

ST MICHAEL'S HOSPICE(NORTH HAMPSHIRE)

England & Wales · Charity number 1002856

Details

Status Registered

Legal form Charitable company

Company number [02588395](#)

Registered 1991-05-10

Register [View on the Charity Commission register](#)

Contact

Address St. Michaels Hospice
Basil De Ferranti House
Park Prewett
Aldermaston Road
Basingstoke
RG24 9NB

Phone 01256844744

Email info@stmichaelshospice.org.uk

Website www.stmichaelshospice.org.uk

Activities

Objects: TO PROVIDE THE RELIEF OF PERSONS OF EITHER SEX(WITHOUT REGARD TO RACE OR CREED) WHO ARE SUFFERING FROM ANY TERMINAL ILLNESS BY THE PROVISION OF HOSPICE CARE.

Activities: St Michael's Hospice was established to meet the needs of persons of either sex (without regard to race or creed) with active, progressive and advanced illness, by the provision of specialist palliative care. To promote the highest quality of life for patients with continued support for their families and carers and to ensure that sufficient resources are always available for this purpose.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- **Area of benefit:** IN PRACTICE BASINGSTOKE, NORTH HAMPSHIRE
- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,016,416	£6,392,042	£5,076,140	152
2024-03-31	£5,533,345	£6,152,407	£5,613,147	151
2023-03-31	£5,585,571	£5,674,464	£5,880,791	137
2022-03-31	£5,646,254	£5,087,728	£6,127,743	126
2021-03-31	£6,054,606	£5,464,259	£5,273,733	151

Trustees

Name	Role	Appointed
Alex May		2025-08-04
Caroline Baugh Dr		2022-11-07
Charlotte Pelling		2022-08-08
Christopher Aldous		2024-08-05
Daniel Bowden		2022-02-07
Dr Charlotte Anne Swart		2019-11-11
Elizabeth Strange		2025-11-10
Helen Brooker		2025-08-04
JANE LYONS		2020-11-09
Victoria Simpson		2021-11-08

Accounts

Company number: 02588395
Charity Number: 1002856

St. Michael's Hospice (North Hampshire)

(Company Limited by Guarantee)

Report and financial statements
For the year ended 31 March 2025

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Trustees' annual report

For the year ended 31 March 2025

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Company number 02588395
Country of incorporation United Kingdom

Charity number 1002856
Country of registration England

Registered office and operational address Basil de Ferranti House,
Aldermaston Road
BASINGSTOKE, Hampshire
RG24 9NB

Patrons Val Buckley
Hugo Cubitt DL

Honorary Life President Andrew Soundy

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

D Salisbury	Chairman
D Bowden	Honorary Treasurer
S Goddard	
C Swart	(Practising as Hutchings)
C Pelling	(Practising as Jones)
J Lyons	
C Baugh	(Practising as O'Keeffe)
V Simpson	
A Taylor	Resigned 10 February 2025
C Aldous	Appointed 5 August 2024

Key management

I Cameron	Chief Executive
J Storrar	Medical Director
C Griffiths	Director of Transformation
G Grace	Finance Director
L Pink	Director of Income Generation
K Drake	Clinical Director
E Wilkinson	HR Manager

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Bankers	Lloyds Bank PLC 2, Winchester Street BASINGSTOKE, RG21 1EB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane LONDON EC1Y 0TG
Investment Managers	CCLA Fund Managers Limited Senator House 85 Queen Victoria Street LONDON EC4V 4ET

SECTION 1: Chief Executive Foreword

St. Michael's Hospice (North Hampshire) is an independent hospice, registered with both the Charity Commission and Companies House and regulated by the Care Quality Commission. In this document we present our annual report for 2024/25.

The Financial Year 2024/25 proved a particularly challenging period for St. Michael's operating to the backdrop of rising staff costs, falling Legacies and increasing overheads. In line with the strategic objective to achieve financial balance within three years, a deficit budget of £603k was approved by Trustees and a number of activities were required to meet this commitment. During the year, a small programme of redundancies within the Administration Team was undertaken to reduce staffing costs and streamline the Charity's business model. At the beginning of the reporting period an opportunity to further reduce costs was identified and in July 2024 the Hospice entered into a collaborative agreement to share the Chief Executive with Rowans Hospice in Waterlooville, serving Portsmouth and Southeast Hampshire. A reduction in overheads was not the sole objective of the agreement as the Hospice sought to become a more prominent voice in the direction of Palliative Care in the county. This partnership has proved highly successful and in January 2025 was widened to include the sharing of the hospice's Finance Director and Operations Director.

Clinical activity continued to increase as the Hospice responded to the mounting health needs of the population and the limitations of healthcare partners in a financially stretched system. The redefined services, spearheaded by the Medical Director, Clinical Director, and supported by the developmental Nurse Consultant, have resulted in more local people than ever before accessing high quality End of Life services, at the most appropriate time.

St. Michael's has an Income Generation Team to be proud of, skilfully led by the Director of Income Generation, achieving significant year on year growth and generating the highest level of charitable income in the history of the organisation, despite the economic landscape. At the beginning of the year, supported by the Hospice Patrons, the Director of Income Generation launched a Major Donor programme to engage with some of the most affluent and generous people in the local area. The programme exceeded expectations in its first year providing much needed income to reduce the operating deficit.

Over the course of the year, in collaboration with Trustees, senior leaders, staff, and stakeholders, we undertook a review to build on our existing strategic plan which was due to end in March 2025. In the final quarter, the Board of Trustees formally approved the new strategy, which is structured around the four established strategic pillars:

- *Develop Sustainable Partnerships*
- *Financially Balanced and Self-sufficient*
- *Enhance Training, Education and Invest in our People*
- *Invest and Extend our Services*

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This strategy provides a clear framework to guide our work over the next five years, through to 2030, and underpins all future organisational activity. A key enabler of this strategic vision has been the revision of our organisational values, originally launched in 2018. These values, now captured in the acronym '**THRIVE**'—form the cultural foundation of the Hospice, guiding how we represent our community and how our staff engage with service users, supporters, and one another.

The Hospice has assembled a high performing, effective Senior Leadership Team, that are experts within their individual disciplines but work collectively in support of the organisation's objectives and aspirations. During the reporting period, this included the promotion of the HR Manager to the team to champion the voice of staff groups and support the Hospice being an employer of choice. This group advises and complements the Trustee Board in support of the strategic objectives and sustainability in an uncertain healthcare environment.

In December, the Secretary of State for Health and Social Care announced a one-off funding programme for hospices of £100m for capital projects divided between this, and the next reporting period. Whereas this does not address the underlying issue of sustainable funding for Palliative and End of Life Care in the UK, it has eased the budgetary pressure and contributed to the positive outturn of the Fiscal Year to March 31st 2025. In the coming year, the future funding will be used for the sole purpose of enhancing the Hospice environment and reducing in-year expenditure of capital items.

The most significant development this year has been the confirmation of a substantial uplift in the funding allocated to St. Michael's by the Hampshire & Isle of Wight Integrated Care Board (ICB). Following many months of negotiations, aimed at redressing the inequity of funding allocations across Hampshire, the hospice has secured a three year contract to cover 21% of running costs. In the context of widespread reductions to healthcare budgets, this increase serves as a powerful endorsement and recognition of the vital role the Hospice plays in the health system. This enhanced funding creates an opportunity to invest further in services aimed at easing pressure on local hospitals; an objective that remains central to our mission.

Looking forward, St. Michael's Hospice is now on a stable financial footing with the security to plan for future years supported by the investment from the ICB. Whilst the increase in funding is deserved and welcome, the Hospice still has an obligation to run as efficiently as possible and focussed solely on the delivery of End of Life Care. It is paramount that any enhancements to services are sustainable, affordable and efficient and that the charitable funds are used to support the delivery of our new Strategic Plan.

Iain Cameron
Chief Executive

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The Trustees are pleased to present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

St. Michael's Hospice is registered under the Health and Social Care Act 2008 (Regulated Activities) and the Care Quality Commission (Registration) Regulations 2009.

Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps Trustees ensure the charity's aims, objectives and activities remain focussed on its stated purposes.

The Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Purposes and Aims

St. Michael's Hospice provides free, compassionate care to people in North East Hampshire who have a life-limiting illness, need end-of-life care or are experiencing bereavement. Our purpose is to bring specialist palliative care, interventions and treatment to our patients, as well as extending care to their families, friends and carers by providing bereavement support and advice when a loved one has died.

Everyone deserves a good death – but this will look different for each of our patients. Some patients request to be cared for at home, surrounded by loved ones and in a familiar environment – for those patients we have our Hospice at Home service, where we provide our specialist care in their homes. We also have our 10-bedded In-Patient Unit, which provides 24-hour care on-site for those who cannot be, or do not want to be cared for at home. No matter which their choice is, we are there for our patients whenever and wherever they need us across North East Hampshire.

It is important to us that the days before dying are filled with as much living as possible. That is why we focus on ensuring that our patients are as comfortable, pain-free and independent as they can be. Our teams are trained and skilled in providing holistic care including treatment of

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side effects, strain, tension and breathlessness. Our aim is about putting life into days – making sure the days that do remain are as normal as they can be. We want our patients to continue making memories with their loved ones, whether that is playing a game together, renewing wedding vows, seeing a beloved pet or simply spending time together.

We know that hospices can be seen as daunting places; however we know this is not true. We pride ourselves on having a friendly environment filled with kindness and compassion, where our staff and volunteers are there for the needs of our patients and their families, whether providing medical care, making a cup of tea, or giving an empathetic ear or warm smile.

Our mission is simple. St. Michael's Hospice aims to enable anyone faced with a life-limiting illness, their families and carers, to attain the highest possible quality of life by providing a choice of specialist care and support.

To achieve this purpose, we have a clearly defined set of aims:

- Ensure that all people in our care with a life-limiting illness have access to the very best medical care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain
- Support and care for our patients' families and loved ones who play a crucial role in their wellbeing
- Allow our patients to die with dignity in a place of their choice.

We meet our aims through the following activities:

- Providing specialist palliative medical and nursing care in our In-Patient Unit (IPU) for critical and complex cases and in people's homes through our Hospice at Home team
- Working collaboratively to coordinate end of life and palliative care in the community across all stakeholders: the NHS, local GPs, Social Services and ourselves
- Therapeutic day care services for patients in the community
- Occupational therapy, physiotherapy, and complementary therapy services
- Providing family, spiritual and bereavement support
- Community and professional education.

Principal activities and performance

Care Services provision

Specialist palliative and end-of-life care is provided both in patients' own homes and at the Hospice in either our In-Patient Unit or, for visiting day-patients, in our Living Well Centre.

Measuring performance of care provision can be difficult but we monitor key indicators from our various feedback pathways and report on those. More details on how we collect feedback is available later in the report.

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In-Patient Unit (IPU)

The IPU provides 10 beds for those patients whose conditions are critical and complex and who would benefit from a period of intensive support.

- During this year, there were 295 (2023/24: 231) admissions to the IPU.
- The average length of stay was 8.1 days compared with 2023/24 which was 9.4 days.

For some, admission to the IPU enables the clinical team to treat and relieve complex symptoms associated with their illness, which means patients can then return home. This year, 99 patients were able to return home after a period in the IPU, an increase from the previous year when 86 patients were discharged home.

The IPU staff often start what we call “parallel planning” for discharge from the start of the admission; this means we are planning their discharge from day 1 of admission, no matter what the final outcome of their admission might be. This results in early discussions with patients and families about what they need to be in place before discharge. We are then prepared for when the patient is well enough to be discharged. This also involves the wider team, i.e. the IPU Co-ordinator, Therapy department, with whom the IPU team will liaise to ensure that medication, necessary Continuing Healthcare fast-track funding for packages of care and equipment are in place prior to discharge. There is also often a referral to the Community Nursing Team, the Community Palliative Care Team or the Hospice at Home team to ensure that some continuity of care and specialist nurse involvement continue when the patient reaches home.

One of our aims is to ‘ensure that all people with a life-limiting illness have access to the very best medical and nursing care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain’. We strive to treat our patients and their loved ones with the utmost respect and dignity. Recent feedback has been:

“At a time when our hearts were breaking, SMH provided a place of comfort, support and peacefulness, helping us as a family to navigate an unbearable tough time. My hubby loved the kind and caring staff who looked after him. SMH is a truly special place and we will forever be grateful for the care and support you afforded him and us as a family. Love and best wishes”

“Our family cannot put into words how grateful we were for the care given to x during the periods she spent at St Michael's Hospice. EVERY SINGLE PERSON either working or volunteering at the hospice were fantastically supportive and caring. We cannot thank the hospice enough but do so from the bottom of our hearts.”

Another of our aims is to ‘allow our patients to die with dignity in a place of their choice’... Achieving this can be difficult as the end of life may not always proceed in the way it was expected. In the year 2024/25 our In-Patient Unit supported 94% of patients to achieve their preferred place of death in the Hospice, a slight drop from 96% from the previous year.

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Over the last few months, the In-Patient Unit has started to embrace some new challenges and has been looking at ways of improving processes. This has often meant the deployment of a Quality Improvement project – looking at a rapid change cycle with tangible improvements that can be measured. This method is used in healthcare to good effect, both at clinical levels and also at project/programme level. We plan to continue to embrace rapid change where needed and will be planning quarterly projects.

We continue to aim to be a place where staff are developed and are learning constantly. Over the last few months, with the leadership of our Education Lead, IPU have started to work through clinical competencies demonstrating their proficiency in clinical skills.

The In-patient Unit was very actively involved with a national clinical research trial being undertaken by the University of Surrey – titled “A cluster randomised trial of clinically assisted hydration in patients in the last days of life” – which was completed in November 2024, we are now awaiting the study's results.

Hospice at Home

The Hospice at Home service is provided 365 days a year from 08:30 to 20:00. This service enables patients to remain in their home environment, where the majority want to be, while still receiving the Hospice's specialist palliative nursing care.

