

Richard House Trust



Registered Charity Number: 1059029
Registered Company Number: 3232837

REPORTS AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2020



Richard House Trust is a registered charity (1059029) and a company limited by guarantee (3232837 - England & Wales).
Its registered office is Richard House Children's Hospice, Richard House Drive, London E16 3RG.

Richard House Trust Annual Report and Financial Statements for the year ended 31 March 2020

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Part 1

Report from the Trustees

Introduction from our Chair

The Board of Trustees is pleased to present the Richard House Children's Hospice annual report and financial statements for 2019/20.

These are my first introductory remarks as Chair having taken over from Sir Robin Knowles in August 2019.

On behalf of the Board, I would like to thank Sir Robin for his immense contribution to Richard House. Robin not only guided the hospice at all times with finesse and care, but also kept Richard House at the centre as he raised the profile of children's hospices through his work at Together for Short Lives and in establishing Children's Hospices across London (ChAL). I would also like to thank him personally for his advice and guidance.

At Richard House, our focus remains on providing the best possible care and support to children with life limiting conditions and to their families.

During the year we continued to expand our new Hospice at Home service which provides families with respite care in their own homes. This service is used by many families who have not previously taken advantage of our residential services. We have also continued to expand the range of services and events we provide to both our children and their families.

From a financial perspective we remain very reliant on gifts, donations and income from our shops with less than £1 in every £3 of expenditure being funded from statutory sources.

This year's income benefitted from our Rainbow Ball which fortunately took place in February shortly before the first COVID lockdown. I would like to thank all those involved in organising and supporting it.

As a result of this, and the efforts of all at Richard House, our income significantly exceeded our expenditure in the year, resulting in a surplus and consequential improvement in our cash and reserves position.

Our cash and reserves however remain significantly below the levels we would wish and we will continue to focus on growing these to improve our longer term resilience and sustainability.

In early March we were impacted by the COVID pandemic and the related lockdown. Our leadership team, led by our CEO Chris Baker, took immediate action to ensure the hospice was well placed to address the expected challenges. This included "locking down" the hospice to protect our children and moving to a "working from home" model for our non-care staff. This required significant investment in IT infrastructure and equipment.

I am pleased to say our approach to facing the challenges of COVID has proved successful. Richard House is ending 2020 in a far stronger position than we first feared and continues to deliver on its principal aims, caring for children, young people and their families who need our services.

The Board of Trustees would like to express our thanks to all those who have supported Richard House during the year.

Nicola Ukiah

Chair

Richard House Trust Trustee Directors' Annual Report

The Trustee Directors present their Trustee Directors' Annual Report and the audited financial statements of the company for the year ended 31 March 2020.

Reference and administration details

Charity name:	Richard House Trust
Registered company number:	3232837
Registered charity number:	1059029
Registered office:	Richard House Children's Hospice Richard House Drive London E16 3RG
Trustee Directors:	Mizan Abdulrouf David Bickerton Sara Hazzard Quentin Humberstone James Joly Sir Robin Knowles CBE QC (Chair – until 6 August 2019) Derek Lovelock Katrina McNamara- Goodger Wendy Pritchard Gowhar Shaikh Dr Meng Tan Nicola Ukiah (Chair – appointed 6 August 2019) John Winter
Chief Executive and Company Secretary:	Christopher Baker
Auditors:	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers:	HSBC 59-61 The Mall Stratford London E15 1X

Structure, Governance and Management

Governing document

The company is limited by guarantee governed by its Memorandum and Articles of Association dated 1 August 1996 as amended on 4 October 1996, 27 January 1999, 18 August 2010 and 15 November 2011. Every member undertakes to contribute such amount as may be required, not exceeding £1, to the company's assets if the company should be wound up whilst he or she is a member or within one year after he or she ceases to be a member. The company is also a registered charity.

Appointment of Trustee Directors

The Board of Trustee Directors selects new members of the Board of Trustee Directors. Applications for trusteeship are sought by various methods including advertisement and with regard to the mix of experience and skills required for the good governance of the Trust.

Trustee induction and training

New Trustee Directors are provided with an information pack and full in-house induction at the time of their appointment. A programme of training updates is also in place for all Trustees Directors. All trustees have been DBS checked.

Related parties

Richard House Trading Company Limited, a wholly owned subsidiary of the charity, was established to operate the trading activities. In accordance with its Memorandum and Articles of Association, Richard House Trading Company Limited gifts, as Gift Aid, its profits to the charity. Richard House Developments Limited, a wholly owned subsidiary of the charity, has been dormant since 31 March 2004.

Compliance with ICO regulation

We are registered with the Fundraising Regulator and comply with the Codes of Fundraising Practice and we are committed to complying with the regulator's Fundraising Promise together with Information Commissioner's Office (ICO) Direct Marketing guidelines. Over the past year we have reviewed the information we hold and have implemented procedures to comply with new GDPR regulation. This year we sent out 25,000 fundraising communications and received one complaint. This complaint was resolved to the satisfaction of the complainant. We take all complaints seriously and aim to resolve or acknowledge receipt of all complaints immediately, certainly within five working days.

Organisation

The Board of Trustee Directors is responsible for the governance, strategy and direction of the charity. The Senior Leadership Team (with responsibility for family and care services, income generation, human resources and engagement, finance and operations) led by the Chief Executive, is accountable for the delivery of the strategy. Day-to-day activities and operations are carried out by appropriately qualified staff and volunteers, under the leadership and direction of the Chief Executive and other members of the Senior Leadership Team. The remuneration of key management has been set by the trustees taking account of market rates, expertise, experience and skills required to fulfil the roles successfully. The Board of Trustee Directors has continued to meet quarterly throughout the year supported by committees attending to more specific matters involved with clinical governance and finance and fundraising. A separate Richard House Trading Company Limited Board of Directors meets to oversee the affairs of that company.

Risk management

The Board of Trustee Directors is aware of the need for major risks to be identified and managed, and systems and staff structures are in place to support this. Richard House Trust is registered with the Care Quality Commission under the Care Standards Act 2000 and the Health and Social Care Act 2008 and as such is inspected, in accordance with the appropriate schedules, by their regulatory agencies. Richard House Trust holds a risk register and the process of risk management includes regular consideration of new risks, which is undertaken by the Senior Leadership Team. The Board of Trustee Directors is updated on these risks and consider that the major risks to which the charity is exposed have been reviewed and that systems or procedures have been established to manage these.

Vision, Mission and Values

Our Vision

Our vision is for communities to have space where they can journey together to create memories of living and dying.

