AMELIA, WHOSE SON OLIVER COMES TO CLAIRE HOUSE

OUR PLANS FOR THE NEXT TWO YEARS

The additional funds that we have raised over the past few years present us with an incredible opportunity to invest in our future plans, so that we are significantly closer to achieving our vision.

OUR PRIORITIES INCLUDE:

WORKING TOGETHER WITH AND FOR CHILDREN AND FAMILIES

We will continue to deliver excellent, safe services, prioritising those most in need, in line with what we can afford. We will make a difference to even more children and families, by maintaining our capacity and by growing our influence externally.

EMBEDDING TRANSFORMATION

We will continue embracing change, implementing transformation strategies, and maintaining a razor-sharp focus on effectiveness.

ENSURING REACHING OUT IS CENTRED AROUND IMPACT

We will research and develop evidence of the impact that our services have on children, families, and society, to support future service development and decision making.

FOCUSING ON OUR FUTURE

We will progress the development of our facilities, including the expansion of our site in Liverpool. We will invest in future long-term income generation, ensuring we have sustainable and predictable income to support our future ambitions.

BELIEVING THAT TOGETHER WE REALLY ARE STRONGER

We will ensure Claire House remains a great place to work and a remarkable partner to collaborate with, by continuously demonstrating the culture and values that we aspire to.

HOW WE HELPED DYING CHILDREN AND THEIR FAMILIES – IN NUMBERS

434

babies, children and young people, and their families, got the care and support they needed (this includes families who are currently receiving care, as well as those who were discharged or died during 2021-22)

108

families supported at end of life at home, in the hospice, or in hospital

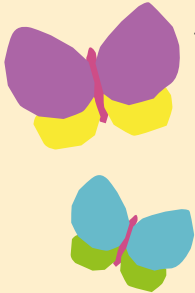


285

nights of emergency (unplanned) care provided, which includes end-of-life care and breaks provided at times of crisis because of a healthcare or social emergency

995

nights of planned respite delivered at the hospice, increasing now as we recover from Covid



31

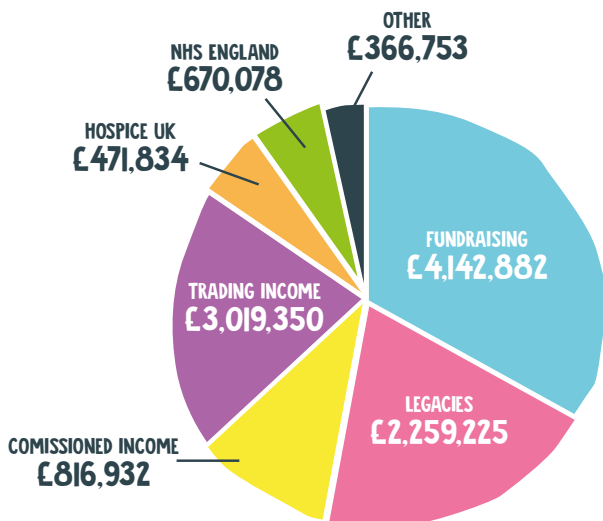
families used the Butterfly Suite, a cooled room where children can rest after they die



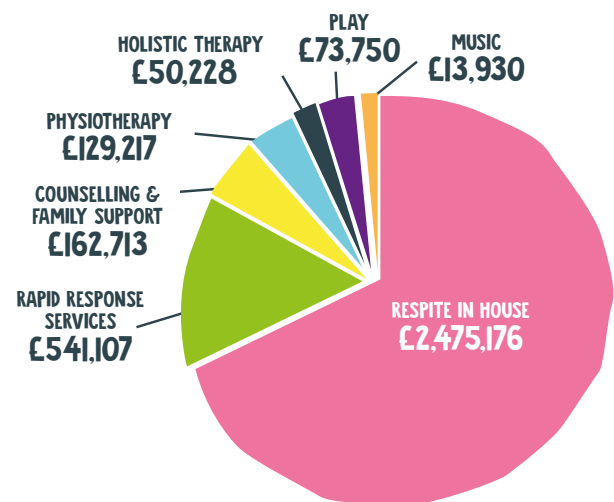
705

virtual and face to face individual counselling sessions

HOW WE RAISED OUR MONEY



HOW WE SPENT OUR MONEY





JUDE'S STORY

PARENTS PAUL AND ANGELA SHARE THEIR SON JUDE'S STORY:

"When Jude was born he was adorable but he didn't move a lot and we didn't know why. It took months of testing to be told that Jude had a condition called D-Bifunctional Protein Deficiency. We knew the prognosis was not good and that Jude would need 24-hour care.

Claire House nurses, Laura and Kat, came to visit us in the hospital. They told us about the hospice and took us to have a look around.

You imagine a hospice to be clinical and sad but it isn't, we fell in love with the place.

At Claire House we knew Jude was getting the best care and they helped us to create so many memories.

They'd organise trips to Chester Zoo and make keepsakes of Jude's hand and footprints.

Jude's health took a sudden turn at 15 months old. He passed away at Alder Hey and within hours the Claire House team were there to support us and take us to the Butterfly Suite at the hospice.

All of the hospice staff were so friendly and compassionate. They took away the worry of having to think or organise anything, we could just spend time with Jude.

Claire House was our sanctuary, our happy place, without them there would have been a void."

STRATEGIC REPORT

OUR CARE SERVICES



The services we provide both at the hospice, at home and in the community have a massive impact on seriously and terminally ill children and their families.

THE CARE AND SUPPORT WE PROVIDE IS:

- Planned care (respite stays at the hospice or home, day care and groups for different ages)
- Unplanned or Emergency care (which includes end-of-life care and breaks provided at times of crisis because of a healthcare or social emergency)
- 24/7 Rapid Response team who provide highly specialist nursing and end-of-life care, be it at home, hospital or in the hospice. This team is supported by our Palliative Care Consultant who works jointly with Claire House and Alder Hey
- Perinatal support: working closely with Liverpool Women's Hospital, our team provide care and support for families before and after birth when it is recognised that a child may not survive for long
- Physio and Occupational Therapy support and Aquatic therapy
- Young adult and transition support, working closely with adult palliative care partners
- Counselling and bereavement support for the whole family
- Sibling support
- Complementary, play and music therapies
- Butterfly Suite & bereavement support

CARE SERVICE AIMS AND ACHIEVEMENTS

During 2021-22 more families received end of life care in the hospice and at home than ever before. We were

able to offer planned respite care to families who had not had a break since the onset of the pandemic and respond quickly to requests for unplanned care when families really needed support. Our Family Support team helped with families' mental health and wellbeing, offering counselling, sibling support and music therapy.

DEATHS AND END-OF-LIFE

The Rapid Response Team of highly skilled nurse specialists provide 24/7 direct support when a child is receiving end of life care. Over the last 12 months we continued to prioritise end of life care and supported an increased number of deaths giving families a choice of where their child died, whether that be at home, in the hospice or in hospital.

This included enabling critically ill babies and children to be transferred out of the neonatal and critical care units to their preferred place of death (hospice or home).

BUTTERFLY SUITE AND BEREAVEMENT SUPPORT

When a child dies our Butterfly Team is on hand to support families at the most difficult time of their lives. Families can stay at the hospice whilst their child is in one of our Butterfly Suites, cooled rooms that offer an alternative to a funeral home. The team are specialists in everything from assisting with funeral arrangements, to helping families to decorate the Butterfly Suites with mementos and arranging for family and friends to come to visit. They will also support families who wish for their child to stay at home ahead of their funeral, providing specialist support and equipment.



"Claire House is a sanctuary to me. I am in the place where my child passed, but I am also in the place that loved my child dearly."

JESSICA AND CHRIS, WHOSE SON LENNON CAME TO THE HOSPICE



"When you have kids with additional needs it's not like anyone can have them. But when I phoned Claire House, they said give us a minute, then they phoned back and said they'd come and collect Eva. She stayed for eight days."

JENNY, WHOSE DAUGHTER EVA, STAYED FOR EMERGENCY RESPITE WHEN OTHER FAMILY MEMBERS WERE IN HOSPITAL.

UNPLANNED / EMERGENCY RESPITE

Offering help to families when they really needed it became even more important in the pandemic, as they could not call on support from their wider family or community. Unplanned respite could be requested because of a family crisis, due to a healthcare or social emergency.

FAMILY SUPPORT AND COUNSELLING

Mental health and wellbeing have become even more important during the pandemic. The Family Support team of counsellors (staff and volunteers), a music therapist, a therapeutic sibling support worker and complementary therapists, have played an increasingly important role, providing a range of support for children, young people and the whole family. This has been a blend of online and face to face individual and group support and sessions. Themed weekends for the young adults at the hospice and sibling activities have also started up again.