- In 2024/25 the Hospice at Home team completed 2,039 visits. Although this is a slight decrease in number of visits, we have seen an increase in visits completed by multiple members of the Hospice at Home staff in either a combination of doctor and nurse jointly visiting, nurse and nurse or in addition with a palliative care support worker, highlighting the increasing complexity of symptoms being managed within the home setting.
- 56% of these visits were completed in a planned and expected manner (either routine reviews, or reviews of syringe driver medications), with 44% of visits completed as a response to a change in condition requiring a same day visit ('SOS' visits).
- On average each month 14 visits were completed on the same day, preventing a potential hospital admission.
- Over 94% of patients supported on the Hospice at Home active caseload achieved their preferred place of death; in the cases this was not achieved, communication was clear and the adjusted care plan was agreed with patient and family.

Alongside completing in person visits and telephone reviews, the Hospice at Home team has provided professional advice and support to other healthcare professionals, including community nurses, GPs, paramedics, nursing homes and specialist settings such as Thornford park. The Hospice at Home team has also supported nursing and paramedic students through placements, educating, de-stigmatising and encouraging a passion for good palliative care to be delivered in whichever setting these students go on to work.

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The Hospice at Home team is supported by the Administrative team who assist the Clinical team and answer all calls into the service, 7 days a week during core working hours (08:00–18:00). This provides a very responsive service to all callers (patients, families and professionals) into this community telephone hub. The Administrative team are able to self-manage some of the calls, that do not require a clinician to respond, which then releases clinical time for the clinician to concentrate on providing clearer triage and response to those in need of clinical advice and in turn allowing for a greater clinical presence in the community. During the out of hours periods the In-Patient Unit team answer and triage incoming calls, assessing need during the call and responding as appropriate. The Admin team are often the first point of contact for a patient, relative or healthcare professional calling to ask for support and advice and there have been many positive comments received verbally regarding the help and reassurance that has been provided from this team.

Feedback received from relative survey

"To me the St Michaels hospice team are like heavenly angels surrounding the loved one and the family. I could not have cared for my Mother on her own without the support of the hospice team. Just knowing they were at the end of a phone 24/7 was an incredible reassurance. The hospice doctor and nurses arrived and asked all about my Mother and what were her needs as well as what they could do to support me as a carer. The team made it possible for my Mother to die at home with family around, free from pain and with dignity. This means everything to the family and to the person nearing the end of life."

Therapies

This year, 328 referrals were made to the Therapy team, compared to 166 the previous year. Despite challenges with recruitment, the Therapy team has reviewed its workload and has prioritised the service that it provides to work more efficiently, releasing more clinical time, which has helped increase activity, despite reduced staffing levels.

Our Therapy team offers Occupational Therapy and aims to provide Physiotherapy to actively support patients in all areas of St. Michael's. We aim to help patients manage their symptoms better, optimise their independence and quality of life, and support them in achieving their preferred place of death.

Therapy in the In-Patient Unit

The Therapy team undertook a total of 399 face-to-face contacts with patients on the Inpatient Unit. We aim to help patients with; assessing moving and handling, mobility, balance and transfers; discharge planning, including home assessment to help adjust to new routines to enable patients to return home for a period of time or for end-of-life care. We also spend time with patients to help manage breathlessness and anxiety. This is often done jointly with other members of the wider Multi-Disciplinary Team. The Therapy team also discusses end-of-life wishes, care, and future planning, needing to work quickly to support patient's wishes of EOLC at home. Patients are provided with equipment, alterations, and adaptations to enable them to be supported in their

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home environment, maintaining a level of independence. Once patients are discharged, they are kept on the caseload for monitoring, support and intervention as necessary.

Therapy in Living Well Service – Therapy plays a large part in the Living Well Service by leading two groups and actively providing support to all other groups run within the LWS.

Therapy support with Motor Neurone Disease (MND) patients – St. Michael's provides practical, emotional and psychological support which includes holding a monthly MND clinic as well as visits to patients' homes and access to 24/7 advice. The Therapy team helps to complete applications for specialist equipment and grants, which are funded through the MNDA (MND Association). Basic equipment is accessed via the Hampshire equipment store. Moving and handling advice is given, and the Hospice provides posture, seating and pressure relief equipment, which plays a key role with this particular patient group. The Therapy team works closely with the wider MDT to review and assess each MND patient regularly.

Therapy's role in the Neurological Conditions Service – St. Michael's holds a Neuro Clinic four times a year in the Living Well service. Therapists review patients' needs and concerns at the clinic but also arrange follow-up visits if required. It is important to regularly review, as their needs are constantly changing.

Therapy in the community – The Therapy team received 289 community referrals and completed 622 community visits (compared to 418 visits in 23/24).

A community visit enables a true picture of how a patient is managing in their environment and helps to build a better understanding of the patient. A similar assessment is completed to that we would undertake for a patient in IPU. Advice and support are given to patients and families making difficult decisions related to future deterioration in ability – for instance one-level living. Outpatient appointments are offered where patients can visit the Hospice gym to try equipment and complete prescribed exercises with a physiotherapist.

Patient and Family Support Team

The Patient and Family Support team covers pre and post bereavement services, chaplaincy, counselling, and complementary therapy. The focus this year has been on further developing the services and extending our reach to more patients and their families.

The **Bereavement Service** for family members is provided by both staff and volunteers. The number of attendees at our Bereavement Support Groups has increased to 394 compared with 206 the previous year.

The monthly Bereavement Coffee Mornings continue to be popular and well attended. The total number of attendees in the year was 175, compared to 129 last year. In November 2024 the service was extended to Alton, improving the accessibility of the service and continues to be supported by dedicated volunteers.

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Bereavement Evenings, held on alternate months to support newly bereaved relatives, have attracted more attendees with 54 attending this year compared to 24 last year.

"Hearing the experiences of others and understanding the range of responses to feel you are not alone in your experience"

"Good to meet other people and know that everything I'm feeling and doing is normal. Good to validate my feelings"

"Understanding that everything you feel is normal and unique to you"

Feedback from Bereavement Evening Attendees

The Bereavement Walk and Talk continues to be held on the third Friday of the month; the total number of attendees in the year has increased from 18 to 29 and continues to meet the needs of the small number of individuals who regularly attend.

Following the success of the first Bereavement Journey Course held in February 2024, a further 3 courses were run during the year, providing support to a total of 21 bereaved relatives.

"I thought the course was very helpful and has helped me let go some of my anger and guilt"

"If you could make this course mandatory, I think it would help so many people"

"I found sharing my experience with other people in similar situations extremely helpful"

Feedback from The Bereavement Journey

In November 2024 the Bereavement Service was further developed with the provision of a monthly Young and Widowed Support (YaWS) Group. The group, which is run on a Wednesday evening, provides an open forum where members can meet with others to provide peer support facilitated by a bereavement counsellor. The group currently has 10 active members.

The **Counselling Service** is offered to all those affected by a life-limiting illness, as well as those who are coping with grief. Our two part-time counsellors continue to see an increase in referrals and provided 605 pre and post bereavement counselling sessions compared with 526 the previous year.

"The counsellor's very experienced, knowledgeable and understanding approach was a revelation to me and opened up thinking on my part that I'd not actually considered. Extremely beneficial. Thank you"

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"It gave me the space and time to explore grief and how I could cope. Without that time I don't think I would be where I am today. The counsellor also made me realise I was allowed to grieve and needed to. Also made me feel better about how my father passed away in the hospice."

"All of my appointments were very helpful. I was able to express my feelings, cry if I needed, learned calming and breathing techniques that I will be able to use for when I feel sad and anxious, learned that it is okay not to be okay all the time and finding the good in bad situations. My counsellor will always have a positive impact on my life that I will always remember"

Feedback from Counselling Clients.

The availability of a **Chaplain** to provide listening, emotional and spiritual support has proved greatly beneficial to our patients and the service. The Chaplain service is currently available 4 days a week with out of hours support provided where required by the HHFT chaplaincy team. Our Chaplaincy Service, including one contracted member of staff and a volunteer, is designed to cater for all faiths and includes those who do not see themselves as having a faith. During the year, 672 chaplaincy visits were made compared with 721 the previous year however the chaplain's role has extended to the Living Well Service where he has led sessions on Emotional and Spiritual Care as well as leading Week 7 of The Bereavement Journey course entitled Faith Questions.

To support staff with the emotional demands of working in end-of-life care, one of the counsellors and the chaplain continue to provide regular supervision to clinical staff as well as facilitating ad-hoc debrief and reflection sessions in the Sanctuary.

The **Complementary Therapy Team** has continued to be busy during the year. They provide a 4-day service to patients, carers, and relatives, working on the Inpatient Unit, in the Living Well Service and in people's homes where necessary. The therapists work alongside the nursing and medical staff offering treatments to help symptom management and improve well-being, including massage, reflexology, and Reiki. In the past year, the complementary therapists provided 766 treatments compared with 780 the previous year.

"Stress, tension & grief hugely relaxed, and a chance to talk or switch off"

"Among a sea of hospital appointments and bad news, reflexology has been a breath of fresh air"

"As newly bereaved you don't think about yourself after caring for a loved one – almost feel guilty to have a treatment – but it makes so much difference to one's well-being"

Feedback from Complementary Therapy Clients

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Living Well Service

The Living Well Service (LWS) is designed to enable people to remain as independent as possible, to manage the impact of their illness, and to help support them through any future changes. The LWS was relaunched in September 2024 following the recruitment of a LWS clinical lead. Throughout their induction they had the opportunity to visit other hospices with established living well services to help shape and develop the service here at SMH.

- **Living Well Together** is a 7-week clinical programme providing an introduction to palliative care and the services we provide. We cover a range of topics throughout the programme to enable patients to have an insight into how to manage the impact of their illness, and how to adapt to any changes it may bring. Patients are able to access 1:1 support from the clinical lead throughout the programme (Q3:17 attendees, Q4:27)
- **Living Well with Your Symptoms** is a 5-week clinical programme focussing on specific symptoms such as fatigue, anxiety, breathlessness and sleep. We aim to provide patients with the tools and guidance they need to feel empowered to live as well as possible for as long as possible. This includes learning about different breathing exercises, management techniques or different pieces of equipment which might be helpful to patients. Our therapy team helps run this programme (Q3:27 attendees, Q4:40)
- **Living Well, Living Better** is one of our social programmes run for patients who are known to us. Often focusing on craft activities, which patients thoroughly enjoy and provides them with the space and opportunity to be more than their illness (Q3:24 attendees, Q4:41)
- **Men's Group** is another of our social programmes, run specifically for men to come together and share experiences (Q3:7 attendees, Q4:24)

As part of the Living Well Service, we also provide the following services:

- **St. Bernards Support** – this is an external service provider offering a drop-in financial support clinic run once a month for our patients to access (Q3:2 attendees, Q4:5)
- **Hawthorn Project** – this school project has been running since 2011, with huge success. The project involves 10 school children visiting the hospice over 4 weeks, to work on an art project alongside 10 of our palliative patients. The aim is to raise awareness of the hospice and children's ideas/concepts on end-of-life (Q3:32 attendees, Q4:32)

We have received a total of 96 referrals to the Living Well Service since the relaunch in September 2024.

An important part of our service is to dispel any myths and stigmas associated with the hospice and show patients we can provide important support and guidance much earlier on in their

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diagnosis. The LWS lead is working to promote the service to healthcare providers so that we can continue to grow and reach patients earlier, so SMH can have an even greater impact on patients and their families.

Quotes and experiences from patients who have accessed our Living Well Service:

"I was extremely nervous when I first thought of attending something at the hospice. I assumed it meant the worst, but I was so wrong. I was told how they can help me and my wife when I really need it and helped us feel that we aren't alone in what we are facing. We made a wonderful support system with the other patients who attended the programme with us"

"The programme and staff running it helped me feel supported and less alone. It was great that we were given the opportunity to speak privately, if necessary, about different issues we may be facing"

"It was really helpful to meet others who have similar conditions and symptoms as me, but at different stages. We helped support each other"

"I love coming each week, to see my friends and focus on something other than my illness"

Other related activities

Education and Training

Education, training, and professional development are essential in ensuring that our staff at St. Michael's Hospice can deliver the highest standards of compassionate care. Over the past year, we have built upon existing practices and introduced new initiatives, further demonstrating our commitment to improving patient care, enabling collaboration, and keeping up with advancements in palliative care.

Staff continue to engage with "Bluestream", an online platform that supports mandatory training, ensuring compliance with national standards and up-to-date practice. In addition, we encourage staff to pursue ongoing professional development. Annual appraisals recognise exceptional performance and identify areas for growth, helping staff align their development with the Hospice's strategic goals. Regular one-to-one meetings with line managers facilitate open communication and a culture of continuous learning.

St. Michael's Hospice also hosts Nursing, Medical and Allied Health Professional students from the Universities of Southampton, Winchester, and Surrey, as well as offering rotational opportunities for resident doctors, providing valuable learning opportunities and strengthening our ties with local academic institutions and partner services.

To maintain the highest levels of care, we introduced a Competency Skills Passport for all registered nurses. Senior nurses, who work in a practice development role, mentor junior staff,

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sharing expertise and facilitating learning. This initiative is well –stablished within the IPU and will soon be extended to the H@H team.

Staff attend two mandatory clinical away days each year, where senior staff present and share best practices, recent policy changes, and new knowledge. Additionally, in a bid to enhance collaboration with local services, this year we held a study day for external delegates, marking our first income-generating education event. The feedback was overwhelmingly positive.

We have also reviewed the requesting and approval process for staff enquiring about further educational opportunities, to ensure fairness and financial stability.

Clinical supervision remains a vital part of staff support, offering a safe space to discuss challenges and receive emotional support. Although attendance at these sessions has decreased, we are working to understand the reasons and plan adjustments accordingly.

All clinical staff have taken part in personal resilience training, ensuring that they are self-aware and able to manage their own wellbeing whilst caring for others. We continue to support staff in accessing the latest symptom control guidance and evidence, while also encouraging participation in national and local conferences. Specialist roles are supported through extended practice education, such as non-medical prescribing and advanced clinical skills.

By dedicating time to education and training, St. Michaels Hospice demonstrates its commitment to excellence in patient care and supports professional growth and retention of its staff.

Transformation

Alongside our continued investment in IT infrastructure, the Hospice has sustained impressive progress over the past year, building on the momentum of previous achievements. Energy efficiency remains a major focus, and this year's results are outstanding. Annual consumption has dropped below 169,000 kWh—representing a 72% reduction in CO₂ emissions compared to the 2022 baseline. Financial savings have now reached 45%, exceeding the original 40% target. These results stem from ongoing improvements to HVAC systems, the photovoltaic array, and other targeted infrastructure enhancements. The Hospice was once again invited to speak at the Hospice UK national conference to showcase this pioneering work, which continues to attract interest from across the sector. Further developments are planned for 2025/26 to continue driving sustainability and cost-efficiency.