Our Mission

- To work in collaboration with others to provide holistic care for children and young people with life-limiting or life-threatening conditions and complex healthcare needs
- To help families choose when, where and how they receive care and to provide
 - specialist nursing and medical care
 - short breaks and respite care
 - end of life care
 - family support before and after death
- To support individuals, families and communities of all faiths and none with living, dying and death to promote education and understanding of issues to do with living, dying and death.

Our Values

We create a happy and **POSITIVE** environment for all

We are **RESPECTFUL** and welcome people from all our diverse communities and treat them with care and respect

We value openness and **INTEGRITY** in all our dealings

Our **DEDICATED** staff and volunteers put children, young people and families at the centre of our work

We are passionate about achieving **EXCELLENCE** in all we do.

Our Communities

Our families

From the moment a child is diagnosed with a life-limiting, life-threatening or complex health condition everything changes. These changes affect the whole family, which is why we feel it is vital not only to provide care to the child but to support the whole family.

Richard House provides a family-centred, needs led, and outcome based service to ensure that all psychological, physical, emotional, social and spiritual needs of our children, young people and families are met.

Poverty and disadvantage also have a significant impact on the families we work with:

- The majority of our families come from boroughs with the highest child poverty rates in the UK: Tower Hamlets, Newham and Hackney
- Newham, Tower Hamlets, Barking and Dagenham and Hackney have some of the highest levels of income deprivation in London.

Medical advances are enabling children with increasingly complex conditions to live longer and we feel passionately that these children need to be supported.

Our development programme for palliative care nurses broadens their specialist competencies. This training means we can continue to support a range of complex cases, which has increased our catchment area, as this level of care is not available generally.

Our families remain committed to Richard House and show their support for us by holding events to raise money even after they no longer use our services.

Our staff

We continue to invest in our staff this year including training of nursing staff to maintain and develop their levels of competency in complex care.

There continues to be a nationwide shortage of paediatric nurses, particularly those interested in pursuing a career in palliative care. This has led to an ongoing need to focus on recruitment and retention.

Our volunteers

Volunteers are a crucial part of the Richard House family, with over 300 volunteers giving their time and skills to support our children and families. Their roles range widely, from retail assistants to van drivers; from receptionists to gardeners and from admin assistants to photographers.

To us they are our **HEROES**

Happy to help

Enthusiastic

Reliable

Outstanding

Effective

Special

Our partners

Working in partnership is integral to our fundraising, and we are very grateful to our many corporate partners for their support including volunteering, challenge events and staff fundraising. We aim to develop partnerships which will deliver rewards for both Richard House and our corporate partners, and are delighted that many have committed to work with us for the long term.

West Ham Football Club have also continued to partner with Richard House and once again supported our Christmas party, one of our most popular events with our families, and promoted the hospice through our awareness match.

Our supporters

Richard House is extremely proud to work with the many different religious community groups of East London. In particular, we are grateful for the support of our local Muslim community and the donations received from our local mosques. With around 50% of our children coming from Muslim families, it is important that this community is aware of our work. As such, we are appreciative of local mosques for communicating the importance of our work.

As a local charity, we rely heavily on funds raised from the community around us and we wouldn't be able to continue running our essential services without their incredible hard work and support.

Our Services

When a child is living with a life-limiting or life-threatening health condition, every member of their family is impacted physically, spiritually and emotionally. We provide holistic residential and therapeutic services for the whole family.

Step down care

We teach, support and reassure care givers so that when a child's condition is stable, they are able to be transferred from an acute hospital environment to a home-like setting such as a hospice. This care ensures a staged support into full family responsibility.

Respite care

We offer short breaks where our dedicated care team will look after children and young people while their families take a break and recharge their batteries. This can be provided on a residential basis or in the home with our Hospice at Home service.

End of life care and bereavement support

We work with each family to help make a child's last days as comfortable as possible and we provide support to help families move through this very difficult time of saying goodbye. Our qualified practitioners and volunteers offer emotional support to young people, their families, carers and loved ones from the onset of diagnosis through and after their death. We have a special area called the Rainbow Suite, which contains a peaceful bedroom and a small lounge area to spend time privately with extended family or guests.

Music therapy

We offer sessions which give the families the chance to communicate their feelings without the need for words. Our Music Therapist works with individuals and groups to help them express themselves. These can be sessions which run not only for the child or young adult, but for the family as a whole, or for siblings. She also runs pain management and relaxation music sessions for children who are experiencing pain and anxiety in their illnesses.

Group support

Our support groups offer an opportunity to meet with other people in similar circumstances and talk about your thoughts and feelings in a supportive, non-judgemental environment. We encourage members to express their thoughts and feelings as well as listen to and support one another, and take part in social activities together. We also help them to build a supportive network outside of the hospice so that support is ongoing.

Family activities

We offer a wide range of activities ranging from themed fun days at Richard House and exploring new places, to challenging activities like go-karting, or trips to the sea, which will be the only opportunity for many families to have a break together.

Young adults transition

We use our nursing, social work and youth work expertise to help young people, their families and professionals to navigate the incredibly complex education, health and social care systems when using and moving on from children's hospice facilities to adult services.

Objectives and Activities

The core purpose of Richard House is to accompany families with children and young people with life-limiting, life-threatening and complex healthcare conditions during the child or young person's journey through life and through death, creating positive experiences along the way, which become good memories for the future.

This core purpose statement underpins our strategy. It reflects our objectives as set out in the Memorandum and Articles of Association which are to provide outreach, respite and hospice care for children and young people with palliative care needs in the London boroughs of Tower Hamlets, Newham, City of London, Hackney, Barking and Dagenham, Waltham Forest, Redbridge, Islington, Camden, Barnet, Haringey and Enfield, or extended as the Board of Trustee Directors decides.

As a children's hospice we provide a range of services, both on a residential and day care basis. This support is offered in the unique way that a children's hospice operates, which is "home from home", and in full accordance with the aspirations of Together for Short Lives, the UK voice for children and young people, who are expected to have a reduced life expectancy, and their families. We seek to offer social and emotional support; a sense of community; a share in the care of a very sick child or young person, expert respite, palliative and end of life care; and bereavement support for the family from the point of referral and for as long as needed.

Our objectives for 2019/20

The strategic objectives, as stated in the strategic plan agreed for the organisation, were:

Sustainability by

- raising sufficient income to enable Richard House to continue meeting its vision and mission
- ensuring our costs are effectively controlled and that our expenditure is focused on our key priorities
- undertaking activities now which will create goodwill and will help us raise funds in the future

Provide care by

- being a leading provider, taking up the role as a hospice hub for children's palliative care, providing high impact, sustainable and cost-effective services
- collaborating with others to increase our reach to more children, young people and their families

Community engagement and involvement by

- applying the research findings of the University of Leeds and Together for Short Lives report "Life-limiting and life-threatening conditions in children and young people in the United Kingdom; national and regional prevalence in relation to socioeconomic status and ethnicity" (October 2011) and University of York report "Children in Scotland requiring Palliative Care: identifying numbers and needs (The ChiSP Study)" (October 2015) to understand better the number of children, young people and their families whose current health situation would be considered stable and their potential needs
- working in partnership with our community to put in place practical support for children, young people and their families, developing models of support

Organisational competence by

- developing a culture of high performing teams
- maintaining and growing a culture of continuous learning and improvement.