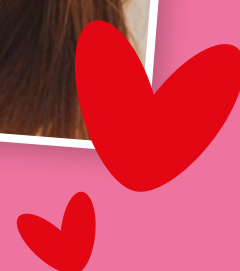
CAITLIN'S STORY

SIBLING SUPPORT IS AN IMPORTANT PART OF WHAT CLAIRE HOUSE DOES. BROTHERS AND SISTERS ARE INVITED TO PLANNED ACTIVITIES, TRIPS AND RESIDENTIAL BREAKS. HERE, CAITLIN DESCRIBES WHAT IT MEANS TO HER.

Caitlin's family was cared for by Claire House after her brother died.

"The sibling events have helped me, as sometimes I don't want to speak to adults about how I'm feeling, so having people there my own age who understand me is good.

"I really want to thank Claire House from the bottom of my heart, if it wasn't for them, I wouldn't be the person I am today and I wouldn't have the friends I have today."



ALEX, THERAPEUTIC SUPPORT WORKER AT CLAIRE HOUSE

"For the siblings life can be hard. Sometimes they can feel a bit neglected as Mum and Dad's attention is focused on their poorly brother or sister.

I think the best thing we can do is let them know that they are not alone and that there is support out there."

STATUTORY FUNDING

We have had our most successful year ever in statutory funding. These relationships are very important as they provide sustainable funding and greater opportunities for collaboration.

Key achievements have included Liverpool Clinical Commissioning Group (CCG) making our perinatal project funding permanent and increasing it from £54k to £86k, as well as agreeing our first contract with Warrington CCG.

We now have commissioning relationships with every CCG in our catchment area, which is important as we move to the new Integrated Care System from July 2022.

The opportunity to influence continues to be important, with our Director of Clinical Services chairing the Cheshire and Merseyside Children's Palliative Care Network and playing a lead role in the development and implementation of the National Palliative and End of Life Care Strategy.

FEEDBACK ON OUR SERVICES, INCLUDING DETAILS OF OUR LATEST CQC REPORT

In 2019 we were proud to be rated as 'Outstanding' by the Care Quality Commission (CQC). According to the report, parents of children who used Claire House services said: "It's a fantastic place. My daughter loves it there. The staff are excellent," and "The aftercare has been superb".

We have had two virtual CQC reviews focussing on infection control and service provision across the pandemic period, with positive feedback and no concerns raised and our CQC 'Outstanding' remains in place. In 2021-22 we had no formal complaints from service users.

READ THE REPORT HERE: WWW.CQC.ORG.UK/LOCATION/I-116772470

OUR ESTATES AND FACILITIES

Development of Claire House estates and facilities remains an important part of our strategic priorities, as we strive to be there for every child and family who needs us. The major development of our Liverpool site was postponed as we navigated Covid-19 and evaluated the impact of the pandemic on our families, services and finances. However, with thanks to Trusts and Foundations, we continued to make improvements to our facilities.

Despite the logistical challenges caused by Covid-19, and events around the globe, in the past year we have achieved a great deal: we have refurbished the parents' bedrooms at our Wirral hospice and are continuing to work through a variety of improvements at our Liverpool site, where we currently offer day-care, counselling, and



complementary therapies.

The current improvement schedule for the Liverpool site will see the completion of a glazed atrium that will provide a multi-purpose space for children and young people; the creation of two new complementary therapy suites; and a series of improvements to the flow of the building that will provide more dignity and privacy to families,

separating bereavement services, children's day-care, and administration areas.

As this financial year closes, after effective navigation through the Covid-19 crisis, we find ourselves in an even greater position to push forward with our dream of building a second hospice on our site in Liverpool and aim to progress the planning process throughout 2023.

OUR FUNDRAISING

When times have been tough, our extraordinary supporters have amazed us with their unfaltering support. We are eternally grateful to all those who continued to raise money for us during these very challenging years. In 2021-22 we raised £6.4 million compared to £3.4 million last year.

KEY HIGHLIGHTS

Whilst Covid-19 restrictions continued to have an impact, all of our planned activities went ahead, including a full Christmas events programme. Our lottery is still growing and we met our target to reach 28,000 entries by March 2022.

Some of our fundraisers have also been supported by Claire House. Here is Louis's story:



LEGGING IT FOR LILY

Louis, age 11, ran a marathon over seven days in memory of his younger sister Lily who was cared for by the hospice before she sadly passed away.

"I wanted to raise money for Claire House because they looked after my little sister Lily, keeping her safe and happy. I could then go out with Mum, Dad and Betsy sometimes, and we knew Lily was being taken care of," said Louis.

Louis started the marathon on Lily's birthday and covered the 26.2 miles across the week raising over £2,000 for the hospice.

GIFTS IN WILLS

We are very grateful to those who left us a gift in their Will, meaning that their support continues making a difference long after they are gone. These gifts enable Claire House to care for more children right now, and to plan with more certainty for the care of children and families of the future.

TRUSTS AND FOUNDATIONS

A special thank you to the 64 Trust, who have pledged to donate £1 million to Claire House over the next two years. This generous donation supports us to further develop our second site in Liverpool, make improvements at the Wirral hospice and fund some of our core services. We are grateful for this transformational gift, which helped us to feel secure during the uncertainty of the pandemic and is importantly allowing us to look to the future. We remain hugely grateful to BBC Children in Need, who continue to support both our Play Service and Sibling Events Programme. Their loyal support over the years has positively impacted on hundreds of children and young people, helping them to smile through extremely difficult circumstances.

Thanks again to the Dorothy Hall Estate for another kind contribution, enabling us to purchase a much-needed specialist bed. This is ensuring that children and young people are safe and comfortable during their stay at the hospice.

We continue to be grateful to all the Trusts and Foundations who have supported us during the pandemic when other fundraising disciplines have been disrupted.

CORPORATE SUPPORTERS

After our fourth year in partnership with M&S Bank, they have raised an amazing £138,569 for Claire House. This is thanks to the energy and commitment of the staff, who have taken part in a series of events from golf days to butterfly bakes and even a skydive.

We have been the house charity for Mowgli Street Food on Water Street in Liverpool since December 2016. The partnership has raised £216,076 to date and Mowgli are now planning the Dog Fest 2022, as well as supporting us with £1 on the Bill and other fundraising activities with staff.

OUR APPROACH TO FUNDRAISING

We know that if we're able to raise more money, we can help more children. To achieve this, we continually focus on giving our supporters a fantastic experience, in the hope that they will continue to support Claire House for the long-term.

OUR FUNDRAISING STANDARDS

Donors to Claire House can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We require any third parties to also be signed up to the code.

Our in-house fundraising team use professional fundraisers to help us deliver certain fundraising initiatives, such as lottery and regular giving recruitment. This involves face-to-face recruitment in venues and on a door-to-door basis. We also sometimes use telephone fundraising agencies. They are used for lottery recruitment campaigns and regular giving recruitment and enhanced loyalty campaigns.

We view every third party as an extension of our in-house team and we provide inductions for all new staff. We also invite them into the hospice annually to keep up

to date with our work. We have safeguards in place when working with suppliers so that we protect our supporters and the reputation of our charity.

We log all communications on our fundraising customer relationship management system and have clear supporter journeys which means no supporter is subjected to persistent approaches. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us.

HELPING SUPPORTERS AND ADDRESSING COMPLAINTS

We are passionate about improving and we value feedback on how our supporters think we can do this. Our website outlines our complaints policy and clearly explains how an individual can complain. We received no supporter complaints in 2021-22 (as with the previous year).



RETAIL

After the restructure of our Retail department in 2020-21, and the closure of our Donation Centre in August 2021, we were delighted to see a strong performance from all 17 of our shops. The team surpassed their budgets, exceeding all expectations, finishing the year with a contribution of £320,041, which is a real achievement after a very tough couple of years.

Whilst sickness and recruitment remain issues within the charity retail sector, we are taking steps to ensure the wellbeing of the team and to update our processes to make the working environment in our shops more enjoyable and efficient. There is a definite sense of positivity in the shops and the results reflect this. We are also looking for locations to open new shops in the future.

STAFF, VOLUNTEERS AND INFRASTRUCTURE

Although Claire House is the name given to our buildings and facilities, it is our dedicated staff and volunteers who ensure we provide outstanding care to so many children and their families.

Staff health and wellbeing continues to be high on the agenda. We take a holistic approach - mental, physical, social and financial, and recognise the benefits to both our employees and Claire House. During 2021-22 we continued to help staff work safely and efficiently from home, whilst providing a Covid-safe environment at our sites for those who needed to come in to work.

We benchmarked every role in the organisation to ensure we were offering competitive salaries. The

subsequent pay rises represent a significant investment for the charity, but one we believe is crucial to recruit and retain the best people.