In parallel, the Hospice has significantly strengthened its cybersecurity posture in response to an increasingly complex threat landscape. New protective software and policies have been introduced, ensuring the organisation remains secure and resilient. Our digital transformation continues at pace, with IT developments expanding to explore the potential of artificial intelligence to streamline workflows and enhance efficiency.

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The introduction of a new cloud-based phone system has modernised communications, improving flexibility and supporting hybrid working arrangements. In addition, capital funding from the Department of Health has been secured to support further improvements to the estate and enhance the experience of patients, staff, and visitors in the year ahead.

Significant improvements have also been made within the In-Patient Unit (IPU), which has been fully redecorated to create a more welcoming and therapeutic environment. Four new cuddle beds have been delivered, enhancing comfort and dignity for patients and their loved ones during their time with us.

Staff engagement and support

Each month, we hold an online Staff Forum, chaired by the CEO, with all staff welcome and encouraged to attend. To ensure that as many staff as possible can attend, the Forum is held online, making it accessible to staff not based at the Hospice site. After the Forum, all information, including the presentations, is uploaded to the staff intranet for those unable to attend and for reference if staff wish to revisit the information shared.

Towards the end of the year, we reviewed and relaunched the Hospice values to update and refresh the principles we want to focus on. Following staff workshops, we now have THRIVE – Trust, Honesty, Impact, Respect, Value, and Evolve. These values remain linked to the Hospice appraisal process, and staff are recognised for their commitment to these values through the monthly staff recognition awards. We continue to have good engagement with the scheme, and we have received 102 nominations this year. These successes are celebrated at the monthly Hospice Forum, and an annual winner is chosen from all the nominations each December.

We also recognise the commitment and loyalty of our long-serving staff through our Long Service Awards. Staff are recognised at 5, 10, 15, 20, and 25-year intervals, celebrating their dedication to the Hospice.

To support staff with their health and wellbeing, we actively promote our employee assistance programme, which is available to all employees. This provides access to treatments for both body and mind, as well as money back on everyday health expenses.

Organisational away days are held annually and are well attended by all staff. These run alongside clinical away days, held twice yearly, and an income generation-focused away day. We also hold a summer staff BBQ and a Christmas quiz.

Patient and Family Feedback

Gathering feedback from those who use our services is vital for continued learning, growth and the promotion of a culture of transparency.

Feedback results are monitored on an ongoing basis by our Patient and Family Support Team Lead so that any important issues are immediately passed for follow up to senior members of

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the Clinical Team and the Senior Leadership Team where necessary. All the results are collated annually and published on our website.

There are two ways that we collect data:

The **Your Experience Matters Postcard** provides a means of collecting real-time feedback. The postcards are available at various locations in the In-Patient Unit and in the Living Well Service. Between 1 April 2024 and 31 March 2025 a total of 70 postcards were completed with 100% of responders rating their experience at St Michael's Hospice as Very Good.

Our **Relative's Survey** is mailed to all families 10 weeks following a bereavement. This survey gathers retrospective feedback on the In-Patient Unit, Hospice at Home and overall rating of the service ranging from Very Good to Very Poor. Between 1 April 2024 and 31 March 2025, a total of 376 surveys were sent out and 128 were returned for analysis giving a 34% response rate. 100% of those taking part in the survey rated their experience of St. Michael's Hospice at Very Good.

Friends and Family Test, as measured via the Your Experience Matters Postcards and the Relatives Survey. Of the 198 responses collected between 1st April 2024 to 31st March 2025, 100% of respondents rated the service as Very Good or Good, 98% and 2% respectively.

The clinical teams also receive numerous thank you cards and letters which are displayed in departments for staff to read.

Hospice User Group continues to be held on a quarterly basis and is made up of 12 members. The purpose of the group is to give those service users a voice in how we develop our services for the future and identify areas of improvement. During 2024 the group were consulted about a range of projects including the re-launch of the Living Well Service, community ambassadors, development of bereavement services, fundraising events and the cuddle bed appeal. A smaller group also assisted with the undertaking of the 15 Steps Challenge, a method for measuring service quality from a user's perspective.

Income generation

The organisation's income generation activities are essential for funding our services. In 2024/25, statutory funding from the North Hampshire Integrated Care Board (ICB) covered only 16% of our costs, highlighting our community's crucial role in supporting St. Michael's Hospice, for which we are so grateful and which we don't take for granted.

The development of future services and the implementation of our strategy depend on our ability to continue to generate significant additional funding. While all our services help alleviate pressure on our NHS colleagues by preventing hospital admissions, the annual grant from the NHS has not been increased in line with inflation for several years. As a result, we depend on

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our income generation activities to cover most of the funding required for our current and future services.

Fundraising

Our local community's unwavering support and generous responses to our appeals and campaigns have been essential to our success. The trust we have built with our supporters, along with our ongoing engagement through regular communications and social media, is a key factor in achieving our goals.

We constantly monitor the cost and time that goes into each fundraising activity against the financial return to ensure we make the most of every donation.

Our income from donations in 2024/25 was a remarkable £1,793,000 a – 36% increase from the previous year. The key highlight has been the successful launch of our Major Donor programme, which raised £139,000 in its first year.

Legacy income of £320,000 (2024: £410,000) was down on last year. Legacies, by their very nature, are not predictable. Our focus in 2025 will be to continue with our Legacy Marketing Strategy to increase awareness amongst our supporters of the vital part legacies play in funding end-of-life care.

Income from the Lottery and scratch cards was lower than the previous year at £189,000 (2024: £245,000). However, our contribution after costs was higher than the previous year at £126,000 (2024: £123,000). This was due to ceasing our lottery and joining the Local Hospice Lottery as a partner hospice in 2024. Local Hospice Lottery is a collaborative lottery model which supports individual hospices across the UK. By leveraging economies of scale, we benefit from reduced overheads and enhanced marketing and promotion of the lottery to our supporters. As we continue our partnership with the Local Hospice Lottery, we are optimistic that our income will grow with an increase in the number of lottery players.

We are also supported by The Friends of St. Michael's Hospice, who have been fundraising for us since the Hospice's inception, contributing £156,000 this year (2024: £81,000).

Retail

The Hospice's retail shops, including e-commerce, continue to perform strongly, and income has increased this year to £2,276,000 (2024: £2,197,000). After costs, the Retail contribution was £812,000 (2024: £754,000). This is a great result in a tough retail environment, and we recognise the hard work of the employees and volunteers in the retail division who contributed to it.

The portfolio comprises 11 retail stores, one dedicated to selling furniture, and an e-commerce department. A Donation Centre is also run, where donations are dropped off and sorted. To

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optimise the profitability of our retail portfolio, we undertook a Retail Review in 2023, which has helped us continue to grow revenue despite the income we receive from recycling falling over the year due to external factors outside of our control.

Code of Fundraising Practice

St. Michael's Hospice is registered with the Fundraising Regulator and complies with all the relevant standards in the Code of Fundraising Practice, including protecting vulnerable persons. This report covers the requirements charities must follow as set out in the Charities Act 2016.

The Hospice only works with professional fundraising agencies that can demonstrate a proven track record of best practices in the sector and compliance with the Fundraising Regulator.

Compliance with the General Data Protection Regulations (GDPR) is ensured by regularly reviewing policies and practices relating to personal data. Legitimate interest is relied upon as the legal basis for processing data, and the Hospice follows the principle of only communicating to supporters about activities we believe they would be interested in. All supporters have clear and straightforward opportunities to change their communication preferences anytime. Our Privacy Notice is available on our website.

The fundraising team also receives weekly reports from the Fundraising Preference Service, ensuring they can swiftly act to protect anyone who has requested that they not hear from us. There have been no requests through this service since 2017. No complaints were received through other channels either.

Financial review, Reserves Policy and Going Concern

The Hospice had an operating deficit, before investment gains and losses of £376,000 compared to a £619,000 deficit the prior year; the improved performance was due to the significant achievement of the Income Generation teams alongside good cost control.

Investments

The Hospice invests in two investment funds managed by CCLA Fund Managers Ltd. The Investment Committee meets with the fund manager, usually annually, to review the investment performance and their continued suitability. The total returns for the year were:

	Return	Benchmark
COIF Charities Investment Fund	-1.98%	4.05%
COIF Ethical Investment Fund	-1.46%	4.05%
COIF Deposit Fund	4.90%	5.07%

The Investment Committee undertook a review of investment managers in February and made the recommendation to the full Board in May 2025 to move investments from CCLA to LGT

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Wealth Management. The choice of manager was based on experience in charity portfolios, meeting our requirements, flexibility, past performance and fees.

Reserves Policy

General Reserves

The charity aims to hold sufficient general reserves to protect against a sudden short-term decline in income so that essential services can continue to be provided to our patients and their families. If the level of income is not restored, the Trustees have time to plan and implement change in a controlled way. The Trustees have reviewed the risks associated with income and expenditure and believe that cover for six months' expenditure, net of guaranteed income, should be sufficient to allow this to happen.

We review this policy annually, considering the current challenges the Hospice is facing and the ongoing investment priorities which may require designated funds. Further consideration is also given to the impact of a deficit budget and existing capital commitments. The budget for the coming year, considering all these factors, is then used to work out the level of general reserves required to fund Hospice services for six months, and any designated reserves necessary to support our strategic priorities. This minimum target level of reserves is calculated as £2,652,000 at 31 March 2025. Our general reserves at the year-end excluding designated reserves were £2,727,000, just slightly higher than this target. In addition we held £1,766,000 designated reserves which form part of our general reserves as they are at the discretion of our trustees.

The Finance and General Purposes Committee meets quarterly to review the financial performance of the charity, future forecasts and review our performance against our reserves target.

Designated Reserves

Designated reserves are funds set aside by Trustees to meet essential future spending, including operational and capital projects. Annually, based on the priorities included within the budget for the coming year, the Trustees agree funds which should be designated for the coming year. The designated funds at 31 March 2025 were:

- £700,000 Capital Projects Fund – This fund is for the long-term strategic aim to improve the main hospice premises with improving Living Well and office spaces.
- £34,000 Insurance Fund – this is being written down against the increased premium resulting from the Covid-19 business interruption claim.
- £370,000 Fixed Asset Fund – The Hospice recognises that money tied up in fixed assets is not readily available to support business operations and should not be recognised within general reserves; this fund represents the value of unrestricted funds tied up in assets.
- £662,000 Legacy Contingency Fund – this fund includes the budget for the next two years for legacy income, less the pipeline, recognising the risk and uncertainty with budgeting legacies.

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Restricted Reserves

Restricted reserves represent donations or grants received for a specific purpose and do not form part of General Reserves. There are three main types of restricted funds:

Property

Restricted donations were received for various large building projects which were all completed by April 2014. Restricted reserves are held to cover the depreciation costs of these buildings.

Department for Health & Social Care

This was funding provided by the Government to the Hospice sector to be spent on capital projects in the year ended 31 March 2025.

Equipment and support programmes

Where funding has been received for specific use and has not been expended in the year.

Funds received and spent in the same year

Most funds received in the year are expended during the year on the day-to-day operation of the Hospice, particularly staff costs (which are over 70% of the total cost of operating the Hospice).

Patient Room Refurbishment

This was a new project for 2023/24, this fund will be written down over 5 years in line with the depreciation accounting policy.

Investment Policy

The Investment Policy was updated in March 2025 following the review of investment managers. The charity has three requirements from its Endowment Fund:

- Sufficient liquidity to supplement the charity's operating cashflow as and when required and to provide planned liquidity for known and forecasted cashflow needs for future years based on a rolling five-year period.
- A long-term investment fund designed to deliver a predetermined cashflow to be approved during the budget process, either via natural income or from a structured annual drawdown from the portfolio, while continuing to achieve some capital growth and aiming to maintain the real value of the portfolio.
- Investment of restricted gifts or bequests made to the Charity for a designated purpose.

Where appropriate, these monies will be invested according to the planned timescale for implementing the designated purpose of the gift.

To meet these requirements the fund is split into three segments, short, medium and long-term.

The Hospice has total net assets of £5.1m, of which £0.9m is fixed assets including property, £3.4m is investments and £0.8m is net current assets. Of the net current assets, £0.7m is cash held by the investment managers which is readily available to support operating activity. The remaining £0.1m represents operating net current liabilities.

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The Hospice's cash objective is to hold a minimum of £200,000 in cash after month-end payments. During the last year, where a high deficit budget of £604k had been set, the cashflow forecast has been updated monthly and shared on the monthly financial KPI dashboard with the Senior Leadership Team (SLT) and the Finance and General Purposes Committee (FGPC).

Going Concern

The Trustees are satisfied that the Hospice is a Going Concern; the Hospice is holding sufficient reserves at the year end and, having considered the impact of a 10% drop in income, they are satisfied that charity could continue in operation for a period of at least 18 months from the signing of these accounts.

Principal risks and uncertainties

The Hospice has monitoring systems in place for financial, clinical, and organisational risk. The CEO and Trustees continuously review the Risk Management Register during the year. High level risks, defined as those which have a risk of 15/25, are reported to the Board, by the CEO, on a quarterly basis. The SLT regularly monitor risks and work constantly to mitigate impact, the "red risks" at the 31 March 2025 are:

Inconsistent compliance with established medicine-related Policies and Procedures (Red 15):

The IPU Lead continues her QI project to address the issues, and this is due to be completed in the coming months. All staff are required to complete the Medicine Competencies across both IPU and Hospice at Home. At the current time, this risk remains the same although compliance with medicine related policies is greatly improved.

Loss of key staff (Red 20): At the present time, there is just one Band 6 operational on IPU with another on long-term sick and a remaining vacancy. As a result there remains a deficiency in experience on the unit. Interviews have taken place, and an offer has been made to an experienced Band 6 to fill this vacancy. As the Nurse Consultant has begun her period seconded to Hospice at Home, the Lead Nurse from Living Well continues to support IPU to assist with mitigating this risk alongside some very experienced bank nurses.