How Did We Do?

Total income for the group in the reporting year was £4,318,054 compared to the prior year figure of £3,001,163. The increased income is attributable to an increase in general fundraising income to £2,186,054 (2019: £1,462,035). Income from Trading activities also increased by £99,243 to £547,758 (2019: £448,515) due to receipt of retail grants of £120,000 from the Retail, Hospitality and Leisure Grant Fund for the COVID-19 pandemic from the government. Statutory income increased by £350,268 to £1,252,010 (2019: £901,742). Increase includes a one-off receipt of £134,000 from the Boris Johnson cash boost for hospices services. However, investments and interest income decreased to £5,824 (2019: £11,725).

Overall, expenditure increased by £334,522 to £3,912,313 (2019: £3,577,791). The increase in net expenditure is attributable to charitable expenditure which increased in the year by £286,203 to £2,588,971 (2019: £2,302,768).

Sustainability

- Our priority of raising sufficient income to enable Richard House to achieve its vision and mission in the year was achieved.
- Good progress was made in the creation of positive free reserves and in significantly improving our cash position.
- Stronger relationships have been developed with key stakeholders including donors, partners and the local Clinical Commissioning Groups. These relationships have enabled these stakeholders to gain a deeper understanding of our work and how best we can work together. This is already generating dividends.

Provide care

- Our Hospice at Home service, providing respite and end of life care to a child at home, has continued to develop with increasing demand for this service.
- We are continuing to work closely with hospitals, children's community nursing teams and social care professionals to help get children out of hospital and into their home, through step down care.
- We continued to invest in our family support service and our STaR (Social, Therapeutic and Resources) team, as a response to families feeding back that they valued activities, therapies and events.

Community engagement and involvement

- We have previously recognised that community engagement is most effective when carried out by all staff and volunteers who are regularly meeting people in the community. For example, key members of the care and STaR teams have protected time allotted to form stronger professional relationships with colleagues in health, social care and education. This activity continued.
- Helping families resolve practical issues, such as financial, legal and benefit matters, is an essential part of our support work. Our partnership with Law Works enables families to book free appointments with legal experts and resolve some of their more stressful issues.

Organisational competence

- After the significant staff changes of the prior year, 2019/20 was a period where our new team settled into their roles and good progress was made in all areas of activity. This work has provided a strong basis for the future.
- There was continued investment in training and continuous development particularly in care. This has allowed us to continue to admit children with more complex conditions

Financial Review

Principal risks and uncertainties

The key risks we face include: raising sufficient donations and legacies income to fund our expenditure commitments; limited cash reserves; recruiting and retaining children's nurses required to deliver the support to children, young people and their families; maintaining high standards of care including the regulatory risks in complying with the requirements of CQC and uncertainty over future levels of statutory income.

Risks and mitigation thereof are reviewed monthly at senior leadership meetings and at Trustee Directors' meetings. We undertake regular performance appraisals to keep the quality of our work high.

Income

The financial statements show that income increased to £4,318,054 (2019: £3,001,163). Fundraising income (donations and legacies income and income from fundraising and events) increased to £2,186,054 (2019: £1,462,035) with the Richard House Ball generating £326,408. Statutory income increased to £1,252,010 (2019: £901,742) mainly due to increased bed occupancy, a one-off grant of £134,000 from the Boris Johnson cash boost for hospices services and the introduction of our Hospice at Home services.

Expenditure

The in-year expenditure increased by £334,522 to £3,912,313 (2019: £3,577,791). The increase in net expenditure is mainly in the charitable expenditure which increased in the year by £286,203 to £2,588,971 (2019: £2,302,768) due to the redesigning of our care services which contributed in part to the increased statutory income. Expenditure on raising funds saw additional investment of £76,464 in fundraising costs whilst the trading costs reduced by £28,145, resulting in the net increase of £48,319 to £1,323,342 (2019: £1,275,023).

Net operating result

The overall result for the year was net surplus of £405,741 (2019: deficit of £576,628). At 31 March 2020 Richard House Trading Company Limited made a profit for the financial year of £112,538 (2019: £1,241 loss).

Investment policy

Surplus funds are kept on deposit, earning interest, where they are readily available to meet our costs when required. The Board of Trustee Directors reviews this policy periodically.

Cash flow

The cash inflow from operating activities was £745,397 (2019: outflow £430,439) resulting in net cash inflow after investing activities of £596,567 (2019: outflow of £547,094).

Reserves policy

Unrestricted funds of the charity at the year-end amounted to £5,025,835 (2019: £4,629,354 in 2019) of which £337,721 (2019: £0) were free funds.

The Board of Trustee Directors aspires to retain free funds equivalent to a minimum of six months' operating costs which based upon the costs for the year ended 31 March 2020 is £1.7 million. The Board is working to restore free funds above the target level as soon as practicable over the next three to five years. This will ensure that there is very little risk of unplanned closure that might otherwise have a very serious impact on our vulnerable beneficiaries. The Finance and Fundraising Committee continues to review our reserves policy to reflect any changes that may be necessary.

Outlook and key 2020/21 Objectives

Our plans for 2020/21 have had to be fundamentally changed due to the COVID pandemic. Our key priorities for 2020/21 have become:

- To minimise, as far as possible the risks of COVID infection within the hospice and to ensure the safety of our children, their families and our team.
- To maintain our residential and Hospice at Home services as long as circumstances allow.
- To work with the NHS to support their efforts including making available beds to free space in Hospitals.
- To maintain and expand our fundraising activities to ensure that as far as possible income lost from cancelled events and other activities is made up from other sources.
- To make the necessary infrastructure and other changes to enable all non-care team members to work from home.
- To support national and local efforts to secure emergency Government funding.
- To ensure our retail shops are COVID secure and are kept open as much as national regulations allow.

The Board intends to undertake a full strategic review in 2021 when hopefully the outlook for the future will be clearer.

The Board of Trustee Directors would like to thank all staff and volunteers for the immense efforts they have made over the last year.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Richard House Trust for the purposes of company law) are responsible for preparing the Trustee Directors' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

Auditors

The auditors, Moore Kingston Smith LLP, will be proposed for re-appointment in accordance with the Companies Act 2006.

Declaration

The Trustee Directors declare that they have approved the Trustee Directors' Annual Report above.