We have welcomed volunteers back and are grateful to have retained 88% of those who were in roles before the pandemic (discounting the 145 volunteers who sadly left us due to the closure of our shops and Distribution Centre). By carefully integrating volunteers back into the organisation, increasing the remote roles we offer and pioneering some new roles in the hospice, we now feel we have a good foundation of highly engaged volunteers for the future.

EQUALITY AND DIVERSITY

To reach every child and young person who needs us we need to reduce barriers and reach out into different communities. The Equality and Diversity group was set up in 2021 to raise awareness, help inform staff and build our contacts within more diverse communities.

Highlights include building relationships with the Deen Islamic Centre in Birkenhead and the League of Jewish Women, as well as training care staff on different cultural beliefs around end of life.



VOLUNTEER STORY

DOUG AND DEBBIE'S GRANDSON EWAN WAS SUPPORTED BY CLAIRE HOUSE. NOW THEY VOLUNTEER IN THE HOSPICE GARDENS:

"Volunteering has helped us cope with the grief in some way. It helps a little bit with giving back the goodness that they gave us. Just putting a smile on a child or parent's face makes our day," said Doug.

"It's like one big family and it's given us a new lease of life. We are always having a laugh with the hospice staff and other volunteers. We've made so many friends and it brings us so much enjoyment," said Debbie.



FINANCIAL REVIEW

As the country returns to normal after the pandemic, we now see more uncertainty around the cost of living and the war in Ukraine. The hospice has received fantastic support and the Care team continue to deliver its vital services throughout the year. Overall, Claire House spent £4.7m (2020-21: £4.8m) on care for dying children and other service-related activities.

The Fundraising Team generated a total income during this period of £6.4m (2020-21: £3.4m), inclusive of legacy income which increased by £1m compared to last year, and corporate donations which increased by approximately £2m. This is largely due to one-off donations.

Claire House Shops were restructured in response to the fall in income last year after many shops needed to close due to Covid 19. The retail income is exceeding pre-covid levels and made a contribution of £320,041 compared to a deficit of £1m in 2020-21.

Claire House maintained its strong relationships with public healthcare commissioners, who invested in services which provided both a cost saving to the NHS and better outcomes for the child and the family. The total value of Clinical Commissioning Group funding in 2021-22 was £796,005 (2020-21: £759,464).

From 1st July 2022 the Clinical Commissioning Groups will become Integrated Care Services and the way funding is managed and distributed will change. The Integrated Care Services will see nine Clinical Commissioning Groups become one funding body in the area in which Claire House provides services. We are not anticipating any changes to the levels of current funding.

In addition to this, Claire House received a continuation of its NHS England grant of £670,078 (2020-21: £593,183). NHS England also provided a grant of £91,852 (2020-21: £95,935) towards the NHS pension contribution incurred by the organisation.

Investments during the year contributed £102,946 (2020-21: £85,942).

Overall, as of 31 March 2022, Claire House had a surplus of unrestricted funds before movements on investments of £3,788,214 (2020-21: £1,458,203).

INVESTMENT POWERS & POLICY

As of 31 March 2022, £3,827,956 of the charity's reserves were managed by Investec, with due consideration of risk and of ethical issues. The investment policy was discussed and agreed by the charity's Investment Committee and also with the full Trustee body.

RESERVES POLICY

The Trustees have established the level of reserves that the charity ought to have as £3.4m after a detailed analysis of the financial risks to which it is exposed. It is a reflection of the financial security it would require should one of its significant funding streams dip, and the time it would take to replace any such diminished funding while still maintaining services. An example of this would be a change in the NHS England grant or a drop in gifts in wills, a vital yet unpredictable source of support.

As of 31 March 2022, Claire House held approximately £9.7 million in free reserves (excluding tangible fixed assets and Designated funds). The context of the charity's reserve fund is important: much of its income remains unpredictable, with major risks including Brexit impacts, the cost-of-living crisis, the war in Ukraine, public sector funding reforms and fluctuating gifts in wills.

The charity has significant challenges to overcome in order to recover from the impact of Covid-19, and has made a decision to retain £3m to protect against future deficits. The development of the Liverpool site will require significant investment and the free reserves will enable the organisation to move forward with these plans in the next financial year. There is also a need to develop and modernise the services provided by Claire House; the remaining reserves will help facilitate this activity. The Trustees believe that the reserves held will protect the charity and ensure its future progress, with the overall aim that every dying child, and their family, gets the very best support when and where it is needed.



PRINCIPAL RISKS AND UNCERTAINTIES

THE PRINCIPAL RISKS AND UNCERTAINTIES FACED BY CLAIRE HOUSE IN 2021-22 WERE DOMINATED BY COVID-RELATED ISSUES:

THE ONGOING PANDEMIC:

We began the year, pre-Covid, hoping to continue to strengthen our predictable and sustainable income. Instead, alongside the whole Hospice movement, Claire House had to contend with a significant drop in income from Community, Events and Corporate fundraising sources – with very little ability to predict when or if these important sources of income might bounce back. Although emergency Government funding and higher than expected gifts in wills helped us to a positive financial position by the end of the year, we will not be able to move forward until we see the sustained recovery of the fundraising environment.

ECONOMIC UNCERTAINTY:

Covid forced us to pause our long-term strategy to develop our services and in particular at our site in Liverpool. This was in order to protect our existing services and ensure that we would be able to meet the needs of the children and families we were already committed to during the pandemic. We hope to bring the development of Claire House Liverpool back to the table during 2021-22

IMPACT OF NURSE VACANCIES

Due to Covid, and to protect the long-term future of Claire House, we decided to pause recruitment across the organisation until we had greater confidence in our financial position. This included recruitment into nursing roles which has been challenging as activity increased. Nurse recruitment will continue to be difficult and it will take time to recruit to the level that we need to be able to deliver our long-term vision.

STAFF WELLBEING

Every aspect of our lives has been touched by Covid-19. For all of our staff and volunteers there has been increased pressure at work and at home; some roles have been made redundant and some have had to work harder than ever just to keep on top of the daily challenges we have faced. We know this pressure has and will continue to have a significant effect on the wellbeing of our staff.

GOVERNANCE STRUCTURE AND MANAGEMENT OF CLAIRE HOUSE

GOVERNING DOCUMENT AND LEGALITIES

Claire House is a company limited by guarantee, not having share capital, and governed by its Articles of Association.

Claire House is registered as a charity with The Charity Commission, with its principal object to offer palliative, end of life care and support to children who have life threatening or terminal illnesses, and their families.

The Charity is registered with the Care Quality Commission as a hospice for children and young people from 0-23 and is subject to regular inspection. Its most recent inspection carried out in October 2019 rated Claire House as 'Outstanding'. Read the details of the report by visiting: www.cqc.org.uk/location/1-116772470

APPOINTMENT OF TRUSTEES

As set out in the Articles of Association the Board of Trustees should consist of no less than three and no more than 12 Members.

Trustees normally serve for a maximum of six years, although in exceptional circumstances (as happened this year) the Board may, with the unanimous consent of all the Trustees, decide that such a Trustee may put themselves forward for reappointment to a maximum of eight years.

If a Trustee position becomes available, or if the Board decides that an individual with a particular skillset would be beneficial to the charity's governance, an open recruitment process is conducted usually involving an external publicity campaign in order to find the best possible candidates for the role.

All Trustees are subject to enhanced Disclosure and Barring Scheme checks and rigorous reference checks.

TRUSTEE INDUCTION, TRAINING AND DEVELOPMENT

New Trustees undergo an induction process to ensure that they understand their legal obligations under charity and company law, the content of the Articles of Association, the Board and decision-making process, the strategic plan and the recent performance of the Charity.

The Trustees complete an annual skills and performance audit to understand how they can learn, develop and grow as a Board. Every meeting ends with a review of that meeting, again to ensure that the Board is constantly striving to enhance its performance.

ORGANISATION

The Board of Trustees administers the Charity and meets once every three months. There is a separate trading subsidiary, Claire House Shops Limited, which has a separate Board of Directors. The Board is supported by a number of committees made up of Board members, volunteer subject matter experts and the relevant members of the Executive team.

These committees are: Clinical Governance, Audit and Risk, Health and Safety, Investment, Income Generation & Comms and People (which includes volunteering as well as paid staff).

A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations the CEO has delegated authority, within the terms of delegation approved by the Trustees, for all operational matters.

The Trustees set the long-term goals for the organisation and the CEO translates this into a strategy and business plan which is then delivered by the CEO and the Executive Team.

PAY POLICY FOR SENIOR STAFF

The Trustees are committed to ensuring that there is a clear process in place for the setting of salaries within the Charity, and that all staff are paid fairly for their roles and responsibilities. This is achieved by having every role, including key management personnel, evaluated by an external specialist and regularly benchmarked against similar roles in other comparable organisations.