Structure, governance and management

The company was established on 5 March 1991 under a Memorandum of Association which set down the objects and powers of the charitable company and is governed under its articles of association and was registered as a charity on 10 May 1991.

Governance

St. Michael's Hospice is governed by the Board with each member in accordance with the Charities Act serving as a Trustee. The Board is responsible for approving the strategic plan and the annual budget and ensuring that sufficient resources are provided to allow the Hospice to fulfil the purpose for which it was established.

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All Trustees give their time voluntarily and receive no benefits from the charity. The Trustee Board meets quarterly and there are three Board sub-committees; Finance & General Purpose (including remuneration and investment committee), Income Generation, and Clinical Governance. Other specialist committees are formed as needed.

Appointments to the Board are approved by the current Trustees and confirmed at the subsequent Annual General Meeting.

The current and future Trustee base is seen as representing a good cross-section of accounting, medical, business and corporate governance, and local community input.

Management

Operational activities are delegated to employed staff via the Chief Executive who is responsible to the Board for overall management of the business and the provision of care and services which in the role of Responsible Individual meet the requirements of the Health and Social Care Act 2008 and comply with guidance provided by the Care Quality Commission.

The **Senior Leadership Team** at St. Michael's Hospice ensures strategic direction is maintained and is led by the Chief Executive. Members of the team are:

- Director of Income Generation
- Director of Transformation
- Finance Director
- Medical Director
- Clinical Director
- HR Manager

The **Clinical Management Team** (CMT) is responsible for dealing with the day-to-day clinical operations of St. Michael's Hospice. CMT includes the Medical Director, Clinical Director, Hospice at Home Lead, Patient and Family Support Lead, Therapy Lead, IPU Lead and Senior Speciality Doctor.

The **Governance Team** oversees the development and implementation of clinical governance within the Hospice and ensures legal and operational responsibilities are fully discharged. Roles represented on the team are:

- Caldicott Guardian
- Serious Information Risk Owner (SIRO)
- Data Protection Officer (DPO)
- Health and Safety Officer
- Registered Manager
- Controlled Drugs Accountable Officer (CDAO)
- Safeguarding Lead

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The Chief Executive meets regularly with the Chair and other Trustees to discuss issues and progress against objectives.

Appointment of Trustees

New Trustees are identified through the use of a skills matrix necessary to support all areas of St. Michael's as both a charity and provider of healthcare services. One new Trustee was recruited during the year and one retired.

New Trustees are proposed by either internal or external recommendation or recruitment and are generally interviewed by the Chair, Vice-Chair, and, usually, an appropriate sub-committee Chair; they also meet with the Chief Executive. All Trustees are then invited to comment on suitability prior to a vote of the Board of Trustees being taken.

Trustee induction and training

Trustees receive a comprehensive briefing on the role and have access to an induction pack along with documentation on the Hospice's policies and procedures. Trustees are expected to attend an away day, focussed on training and effectiveness which is held annually.

Related parties and relationships with other organisations

St. Michael's Hospice works closely with Hampshire Hospitals NHS Foundation Trust and the Hampshire and Isle of Wight Integrated Care Board.

St Michael's Hospice worked collaboratively with Rowans Hospice during year through the sharing of management resources including the CEO from July 2024 and the Finance and Operations Director from February 2025. A total of £85,339 was received from Rowans Hospice during this period including £4,590 of expense payments.

St. Michael's Hospice works in partnership with Odiham Cottage Hospital (OCH) to provide enhanced Hospice at Home care within that area. OCH provided a total of £20,000 (2024: £15,000) of income to the Hospice during the year. In the past, St. Michael's also provided befriending services through OCH but this service is now managed by that Trust.

As a member of Hospice UK, the Hospice works with regional hospice Chief Executives, sharing data and experiences. In addition, the Chief Executive plays an active role in supporting a regional independent hospice network through communication and collaboration.

The Director of Transformation is tasked with stakeholder engagement and management and works collaboratively with organisations across the local healthcare system such as Hampshire Hospitals Foundation Trust, the Integrated Care Board and Southern Health.

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The Medical Director is a member of Hampshire and IOW Palliative and End of Life Board which informs decision making for the Integrated Care System.

The Director of Income Generation is a trustee of the Hospice Income Generation Network.

Remuneration policy for key management personnel

The Board meets to consider the Chair's recommendation for the Chief Executive's remuneration package on an annual basis, considering the achievements of the last 12 months, any change in role or responsibility, and the market. Board approval is necessary before any changes are implemented.

Overall salary approval is part of the annual budget process when the % pay uplift for all staff is agreed. As part of the budget commentary, the Chief Executive will highlight any staff getting an award outside the approved percentage rise or normal clinical pay progression, and the reason for this.

Statement of responsibilities of the Trustees

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are

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also responsible for safeguarding the assets of the charitable company and 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
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees for 2025 was 27 (2024: 28). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 4 August 2025 and signed on their behalf by

D. Salisbury
Chairman

Opinion

We have audited the financial statements of St Michael's Hospice (North Hampshire) (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, 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

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

5 August 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

St. Michael's Hospice (North Hampshire)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from:							
Donations and legacies	2	1,906,271	207,745	2,114,016	1,467,009	261,802	1,728,811
Charitable activities							
Specialist palliative care	3	1,096,887	86,339	1,183,226	1,018,745	–	1,018,745
Other trading activities							
Retail	4	2,276,382	–	2,276,382	2,196,941	–	2,196,941
Lottery and Events	4	306,673	–	306,673	423,558	–	423,558
Investments	5	136,119	–	136,119	165,290	–	165,290
Total income		5,722,332	294,084	6,016,416	5,271,543	261,802	5,533,345
Expenditure on:							
Raising funds	6						
Retail		1,668,369	–	1,668,369	1,632,209	–	1,632,209
Cost of raising funds		784,934	–	784,934	771,521	–	771,521
Charitable activities	6						
Specialist palliative care		3,687,753	250,986	3,938,739	3,522,153	226,524	3,748,677
Total expenditure		6,141,056	250,986	6,392,042	5,925,883	226,524	6,152,407
Net (expenditure)/income before net (losses)/gains on investments		(418,724)	43,098	(375,626)	(654,340)	35,278	(619,062)
Net (losses)/gains on investments		(161,381)	–	(161,381)	351,418	–	351,418
Net (expenditure)/income for the year and net movement in funds	7	(580,105)	43,098	(537,007)	(302,922)	35,278	(267,644)
Reconciliation of funds:							
Total funds brought forward		5,072,745	540,402	5,613,147	5,375,667	505,124	5,880,791
Total funds carried forward		4,492,640	583,500	5,076,140	5,072,745	540,402	5,613,147

All the above results, other than those stated under discontinued operations, continued throughout the year. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

St. Michael's Hospice (North Hampshire)

Balance sheet

Company no. 02588395

As at 31 March 2025

	Note	2025 £	2024 £
Fixed assets:			
Tangible assets	12	887,909	885,799
Investments	13	3,436,570	4,097,951
		<u>4,324,479</u>	<u>4,983,750</u>
Current assets:			
Debtors	14	559,076	322,698
Cash at bank and in hand		681,507	802,805
		<u>1,240,583</u>	<u>1,125,503</u>
Liabilities:			
Creditors: amounts falling due within one year	15	(488,922)	(496,106)
Net current assets		<u>751,661</u>	<u>629,397</u>
Total net assets	18	<u>5,076,140</u>	<u>5,613,147</u>
Funds:	19		
Restricted income funds		583,500	540,402
Unrestricted income funds:			
Designated funds		1,765,771	2,510,760
General funds		2,726,869	2,561,985
		<u>4,492,640</u>	<u>5,072,745</u>
Total unrestricted funds		<u>4,492,640</u>	<u>5,072,745</u>
Total funds		<u>5,076,140</u>	<u>5,613,147</u>

Approved by the trustees on 4 August 2025 and signed on their behalf by

D Salisbury
Chairman

St. Michael's Hospice (North Hampshire)

Statement of cash flows

For the year ended 31 March 2025

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

	2025 £	2024 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(537,007)	(267,644)
Depreciation charges	133,871	109,192
Losses/(Gains) on investments	161,381	(351,418)
Dividends and interest from investments	(136,119)	(165,290)
(Increase)/Decrease in debtors	(236,378)	41,348
Decrease in creditors	(7,184)	(91,138)
Net cash (used in)/ provided by operating activities	(621,436)	(724,950)

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Net cash (used in)/ provided by operating			(621,436)		(724,995)
Cash flows from investing activities:					
Dividends and interest from investments		136,119		165,290	
Purchase of fixed assets		(135,981)		(186,530)	
Proceeds from sale of investments		500,000		–	
Net cash provided by/ (used in) investing activities			500,138		(21,240)
Change in cash and cash equivalents in the year			(121,298)		(746,235)
Cash and cash equivalents at the beginning of the year			802,805		1,549,040
Cash and cash equivalents at the end of the year			681,507		802,805

1 Accounting policies

a) Statutory information

St. Michael's Hospice (North Hampshire) is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Basil de Ferranti House, Aldermaston Road, Basingstoke, Hampshire, RG24 9NB.

b) Basis of preparation

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)– (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 or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

Income from insurance claims is recognised when the income criteria is met and the value is considered measurable.

1 Accounting policies (continued)

e) Income (continued)

For legacies, entitlement is taken as the earlier of the estate accounts have been drafted and notification has been made by the executor(s) to the charity that a distribution will be made or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Interest and dividends receivable

Interest and dividends on invested funds and funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon receipt of the funds.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are funds allocated by the trustees for specific projects, risks or costs.

h) Expenditure and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- Retail is the cost incurred in operating the retail shops.
- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities is the costs of delivering the core palliative care services undertaken to further the purposes of the charity.

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

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to the cost of raising funds. Costs which cannot be directly attributed are allocated based on the head count in each department, which works out as the following percentages for both this and the previous year:

● Retail	26% (prior year 26%)
● Cost of raising funds	9% (prior year 6%)
● Specialist palliative care	65% Prior year 68%)

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. They are allocated on the following basis which is representative of the estimated time spent on each area of the business:

● Retail	25%
● Cost of raising funds	25%
● Specialist palliative care	50%

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

● Freehold Buildings	20 years
● Fixtures, fittings and equipment	Between 4 & 5 years

l) Investments

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Stocks

Stocks of goods for resale in the shops are not included in the accounts. It is deemed that the effort required to value the high volume and low individual value of the stock outweighs any benefit of including stock in the financial statements.

1 Accounting policies (continued)

n) Debtors

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

o) 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.

p) Creditors and provisions

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

q) Pensions

The charity contributes to the NHS Superannuation pension scheme for certain qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension charge represents contributions payable by the charity to the fund. It is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities. It is therefore accounted for as though it were a defined contribution scheme.

The charity also provides a defined contribution pension scheme for employees other than those within the NHS superannuation pension scheme and contributes up to 6% of basic salary. Contributions are recognised when due.

Notes to the financial statements

For the year ended 31 March 2025

2 Income from donations and legacies

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Donations	1,585,539	207,745	1,793,284	1,056,891	261,802	1,318,693
Legacies	320,732	-	320,732	410,118	-	410,118
	<u>1,906,271</u>	<u>207,745</u>	<u>2,114,016</u>	<u>1,467,009</u>	<u>261,802</u>	<u>1,728,811</u>

In addition to the legacies above, we had a contingent legacy assets at 31.03.25 which could be reasonably valued at £100,000 (2024: £nil). This relates to one estate where we are named beneficiaries, probate had been granted and property is in the process of being sold.

3 Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from Hampshire Integrated Care Board	955,548	-	955,548	939,574	-	939,574
Income from Odiham Cottage Hospital	20,000	-	20,000	15,000	-	15,000
Department for Health & Social Care – Capital Grant	-	86,339	86,339	-	-	-
Other income	121,339	-	121,339	64,171	-	64,171
Total income from charitable activities	<u>1,096,887</u>	<u>86,339</u>	<u>1,183,226</u>	<u>1,018,745</u>	<u>-</u>	<u>1,018,745</u>

Other income includes £80,749 income received from Rowans Hospice in relation to three members of the Senior Leadership Team working across both hospices as part of a collaborative agreement (2024: £nil).

4 Income from other trading activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Retail	2,276,382	-	2,276,382	2,196,941	-	2,196,941
Lottery	188,768	-	188,768	244,714	-	244,714
Events	117,905	-	117,905	178,844	-	178,844
	<u>2,583,055</u>	<u>-</u>	<u>2,583,055</u>	<u>2,620,499</u>	<u>-</u>	<u>2,620,499</u>

5 Income from investments

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
COIF Charities Investment Funds	131,340	-	131,340	160,737	-	160,737
Bank interest	4,779	-	4,779	4,553	-	4,553
	<u>136,119</u>	<u>-</u>	<u>136,119</u>	<u>165,290</u>	<u>-</u>	<u>165,290</u>

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

6a Analysis of expenditure (current year)

	Raising funds		Charitable activities	Support and governance costs	2025 Total	2024 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£	£
Staff costs (Note 8)	851,080	450,044	2,896,876	546,833	4,744,833	4,530,564
Direct care costs	–	–	152,991	–	152,991	177,112
Direct cost of generating funds	158,027	186,032	–	–	344,059	364,195
Premises	400,298	23,400	49,001	8,736	481,435	465,494
Legal and professional services	10,395	13,508	87,362	22,538	133,803	170,458
Equipment, supplies and consumables	55,456	32,435	178,428	49,643	315,962	243,963
Depreciation & dilapidations	23,821	–	108,995	14,830	147,646	121,782
Other costs	8,734	2,546	19,650	40,383	71,313	78,839
	1,507,811	707,965	3,493,303	682,963	6,392,042	6,152,407
Support costs	145,751	62,162	415,825	(623,738)	–	–
Governance costs	14,807	14,807	29,611	(59,225)	–	–
Total expenditure 2025	1,668,369	784,934	3,938,739	–	6,392,042	
Total expenditure 2024	1,632,209	771,521	3,748,677	–		6,152,407

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

6b Analysis of expenditure (prior year)

	Raising funds		Charitable activities	Support and governance costs	2024 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£
Staff costs (Note 8)	836,306	421,325	2,779,922	493,011	4,530,564
Direct care costs	–	–	177,112	–	177,112
Direct cost of generating funds	152,959	211,236	–	–	364,195
Premises	382,085	17,400	56,394	9,615	465,494
Legal and professional services	21,890	17,792	107,007	23,769	170,458
Equipment, supplies and consumables	52,026	30,820	93,415	67,702	243,963
Depreciation & dilapidations	28,230	–	89,196	4,356	121,782
Other costs	1,729	4,859	34,686	37,565	78,839
	1,475,225	703,432	3,337,732	636,018	6,152,407
Support costs	145,465	56,570	387,907	(589,942)	–
Governance costs	11,519	11,519	23,038	(46,076)	–
Total expenditure 2024	1,632,209	771,521	3,748,677	–	6,152,407

Notes to the financial statements

For the year ended 31 March 2025

7 Net income/(expenditure) for the year

This is stated after charging/ (crediting):

	2025 £	2024 £
Depreciation	133,871	109,192
Profit on disposal of fixed assets	–	(2,000)
Operating lease rentals:		
Property	326,889	320,842
Other	49,795	49,191
Auditor's remuneration (excluding VAT):		
Audit	16,675	15,950
Other services – tax advice/ services	325	–
	<u>133,871</u>	<u>109,192</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	4,018,726	3,879,317
Social security costs	298,594	274,010
Employer's contribution to pension schemes	381,275	348,126
Other forms of employee benefits	37,831	29,111
Termination costs – paid	8,407	–
	<u>4,744,833</u>	<u>4,530,564</u>

The following number of employees received employee benefits (excluding employer pension costs and employers national insurance), of over £60,000 during the year as follows:

	2025 No.	2024 No.
£60,000 – £69,999	1	2
£70,000 – £79,999	2	–
£80,000 – £89,999	–	–
£90,000 – £99,999	–	1
£100,000 – £109,999	–	1
£110,000 – £119,999	1	–
	<u>1</u>	<u>–</u>

Three members of the Senior Leadership Team worked under a collaboration agreement with Rowans Hospice during the year. The salary details above are the net cost to the Hospice for the time spent management St Michael's Hospice matters.