Signed on behalf of the charity's Trustee Directors on 27 January 2021



Derek Lovelock, Trustee Director

Part 2

Financial Statements

Independent Auditor's Report to the Members and Trustees of Richard House Trust

Opinion

We have audited the financial statements of Richard House Trust (the 'company') for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Group and Charity Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 the parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

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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 the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company'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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

Richard House Trust Financial Statement

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

29 January 2021

Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account) for year ended 31 March 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income					
Incoming resources' from fundraising					
Donations and legacies	2	1,824,140	361,914	2,186,054	1,462,035
Other trading activities:					
Fundraising and events	2	187,408	139,000	326,408	177,146
Income from trading company	3	547,758	-	547,758	448,515
Income from investment and interest		5,824	-	5,824	11,725
Income from Charitable activities					
Statutory and grant funding for hospice care	4	882,900	369,110	1,252,010	901,742
Total income		3,448,030	870,024	4,318,054	3,001,163
Expenditure					
Expenditure on Raising funds					
Fundraising and publicity	5	888,122	-	888,122	811,658
Expenses of trading company	3	435,220	-	435,220	463,365
		1,323,342	-	1,323,342	1,275,023
Expenditure on Charitable activities					
	5	1,728,674	860,297	2,588,971	2,302,768
Total expenditure	5	3,052,016	860,297	3,912,313	3,577,791
Net income/(expenditure)		396,014	9,727	405,741	(576,628)
Fund balances brought forward at 1 April 2019					
		4,634,203	45,711	4,679,914	5,256,542
Fund balances brought forward at 1 April 2020					
		5,030,217	55,438	5,085,655	4,679,914
		Note 19	Note 20		

The net expenditure attributable to the parent company was £293,203 (2019: net expenditure £561,778). The company has taken the exemption under Section 408 of the Companies Act 2006 not to publish its own Statement of Financial Activities

Continuing operations

None of the company's activities were acquired or discontinued during the year.

Richard House Trust Group and Charity Balance Sheet at 31 March 2020

	Notes	Group		Company	
		2020 £	2019 £	2020 £	2019 £
Fixed Assets					
Intangible assets	8	667	1,524	667	1,524
Tangible assets	9	4,504,704	4,518,312	4,472,309	4,484,059
Investments	10	-	-	4	4
		<u>4,505,371</u>	<u>4,519,836</u>	<u>4,472,980</u>	<u>4,485,587</u>
Current Assets					
Stocks		-	-	-	-
Debtors falling due within one year	11	445,568	417,584	397,407	374,322
Cash at bank and in hand		<u>758,929</u>	<u>162,362</u>	<u>745,666</u>	<u>150,534</u>
		<u>1,204,497</u>	<u>579,946</u>	<u>1,143,073</u>	<u>524,856</u>
Creditors: Amounts falling due within one year	12	<u>(617,426)</u>	<u>(407,501)</u>	<u>(534,780)</u>	<u>(335,378)</u>
Net current assets		<u>587,071</u>	<u>172,445</u>	<u>608,293</u>	<u>189,478</u>
Creditors: Amounts falling due within more than one year	14	<u>(1,395)</u>	<u>(6,975)</u>	-	-
Provisions	15	<u>(5,392)</u>	<u>(5,392)</u>	-	-
Net assets		<u>5,085,655</u>	<u>4,679,914</u>	<u>5,081,273</u>	<u>4,675,065</u>
Represented by:					
Unrestricted funds					
Charity funds	19, 22	5,025,835	4,629,354	5,025,835	4,629,354
Trading subsidiary funds	19, 21	<u>4,382</u>	<u>4,849</u>	-	-
		<u>5,030,217</u>	<u>4,634,203</u>	<u>5,025,835</u>	<u>4,629,354</u>
Restricted funds	20, 21	<u>55,438</u>	<u>45,711</u>	<u>55,438</u>	<u>45,711</u>
		<u>5,085,655</u>	<u>4,679,914</u>	<u>5,081,273</u>	<u>4,675,065</u>

Approved and authorised for issue by the Board of Trustee Directors on 27 January 2021 and signed on its behalf by:



Derek Lovelock, Trustee Director
Company number: 3232837

**Richard House Trust Consolidated Cashflow Statement for year ended
31 March 2020**

	Notes	2020 £	2019 £
Net cash inflow /(outflow) from operating activities	(a)	745,397	(430,439)
Investing activities			
Purchase of intangible fixed assets		-	(1,200)
Purchase of tangible fixed assets		(154,654)	(127,180)
Investment income and interest		5,824	11,725
Net cash used in investing activities		<u>(148,830)</u>	<u>(116,655)</u>
Net increase /(decrease) in cash and cash equivalents		596,567	(547,094)
Cash and cash equivalents at beginning of year		162,362	709,456
Cash and cash equivalents at end of year		<u>758,929</u>	<u>162,362</u>

Notes to the cash flow statement

(a) Net cash inflow /(outflow) from operating activities

Net incoming / (outgoing) resources for the year	405,741	(576,628)
Depreciation	168,262	177,460
Amortisation	857	995
Investment income and interest	(5,824)	(11,725)
Decrease in stocks	-	-
Increase in debtors	(27,984)	(53,656)
Increase in creditors/provisions	204,345	33,115
Net cash inflow /(outflow) from operating activities	<u>745,397</u>	<u>(430,439)</u>

Richard House Trust Notes to the Financial Statements for year ended 31 March 2020

1. Accounting Policies

Richard House Trust is a charity incorporated in England and Wales.

Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company and its subsidiaries constitute a public benefit group as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

These accounts have been prepared on the going concern basis, under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The group financial statements consolidate the financial statements of the company and its two wholly owned subsidiary undertakings, Richard House Developments Limited and Richard House Trading Company Limited, for the year ended 31 March 2020.

In accordance with Section 408 of the Companies Act 2006, no separate statement of financial activities is presented for the charity. The net outgoing resources attributable to Richard House Trust were £293,203 (2019: outgoing £561,778).

Income

This represents income from grants, donations, fundraising events, merchandising sales, statutory funding and interest.

There are two types of income: unrestricted and restricted. Unrestricted funds are funds that can be spent at the discretion of the Trustee Directors on the charity's objects. Designated funds are unrestricted funds which have been set aside by Trustees Directors for purposes. Restricted funds are funds provided by external sources for specific projects and may only be applied towards those specific projects.

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail on their contribution is given in the Trustees' Report.

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

1. Accounting Policies (continued)

For legacies, entitlement arises when the Charity is aware that probate has been granted. Receipt is normally when the executors have established that there are sufficient assets in the estate. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supply of goods and services to raise funds and is recognised when entitlement has occurred.