In January 2022, all paid roles were benchmarked by Croner Reward, a business specialising in salary benchmarking and job evaluation. In addition, we have an appraisal framework which is based on our values and Stephen Covey's '7 Habits of Highly Effective People' which supports all staff to be the best they can be, regardless of their position. This, alongside the continued development of volunteering, ensures that all paid staff and volunteers are truly valued for their hard work and dedication to the cause.

RELATED PARTIES

Claire House Shops Limited is a wholly-owned subsidiary of Claire House (via two £1 shares) and is consolidated as part of these accounts. Claire House Shops Limited sells merchandise and receives commission on the sale of Gift Aided donations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Name	Claire House
Charity Registration Number:	1004058
Company Registration Number:	02620240
Trustees (in the period and at the date of approval):	Dr E Baildam Dr A Stewart (Resigned Nov 2021) V Lawton (Resigned Dec 2021) J Gittins M Thomas Dr H J Butterworth L Williams Dr Ian Sinha (Appointed March 2022) Dr Andrew Selby (Appointed March 2022) Jonathan Bagley (Appointed March 2022)
Principal and Registered Office:	Claire House Children's Hospice Clatterbridge Road Bebington Wirral, Merseyside CH63 4JD
Key Management personnel (in the period and at the date of approval):	
Company Secretary:	J Wallace
Chief Executive:	D Pastor
Director of Care:	J Sutherland Oakes
Director of Income Generation	G Nove
The Charity's professional advisors are as follows:	
Auditors:	Champion Accountants LLP 2nd Floor Refuge House 33-37 Watergate Row Chester, CH1 2LE
Bankers:	Lloyds Bank plc Liverpool Law Courts Liverpool, L2 1TS
Solicitors:	Lees & Partners 44-45 Hamilton Square Birkenhead, Wirral, CH41 5AR
Investment Manager	Investec Wealth & Investment Limited The Plaza 100 Old Hall Street Liverpool, L3 9AB

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also the directors of Claire House 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 charity 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 accounting 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 charitable company will continue to operate.

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

In so far as the trustees are aware:

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

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

In approving the Trustees' Annual Report we also approve the Strategic Report, included therein, in our capacity as company directors.

Signed by order of the Trustees by:

E BAILDAM
Trustee



Date:



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF CLAIRE HOUSE
FOR THE YEAR ENDED 31 MARCH 2021

OPINION

We have audited the financial statements of Claire House Children's Hospice (the 'charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated statement of cash flows 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 group's and charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the group and the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Report of the Trustees, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report included within the 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 group and the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report and the strategic report included within the Report of the Trustees.

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees

either intend to liquidate the group or 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

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

EXTENT TO WHICH THE AUDIT IS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

The responsibility for the prevention and detection of irregularities, including fraud, lies with the trustees and with those charged with governance. The objectives of our audit in respect of irregularities and fraud are to assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient, appropriate audit evidence regarding the assessed risks and to respond appropriately to fraud or suspected fraud identified during the audit

AUDIT PROCEDURES

We determine significant applicable laws and regulations through discussion with those charged with governance and our own knowledge of the industry and design audit procedures to help identify instances of non-compliance with those laws and regulations that may have a material effect on the financial statements.

Our approach is to consider the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK; the nature of the industry; the business performance

and the key drivers for management remuneration; the control environment and the procedures in place to address identified risks, including management override, non-compliance with laws and regulations and to prevent and detect fraud or irregularity. We communicate identified laws and regulations throughout our team and remain alert to any indications of non-compliance throughout the audit.

Our procedures are designed to provide reasonable assurance that the financial statements are free from material misstatement or error and include: enquiries of management and of staff in key compliance functions; review of minutes of meetings of those charged with governance; review and testing of manual journals and significant transactions outside the normal course of business; review of financial statement disclosures and testing to supporting documentation; performance of analytical procedures.

We are not responsible for preventing non-compliance and due to the inherent limitations of an audit, as described above, the audit cannot be relied upon to detect all instances of non-compliance with laws and regulations.

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

USE OF OUR REPORT

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

SUSAN HARRIS MA ACA

(Senior Statutory Auditor)

for and on behalf of Champion Accountants LLP

Chartered Accountants

Statutory Auditor, 2nd Floor Refuge House,
33-37 Watergate Row, Chester, CH1 2LE

Date:

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,911,887	1,836,209	7,748,096	6,793,381
Charitable activities	3	816,932	-	816,932	786,788
Other trading activities	4	3,019,350	-	3,019,350	1,987,149
Investments	5	102,946	-	102,946	85,942
Other	6	59,730	-	59,730	1,685
Total income and endowments		9,910,845	1,836,209	11,747,054	9,654,945
EXPENDITURE ON					
Raising funds					
Cost of generating voluntary income	7	868,981	2,400	871,381	777,291
Fundraising trading: cost of goods sold and other costs	8	2,307,010	1,843	2,308,853	2,711,234
Events & Challenges Costs	9	60,044	-	60,044	15,458
Investment management charge		18,493	-	18,493	17,360
Charitable activities	10/11	2,868,103	1,823,117	4,691,220	4,773,941
Total expenditure		6,122,631	1,827,360	7,949,991	8,295,284
Surplus of income over expenditure before net gains/(losses) on investment		3,788,214	8,849	3,797,063	1,359,661
Net gains/(losses) on investment assets	12	62,809	-	62,809	469,428
Net movement of funds		3,851,023	8,849	3,859,872	1,829,089
Reconciliation of funds					
- Total funds brought forward		11,205,486	2,343,433	13,548,919	11,719,830
- Total funds carried forward		15,056,509	2,352,282	17,408,791	13,548,919

The Statement of Financial Activities includes all gains and losses recognised during the year. All Income and Expenditure derive from continuing activities.

The notes on pages 26-46 form part of this report

CONSOLIDATED AND CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	17	5,720,249	6,075,161	5,720,249	6,075,161
Investments	19	3,827,956	3,570,161	3,827,958	3,570,163
		<u>9,548,205</u>	<u>9,645,322</u>	<u>9,548,207</u>	<u>9,645,324</u>
Current assets					
Stocks	20	20,756	37,217	4,105	14,542
Debtors	21	2,706,836	2,029,232	2,720,175	2,048,339
Cash at bank and in hand		5,929,283	2,643,085	5,927,106	2,642,050
		<u>8,656,875</u>	<u>4,709,534</u>	<u>8,651,386</u>	<u>4,704,931</u>
Liabilities					
Amounts falling due within one year	22	(796,289)	(805,937)	(793,103)	(803,637)
Net current assets		<u>7,860,586</u>	<u>3,909,597</u>	<u>7,858,283</u>	<u>3,901,294</u>
Net assets		<u>17,408,791</u>	<u>13,548,919</u>	<u>17,406,490</u>	<u>13,546,618</u>
THE FUNDS OF THE CHARITY					
Restricted income funds	24	2,352,282	2,343,433	2,352,282	2,343,433
Unrestricted funds:					
- General fund	25	13,456,509	9,605,486	13,454,208	9,603,185
- Designated reserve	25	1,600,000	1,600,000	1,600,000	1,600,000
Total funds		<u>17,408,791</u>	<u>13,548,919</u>	<u>17,406,490</u>	<u>13,546,618</u>

The consolidated financial statements were approved and authorised for issue by the Trustees on 26th September 2022 and were signed on their behalf by:



E Baildam - Chair

Company Number: 02620240

The notes on pages 26-46 form part of this report

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Net Cashflow from operating activities	28	3,381,801	1,498,168
Cashflow from investing activities			
Income from other fixed asset investment	5	102,522	85,306
Interest received	5	424	636
Payments to acquire tangible fixed assets	17	(313,614)	(232,455)
Acquisition of other investments	19	(565,512)	(459,825)
Disposal proceeds of tangible fixed assets		310,051	1,685
Disposal proceeds of investments		327,288	530,684
		<u>(138,841)</u>	<u>(73,969)</u>
Net increase in cash and cash equivalents		3,242,960	1,424,199
Cash and cash equivalents at beginning of year		2,793,553	1,369,354
Cash and cash equivalents at the end of the year		<u>6,036,513</u>	<u>2,793,553</u>

CASH AND CASH EQUIVALENTS CONSIST OF

Cash at bank and in hand	5,929,283	2,643,085
Short term deposits	107,230	150,468
Cash and cash equivalent at the end of the year	<u>6,036,513</u>	<u>2,793,553</u>

The notes on pages 26–46 form part of this report

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

I. ACCOUNTING POLICIES

GENERAL INFORMATION

The charity is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Claire House Children's Hospice, Clatterbridge Road, Bebington, Wirral, Merseyside, CH63 4JD.

ACCOUNTING CONVENTION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective January 2019 – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note below.

The financial statements are prepared in sterling, which is the functional currency of the charity, rounded to the nearest pound.