The total employee benefits including pension contributions and national insurance of the key management personnel were £615,766 (2024: £527,503). The Medical Director is paid via a Service Level Agreement (SLA) with Hampshire Hospital Foundation Trust (HHFT). The HHFT SLA costs are included in the above figures and disclosures.

During the year four employees received redundancy payments totalling £8,407 (2024: no employees).

The charity trustees were not paid or receive any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil). During the year, no expenses were reimbursed to trustees (2023: £nil).

Notes to the financial statements

For the year ended 31 March 2025

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2025 No.	2024 No.
Raising funds	43.8	48.2
Specialist palliative care	96.7	91.5
Support	11.0	10.9
Governance	0.6	0.4
	152.1	151.0

10 Related party transactions

During the year donations of £24,249 (2024: £18,222) were received from trustees, of which £1,269 was from a company for which a trustee is a director. None of the income was restricted.

St Michael's Hospice worked collaboratively with Rowans Hospice during year through the sharing of management resources including the CEO from July 2024 and the Finance and Operations Director from February 2025, a total of £85,339 was invoiced to Rowan's Hospice during this period including £4,590 of expense payments.

The spouse of one the trustees. Andrew Taylor, was employed during the year. The trustee did not have any involvement in setting her pay and the salary is considered to be set on an arm's length basis.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land £	Freehold buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At the start of the year	182,049	3,009,017	617,087	3,808,153
Additions in year	–	–	135,981	135,981
Reclassification of asset category	–	(12,231)	12,231	–
At the end of the year	182,049	2,996,786	765,299	3,944,134
Depreciation				
At the start of the year	–	2,530,346	392,008	2,922,354
Charge for the year	–	62,531	71,340	133,871
At the end of the year	–	2,592,877	463,348	3,056,225
Net book value				
At the end of the year	182,049	403,909	301,951	887,909
At the start of the year	182,049	478,671	225,079	885,799

The freehold land shown above at cost of £182,049 (2024: £182,049) is not depreciated.

All of the assets shown above are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2025

13 Investments

	2025 £	2024 £
Fair value at the start of the year	4,097,951	3,746,533
Disposal proceeds	(500,000)	–
Net gain/(loss) on change in fair value	(161,381)	351,418
Fair value at the end of the year	<u>3,436,570</u>	<u>4,097,951</u>

Investments comprise:

	The charity 2025 £	2024 £
UK Common investment funds	3,436,570	4,097,951
	<u>3,436,570</u>	<u>4,097,951</u>

14 Debtors

	2025 £	2024 £
Trade debtors	21,781	10,623
Other taxation	114,507	89,057
Other debtors	274,664	66,590
Prepayments	148,124	156,428
	<u>559,076</u>	<u>322,698</u>

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	132,784	93,649
Accruals	248,443	351,959
Deferred income (note 17)	107,695	50,498
	<u>488,922</u>	<u>496,106</u>

16 Deferred income

Deferred income comprises income received in respect of events being held after 31 March 2025 and lottery income received in advance of the draw.

	2025 £	2024 £
Balance at the beginning of the year	50,498	74,484
Amount released to income in the year	(50,498)	(74,484)
Amount deferred in the year	118,161	50,498
Balance at the end of the year	<u>118,161</u>	<u>50,498</u>

17 Pension schemes

The charity operates a defined contribution pension scheme for certain qualifying employees and contributes up to 6% of basic salary matching employee contributions. The total pension contributions payable in the year were £216,484 (2024: £198,892). There were £17,121 outstanding contributions at the year end, (2024: £18,195).

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024 to 23.7% of pensionable pay. The 2020 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. The core cost cap costs of the scheme lies outside the 3% cost cap corridor, however when the wider economic situation is taken into account through the economic cost cap costs of the scheme, the cost cap corridor is not similarly breached. As a result there is no requirement for the Secretary of State to consult on changes to the scheme.

The total pension contributions payable in the year were £164,791 (2024: £149,234). There were no outstanding contributions at the year end or in 2024.

Notes to the financial statements

For the year ended 31 March 2025

18a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	370,486	517,423	887,909
Investments	3,436,570	–	3,436,570
Net current assets	685,584	66,077	751,661
Net assets at the end of the year	4,492,640	583,500	5,076,140

18b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	458,136	427,663	885,799
Investments	4,097,951	–	4,097,951
Net current assets	516,658	112,739	629,397
Net assets at the end of the year	5,072,745	540,402	5,613,147

19a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	427,663	–	(57,835)	–	369,828
Department for Health & Social Care	–	86,339	(10,665)	–	75,674
Donations/Grants expended	16,227	207,745	(157,895)	–	66,077
Wessex GP Education Trust	1,091	–	(1,091)	–	–
Patient Room Refurbishment	95,421	–	(23,500)	–	71,921
Total restricted funds	540,402	294,084	(250,986)	–	583,500
Unrestricted funds:					
Designated funds:					
Capital projects fund	76,000	–	(76,000)	700,000	700,000
Insurance fund	54,045	–	(20,260)	–	33,785
Fixed asset fund	362,715	7,771	–	–	370,486
Operating fund	1,160,000	–	(533,720)	(626,280)	–
Legacy contingency fund	858,000	(196,500)	–	–	661,500
Total designated funds	2,510,760	(188,729)	(629,980)	73,720	1,765,771
General funds	2,561,985	5,911,061	(5,672,457)	(73,720)	2,726,869
Total unrestricted funds	2,561,985	5,911,061	(5,672,457)	(73,720)	2,726,869
Total funds	5,613,147	6,016,416	(6,553,423)	–	5,076,140

Notes to the financial statements

For the year ended 31 March 2025

19b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	485,497	–	(57,834)	–	427,663
Equipment	981	13,407	(14,388)	–	–
Support Programmes	14,431	78,395	(76,599)	–	16,227
Donations/Grants expended	–	–	–	–	–
Covid 19 related grant from NHSE	4,215	–	(3,124)	–	1,091
Wessex GP Education Trust	–	108,000	(12,579)	–	95,421
Lindbury Education Trust	–	62,000	(62,000)	–	–
Total restricted funds	505,124	261,802	(226,524)	–	540,402
Unrestricted funds:					
Designated funds:	–	–	–	–	–
Capital projects fund	320,000	–	(244,000)	–	76,000
Insurance fund	73,485	–	(19,440)	–	54,045
Fixed asset fund	322,965	39,750	–	–	362,715
Legacy contingency fund	–	–	–	1,160,000	1,160,000
Service development fund	441,000	–	–	417,000	858,000
Total designated funds	1,157,450	39,750	(263,440)	1,577,000	2,510,760
Fair value reserve	1,521,600	351,419	–	(1,873,019)	–
General funds	2,696,617	5,206,792	(5,637,443)	296,019	2,561,985
Total unrestricted funds	4,218,217	5,558,211	(5,637,443)	(1,577,000)	2,561,985
Total funds	5,880,791	5,859,763	(6,127,407)	–	5,613,147

Funds – current and prior years

Purposes of restricted funds

Building projects: Donations were received for building projects to provide for the expansion and refurbishment of the Hospice buildings. As the final project was completed in April 2014, all of the outgoings relate to depreciation.

Department for Health & Social Care – Capital Grant: This was used for capital purchases in the 12 months to 31 March 2025.

Equipment: The equipment fund provides for the purchase of various types of equipment for which specific funding has been raised.

Support programmes: The funding provides for supporting specified groups of patients and their families.

Donations/Grants expended: The income is for a medical salaries grant, energy project and various other small projects.

Wessex GP Education Trust: funding to enable additional staff to attend History Taking course.

Patient Room Refurbishment: This represents donations from Trusts towards the refurbishment of all patient rooms and will be written down over 5 years in line with our depreciation accounting policy.

Lindbury Education Trust: This was awarded to appoint and fund the training of a Clinical Nurse Specialist. Since awarded the scope of the funding has been widened to enhancing more nurses skills to Advances Practitioner level.

19 Funds – current and prior years (continued)

Purposes of designated funds

Capital projects fund: Reserves have been designated of £700k (2024: £76k) towards the long-term strategic aim to improve the main hospice premises with improved Living Well and office spaces.

Insurance fund: during 2021 a successful claim for business interruption was made. However, this resulted in a significant increase in insurance premium. This fund is to cover the additional cost of insurance for a five year period.

Fixed asset fund: This is the value of fixed assets in the balance sheet owned by the Hospice and not covered by restricted funds. These assets cannot be readily realised into cash so are therefore excluded from our general reserves.

Operating fund: This represented the reserves needed to cover the forecast deficits for the three years to 31.03.27 while the hospice returned to a breakeven position. Due to the improved financial outlook due to increased funding from the ICB trustees no longer consider this reserve necessary.

Legacy Contingency fund: the legacy contingency fund represents the gap between two years legacy budget and the known legacy pipeline. Annually the trustees consider the risks within the legacy budget and adjust amount held in the legacy contingency fund.

Fair value reserve: This fund represents the excess of fair value over the historic cost of the investments (no longer used).

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2025	2024	2025	2024
	£	£	£	£
Less than one year	159,700	223,629	52,591	45,301
One to five years	344,363	230,600	74,937	31,104
Over five years	–	8,750	–	–
	504,063	462,979	127,528	76,405

The above equipment lease commitments include company cars provided to qualifying staff under a salary sacrifice arrangement.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

Accounts

Company number: 02588395
Charity Number: 1002856

St. Michael's Hospice (North Hampshire)

(Company Limited by Guarantee)

Report and financial statements
For the year ended 31 March 2024

St. Michael's Hospice (North Hampshire)
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For the year ended 31 March 2024

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For the year ended 31 March 2024

Company number 02588395
Country of incorporation United Kingdom

Charity number 1002856
Country of registration England

Registered office and operational address Basil de Ferranti House,
Aldermaston Road
BASINGSTOKE, Hampshire
RG24 9NB

Patrons Val Buckley
Hugo Cubitt DL

Honorary Life President Andrew Soundy

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

D Salisbury	Chairman
D Bowden	Honorary Treasurer
M Dolby	Retired 13 November 2023
S Goddard	
C Swart	(Practising as Hutchings)
C Pelling	(Practising as Jones)
J Lyons	
C Baugh	(Practising as O'Keeffe)
V Simpson	
A Taylor	Appointed 13 November 2023

Key management

I Cameron	Chief Executive
J Storrar	Medical Director
C Griffiths	Director of Transformation
G Grace	Finance Director
L Pink	Director of Income Generation
K Drake	Clinical Director

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Bankers	Lloyds Bank PLC 2, Winchester Street BASINGSTOKE, RG21 1EB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 110 Golden Lane LONDON EC1Y 0TG
Investment Managers	CCLA Fund Managers Limited Senator House 85 Queen Victoria Street LONDON EC4V 4ET

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For the year ended 31 March 2024

The Trustees present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on page 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

St. Michael's Hospice is registered under the Health and Social Care Act 2008 (Regulated Activities) and the Care Quality Commission (Registration) Regulations 2009.

Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps Trustees ensure the charity's aims, objectives and activities remained focussed on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Purposes and Aims

St. Michael's Hospice provides free, compassionate care to people in North East Hampshire who have a life-limiting illness, need end-of-life care or are experiencing bereavement. Our purpose is to bring specialist palliative care, interventions and treatment to our patients, as well as extending care to their families, friends and carers by providing bereavement support and advice when a loved one has died.

Everyone deserves a good death – but this will look different for each of our patients. Some patients request to be cared for at home, surrounded by loved ones and in a familiar environment – for those patients we have our Hospice at Home service, where we provide our specialist care in their homes. We also have our 10-bedded In-Patient Unit, which provides 24-hour care on-site for those who cannot be, or do not want to be cared for at home. No matter which their choice is, we are there for our patients whenever and wherever they need us across North East Hampshire.

It is important to us that the days before dying are filled with as much living as possible. That is why we focus on ensuring that our patients are as comfortable, pain-free and independent as they can be. Our teams are trained and skilled in providing holistic care including treatment of

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For the year ended 31 March 2024

side effects, strain, tension and breathlessness. Our aim is about putting life into days – making sure the days that do remain are as normal as they can be. We want our patients to continue making memories with their loved ones, whether that is playing a game together, renewing wedding vows, seeing a beloved pet or simply spending time together.