Expenditure

This represents the expenditure on raising funds and charitable expenditure. Expenditure on raising funds includes fund raising and publicity costs and the expenses of the trading company. Charitable expenditure is the cost of activities in furtherance of the charity's objects.

Expenditure is classified by the category of activity for which it is used rather than by type of expense. Allocation is on an actual basis, or where this is not possible, on an estimated usage basis.

- Expenditure on raising funds are those costs incurred in attracting donations and legacies income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the provision of hospice and related care and include both the direct costs and support costs relating to these activities.
- Support costs include central costs and have been allocated to cost categories on the basis of staff time spent in each area.
- Governance costs (included as part of support costs) include those incurred in the governance and strategic management of the organisation including costs associated with meeting constitutional and statutory requirements.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Tangible Fixed Assets

Expenditure on tangible fixed assets over £1,000 is capitalised and depreciation is provided at the following annual rates to write off the cost of each asset over its estimated useful life:

Fixtures and fittings	20% straight line
Office equipment	15% straight line
Motor vehicles	25% straight line
Computer equipment	33% straight line
Freehold buildings	2% straight line

Intangible Fixed Assets

Expenditure on intangible fixed assets over £1,000 is capitalised and depreciation is provided at the following annual rates to write off the cost of each asset over its estimated useful life:

Web site	33% straight line
Computer software	33% straight line

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

1. Accounting Policies (continued)

Stock

Stock is valued at the lower of cost or net realisable value after making due allowance for any obsolete or slow-moving stock.

Donated goods for resale or distribution

The company receives donated goods for resale in the charity shops of the subsidiary company. As per the advice of The Accounting Council, donated goods are not recognised as income on receipt as the value cannot be measured reliably and the benefit of recognising the item does not outweigh the costs.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Provision for accrued holiday pay

The company has made a provision for unused holiday pay accrued at year end. As the total amount accrued was immaterial, the adjustment was made within the reporting period.

Provision for bad debt

The company has made a provision for bad debts based on those debtors which are unpaid at the time the accounts were approved and due to the time may not be recovered in full.

Taxation

The company is a registered charity and did not receive taxable income in the year.

Remuneration

The company has a Remuneration policy which includes remuneration for key management personnel. The company undertakes benchmarking regularly when setting remuneration and determining salary changes.

Operating leases

Rentals charged under operating leases, including any lease incentives received, are charged on a straight-line basis over the term of the leases.

Pension costs

Pension contributions are charged to the statement of financial activities on an accrual basis,

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

1. Accounting Policies (continued)

using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements and have considered the potential impact of the Covid-19 pandemic. In particular the trustees have taken account of pressures on statutory income, donation income, fundraising events and trading income, as well as expenditure. The trustees have considered various scenarios and the mitigating action available to them should income fall significantly. Based on this and the significant unrestricted reserves available the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

2. Donations and Legacies

	2020	2019
	£	£
Community	214,575	114,925
Trusts and Foundations	391,990	390,498
Individuals	267,580	339,159
High Value	146,088	30,560
Corporate	519,300	331,137
Legacies	497,950	156,481
Donated Professional Services	104,650	35,641
Gift Aid	43,921	63,634
	<u>2,186,054</u>	<u>1,462,035</u>

Fundraising and events

	2020	2019
	£	£
Fundraising and events	326,408	177,146

Donations derived from the Richard House Rainbow Ball was £326,408 (2019: nil)

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

3 . Investments in Subsidiaries

	2020	2019
	£	£
<i>Richards House Trading Company Limited</i>	547,758	448,515
Income	<u>48,736</u>	<u>48,800</u>
Intercompany income eliminated on consolidation		
Consolidated income	596,494	497,315
Cost of sales	(18,714)	(15,769)
Administration expenses	(416,506)	(433,987)
Intercompany expenses eliminated on consolidation	<u>-</u>	<u>-</u>
	(435,220)	(449,756)
Net consolidated income before donation and taxation	161,274	47,559
Net intercompany income	<u>(48,736)</u>	<u>(48,800)</u>
Operating (loss)/profit before donation to parent company	112,538	(1,241)
Donation to parent company	<u>-</u>	<u>-</u>
(Loss)/Profit on ordinary activities before taxation	112,538	(1,241)
Taxation	<u>-</u>	<u>-</u>
Profit/(Loss) on ordinary activities before taxation	112,538	(1,241)
Dividends	<u>-</u>	<u>-</u>
Retained profit/(loss) for the financial year	112,538	(1,241)
Retained profit brought forward	4,851	19,701
Charitable distribution from parent undertaking	(113,005)	(13,609)
Retained profit carried forward	<u>4,384</u>	<u>4,851</u>

At the end of the year, the company had aggregate assets of £208,702 (2019: £97,959), liabilities of £204,318 (2019: £93,108) and net shareholder's funds of £4,384 (2019: £4,851).

Richard House Developments Limited

The company has not traded during the year or the preceding financial year. During these years the company received no income and incurred no expenditure and therefore made neither profit nor loss. At the end of the year, the company had aggregate assets of £2 (2019: £2) and net shareholder's funds of £2 (2019: £2).

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

4. Statutory and Grant Funding for Hospice care

	2020	2019
	£	£
Income from core NHS contracts	511,605	405,389
Other NHS and local authority income	371,295	158,002
Department of Health grants	369,110	338,351
	<u>1,252,010</u>	<u>901,742</u>

5. Expenditure

Analysis of total expenditure

	Staff costs £	Other direct costs £	Support costs £	Total 2020 £
Fundraising and publicity	505,343	222,820	159,959	888,122
Trading company expenses	198,978	236,242	-	435,220
Hospice care	1,534,865	644,197	377,311	2,556,373
Governance	19,791	12,251	556	32,598
Total expenditure	<u>2,258,977</u>	<u>1,115,510</u>	<u>537,826</u>	<u>3,912,313</u>

Analysis of support costs

	Staff costs £	Other direct costs £	Total 2020 £
Fundraising and publicity	131,330	28,629	159,959
Hospice care	305,996	71,315	377,311
Governance	-	556	556
Total support costs	<u>437,326</u>	<u>100,500</u>	<u>537,826</u>

Expenditure on Charitable activities includes the expenditure on Hospice care and Governance.

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

5. Expenditure (continued)

Analysis of total expenditure	Staff costs	Other direct costs	Support costs	Total 2019
	£	£	£	£
Fundraising and publicity	458,140	217,978	135,540	811,658
Trading company expenses	205,007	258,358	-	463,365
Hospice care	1,357,408	580,381	331,330	2,269,119
Governance	22,238	10,500	911	33,649
Total expenditure	2,042,793	1,067,217	467,781	3,577,791

Analysis of support costs	Staff costs	Other direct costs	Total 2019
	£	£	£
Fundraising and publicity	100,550	34,990	135,540
Hospice care	231,935	99,395	331,330
Governance	-	911	911
Total support costs	332,485	135,296	467,781

Expenditure on Charitable activities includes the expenditure on Hospice care and Governance.