Claire House is a public benefit entity as defined by FRS 102.

BASIS OF CONSOLIDATION

The Consolidated Statement of Financial Activities, the Consolidated Balance Sheet and the Consolidated Statement of Cash Flows include the financial statements of the company and its subsidiary, Claire House Shops Limited, made up to 31 March 2022. There are uniform policies across the group and intra group transactions are eliminated on consolidation. Consolidation is on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The charity has also taken advantage of the exemption afforded by the SORP, not to present a separate Cashflow statement for the parent charity.

The surplus of the charity for the year ended 31 March 2022 was £3,859,872 (2021: £1,829,089).

GOING CONCERN

The trustees have considered the on-going situation with regards to the cost of living challenges, shortage of nursing staff and the ongoing war in Ukraine as part of their going concern assessment. The view of the trustees is that, whilst they acknowledge that costs are going to significantly increase and we may see a decline in regular giving due to people being unable to afford to donate as well as keep up with their outgoings, the trustees believe that the charity has enough reserves to cope with the increase in costs and a reduction in income. With regards to the retention and recruitment of new care staff, the trustees are aware of the work being carried out by the Executive team in reviewing pay and benefits and benchmarking against the NHS to ensure we continue to attract and retain staff within Claire House. The trustees are comfortable that the charity will be able to meet its liabilities for the coming 12 months.

In reaching their conclusion, the trustees have reviewed the charity's monthly cash flows, applied sensitivity analyses as appropriate, and considered the various financial support measures that have been announced by the UK government. After consideration of all factors, the trustees continue to adopt the going concern basis in preparing the financial statements.

THE FUNDS OF THE CHARITY

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds which have been set aside by the Trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the Financial Statements.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donors or which have been raised by the Charity for

particular purposes. The cost of raising and administering such funds are charged against these funds. The aim and use of each restricted fund is set out in the notes to the Financial Statements.

Investment income and gains are allocated to the appropriate funds.

INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income, after performance conditions have been met, receipt is probable and the amount can be quantified with reasonable accuracy, except where sponsorship and monies are received for a Claire House Event which is to take place in the next financial year, and the funds are deferred.

For legacy income, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the Financial Statements for the services donated by volunteers.

Gifts in kind are included at valuation (over £100) and recognised upon receipt.

Gift aid receivable / income tax receivable and investment income are accounted for on an accruals basis.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating voluntary income are those incurred in seeking voluntary contributions and do not include costs of disseminating information in support of the charitable activities.

Fundraising trading costs are those incurred in relation to the selling of donated and bought in goods as well as costs associated with running the members' lottery.

Events and challenges costs are those costs incurred in arranging fundraising events and sponsored challenges. Charitable activity costs are those costs incurred directly in support of expenditure on the objects of the Charity. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Governance costs represent the time proportion of staff salary costs required to prepare and provide the relevant information for the Trustees to carry out their proper duties together with specific governance costs related to legal and audit matters.

Support costs are those incurred in providing finance, human resources (HR), information and communication technology (ICT) and maintenance services, together with chief executive office costs (CEO).

GOVERNMENT GRANTS

Grants receivable are included in the Financial Statements when approval of the grants has been confirmed to the Charity, or when the Charity is legally entitled to the income, after performance conditions have been met, receipt is probable and the amount can be quantified with reasonable accuracy.

TANGIBLE FIXED ASSETS

Tangible fixed assets costing more than £2,000 (£1,000 prior to year ended 2012) are capitalised at cost including any incidental expenses of acquisition.

When a new lease is signed, the fitting out of the shop is capitalised. All significant refits of existing shops are also capitalised. Alterations and repairs are expensed.

DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset (excluding land), less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property	2% straight line
Equipment	written off over 5-7 years
Fixtures and fittings	written off over 3-7 years
Motor vehicles	written off over 3-7 years
Shop fixtures and fittings	written off over the shorter of the length of the lease or 5 years

Where it has been identified that the recoverable amount of a fixed asset is below its net book value the asset is written down to its recoverable amount and the impairment loss is recognised in the Statement of Financial Activities.

INVESTMENT ASSETS AND INCOME

Investments are recognised initially at fair value, which is normally transaction price, excluding transaction costs. Subsequently they are measured at fair value at the balance sheet date, subject to any permanent diminution in value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals during the year. Investments donated to the Charity are included as income as soon as the market value can be established after receipt of the shares. Investments in subsidiaries are measured at cost less impairment.

STOCKS

Stocks consist of purchased goods for resale and consumables. Stocks are valued at the lower of cost or net realisable value. Items donated for resale or distribution are not included in the Financial Statements until they are sold or distributed.

DEBTORS

Debtors receivable within one year are recognised at transaction price. Any losses arising from impairment are recognised in expenditure.

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.

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.

Deferred income includes:

- Income received for events taking place after the balance sheet date
- Unreleased discounts from retail premises rent free periods
- Lottery income received for draws taking place after the balance sheet date

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 fixed asset investments which are subsequently measured at fair value where this can be reliably measured.

PENSION COSTS

The Charity contributes to the NHS Pension Scheme on behalf of qualifying employees and administers a defined contribution Pension Scheme for the benefit of its other employees. The assets of the scheme are held separately from those of the Charity. The annual contributions payable are charged to the Statement of Financial Activities.

OPERATING LEASES

Rentals paid under operating leases are charged to the income and expenditure on a straight-line basis over the period of the lease.

INCENTIVES

Rent free periods granted as an incentive when negotiating a new lease are written off over the initial lease period.

TAXATION

As a registered charity, the company benefits from rates relief and is generally exempt from Income Tax, Corporation Tax and Capital Gains Tax, but not Value Added Tax.

VOLUNTEERS

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees Annual Report and note 2.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations				
General donations including gift aid	1,857,833	23,646	1,881,479	1,362,953
Company & Club	1,558,068	7,084	1,565,152	280,593
Trusts	135,921	560,330	696,251	496,002
Legacies	2,259,225	-	2,259,225	1,236,148
Gifts				
Donations in kind	-	11,385	11,385	7,716
Grants receivable				
Childrens Hospice Grant	-	670,078	670,078	593,183
NHS England Capacity and Community Support Grant	-	471,834	471,834	1,784,353
NHS Pension Scheme contribution	-	91,852	91,852	95,935
Coronavirus Job Retention Scheme	19,912	-	19,912	658,538
Covid-19 Retail Grant	80,928	-	80,928	277,960
	<u>5,911,887</u>	<u>1,836,209</u>	<u>7,748,096</u>	<u>6,793,381</u>

Income from donations and legacies was £7,748,096 (2021: £6,793,381) of which £5,911,887 (2021: £3,816,060) was unrestricted and £1,836,209 (2021: £2,977,321) was restricted.

We're now seeing a steady increase in volunteer recruitment since coming out of the pandemic. Currently volunteer numbers are just shy of 800. Our average volunteer hours from 2021/22 now stands at an input of 110,000. This hourly contribution equates to a saving to Claire House of £650,000.

3. INCOME RESOURCES FROM CHARITABLE ACTIVITES

	Funds 2022 £	2021 £	Funds 2021 £
Clinical Commissioning Group funding	796,005	796,005	759,464
Provision of training	20,927	20,927	27,324
	<u>816,932</u>	<u>816,932</u>	<u>786,788</u>

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2022 £	Rerestricted Funds 2022	Total Funds 2022 £	Unrestricted Funds 2021 £
General events	82,354	-	82,354	42,000
Challenges	-	-	-	-
Income from other trading activities	1,400,556	-	1,400,556	1,339,764
Sale of goods / services	1,536,440	-	1,536,440	605,385
	<u>3,019,350</u>	<u>-</u>	<u>3,019,350</u>	<u>1,987,149</u>

Income from other trading activities was £3,019,350 (2021: £1,987,149) of which £3,019,350 (2021: £1,987,149) was unrestricted and £Nil (2021: £Nil) was restricted.

5. INVESTMENT INCOME

	Unrestricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £
Interest from investments & properties	102,522	102,522	85,306
Bank interest receivable	424	424	636
	<u>102,946</u>	<u>102,946</u>	<u>85,942</u>

6. OTHER INCOME

	Unrestricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £
Profit on disposal of assets	59,730	59,730	1,685
VAT reclaimed for prior years	-	-	-
	<u>59,730</u>	<u>59,730</u>	<u>1,685</u>

7. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Staff costs	639,164	-	639,164	603,903
Premises costs	695	-	695	1,903
Depreciation	19,628	-	19,628	21,320
Travel	5,296	2,400	7,696	4,936
Other costs	204,198	-	204,198	145,229
	868,981	2,400	871,381	777,291

Costs of generating voluntary income were £871,381 (2021: £777,291) of which £868,981 (2021: £774,891) was unrestricted and £2,400 (2021: £2,400) was restricted.