We know that hospices can be seen as daunting places; however we know this is not true. We pride ourselves on having a friendly environment filled with kindness and compassion, where our staff and volunteers are there for the needs of our patients and their families, whether providing medical care, making a cup of tea, or giving an empathetic ear or warm smile.

Our mission is simple. St. Michael's Hospice aims to enable anyone faced with a life-limiting illness, their families and carers, to attain the highest possible quality of life by providing a choice of specialist care and support.

To achieve this purpose, we have a clearly defined set of aims:

- Ensure that all people in our care with a life-limiting illness have access to the very best medical care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain
- Support and care for our patients' families and loved ones who play a crucial role in their wellbeing
- Allow our patients to die with dignity in a place of their choice.

We meet our aims through the following activities:

- Providing specialist palliative medical and nursing care in our In-Patient Unit (IPU) for critical and complex cases and in people's homes through our Hospice at Home team
- Working collaboratively to coordinate end of life and palliative care in the community across all stakeholders: the NHS, local GPs, Social Services and ourselves
- Therapeutic day care services for patients in the community
- Occupational therapy, physiotherapy, and complementary therapy services
- Providing family, spiritual and bereavement support
- Community and professional education.

Strategic report

Achievements and performance

The charity's main activities, and the people it seeks to help, are described below. All our charitable activities focus on the provision of specialist palliative care and support services to the terminally ill, their carers and family, and are undertaken to further St. Michael's Hospice's charitable purposes for the public benefit.

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2023/24 has been a challenging year but with many successes for the organisation. Service delivery, new income generation and expenditure control have all been effectively managed; however a real-terms reduction in commissioning income and a significant drop in legacy income have resulted in a large operating deficit. Despite this St. Michael's remains in a sound financial condition, effectively governed, with a solid multi-year plan to return to breakeven.

The Hospice is proud to be a person-centred organisation, focussed on our people serving those in our community, and the pursuit of excellence is embedded in all we do.

Significant Achievements

The following are key achievements for the past year:

- i. Refurbished all 10 patient rooms
- ii. Completed an energy project to reduce our energy consumption by 40% including the installation of solar panels
- iii. Undertook a review of our Retail structure and operations including the appointment of a new Retail Business Manager
- iv. Completed the launch of a refreshed brand

Principal activities and performance

Care Services provision

Specialist palliative and end-of-life care is provided both in patients' own homes and at the Hospice in either our In-Patient Unit or, for visiting day-patients, in our Living Well Centre.

Measuring performance of care provision can be difficult but we monitor key indicators from our VOICES survey and report on that below. More details on how we collect feedback is available later in the report.

In-Patient Unit (IPU)

The IPU provides 10 beds for those patients whose conditions are the most critical and complex and who would benefit from a period of intensive support.

- During this year, there were 231 (2022/23: 248) admissions to the IPU.
- The average length of stay was 9.4 days compared with 2022/23 which was 9.3, showing this is our standard length of stay. Although the Hospice UK benchmark is 14.36 days, this figure is probably inflated by the larger hospices and those with the ability to offer respite care.

For some, admission to the IPU enables the clinical team to treat and relieve symptoms associated with their illness, which means patients can then return home. This year, 86 patients were able to return home after a period in the IPU. The IPU staff start parallel planning for

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discharge from the start of the admission, resulting in early discussions with patients and families about what they need to be in place before discharge. We are then prepared for when the patient is well enough to be discharged. This involves the wider team, i.e. the Patient Flow Co-ordinator and Therapy department, to ensure that necessary Continuing Healthcare fast-track funding for packages of care and equipment are in place prior to discharge.

One of our aims is to 'ensure that all people with a life-limiting illness have access to the very best medical and nursing care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain'. We strive to treat our patients and their loved ones with the utmost respect and dignity. Recent feedback has been:

"Mum said that she felt like a queen during her stay at St Michael's. The nursing staff and doctors couldn't do enough for her. We were so grateful for the care received. It was becoming so difficult to manage Mum's symptoms from home. It gave us the opportunity to spend some quality time with Mum".

"As a family we are overwhelmingly grateful for the incredibly kind and helpful care my sister received while under your team's expertise. It was an incredibly stressful and heartbreaking time for us, but it helped knowing my sister was receiving the very best care at St. Michael's Hospice. It was wonderful being able to visit her in such a lovely, caring environment and to be able to ask the staff questions and to have them explain very tactfully what we should expect as part of end-of-life care."

Another of our aims is to 'allow our patients to die with dignity in a place of their choice'... Achieving this can be difficult as the end of life may not always proceed in the way it was expected. In the year 2023/24 our In-Patient Unit supported 96% of patients to achieve their preferred place of death in the Hospice, a slight increase from 93% from the previous year.

The Inpatient unit has also been participating in a National Clinical Trial being undertaken by the University of Surrey – "A cluster randomised trial of clinically assisted hydration in patients in the last days of life". We were initially tasked to recruit 20 patients to the study, but as a result of our recruitment rate being so successful, we agreed to an increase in target recruitment to 30 patients. There have been 26 patients completing the trial as of the end of this reporting period.

Hospice at Home

The Hospice at Home service is provided 365 days a year from 08:00 to 20:00. It allows patients to remain in their own homes, where the majority want to be, while still receiving the Hospice's specialist palliative nursing care.

- In 2023/24 Hospice at Home completed 2,323 visits, compared to the previous years 1,867 visits, an increase of 24%.

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- 158 of these visits were completed with a Doctor, increasing the breadth of support offered by Hospice at Home.
- Over the course of the year visiting lengths have varied between 1 hour and 8 hours, reflecting the varying complexity of patients being seen.
- Hospice at Home helped 94% of patients achieve their preferred place of death in 2023/24.

"On behalf of our whole family I can only thank all members of the palliative care team with whom we came into contact – either in person or by phone – for the gentle, thoughtful care & support they gave us. They made a really horrid situation more bearable & my husband's End of life an easy slipping away. We shall be forever grateful."

Responder to our FAMECARE national survey.

The Hospice at Home team continues to provide seven days a week of administrative support in the hub team, which receives more than 1,000 calls per month from patients and their families who need support or guidance. This hub team have also been active in supporting the Hospice at Home team with administrative tasks – such as contacting GP practices regarding medications. The increased support from the hub team – both across 7 days, and in administrative tasks, continues to support the clinical teams, allowing for their specialist support to be utilised more effectively within the community setting.

Therapies

Our therapy team offers Physiotherapy and Occupational Therapy. Our therapists provide services to patients in the In-Patient Unit, in the community, in Living Well and the Motor Neurone Disease (MND) clinic. The team aim to help patients manage their symptoms better and optimise their independence and quality of life.

Therapy in the In-Patient Unit is aimed to help patients with; assessing moving and handling, mobility, balance and transfers; discharge planning including home assessment to help with adjustment of routines to enable patients to be able to return home; maintaining and improving their strength and balance by providing personalised exercises to complete independently or with support from family and carers. We also spend time with patients to help manage breathlessness and anxiety. This is often done jointly with other members of the wider Multi-Disciplinary Team. The therapy team also discuss end-of-life wishes, care and future planning. Patients are provided with equipment, alterations and adaptations to enable discharge home and help maintain a level of independence. Once patients are discharged, they are kept on the caseload for monitoring, support and intervention as necessary.

Therapy in the community completes holistic assessments in patient's own homes. This enables a true picture of how a patient is managing in their environment. Mobility, transfers and balance are reviewed, and seating, positioning, and pressure are assessed. Advice and support is given to patients and families making difficult decisions related to future deterioration in ability, for instance, one-level living. Equipment can also be prescribed after a thorough assessment to

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enable the patient to maintain their independence and live well at home. Outpatient appointments are offered where patients can visit the Hospice gym to try equipment and complete prescribed exercises with our physiotherapist.

Therapy supports MND patients providing practical, emotional and psychological support. Monthly MND clinics are held as well as visits to patients' homes. The team helps complete applications for specialist equipment and grants which are funded through the MNDA. Basic equipment is accessed via the Hampshire equipment store. Moving and handling advice is given and the Hospice provides posture, seating and pressure relief equipment, which plays a key role with this particular patient group. The team works very closely with the neurologist, palliative care consultant, nurse and support worker reviewing and assessing each MND patient regularly.

Patient and Family Support Team

The Patient and Family Support team covers bereavement services, chaplaincy, counselling, and complementary therapy. The focus this year has been on further developing the services and extending our reach to more patients and their families.

The **Bereavement Service** for family members, including children and carers, is provided by both staff and volunteers. The number of attendees at our Bereavement Support Groups has increased to 206 compared with 185 the previous year.

The monthly Bereavement Coffee Mornings continue to be popular and well attended. The total number of attendees in the year was 129, compared to 117 last year. There are plans to extend this service into the Alton area from September 2024.

The Bereavement Evenings, held on alternate months to support newly bereaved relatives, has attracted less attendees with 24 attending this year compared to 59 last year. All bereaved relatives are now sent an information leaflet on Understanding Bereavement, which may explain the lower attendance at these sessions.

"It was helpful listening to other people sharing their stories"

"Connecting to others who are grieving and listening to what works for them"

"Knowing that how you are feeling is normal"

Feedback from Bereavement Evening Attendees

The Bereavement Walk and Talk continues to be held on the third Friday of the month, the total number of attendees in the year has increased from 9 to 18 and clearly meets the needs of the small number of individuals who regularly attend.

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In February we ran our first Bereavement Journey Course, which supported a group of 7 relatives across 7 weeks and was very well received. There is a plan to fund further courses during the year.

"Being able to openly talk about how I feel, relating to others, being able to be with others who understand how I feel. A lovely group to work with"

"Group helping each other through difficult times. Knowing I am not alone helped"

Feedback from The Bereavement Journey

All of the services offered allow those grieving to meet others going through a similar experience, build their support networks and access additional support as required.

The **Counselling Service** is offered to all those affected by a life-limiting illness, as well as those who are coping with grief. Our two part-time counsellors have seen an increase in referrals and provided 526 counselling sessions compared with 411 the previous year.

"I feel a lot stronger to deal with certain issues since my counselling"

"Provided a safe space to talk about deep feelings and to discuss methods of managing present and future emotions"

"I'd recommend bereavement services to all people as it's good to talk to someone who will not judge you, will comfort you and will be ok if you cry. I'm ever so grateful that I was able to get this support which was very much needed"

Feedback from Counselling Clients.

The availability of a **Chaplain** to provide listening, emotional and spiritual support has proved greatly beneficial to our patients and the service. The Chaplain service is provided Monday to Friday by one contracted member of staff and one volunteer. In September a service level agreement with Hampshire Hospitals NHS Trust was agreed, which provides emergency on-call chaplaincy cover to our patients and their families out of hours and at weekends. Our Chaplaincy Service is designed to cater for all faiths and includes those who do not see themselves as having a faith. During the year, 721 chaplaincy visits were made compared with 694 the previous year. To support staff with the emotional demands of working in end-of-life care, a counsellor and chaplain from the team provide regular supervision to staff as well as ad-hoc reflection sessions in the newly refurbished Sanctuary.

The **Complementary Therapy Team** has continued to grow during the year. They provide a 5-day service to patients, carers, and relatives, working on the Inpatient Unit, in the Living Well Centre and in people's homes where necessary. The therapists work alongside the nursing and

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medical staff offering treatments to help symptom management including massage, reflexology, and Reiki. In the past year, the complementary therapists provided 780 treatments compared with 706 the previous year. In response to clients offering to pay for additional treatments, a new payment scheme was set up in May 2023 which gives users of the service the opportunity to pay £20 for an additional three sessions and £40 for a final three sessions. Between May 2023 and April 2024, the new scheme has generated £3,030.

"The therapies have had a tremendous help on both my physical and mental health allowing me a brief moment of calm in what is currently a tumultuous world"

"It has made my whole body feel relaxed even though only working on my feet. After a session of reflexology my anxiety from living with cancer feels all gone"

"It has made me feel very relaxed not only reflexology to help my feet but therapist is so helpful listening to my worries"

Feedback from Complementary Therapy Clients

Other related activities

Education and Training

Education, training, and professional development opportunities are crucial for ensuring that healthcare professionals can deliver the high-quality, evidence-based care and support that we strive for at St. Michael's Hospice. New initiatives over the last year demonstrate a commitment to improving patient care, fostering collaboration, and staying up to date with the latest advancements in palliative care.

Our Bluestream online system allows all staff to complete mandatory training, ensuring compliance with requirements and ensuring the workforce remains up-to-date.

All staff are encouraged and supported with ongoing professional development. Staff continue to have an annual appraisal; this allows the recognition of outstanding work, allows for the identification of areas of concern, and supports the continuing professional education and development of individuals in line with the Hospice's strategic plan. This annual review, supported by regular one-to-ones, helps foster open communication, accountability, and a culture of continuous learning.

A new initiative, the "Learning Partnership", has started between the Hospice at Home team and the Community Palliative Care Service run by Hampshire Hospitals. This collaborative approach sees nurses from both teams partner up and jointly care for patients throughout their journey, from referral to end-of-life. This is an excellent way to promote understanding, knowledge-sharing, and professional development across services and organisations.

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The Hospice continues to welcome nursing students from the Universities of Southampton, Winchester and Surrey and has now extended its reach to Allied Health Professionals including Occupational Therapists and Physiotherapists.

Clinical supervision plays a crucial role in providing a safe psychological space for clinicians in which to discuss challenges, receive emotional support, and address potential biases or blind spots. All patient-facing staff have access to monthly Clinical Supervision sessions and are required to attend 5 sessions a year.

By protecting time for continuing education and providing training opportunities, St Michael's continues to demonstrate a commitment to excellence and investing in its clinical workforce. This not only ensures patients receive the safest, most effective, and compassionate care possible but also supports staff retention.

Transformation

Alongside our ongoing investment in IT infrastructure, the Hospice has made significant advances in the past year, with some notable highlights.

After analysing energy usage data, a business case demonstrated that investing in the internal energy infrastructure could yield a significant return on investment and significantly reduce the organisation's carbon footprint. Over 40% reductions in costs and carbon emissions are forecast from major electrical work on HVAC systems and the installation of a large photovoltaic array. Hospice UK invited the Hospice to showcase its ground-breaking efforts as a guest speaker at its national conference and serve as a model for others to follow. Multiple hospices have visited to observe the proactive and forward-thinking strategy implemented.