Analysis of governance costs	2020	2019
	£	£
Staff costs	19,791	22,238
Audit fees	12,251	10,500
Support costs	556	911
	32,598	33,649

Support costs are included in the above analysis of total resources expended and have been allocated across activities on the basis of staff time spent in each area. These costs include providing IT, payroll, personnel, finance, property and other central services to the charity's staff and volunteers.

Governance costs have been funded entirely by unrestricted funds.

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

6. Staff Costs

	2020	2019
	£	£
Wages and salaries	2,358,210	2,085,212
Social security costs	228,365	185,447
Other pension costs	109,728	104,619
	<u>2,696,303</u>	<u>2,375,278</u>

	2020	2019
	Number	Number
Average number of employees full time equivalent:		
Charitable work	34	30
Fundraising	10	9
Trading	11	10
Administration	12	11
	<u>67</u>	<u>60</u>

The number of employees receiving remuneration in excess of £60,000 increased within the following bands:

	2020	2019
	Number	Number
£60,000 - £70,000	2	-
£70,001 - £80,000	1	1
£80,001 - £90,000	<u>1</u>	<u>1</u>

Total pension contributions for the highest paid employee during the year were £4,900 (2019: £4,725).

The remuneration of key management personnel, who included the Chief Executive, Director of Finance and Operations, Director of Family and Care Services, Head of Fundraising and Head of HR and Volunteer Engagement, was as follows:

	2020	2019
	£	£
Aggregate emoluments	371,516	324,197
Company pension contributions	16,705	11,842
	<u>388,221</u>	<u>336,039</u>

The number of key management personnel for whom retirement benefits are accruing under defined contribution schemes amounted to NIL (2019: NIL).

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

7. Net (expenditure)/income

		2020	2019
		£	£
This is stated after charging:			
Auditor's remuneration:			
Company	- current year audit fee excluding VAT	11,620	10,290
Subsidiary companies	- current year audit fee	2,110	4,880
	- current year non-audit	550	535
Depreciation		168,262	177,460
Amortisation		857	995

8. Intangible Fixed Assets

Group and Company	Software £	Website £	Total £
Cost			
At 1 April 2019	7,768	15,942	23,710
At 31 March 2020	7,768	15,942	23,710
Accumulated Amortisation			
At 1 April 2019	7,311	14,875	22,186
Charge for the year	457	400	857
At 31 March 2020	7,768	15,275	23,043
Net Book Value			
At 31 March 2020	-	667	667
At 31 March 2019	457	1,067	1,524

Richard House Trust Notes to the Financial Statements for year ended 31 March 2020 (continued)

9. Tangible Fixed Assets

Group	Freehold Land £	Buildings £	Work in Progress	Fixtures & Fittings £	Computer Equipment £	Motor Vehicle £	Total £
Cost							
At 1 April 2019	270,704	5,555,141	44,670	464,836	69,459	39,489	6,444,299
Additions	-	149,319	(44,670)	3,778	46,227	-	154,654
At 31 March 2020	270,704	5,704,460	-	468,614	115,686	39,489	6,598,953
Accumulated Depreciation							
At 1 April 2019	-	1,466,401	-	366,811	65,842	26,933	1,925,987
Charge for the year	-	112,596	-	45,046	5,040	5,580	168,262
At 31 March 2020	-	1,578,997	-	411,857	70,882	32,513	2,094,249
Net Book Value							
At 31 March 2020	270,704	4,125,463	-	56,757	44,804	6,976	4,504,704
At 31 March 2019	270,704	4,088,740	44,670	98,025	3,617	12,556	4,518,312

Company	Freehold Land £	Buildings £	Work in Progress	Fixtures & Fittings £	Computer Equipment £	Motor Vehicle £	Total £
Cost							
At 1 April 2019	270,704	5,555,141	44,670	304,031	69,459	11,588	6,255,593
Additions	-	149,319	(44,670)	3,778	25,248	-	133,675
At 31 March 2020	270,704	5,704,460	-	307,809	94,707	11,588	6,389,268
Accumulated Depreciation							
At 1 April 2019	-	1,466,401	-	227,703	65,842	11,588	1,771,534
Charge for the year	-	112,596	-	30,120	2,709	-	145,425
At 31 March 2020	-	1,578,997	-	257,823	68,551	11,588	1,916,959
Net Book Value							
At 31 March 2020	270,704	4,125,463	-	49,986	26,156	-	4,472,309
At 31 March 2019	270,704	4,088,740	44,670	76,328	3,617	-	4,484,059

A substantial contribution towards the cost of the buildings was received from the National Lottery Charities Board and as such the buildings may not be sold without their consent until 2084.

Richard House Trust Notes to the Financial Statements for year ended 31 March 2020 (continued)

10. Fixed Asset Investments - Group Undertakings

The company's investments at the balance sheet date in the share capital of companies include the following:

Shares in group undertakings	Nature of business	Class of share	Percentage holding	2020 £	2019 £
Richard House Developments Limited	Property development	Ordinary	100%	2	2
Richard Hosue Trading Company Limited	Retail	Ordinary	100%	2	2

11. Debtors

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	56,748	146,839	56,441	146,839
Amount owed from subsidiary undertaking	-	-	114,885	-
Other debtors	19,974	22,933	19,318	11,134
Prepayments	109,185	87,125	72,762	55,662
Accrued income	259,661	160,687	134,001	160,687
	<u>445,568</u>	<u>417,584</u>	<u>397,407</u>	<u>374,322</u>

12. Creditors: Amounts falling due within one year

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Trade creditors	110,206	77,757	107,591	69,824
Taxation and social security	67,784	101,806	67,784	101,806
Amount owed to subsidiary undertaking	-	-	-	8,618
Other creditors	268,171	69,745	268,171	58,415
Finance lease liability	5,580	5,580	-	-
Accruals	152,681	136,686	78,230	80,788
Deferred income	13,004	15,927	13,004	15,927
	<u>617,426</u>	<u>407,501</u>	<u>534,780</u>	<u>335,378</u>

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

13. Deferred income

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
At beginning of the year	15,927	36,166	15,927	36,166
Released during the year	(15,927)	(36,166)	(15,927)	(36,166)
Additions during the year	<u>13,004</u>	<u>15,927</u>	<u>13,004</u>	<u>15,927</u>
	<u>13,004</u>	<u>15,927</u>	<u>13,004</u>	<u>15,927</u>

Deferred income comprises income relating to April; all amounts relate to the next accounting period.