8. FUNDRAISING TRADING COST OF GOODS SOLD AND OTHER COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total 2021 £
Merchandise costs	9,854	-	9,854	14,131
Staff costs	1,115,354	-	1,115,354	1,423,171
Premises costs	396,357	-	396,357	690,885
Depreciation	129,426	-	129,426	130,971
Travel	81,435	1,843	83,278	44,435
Other trading activity costs	448,286	-	448,286	289,560
Other costs	126,298	-	126,298	118,081
	2,307,010	1,843	2,308,853	2,711,234

Costs of fundraising trading were £2,308,853 (2021: £2,711,234) of which £2,307,010 (2021: £2,711,234) was unrestricted and £1,843 (2021: £Nil) was restricted.

9. COSTS OF EVENTS AND CHALLENGES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Events and Challenges	60,044	-	60,044	15,458

Costs of events and challenges were £60,044 (2021: £15,458) of which £60,044 (2021: £15,458) was unrestricted and £Nil (2021: £Nil) was restricted.

10. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Hospice activities undertaken directly	1,677,699	1,768,424	3,446,123	3,502,177
Support costs	1,163,701	54,693	1,218,394	1,247,758
Governance costs	26,703	-	26,703	24,006
	<u>2,868,103</u>	<u>1,823,117</u>	<u>4,691,220</u>	<u>4,773,941</u>

Costs of charitable activities were £4,691,220 (2021: £4,773,941) of which £2,868,103 (2021: £1,700,479) was unrestricted and £1,823,117 (2021: £3,073,462) was restricted.

11. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Hospice Activities undertaken directly £	Support Costs £	Governance Costs £	Total Funds 2022 £	Total Funds 2021 £
Staff costs	2,749,877	789,156	12,453	3,551,486	3,754,457
Premises costs	136,607	55,520	-	192,127	162,369
Depreciation	175,102	94,042	-	269,144	275,048
Professional fees	-	39,642	14,250	53,892	47,864
Operating costs	384,537	240,034	-	624,571	534,203
	<u>3,446,123</u>	<u>1,218,394</u>	<u>26,703</u>	<u>4,691,220</u>	<u>4,773,941</u>

Governance costs represent the time proportion of staff salary costs required to prepare and provide the relevant information for the Trustees to carry out their proper duties, together with specific governance costs related to legal and audit matters.

12. GAINS/(LOSSES) ON INVESTMENT ASSETS

	Unrestricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £
Profit on sale of investment	46,447	46,447	93,832
Gain/(loss) on revaluation of investment assets (note 19)	16,362	16,362	375,596
	<u>62,809</u>	<u>62,809</u>	<u>469,428</u>

13. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
Depreciation	418,205	427,333
Auditors remuneration		
- Audit of the financial statements	13,000	11,400
- Accountancy services	3,000	1,100
Profit/(loss) on fair value movement of investments	16,362	375,596
Operating lease costs:		
- Land and buildings	275,351	480,614
	<u>275,351</u>	<u>480,614</u>

14. TRUSTEES' REMUNERATION

None of the Trustees received any remuneration, benefits in kind, or expenses during the year in respect of their duties as a trustee (2021: Nil).

15. ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL

	2022 £	2021 £
Wages and salaries	4,568,695	4,993,590
Social security costs	385,800	405,721
Pension costs	351,509	382,220
	<u>5,306,004</u>	<u>5,781,531</u>

The key management personnel of the parent charity and of its subsidiary, Claire House Shops Limited comprise the Chief Executive Officer, the Director of Care, the Head of Finance and the Director of Income Generation. The total employee benefits of the key management personnel were £284,716 (2021: £221,290).

16. PARTICULARS OF EMPLOYEES

The average number of staff employed during the year was 187 which includes 72 part time staff.

The average number of full-time equivalent (FTE) staff employed during the year was 166. The average FTE is analysed by function as follows:

	2022	2021
	Number	Number
Number of nursing staff	84	87
Number of administrative staff	20	21
Number of management staff	6	7
Number of fundraising staff	19	19
Number of retail staff	37	56
	<hr/> 166	<hr/> 190

During the year the number of employees who earned more than £60,000 was as follows:

	2022	2021
	Number	Number
£60,000 - £70,000	1	1
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

Total redundancy/termination payments in the year amounted to £28,534 (2021: £83,059).

17. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor Vehicle £	Total £
Cost				
At 1 April 2021	7,575,608	2,529,427	321,851	10,426,886
Additions	197,053	116,561	-	313,614
Disposals	(504,624)	(246,991)	(54,343)	(805,958)
At 31 March 2022	<u>7,268,037</u>	<u>2,398,997</u>	<u>267,508</u>	<u>9,934,542</u>
Depreciation				
At 1 April 2021	2,010,479	2,041,310	299,936	4,351,725
Charge for year	151,990	254,099	12,116	418,205
Eliminated on disposal	(254,303)	(246,991)	(54,343)	(555,637)
At 31 March 2022	<u>1,908,166</u>	<u>2,048,418</u>	<u>257,709</u>	<u>4,214,293</u>
Net Book Value				
At 31 March 2022	<u>5,359,871</u>	<u>350,579</u>	<u>9,799</u>	<u>5,720,249</u>
At 31 March 2021	<u>5,565,129</u>	<u>488,117</u>	<u>21,915</u>	<u>6,075,161</u>

18. CHARGES

There is a legal charge over the site of the Hospice in favour of the Secretary of State for Health.

A further legal charge was created over the Hospice's land on the 27 March 2006 in favour of the National Lottery Charities Board. This charge relates to the £300,000 Big Lotto Grant.

Both charges will be enforced if the property ceases to be used as a Children's Hospice.

19. FIXED ASSET INVESTMENTS

Group and Charity

	2022 £	2021 £
Market value as at 1 April 2021	3,570,161	3,046,368
Acquisitions at cost	565,512	459,825
Disposals at cost	(280,832)	(436,848)
Increase/(Reduction) in cash balances	(43,247)	125,224
Net investment gains/(losses) on revaluations in the year	16,362	375,592
	<hr/>	<hr/>
Market value at 31 March 2022	3,827,956	3,570,161
	<hr/> <hr/>	<hr/> <hr/>
Historical cost at 31 March 2022	3,105,687	2,815,194
	<hr/> <hr/>	<hr/> <hr/>

Analysis of investments at 31 March 2021 between funds

	Unrestricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Listed Investments			
Quoted fixed interest securities			
- UK Government Stock	454,618	454,618	517,839
- UK Fixed Interest	558,537	558,537	589,216
- Overseas Fixed Interest	336,651	336,651	216,065
	<hr/>	<hr/>	<hr/>
	1,349,806	1,349,806	1,323,120
Quoted Shares			
UK Equities	549,918	549,918	581,841
Overseas Equities	817,388	817,388	745,165
Property Funds	337,209	337,209	242,225
Alternative Assets	666,405	666,405	527,342
	<hr/>	<hr/>	<hr/>
	2,370,920	2,370,920	2,096,573
	<hr/>	<hr/>	<hr/>
Total of Listed Investments	3,720,726	3,720,726	3,419,693
Other Investments			
UK cash held as part of portfolio	107,230	107,230	150,468
	<hr/>	<hr/>	<hr/>
	3,827,956	3,827,956	3,570,161
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Charity investments include £2 investment in Claire House Shops Limited, see note 27 for further details.

Listed investments

Listed investments at a historical cost of £2,998,457 (2021: £2,664,726) (excluding donated shares) are held by the Group and Charity and had a market value of £3,720,726 at 31 March 2022 (2021: £3,419,693).

20. STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Stock	20,756	37,217	4,105	14,542

21. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021	2022	2021
	£	£	£	£
Amounts due from group undertakings	-	-	13,375	19,107
Income tax recoverable	148,382	53,981	148,382	53,981
VAT recoverable	54,372	46,127	54,372	46,127
Other debtors	69,027	130,898	68,991	130,898
Prepayments and accrued income	819,712	600,426	819,712	600,426
Legacies	1,615,343	1,197,800	1,615,343	1,197,800
	<u>2,706,836</u>	<u>2,029,232</u>	<u>2,720,175</u>	<u>2,048,339</u>

22. LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	227,240	118,411	227,240	118,411
PAYE and Social Security	94,666	98,460	93,780	98,460
Pension contributions	47,653	48,716	47,653	48,716
Accruals	170,004	308,854	167,704	306,554
Deferred income	256,726	231,496	256,726	231,496
	<u>796,289</u>	<u>805,937</u>	<u>793,103</u>	<u>803,637</u>

Deferred income	£
Deferred income at 1 April 2021	231,496
Utilised in year	(231,496)
Received in year	<u>256,726</u>
Deferred income at 31 March 2022	<u>256,726</u>

23. OPERATING LEASE COMMITMENTS

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

	2022 £	2021 £
Land and buildings:		
Within one year	316,375	356,632
Between one and five years	581,501	844,334
Later than five years	-	31,000
	<u>897,876</u>	<u>1,231,966</u>

24. RESTRICTED FUNDS

Group and Charity	Balance at			Balance at 31 March 2022 £
	1 April 2021 £	Incoming Resources £	Outgoing Resources £	
Anwyl Homes Lancashire	-	6,625	6,625	-
Children in Need	11,470	44,011	55,481	-
David & Ruth Lewis Family Charitable Trust	-	12,500	12,500	-
Denbighshire Council	7,340	-	1,843	5,497
Department of Health	-	1,141,912	1,141,912	-
Dorothy Hall Fund	12,000	10,000	800	21,200
Equipment	34,606	-	16,164	18,442
Hospice building	1,728,689	-	41,923	1,686,766
Marian Elizabeth Trust	109,739	200,000	200,000	109,739
Morrisons Foundation	18,425	-	-	18,425
Mr Robert Schofield Owen	10,000	-	10,000	-
New Liverpool Site	16,443	-	-	16,443
NHS Pension Scheme grant	-	91,852	91,852	-
Shop Direct	104,585	-	79,067	25,518
Steven Gerrard Foundation	202,386	-	-	202,386
Tesco Community Grants	3,750	-	3,750	-
Under £5000 and anon	52,463	67,924	95,065	25,322
Vehicles	7,310	-	5,160	2,150
64 Trust	-	250,000	31,470	218,530
Gifts in kind	24,227	11,385	33,748	1,864
	<u>2,343,433</u>	<u>1,836,209</u>	<u>1,827,360</u>	<u>2,352,282</u>

All restricted funds are included in the Charity accounts

HOSPICE BUILDING AND VEHICLES

The Hospice, over the years, has received financial support from many trusts and organisations to enable it to build and extend the facilities our families need and provide transport so they can be supported in their place of choice. These grants are released to unrestricted funds in accordance with the depreciation charged on the associated projects and vehicles.

MEDICAL EQUIPMENT

We have been fortunate to receive a significant donation from **The 64 Trust**, which we are spending in many different areas, both capital and expenditure. Some of the income has been used to upgrade the hydrotherapy facilities and to provide a cuddle bed. A scan cot and mattress have been funded with the generous help of **Dorothy Hall Fund**.

FAMILY SUPPORT & PLAY

BBC Children in Need continue to support the play team, funding a project that focuses on therapeutic play, together with a **Tesco Community Grant**.

BBC Children in Need also fund our siblings events programme, supporting some of the brothers and sisters of the children we care for. The grants are written off to unrestricted funds as the costs are incurred or in line with the depreciation attributable to the costs incurred.

NURSING COSTS

The one to one care our families need means that nursing costs are a significant element of the cost of running Claire House. This year saw significant pressure placed on the Care team due to difficulties with recruitment.

The 64 Trust provided funding towards the recruitment of 5 new nurses and also towards a significant number of existing nursing staff. During the year the **David and Ruth Lewis Family Charitable Trust, Elaine Neary, Sandra Kirkham, Claude Ballard Southall Memorial Trust** and **Anwyl Homes Lancashire** have funded nursing roles that have enabled us to reach even more families. The Integrated Services team, who provide outreach care

in the community and symptom management, have also been able to extend their services due to the donation from the **Marian Elizabeth Trust**. The grants are written off to unrestricted funds as the costs are incurred.

NHS ENGLAND & NHS PENSION CONTRIBUTION

A grant is received to support the core hospice costs & to subsidise the employers' pension contributions for staff who are members of the NHS pension scheme. The grants are released as the expenditure is incurred.

BUILDING PROJECTS

The 64 Trust is also contributing to the development of our Liverpool site. The grant is released in line with the depreciation attributable to the costs incurred.

EQUIPMENT AND ACTIVITIES

These grants are for £5,000 or less, or from trusts or donors who wish to remain anonymous and are used to purchase medical equipment, therapies, activities or outings and to support income generation. The funds are released according to the nature of the expenditure. This line also includes funds shown separately in prior years but now amalgamated here as the amount unspent is under £5,000.

GIFTS IN KIND

Roberts Bakery continue to kindly provided our bread delivery free of charge. and **M53 Ford** provide a vehicle for the Hospice to use plus a wide variety of other gifts, valued over £100. The gifts have either been charged as an expense or capitalised and the appropriate depreciation charged in the year.

Group and Charity	Balance at	Incoming Resources	Outgoing Resources	Balance at
	1 April 2020			31 March 2021
	£	£	£	£
Broome Family Charitable Trust	-	10,000	10,000	-
Children in Need	4,722	68,954	62,206	11,470
Claire Cain 40th Birthday	16,074	-	16,074	-
David & Ruth Lewis Family Charitable Trust	-	7,500	7,500	-
Denbighshire Council	-	7,340	-	7,340
Department of Health	-	2,377,536	2,377,536	-
Dorothy Hall Fund	12,000	-	-	12,000
Equipment	57,212	-	22,606	34,606
Hospice building	1,768,328	-	40,439	1,727,889
Liverpool One Foundation	6,953	-	6,953	-
Marian Elizabeth Trust	109,739	200,000	200,000	109,739
Morrisons Foundation	-	18,425	-	18,425
Mr David Spratt	2,747	-	-	2,747
Mr Robert Schofield Owen	-	10,000	-	10,000
National Lottery Community Fund	-	33,726	33,726	-
New Liverpool Site	16,036	407	-	16,443
NHS Pension Scheme grant	-	95,935	95,935	-
Shop Direct	176,546	-	71,961	104,585
Steven Gerrard Foundation	202,386	-	-	202,386
Tesco Community Grants	-	7,500	3,750	3,750
The Albert Hunt Trust	-	10,000	10,000	-
Under £5000 and anon	8,961	122,282	80,727	50,516
Vehicles	13,255	-	5,945	7,310
Gifts in kind	47,015	7,716	30,504	24,227
	2,441,974	2,977,321	3,075,862	2,343,433

HOSPICE BUILDING AND VEHICLES

The Hospice, over the years, has received financial support from many trusts and organisations to enable it to build and extend the facilities our families need and provide transport so they can be supported in their place of choice. These grants are released to unrestricted funds in accordance with the depreciation charged on the associated projects and vehicles.

MEDICAL EQUIPMENT

The parents' bedroom are being fully refurbished due to money received from the **Morrison foundation** and the **UKH Foundation**. The grant will be released to unrestricted funds in accordance with the depreciation values attributable to the piece of equipment.

FAMILY SUPPORT & PLAY

Children in Need continue to support the play team together with a **Tesco Community Grant**. **Children in Need** also funded the counselling team enabling them to support the siblings of the children we care for. Due to Covid the demand for support from the team was immense and due to funding from the **National Lottery Community Fund** they managed to continue with their work. The grants are written off to unrestricted funds as the costs are incurred or in line with the depreciation attributable to the costs incurred.

NURSING COSTS

The one to one care our families need means that nursing costs are a significant element of the cost of running Claire House. During the year the **Wayne Rooney Foundation, Mr John Farrell, the European Tour Charitable Foundation, the Sobell Foundation and the Frodsham Nursing Fund** have funded nursing roles that have enabled us to reach even more families. The Integrated Services team, who provide outreach care in the community and symptom management, have also been able to extend their services due the donation from the **Marian Elizabeth Trust**. The grants are written off to unrestricted funds as the costs are incurred.

CLAIRE HOUSE BALL

At the Claire House Ball donations were made to fund a variety of roles and activities at the hospice. The funds were released as the costs were incurred.

PHYSIOTHERAPY

This wide range of therapies we can offer allows us to look after the medical and holistic needs of the children and families who come to Claire House. During the year our physiotherapy services were funded by the **Claude Ballard Southall Memorial Charity, Openwork Foundation, Sir Jules Thorn Charitable Trust, and Price Parry Charitable Trust**. The grants are written off to unrestricted funds as the costs are incurred.

NHS ENGLAND & NHS PENSION CONTRIBUTION

A grant is received to support the core Hospice costs & to subsidise the employers' pension contributions for staff who are members of the NHS pension scheme. The grants are released as the expenditure is incurred.

BUILDING PROJECTS

The Steven Gerrard Foundation donation will enable us to convert an unused outdoor courtyard space at the Liverpool site into an indoor "glazed atrium" which will primarily be used by our young adults to meet, spend time together and to enjoy group sessions. **St Mary's Church Knowsley Village** gave a donation for the development of the Liverpool site. These grants will be released to unrestricted funds in accordance with the depreciation charged.