Following last year's complete renovation of public areas and office spaces, all patient rooms have received a much-needed refurbishment this year. Funded by a successful trust application, the project has transformed patient rooms into stylish and comfortable 'hotel-style' rooms while remaining practical for clinical demands. Feedback from patients, staff, and visitors has been exceptional.

Staff engagement and support

Each month, we hold an online Staff Forum, chaired by the CEO, with all staff welcome and encouraged to attend. To ensure that as many staff can attend as possible, the Forum is held online – meaning it is accessible to staff not based on the Hospice site. After the forum, all information, including the presentations, is uploaded to the staff intranet for access if staff are unable to attend and reference if staff want to go back to information given.

We continue to recognise long service and celebrate PRIDE nominations in the Forum. We have received 87 PRIDE nominations in 2023/24 and the programme continues to be successful at the end of its second year. Nominations are shared and celebrated at our Staff Forum, and on our social media channels – and are well received by our external audiences too.

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To support staff with their health and wellbeing, we have actively promoted our employee assistance programme available to our staff. This provides them with access to treatments for body and mind, and money back on everyday health. We invested during the year in the training of four mental health first aiders from across the organisation to support our staff who may be experiencing a mental health crisis.

We have had a successful year with our recruitment and retention, resulting in being close to fully staffed at the end of the year. This, coupled with inflationary pay rises of c. 5%, in line with the NHS, has resulted in a 9% increase in salaries, and 10% in staff, many of whom are part-time.

Patient and Family Feedback

Gathering feedback from those who use our services is vital for continued learning, growth and the promotion of a culture of transparency.

Feedback results are monitored on an ongoing basis by our Patient and Family Support Team Lead so that any important issues are immediately passed for follow up to senior members of the Clinical Team and the Senior Leadership Team where necessary. All the results are collated annually and published on our website.

There are three ways that we collect data:

Our **Voices Survey** is mailed to all families 10 weeks following a bereavement. This survey gathers feedback on the In-Patient Unit, Hospice at Home and circumstances surrounding the death. Between 1 January and 31 December 2023, a total of 171 surveys were sent out and 78 were returned for analysis giving a 46% response rate. 94% of those taking part in the survey rated their experience of St. Michael's Hospice at Very Good.

Friends and Family Test, as measured via Your Experience Matters Postcards and VOICES Survey, for which we had a total of 103 responses and a 100% Very Good/Good rating.

FAMCARE is an annual audit run by the Association of Palliative Medicine (APM) which St. Michael's Hospice participated in during 2023. It consists of a survey which is sent to recently bereaved relatives covering several different aspects of care which the patient received. Surveys were sent out from the 1st of August 2023 to the 30th of September 2023 and covered deaths between the 1st of June to the 30th of August 2023. Results from the national audit were published in March 2024. The aim of FAMCARE is to evaluate the care offered to patients and their relatives from specialist palliative care services. A total of 58 services participated delivering a total of 1129 surveys. SMH response rates were as follows:

Type of Service	SMH Response Rate	National Response Rate
Hospice Inpatient Unit	53% (19/36)	44.5%
Hospice at Home	19% (7/37)	29.7%

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All our responses were Satisfied or Very Satisfied, however, there were 2 responses showing dissatisfaction around communication and out of hours support. These responses were investigated by the team and were found to stem predominantly from the wider healthcare system, however in-house communication skills training has been completed as part of our planned ongoing commitment to staff training and development.

Hospice User Group continues to be held on a quarterly basis and now comprises 12 members. The purpose of the group is to give those service users a voice in how we develop our services for the future and identify areas of improvement. During 2023 the group were consulted about a range of projects including patient room upgrades, hospice brand refresh, clinical staff uniforms and bereavement support services.

Income generation

The Hospice relies on a wide range of income generation activities to fund services, as statutory funding from North Hampshire ICB only covering 16% of the costs required to run our services.

The development of future services and the implementation of our strategy rely on our ability to generate significant additional funding. While all our services relieve pressure on our NHS colleagues by preventing hospital admissions, the substantive yearly grant from the NHS has not been significantly increased for several years.

This, of course, makes the sustainability of services more challenging. Therefore, we rely on our income-generation activities to provide most of the income for current and future services.

Fundraising

The unwavering support of our local community and their generous responses to appeals and campaigns, continue to be crucial to our success. The trust built with our supporters and the engagement we maintain through regular communications and social media activity are key factors in our achievement.

Income from donations and events was £995,000 (2023: £893,000). This 11% increase from last year is a great achievement during a challenging economic climate. One of the key highlights was the success of our Moonlight Walk in September 2023, which had 722 participants take part (previous year 298) and raised £67,000 (last year £22,000).

Legacy income of £410,000 (2023: £732,000) was down considerably on last year. Legacies, by their very nature, are not predictable. Our focus in 2024 will be to implement a new Legacy Marketing Strategy to increase awareness amongst our supporters of the important part legacies play in funding end-of-life care.

Net profit from the Lottery and scratch cards fell slightly to £124,000 (2023: £153,000). In the future, we hope to see an improvement in lottery income following joining Local Hospice

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Lottery as a partner hospice in 2024. Local Hospice Lottery is a collaborative lottery model which supports 36 individual hospices across the UK. Due to economies of scale, we will benefit from reduced overheads and increased marketing and promotion of the Lottery to our supporters.

We are also supported by The Friends of St. Michael's Hospice, who have been fundraising for us since the Hospice's inception, contributing £81,000 this year (2023: £105,000).

Retail

The Hospice's retail shops, including e-commerce, continue to perform strongly, and income has increased this year to £2,197,000 (2023: £2,060,000). After costs, the Retail contribution was £751,000 (2023: 642,890). This is a great result, and we recognise the hard work of the employees and volunteers in the retail division who contributed to it.

The portfolio comprises 11 retail stores, one dedicated to selling furniture, and an e-commerce department. A Donation Centre, where donations are dropped off and sorted is also run. To optimise the profitability of our retail portfolio, we underwent a Retail Review in 2023 and have started implementing some of the recommendations from this report, including recruiting a new Retail Business Manager to drive these changes forward.

Code of Fundraising Practice

St Michael's Hospice is registered with the Fundraising Regulator and complies with all the relevant standards in the Code of Fundraising Practice, including protecting vulnerable persons. This report covers the requirements charities must follow as set out in the Charities Act 2016.

The Hospice only works with professional fundraising agencies who can demonstrate a proven track record of best practices in the sector and compliance with the Fundraising Regulator.

Compliance with the General Data Protection Regulations (GDPR) is ensured by regularly reviewing policies and practices relating to personal data. Legitimate interest is relied upon as the legal basis for processing data and the Hospice follows the principle of only communicating to supporters about activities we believe they would be interested in. All supporters are provided with clear and easy opportunities to change their communication preferences at any time. Our Privacy Notice is available on our website.

The fundraising team also receives weekly reports from the Fundraising Preference Service, ensuring they can swiftly act to protect anyone who has requested that they not hear from us. There have been no requests through this service since 2017. No complaints were received through other channels either.

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Financial review, Reserves Policy and Going Concern

The Hospice had an operating deficit of £619k compared to an £89k deficit the prior year; the shortfall was due to low legacy income and an insufficient 1.6% increase in Commissioning Income. Excluding legacies, our Income Generation Teams performed extremely well during the year, exceeding all targets.

Investments in the retail restructure, energy saving initiatives and the brand refresh were successfully completed within the organisation's original cost budget meaning that, despite the shortfalls in two significant income streams, the net deficit increased by only £189k over budget.

Investments

The Hospice invests in two investment funds managed by CCLA Fund Managers Ltd. The Investment Committee meets with the fund manager, usually annually, to review the investment performance and their continued suitability. The total returns for the year were:

	Return	Benchmark
COIF Charities Investment Fund	12.16%	16.72%
COIF Ethical Investment Fund	13.11%	16.72%
COIF Deposit Fund	4.85%	5.05%

The Investment Policy is being updated ahead of the July 2024 Finance & General Purposes Committee, off the back of this the Hospice will go out to tender for investment managers.

Reserves Policy

General Reserves

The charity aims to hold sufficient general reserves to protect against a sudden short-term decline in income so that essential services can continue to be provided to our patients and their families. If the level of income is not restored, the Trustees have time to plan and implement change in a controlled way. The Trustees have reviewed the risks associated with income and expenditure and believe that cover for six months' expenditure, net of guaranteed income, should be sufficient to allow this to happen.

We review this policy annually, considering the current challenges the Hospice is facing and the ongoing investment priorities which may require designated funds. Further consideration is also given to the impact of a deficit budget and existing capital commitments. The budget for the coming year, considering all these factors, is then used to work out the level of general reserves required to fund Hospice services for six months, and any designated reserves necessary to support our strategic priorities. This minimum target level of reserves is calculated as £2,615,000 at 31 March 2024. Our general reserves at the year-end excluding designated reserves were £2,562,000, just slightly short of this target. In addition we held £2,511,000

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designated reserves which form part of our general reserves as they are at the discretion of our trustees.

The Finance and General Purposes Committee meets quarterly to review the financial performance of the charity, future forecasts and review our performance against our reserves target.

Designated Reserves

Designated reserves are funds set aside by Trustees to meet essential future spending, including operational and capital projects. Annually, based on the priorities included within the budget for the coming year, the Trustees agree funds which should be designated for the coming year. The designated funds at 31 March 2024 were:

- £76k Capital Projects Fund – This fund sets aside reserves for agreed capital projects to be completed prior to 31 March 2024.
- £54k Insurance Fund – this is being written down against the increased premium resulting from the Covid-19 business interruption claim.
- £363k Fixed Asset Fund – The Hospice recognises that money tied up in fixed assets is not readily available to support business operations and should not be recognised within general reserves; this fund represents the value of unrestricted funds tied up in assets.
- £1,160k Operating Fund – This represents the reserves needed to cover the forecast deficits for the next three years while the hospice returns to a breakeven position.
- £858k Legacy Contingency Fund – this fund includes the difference between the 2024/25 budget for legacies and the known pipeline, recognising the risk and uncertainty with budgeting legacies.

Fair Value Reserve

A full review of the reserves policy was completed and approved in July 2024, as part of this process the fair value reserve was release to general funds as there is no requirement under the SORP to hold a fair value reserve. The £1,873k held in the fair value reserve at 31 March 2024 has been transferred out into three separate funds with £417k added to the legacy contingency fund, £1,160k to the operating fund and £296k released to general funds.

Restricted Reserves

Restricted reserves represent donations or grants received for a specific purpose and do not form part of General Reserves. There are three main types of restricted funds:

Property

Restricted donations were received for various large building projects which were all completed by April 2014. Restricted reserves are held to cover the depreciation costs of these buildings.

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Equipment and support programmes

Where funding has been received for specific use and has not been expended in the year.

Funds received and spent in the same year

Most funds received in the year are expended during the year on the day-to-day operation of the Hospice, particularly staff costs (which are over 70% of the total cost of operating the Hospice).

Patient Room Refurbishment

This was a new project for 2023/24, this fund will be written down over 5 years in line with the depreciation accounting policy.

Investment Policy

The Hospice has total net assets of £5.6m, of which £0.9m is fixed assets including property, £4.1m is investments and £0.6m is net current assets. Of the net current assets, £0.8m is cash held by the investment managers which is readily available to support operating activity. The remaining –£0.2m is operating net current liabilities.

The Hospice's cash objective is to hold in cash £360,000 at the end of each month to cover the following month's salary costs. Ordinarily quarterly cashflow forecasts are produced, however for 2024/25 where a high deficit budget of £604k has been set, these forecast are being updated monthly and shared on the monthly financial KPI dashboard with the Senior Leadership Team (SLT) and the Finance and General Purposes Committee (FGPC).

Where a decision is made to invest surplus funds in long term investments the following investment objectives apply:

- Invest through diversified funds
- Income yield in excess of 2.5%
- Total Return Performance objective to match or exceed composite benchmark and peer group benchmark on a 3–5 year time horizon (see below)

Going Concern

The Trustees are satisfied that the Hospice is a Going Concern; the Hospice is holding sufficient reserves at the year end and, having considered the impact of a 10% drop in income, they are satisfied that charity could continue in operation for a period of at least 18 months from the signing of these accounts.

Principal risks and uncertainties

The Hospice has monitoring systems in place for financial, clinical, and organisational risk. The CEO and Trustees continuously review the Risk Management Register during the year. High level risks, defined as those which have a risk of 15/25, are reported to the Board, by the CEO, on a quarterly basis. The SLT regularly monitor risks and work constantly to mitigate impact.

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The main risks at the 31 March 2024 are:

Inconsistent compliance with established medicine-related Policies and Procedures:

Following a full review by the new Clinical Director, a focus on reporting and procedures in relation to medicines has been established in conjunction with the Clinical Governance Committee. The system in place for managing incident reporting relies on paper and human factors which presents a risk. Options for a more secure in-house reporting system is currently under review by the Clinical Leadership Team in conjunction with the Director of Transformation.

- **Legacy Income:**

The lack of Legacy income has been well discussed at multiple committees and Board meetings. An additional marketing post has been approved for the coming Financial Year which will focus on a Legacy campaign. The Legacy pipeline will be reviewed monthly by the SLT, before reporting to the FGPC as part of the newly established finance monitoring process linked to the 4-year plan.

Insufficient funding for sustained period:

The challenging income targets set for the Income Generation Team will be reviewed monthly by the SLT as part of the newly established finance monitoring process linked to the 4-year plan.

ICB Funding:

Our funding from the ICB still represents less than 16% of operating costs and St. Michael's remains one of the most poorly funded Hospices under the HloW ICB. The CEO continues to liaise with commissioners and individuals within the operational team at the ICB to raise this issue and work towards an equitable funding model within the county.

Plans for the future

The Hospice has continued to work on the five-year strategy launched in March 2020 and progress has been made in many areas, particularly through developing community and outpatient services, and enhancements to the built environment.

Looking to the coming year, we are focussing on meeting strategic objectives in the following ways:

Investing in People; In the next twelve months, focus will be centred on delivering an e-Roster system for clinical staff, developing a clinical leadership and nursing competencies programme and establishing the final module of the SMH Leadership & Management Programme through the delivery of a 'Rising Stars' aspect. In preparation for the next strategic period, the HR Manager will finalise the People Strategy ready for the launch in April 2025.