14. Creditors: Amounts falling due within more than one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Finance lease liability	<u>1,395</u>	<u>6,975</u>	<u>-</u>	<u>-</u>
	<u>1,395</u>	<u>6,975</u>	<u>-</u>	<u>-</u>

15. Provisions

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax liabilities	<u>5,392</u>	<u>5,392</u>	<u>-</u>	<u>-</u>
	<u>5,392</u>	<u>5,392</u>	<u>-</u>	<u>-</u>

16. Share Capital

The company does not have share capital. However, every member of the company undertakes to contribute to the assets of the company such amount as may be required, not exceeding £1. There were 13 (2019 - 13) members at the balance sheet date.

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

17. Pension Commitments

The company is an approved organisation, for the purpose of the National Health Service (Superannuation) Regulations 1980, making contributions to the National Health Service Pension Scheme. The Scheme is regarded as a statutory scheme by the Inland Revenue and is covered by section 22 of chapter 3 of the 1970 Finance Act. The contributions of the employer are 20.68% and the contributions of the employee range from 7.1% to 13.5%. As a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of the scheme benefits. The Exchequer also pays for the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employees. Contributions of £20,031 (2019: £20,064) were charged in the financial statements.

Contributions are also made to another independent money purchase pension scheme of which a certain number of the company's staff are members. It is funded by assets held outside Richard House Trust. Contributions of £95,934 (2019: £84,555) were charged in the financial statements. The company has an auto-enrolment process in place for the money purchase pension scheme in compliance with the changes to pension regulations.

At 31 March 2020 contributions amounting to £4,185 (2019: £2,832) were payable to National Health Service Pension Scheme and £12,315 (2019: £9,420) were payable to the independent money purchase pension scheme and both are included in creditors.

18. Contingent Liabilities

Richard House Trust acts as a guarantor on a lease held by Richard House Trading Company Limited and as such covenants to pay rents in the event of Richard House Trading Company Limited failing to comply with the terms of the lease. The annual rent is £33,600 for the remainder of the lease (October 2021) formerly £28,000 for the term of 15 years commencing 20 October 2006.

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

19. Analysis of Unrestricted Funds

	Balance at 1 April 2019 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2020 £
Designated funds					
Fixed asset fund	4,485,583	-	-	(12,607)	4,472,976
Replacement and maintenance fund	215,138	-	-	-	215,138
	4,700,721	-	-	(12,607)	4,688,114
Free funds	(71,367)	2,900,272	(2,616,796)	125,612	337,721
Unrestricted funds of the charity	4,629,354	2,900,272	(2,616,796)	113,005	5,025,835
Trading subsidiary funds	4,849	547,758	(435,220)	(113,005)	4,382
	4,634,203	3,448,030	(3,052,016)	-	5,030,217

	Balance at 1 April 2018 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2019 £
Designated funds					
Fixed asset fund	4,512,054	-	-	(26,471)	4,485,583
Replacement and maintenance fund	215,138	-	-	-	215,138
	4,727,192	-	-	(26,471)	4,700,721
Free funds	366,700	1,879,164	(2,343,702)	26,471	(71,367)
Unrestricted funds of the charity	5,093,892	1,879,164	(2,343,702)	-	4,629,354
Trading subsidiary funds	21,574	448,515	(465,240)	-	4,849
	5,115,466	2,327,679	(2,808,942)	-	4,634,203

The fixed asset fund represents funds that the trustees have agreed to set aside as designated funds and corresponds to the net book value of tangible fixed assets not represented by restricted funds. The replacement and maintenance fund represents funds set aside as designated funds to ensure that fixtures, fittings and computer equipment are fully operational at all times. Amounts are transferred to and from the general fund to maintain the designated funds at the appropriate levels. These funds typically represent between 4-5% of the fixed asset value.

The trading subsidiary funds represents the retained profit held by Richard House Trading Company Limited

It is anticipated that these funds will not be used in the next three years as the care area of the hospice has recently been refurbished. The replacement and maintenance fund is expected to be spent within five years

Richard House Trust Notes to the Financial Statements for year ended 31 March 2020 (continued)

20. Analysis of Restricted Funds

	Balance at 1 April 2019 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2020 £
Department of Health Section 64 Grant	-	369,110	(369,110)	-	-
Respite Care Fund	43,000	312,587	(324,588)	-	30,999
Transition Fund	500	35,068	(31,708)	-	3,860
Equipment	-	11,266	(11,266)	-	-
Sensory Garden	-	104,650	(104,650)	-	-
Other funds	2,211	37,343	(18,975)	-	20,579
	<u>45,711</u>	<u>870,024</u>	<u>(860,297)</u>	<u>-</u>	<u>55,438</u>

	Balance at 1 April 2018 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2019 £
Respite Care Fund	23,991	202,143	(183,134)	-	43,000
Transition Fund	3,750	14,337	(17,587)	-	500
Equipment	14,613	36,048	(36,048)	(14,613)	-
Sensory Garden	-	35,641	(50,254)	14,613	-
Care Database	38,000	-	(38,000)	-	-
Other funds	60,722	46,964	(105,475)	-	2,211
	<u>141,076</u>	<u>335,133</u>	<u>(430,498)</u>	<u>-</u>	<u>45,711</u>

The Department of Health Section 64 Grant consists of funds awarded to maintain existing levels of in house care and to open additional beds during periods of expressed demand

The Department of Health Grants consists of funds awarded from the £30 million funding for children's palliative care in 2010/11 for a pilot rapid response home care/end of life service for children, young people and their families. The expenditure was deferred while the hospice refurbishment was undertaken and resumed when residential care services returned to the Beckton Site.

- * The Respite Care Fund consists of funds raised to provide respite and other care for children, particularly focussed on staffing of nurses
- * The Transition Fund consists of funds raised to support our transitional care service for young adults.
- * Sensory Garden Fund consists of funds raised for transforming our award winning garden. The work were mostly donated professional services from Greenfingers charity.
- * Care database consists of funds raised moving clinical data & operations to a new more secure database to eliminate unnecessary paperwork, and enable efficient and smart working.
- * Other Funds consists of funds raised for transport and Music Therapy, events for children, management and administration

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

21. Analysis of Net Assets by Fund

	Tangible Fixed Assets £	Net Current Assets/ Liabilities £	Long term Liabilities and provisions £	Total 2020 £
Designated funds	4,472,976	215,138	-	4,688,114
Free Funds	-	337,721	-	337,721
	<u>4,472,976</u>	<u>552,859</u>	<u>-</u>	<u>5,025,835</u>
Trading subsidiary funds	32,396	(21,223)	(6,791)	4,382
Restricted funds	-	55,438	-	55,438
	<u>4,505,372</u>	<u>587,074</u>	<u>(6,791)</u>	<u>5,085,655</u>