EQUIPMENT AND ACTIVITIES

These grants are for £5,000 or less, or from trusts or donors who wish to remain anonymous and are used to purchase medical equipment, therapies, activities or outings and to support income generation. The funds are released according to the nature of the expenditure. This line also includes funds shown separately in prior years but now amalgamated here as the amount unspent is under £5,000.

GIFTS IN KIND

Roberts Bakery continue to kindly provide our bread delivery free of charge. Also included is the cost of a garden designed and built by **The Greenfinger Trust** plus a wide variety of other gifts, valued over £100. The gifts have either been charged as an expense or capitalised and the appropriate depreciation charged in the year.

25. UNRESTRICTED FUNDS

	Group		Charity	
	Designated		Designated	
	General Development		General Development	
	Funds	Funds	Funds	Funds
	£	£	£	£
As at 1 April 2021	9,605,486	1,600,000	9,603,185	1,600,000
Incoming resources	9,910,845	-	9,910,845	-
Outgoing resources	(6,122,631)	-	(6,122,631)	-
Gains and losses	62,809	-	62,809	-
Release of designated reserves	-	-	-	-
Amounts designated in the year	-	-	-	-
As at 31 March 2022	13,456,509	1,600,000	13,454,208	1,600,000

Designated Funds are unrestricted funds set aside by the trustees out of unrestricted general funds. The funds designated will be used to maintain the level of services needed to support our beneficiaries during the ongoing economic uncertainty caused by the pandemic, as well as providing a sinking fund to cover essential infrastructure costs and capital work at both the Wirral and Liverpool sites.

	Group		Charity	
	Designated		Designated	
	General Development		General Development	
	Funds	Funds	Funds	Funds
	£	£	£	£
As at 1 April 2020	8,327,856	950,000	8,325,555	950,000
Incoming resources	6,677,624	-	6,677,624	-
Outgoing resources	(5,219,422)	-	(5,219,422)	-
Gains and losses	469,428	-	469,428	-
Release of designated reserves	-	-	-	-
Amounts designated in the year	(650,000)	650,000	(650,000)	650,000
As at 31 March 2021	9,605,486	1,600,000	9,603,185	1,600,000

Designated Funds are unrestricted funds set aside by the trustees out of unrestricted general funds to fund the capital work at both the Wirral and Liverpool sites, and ongoing communications, people services and fundraising projects.

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Investments	Net Current Assets	Total 31 March 2022
	£	£	£	£
Restricted Funds:				
Denbighshire Council	5,497	-	-	5,497
Dorothy Hall Fund	16,674	-	4,526	21,200
Equipment	18,442	-	-	18,442
Hospice Building	1,686,766	-	-	1,686,766
Marian Elizabeth Trust	-	-	109,739	109,739
Morrisons Foundation	18,425	-	-	18,425
New Liverpool Site	-	-	16,443	16,443
Shop Direct	25,518	-	-	25,518
Steven Gerrard Foundation	153,569	-	48,817	202,386
Under £5000 and anon	-	-	25,322	25,322
Vehicles	2,150	-	-	2,150
64 Trust	39,526	-	179,004	218,530
Gifts in Kind	1,864	-	-	1,864
	1,968,431	-	383,851	2,352,282
	1,968,431	-	383,851	2,352,282
Unrestricted Funds				
General Funds	3,751,818	3,827,956	5,876,735	13,456,509
Designated Funds	-	-	1,600,000	1,600,000
Total Funds	5,720,249	3,827,956	7,860,586	17,408,791
	5,720,249	3,827,956	7,860,586	17,408,791

	Tangible Fixed Assets	Investments	Net Current Assets	Total 31 March 2021
	£	£	£	£
Restricted Funds:				
Children in Need	-	-	11,470	11,470
Denbighshire Council	-	-	7,340	7,340
Dorothy Hall Fund	-	-	12,000	12,000
Equipment	34,606	-	-	34,606
Hospice Building	1,727,889	-	-	1,727,889
Marian Elizabeth Trust	-	-	109,739	109,739
Morrisons Foundation	-	-	18,425	18,425
Mr David Spratt	-	-	2,747	2,747
Mr Robert Schofield Owen	-	-	10,000	10,000
New Liverpool Site	-	-	16,443	16,443
Shop Direct	74,146	-	30,439	104,585
Steven Gerrard Foundation	-	-	202,386	202,386
Tesco Community Grants	-	-	3,750	3,750
Under £5000 and anon	-	-	50,516	50,516
Vehicles	7,310	-	-	7,310
Gifts in Kind	24,227	-	-	24,227
	<u>1,868,178</u>	<u>-</u>	<u>475,255</u>	<u>2,343,433</u>
Unrestricted Funds				
General Funds	4,206,983	3,570,161	1,828,342	9,605,486
Designated Funds	-	-	1,600,000	1,600,000
Total Funds	<u>6,075,161</u>	<u>3,570,161</u>	<u>3,903,597</u>	<u>13,548,919</u>

27. RELATED PARTY TRANSACTION

Claire House Shops Limited (Company number 26555864) whose principal activities are the management of donors on behalf of Claire House, the sale of merchandise, and agency commission, is a wholly owned subsidiary (via 2 £1 shares) of Claire House and is consolidated as part of these accounts. Profits arising in the company are gift aided to the Charity on an annual basis. The directors of the company are appointed by the Trustees of the Charity. A balance of £13,375 was due from Claire House Shops at 31 March 2022 (2021: £19,107).

The results for the year ended 31 March 2021 are as follows:

	2022 £	2021 £
Profit and Loss Account		
Sales	455,287	247,665
Expenses	(397,028)	(217,721)
	<hr/>	<hr/>
Surplus for the year	58,259	29,944
Covenant to Charity	(58,259)	29,944
	<hr/>	<hr/>
Retained profit	-	-
Taxation	-	-
Balance brought forward	2,301	2,301
	<hr/>	<hr/>
Balance carried forward	2,301	2,301
	<hr/> <hr/>	<hr/> <hr/>

The aggregate of net assets was:

	2022 £	2021 £
Assets	18,828	23,710
Liabilities	(16,525)	(21,407)
	<hr/>	<hr/>
Shareholders' funds	2,303	2,303
	<hr/> <hr/>	<hr/> <hr/>

There were no other outstanding balances with related parties as at 31 March 2022.

28. RECONCILIATION OF GROUP NET INCOME RESOURCES TO NET CASH INFLOW FROM GROUP OPERATIONS

	2022 £	2021 £
Net incoming resources	3,797,063	1,359,661
Non cash gift in kind	-	-
Income from investments	(102,522)	(85,306)
Interest receivable	(424)	(636)
Profit on disposal of fixed assets	(59,730)	(1,685)
Depreciation of fixed assets	418,205	427,333
Decrease/(increase) in stock	16,461	(580)
(Increase)/decrease in debtors	(677,604)	(326,174)
Increase/(decrease) in creditors	(9,648)	125,555
	<hr/>	<hr/>
Net cash inflow from operating activities	3,381,801	1,498,168
	<hr/> <hr/>	<hr/> <hr/>

29. ANALYSIS OF CHANGES IN NET FUNDS

	1 April 2021 £	Cash Flows £	31 March 2022 £
Cash at bank and in hand	<u>2,643,085</u>	<u>3,286,198</u>	<u>5,929,283</u>

30. PENSION COMMITMENTS

The charitable company makes contributions to two defined contribution pension schemes for its employees. One of the schemes for eligible employees is the NHS Superannuation Scheme. The level of contributions to this scheme is determined annually by the NHS Pensions Agency. The Charity has no further liability beyond the contributions determined. The assets of the schemes are held separately from those of the Charity.

The cost to the Charity for supporting the schemes for the year was £351,509 (2021: £382,220) which was offset by contributions made by the Department of Health of £91,852 (2021: £95,935). The amount outstanding at the year-end was £47,653 (2021: £48,716).

31. GUARANTEE

The Charitable Company is limited by guarantee and has no share capital. The members' liability is restricted to £1 each in accordance with the Memorandum and Articles.

32. RETAIL CONTRIBUTION

During the year, the Charity ran a chain of 17 (2021: 26) charity shops, the income and expenditure from which are included as part of these accounts. The contribution to the Charity from these shops is as follows:

	2022 £	2021 £
Sale of donated goods	1,512,282	605,385
Gift Aid and donated income from agency sales	558,097	177,945
Covid-19 Grants	69,573	711,765
Other income	40,656	58,376
	<u>2,180,608</u>	<u>1,553,471</u>
Costs	(1,860,567)	(2,609,867)
Net contribution	<u>320,041</u>	<u>(1,056,396)</u>



Claire House
CHILDREN'S HOSPICE

Claire House Children's Hospice
Clatterbridge Road, Bebington, Wirral, CH63 4JD

t. 0151 3344626 **w.** clairehouse.org