	Tangible Fixed Assets £	Net Current Assets/ Liabilities £	Long term Liabilities and provisions £	Restated Total 2019 £
Designated funds	4,485,583	215,138	-	4,700,721
Free Funds	-	(71,367)	-	(71,367)
	<u>4,485,583</u>	<u>143,771</u>	<u>-</u>	<u>4,629,354</u>
Trading subsidiary funds	34,254	(17,038)	(12,367)	4,849
Restricted funds	-	45,711	-	45,711
	<u>4,519,837</u>	<u>172,444</u>	<u>(12,367)</u>	<u>4,679,914</u>

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

22. Financial Commitments

At 31 March 2020, the group has commitments under non-cancellable leases as follows:

	Land and Buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within one year	95,350	95,350	10,344	11,754
Within two to five years	35,693	123,543	24,623	15,156
Over five years	-	-	-	-
	<u>131,043</u>	<u>218,893</u>	<u>34,967</u>	<u>26,910</u>

At 31 March 2020, the company has commitments under non-cancellable leases as follows:

	Land and Buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within one year	-	-	10,344	11,754
Within two to five years	-	-	24,623	15,156
Over five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>34,967</u>	<u>26,910</u>

23. Related Party Transactions

The company has taken advantage of the exemptions available under FRS 102 paragraph 33-1A available to group companies and accordingly, details of transactions between the Trust and its subsidiaries are not separately disclosed.

	2020	2019
	£	£
Donations received from Directors / Trustees for general core activities	117,100	67,351
	<u>117,100</u>	<u>67,351</u>

No trustee was reimbursed for incurred expenses during the year £nil (2019: £nil).

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

Our Thanks

Every year we need to raise more than £3.5 million to maintain and expand the services we can provide for life-limited children and their families. Statutory funding covers only a limited amount of our costs, so for every £4 Richard House spends, £3 must be funded by donors. We could not continue without the commitment of our dedicated supporters and thank all who have shown their support.

A special thanks to all those in the local community who supported us through bucket collections, collection tins and challenge events, including.

56dc	City of London Cemetery & Crematorium
Al Madina Mosque (Barking)	Clarus
Alchemy Foundation	Clifford Chance LLP
Ardonagh Community Trust (ACT)	Colt Technology Services
Armourers and Brasiers' Gauntlet Trust	Commerzbank AG
Arthur J Gallagher & Co.	CRASH Charity
Aspers Casino	Crédit Agricole CIB
Aspers Good Causes Fund	Daytrippers
Association for Financial Markets in Europe (AFME)	Dentons
ATC Systemwide	DM Thomas Foundation for Young People
Baker McKenzie	DoubleTree by Hilton (Excel)
Balfort Legal Ltd	East London Mosque
Barking Road Runners	Edenred Ltd
BBC Children in Need	EPTDA European Power Transmission
Beatrice Laing Trust	Distributors Association
Big Lottery Fund	Equinix
Blakemore Foundation	Ernest Hecht Charitable Foundation
Blick Rothenberg	Exchange Tower/Metrus
Boots (Romford & Havering Region)	Financial Conduct Authority (FCA)
Bouygues Construction	Fitch Ratings LTD
Bouygues Construction Co	Fladgate LLP
BP Oil International Limited	Forest Gate Mosque
Breyer Group PLC	French Connection UK LTD
British 10K	Gainsbury & Whiting Productions Limited
Broadgate Tower Abseil	Global Switch LTD
Bruce Wake Charitable Trust	Gowling WLG Charitable Trust
Buhler UK	Graham and Mary Stacy Trust
C S Hodges	Grange Farm Centre Trust
Canary Wharf Group Plc	Happy Days Children's Charity
Careys Group PLC	Hiscox PLC
Casey Trust	HM Revenue & Customs
Chevron Texaco	Hodge Foundation
Christadelphian Samaritan Fund	Holt Energy Advisors UK
Citi	Homelands Charitable Trust

**Richard House Trust Notes to the Financial Statements for year ended
31 March 2020 (continued)**

Hospice Aid UK	State Street Bank & Trust Company
HSBC Bank plc	Stella Symons Charitable Trust
Ink Global	Tate and Lyle Sugars (ASR Group)
Iron Mountain PLC	Thames Dragons
Islamic Relief Fund	The Albert Hunt Trust
Jack Petchey Foundation	The Ardwick Trust
Jessie's Fund	The Berkeley Foundation
John Horniman's Children's Trust	The Breakaway Committee in Aid of
Johns&Co	Handicapped Children
Joshua Hayday Helping Hand Trust	The Clara E Burgess Charity
Isaac Kaye	The Communication Group PLC
KeolisAmey Docklands Ltd	The D'Oyly Carte Charitable Trust
King & Spalding International LLP	The Edgar E Lawley Foundation
Les Mills Fund for Children	The Edward Gostling Foundation
Linklaters LLP	The Evelyn May Trust
Loan Syndicate Manager's Forum	The February Foundation
London Borough of Newham Lodge	The Hedley Foundation Ltd
London City Airport Ltd	The Hobson Charity
M&G Investments LTD	The Hospital Saturday Fund Charitable Trust
Marks & Spencer	The Humanitarian and Saving Lives Trust
Marshall and Viggers Charitable Trust	The Mackintosh Foundation
Masonic Charitable Foundation	The Openwork Foundation
MCKS Charitable Foundation UK	The Sir Jules Thorn Charitable Trust
Metropolitan Grand Lodge	The Virgin Money London Marathon
Miller Insurance Services LLP	The Worshipful Company of Pewterers' Seahorse
Mishcon de Reya LLP	Charitable Trust
Nationwide	Travers Smith LLP
Navigant Consulting	Tuixen Foundation
Newham and District 41 Club	University of East London
Next Plc	Valero Energy UK LTD
Northern Trust Company LTD	Walsingham Motor Insurance LTD
Oasis Fashions LTD	Wells Fargo Bank, National Association
Prince Regent Hotel	West Ham United Football Club & Foundation
Prudential Ride London-Surrey	John and Amelia Winter
Wendy Pritchard	Yorkshire Building Society Charitable Foundation
Roger Vere Foundation	University of East London
Santa in the City	Valero Energy UK LTD
Sharegift	Walsingham Motor Insurance LTD
Smoke & Bubbles	Wells Fargo Bank, National Association
	West Ham United Football Club & Foundation
	John and Amelia Winter
	Yorkshire Building Society Charitable Foundation

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richardhouse.org.uk



Richard House Trust is a registered charity (1059029) and a company limited by guarantee (3232837 - England & Wales). Its registered office is Richard House Children's Hospice, Richard House Drive, London E16 3RG