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Estate and Operations; *Energy and sustainability work will continue along with a programme to identify cost efficiencies within contracts, agreements and working practices.*

Financial Balance; *The retail team will continue to follow recommendations and changes as a result of the Retail Review. A new scheme of work will begin on the Major, and Mid, Donor Development Programme to engage and cultivate prospective supporters. Legacy marketing will be a considerable focus in the coming year to address the long term sustainability of this vital source of income.*

Enhancing Services; *The team will continue to pursue the establishment and development of virtual wards, Living Well Services, and 24/7 Hospice at Home. There will also be concentration on patient outcome data to monitor activity and acuity, as well as facilitate meaningful grant funding discussions with the ICB.*

Structure, governance and management

The company was established on 5 March 1991 under a Memorandum of Association which set down the objects and powers of the charitable company and is governed under its articles of association and was registered as a charity on 10 May 1991.

Governance

St. Michael's Hospice is governed by the Board with each member in accordance with the Charities Act serving as a Trustee. The Board is responsible for approving the strategic plan and the annual budget and ensuring that sufficient resources are provided to allow the Hospice to fulfil the purpose for which it was established.

All Trustees give their time voluntarily and receive no benefits from the charity. The Trustee Board meets quarterly and there are three Board sub-committees; Finance & General Purpose (including remuneration and investment committee), Income Generation, and Clinical Governance.

Appointments to the Board are approved by the current Trustees and ratified at the subsequent Annual General Meeting.

The current and future Trustee base is seen as representing a good cross-section of accounting, medical, business and corporate governance, and local community input.

Management

Operational activities are delegated to employed staff via the Chief Executive who is responsible to the Board for overall management of the business and the provision of care and services which in the role of Responsible Individual meet the requirements of the Health and Social Care Act 2008 and comply with guidance provided by the Care Quality Commission.

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The **Senior Leadership Team** at St. Michael's Hospice ensures strategic direction is maintained and is led by the Chief Executive. Members of the team are:

- Director of Income Generation
- Director of Transformation
- Finance Director
- Medical Director
- Clinical Director

The **Clinical Management Team** (CMT) are responsible for dealing with the day-to-day clinical operations of St. Michael's Hospice. CMT includes the Medical Director, Clinical Director, Hospice at Home Lead, Patient and Family Support Lead, Therapy Lead, IPU Lead and Senior Speciality Doctor.

The **Governance Team** oversees the development and implementation of clinical governance within the Hospice and ensures legal and operational responsibilities are fully discharged. Roles represented on the team are:

- Caldicott Guardian
- Serious Information Risk Owner (SIRO)
- Data Protection Officer (DPO)
- Health and Safety Officer
- Registered Manager
- Controlled Drugs Accountable Officer (CDAO)
- Safeguarding Lead

The Chief Executive meets regularly with the Chair and other Trustees to discuss issues and progress against objectives.

Appointment of Trustees

New Trustees are identified through the use of a skills matrix necessary to support all areas of St. Michael's as both a charity and provider of healthcare services. One new Trustee was recruited during the year following one retirement. A Trustee with retail experience was recruited as a result of the skills gap identified.

New Trustees are proposed by either internal or external recommendation or recruitment and are generally interviewed by the Chair, Chief Executive, and appropriate Chair of sub-committee. All Trustees are then invited to comment confidentially on suitability prior to a vote of the Board of Trustees being taken.

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Trustee induction and training

Trustees receive a comprehensive briefing on the role and have access to an induction pack along with documentation on the Hospice's policies and procedures. Trustees are expected to attend an away day, focussed on training and effectiveness which is held annually.

Related parties and relationships with other organisations

St. Michael's Hospice works closely with Hampshire Hospitals NHS Foundation Trust and the Hampshire and Isle of Wight Integrated Care Board.

St. Michael's Hospice worked in partnership with Odiham Cottage Hospital (OCH) to provide enhanced Hospice at Home care within that area. OCH provided a total of £15,000 (2023: £22,500) of income to the Hospice during the year. In the past, St. Michael's also provided befriending services through OCH but this service is now managed by that Trust.

As a member of Hospice UK, the Hospice works with regional hospice Chief Executives, sharing data and experiences. In addition, the Chief Executive plays an active role in supporting a regional independent hospice network through communication and collaboration.

The Director of Transformation is tasked with stakeholder engagement and management and works collaboratively with organisations across the local healthcare system such as Hampshire Hospitals Foundation Trust, the Integrated Care Board and Southern Health.

The Medical Director is a member of Hampshire and IOW Palliative and End of Life Board that informs decision making for the Integrated Care System.

Remuneration policy for key management personnel

The Finance Committee meets to establish the Chief Executive's, and other executives' remuneration packages on an annual basis. All recommendations made by the committee are approved by the Board.

As part of the remuneration process, the Finance and General Purposes Committee fully considers recommendations of the Association of Chief Executives of Voluntary Organisations (ACEVO) and completes a benchmarking process across the Hospice sector.

Overall salary funding is part of the annual budget process, and within that approved budget the Chief Executive agrees with the Finance and General Purposes Committee the individual awards for key personnel.

Statement of responsibilities of the Trustees

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees for 2023 was 28

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(2022: 35). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 5 August 2024 and signed on their behalf by

D. Salisbury
Chairman

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

Opinion

We have audited the financial statements of St Michael's Hospice (North Hampshire) (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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 set out in the Trustees' annual report, 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

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

19 August 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 110 Golden Lane, LONDON, EC1Y 0TG

St. Michael's Hospice (North Hampshire)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations and legacies	2	1,467,009	261,802	1,728,811	1,799,902	79,280	1,879,182
Charitable activities							
Specialist palliative care	3	1,018,745	–	1,018,745	1,009,753	96,212	1,105,965
Other trading activities							
Retail	4	2,196,941	–	2,196,941	2,059,773	–	2,059,773
Lottery and Events	4	423,558	–	423,558	407,979	–	407,979
Investments	5	165,290	–	165,290	132,672	–	132,672
Total income		5,271,543	261,802	5,533,345	5,410,079	175,492	5,585,571
Expenditure on:							
Raising funds	6						
Retail		1,632,209	–	1,632,209	1,614,791	–	1,614,791
Cost of raising funds		771,521	–	771,521	624,923	–	624,923
Charitable activities	6						
Specialist palliative care		3,522,153	226,524	3,748,677	3,207,643	227,107	3,434,750
Total expenditure		5,925,883	226,524	6,152,407	5,447,357	227,107	5,674,464
Net (expenditure)/income before net (losses)/gains on investments		(654,340)	35,278	(619,062)	(37,278)	(51,615)	(88,893)
Net gains/ (losses) on investments		351,418	–	351,418	(158,059)	–	(158,059)
Net (expenditure)/income for the year and net movement in funds	7	(302,922)	35,278	(267,644)	(195,337)	(51,615)	(246,952)
Reconciliation of funds:							
Total funds brought forward		5,375,667	505,124	5,880,791	5,571,004	556,739	6,127,743
Total funds carried forward		5,072,745	540,402	5,613,147	5,375,667	505,124	5,880,791

All the above results, other than those stated under discontinued operations, continued throughout the year. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

St. Michael's Hospice (North Hampshire)**Balance sheet**

Company no. 02588395

As at 31 March 2024

	Note	2024 £	2023 £
Fixed assets:			
Tangible assets	12	885,799	808,461
Investments	13	4,097,951	3,746,533
		<u>4,983,750</u>	<u>4,554,994</u>
Current assets:			
Debtors	14	322,698	364,046
Cash at bank and in hand		802,805	1,549,040
		<u>1,125,503</u>	<u>1,913,086</u>
Liabilities:			
Creditors: amounts falling due within one year	15	(496,106)	(587,289)
Net current assets		<u>629,397</u>	<u>1,325,797</u>
Total net assets	18	<u>5,613,147</u>	<u>5,880,791</u>
Funds:	19		
Restricted income funds		540,402	505,124
Unrestricted income funds:			
Fair value reserve		–	1,521,600
Designated funds		2,510,760	1,157,450
General funds		2,561,985	2,696,617
		<u>5,072,745</u>	<u>5,375,667</u>
Total unrestricted funds		<u>5,072,745</u>	<u>5,375,667</u>
Total funds		<u>5,613,147</u>	<u>5,880,791</u>

Approved by the trustees on 5 August 2024 and signed on their behalf by

D Salisbury
Chairman

St. Michael's Hospice (North Hampshire)

Statement of cash flows

For the year ended 31 March 2024

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

	2024 £	2023 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(267,644)	(246,952)
Depreciation charges	109,192	89,250
(Gains)/ Losses on investments	(351,418)	158,059
Dividends and interest from investments	(165,290)	(132,672)
Decrease in debtors	41,348	505,754
Decrease in creditors	(91,183)	(36,231)
Net cash (used in)/ provided by operating activities	(724,995)	337,208

	Note	2024 £	£	2023 £	£
Cash flows from operating activities					
Net cash (used in)/ provided by operating			(724,995)		337,208
Cash flows from investing activities:					
Dividends and interest from investments		165,290		132,672	
Purchase of fixed assets		(186,530)		(105,559)	
Net cash (used in)/ provided by investing activities			(21,240)		27,113
Change in cash and cash equivalents in the year			(746,235)		364,321
Cash and cash equivalents at the beginning of the year			1,549,040		1,184,719
Cash and cash equivalents at the end of the year			802,805		1,549,040

1 Accounting policies

a) Statutory information

St. Michael's Hospice (North Hampshire) is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Basil de Ferranti House, Aldermaston Road, Basingstoke, Hampshire, RG24 9NB.

b) Basis of preparation

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)– (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 or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

Income from insurance claims is recognised when the income criteria is met and the value is considered measurable.

1 Accounting policies (continued)

e) Income (continued)

For legacies, entitlement is taken as the earlier of the estate accounts have been drafted and notification has been made by the executor(s) to the charity that a distribution will be made or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Interest and dividends receivable

Interest and dividends on invested funds and funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon receipt of the funds.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are funds allocated by the trustees for specific projects, risks or costs.

h) Expenditure and irrecoverable VAT

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

- Retail is the cost incurred in operating the retail shops.
- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities is the costs of delivering the core palliative care services undertaken to further the purposes of the charity.

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

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to the cost of raising funds. Costs which cannot be directly attributed are allocated based on the head count in each department, which works out as the following percentages for both this and the previous year:

- | | |
|------------------------------|----------------------|
| ● Retail | 26% (prior year 26%) |
| ● Cost of raising funds | 9% (prior year 6%) |
| ● Specialist palliative care | 65% Prior year 68%) |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. They are allocated on the following basis which is representative of the estimated time spent on each area of the business:

- | | |
|------------------------------|-----|
| ● Retail | 25% |
| ● Cost of raising funds | 25% |
| ● Specialist palliative care | 50% |

1 Accounting policies (continued)

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

- | | |
|------------------------------------|---------------------|
| ● Freehold Buildings | 20 years |
| ● Fixtures, fittings and equipment | Between 4 & 5 years |

l) Investments

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet.

Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Stocks

Stocks of goods for resale in the shops are not included in the accounts. It is deemed that the effort required to value the high volume and low individual value of the stock outweighs any benefit of including stock in the financial statements.

n) Debtors

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

o) 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.

p) Creditors and provisions

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

q) Pensions

The charity contributes to the NHS Superannuation pension scheme for certain qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension charge represents contributions payable by the charity to the fund. It is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities. It is therefore accounted for as though it were a defined contribution scheme.

The charity also provides a defined contribution pension scheme for employees other than those within the NHS superannuation pension scheme and contributes up to 6% of basic salary. Contributions are recognised when due.

Notes to the financial statements

For the year ended 31 March 2024

2 Income from donations and legacies

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Donations	1,056,891	261,802	1,318,693	1,068,023	79,280	1,147,303
Legacies	410,118	–	410,118	731,879	–	731,879
	<u>1,467,009</u>	<u>261,802</u>	<u>1,728,811</u>	<u>1,799,902</u>	<u>79,280</u>	<u>1,879,182</u>

In addition to the legacies above, we had no contingent legacy assets at 31.03.24 which could be reasonably valued (2023: £264,000). In 2023, these related to three estates where we were named beneficiaries, probate had been granted and property was in the process of being sold.

3 Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from North Hampshire Clinical Commissioning Group	939,574	–	939,574	923,869	–	923,869
Income from Odiham Cottage Hospital	15,000	–	15,000	22,500	–	22,500
Covid 19 related funding from HM Government, NHSE and Local Authorities	–	–	–	–	96,212	96,212
Other income	64,171	–	64,171	63,384	–	63,384
Total income from charitable activities	<u>1,018,745</u>	<u>–</u>	<u>1,018,745</u>	<u>1,009,753</u>	<u>96,212</u>	<u>1,105,965</u>

Covid Funding was received from the Clinical Commissioning Group and Hospice UK in response to the Omicron COVID variant, and Local Authority Grants for retail premises.

Hospice UK administered Omicron response funding to allow the hospice to make available bed capacity and community support from mid-December 2021 to March 2022.

4 Income from other trading activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Retail	2,196,941	–	2,196,941	2,059,773	–	2,059,773
Lottery	244,714	–	244,714	262,128	–	262,128
Events	178,844	–	178,844	145,851	–	145,851
	<u>2,620,499</u>	<u>–</u>	<u>2,620,499</u>	<u>2,467,752</u>	<u>–</u>	<u>2,467,752</u>

5 Income from investments

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
COIF Charities Investment Funds	160,737	–	160,737	130,149	–	130,149
Bank interest	4,553	–	4,553	2,523	–	2,523
	<u>165,290</u>	<u>–</u>	<u>165,290</u>	<u>132,672</u>	<u>–</u>	<u>132,672</u>

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2024

6a Analysis of expenditure (current year)

	Raising funds		Charitable activities	Support and governance costs	2024 Total	2023 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£	£
Staff costs (Note 8)	836,306	421,325	2,779,922	493,011	4,530,564	4,166,015
Direct care costs	–	–	177,112	–	177,112	167,624
Direct cost of generating funds	152,959	211,236	–	–	364,195	320,532
Premises	382,085	17,400	56,394	9,615	465,494	463,780
Legal and professional services	21,890	17,792	107,007	23,769	170,458	135,354
Equipment, supplies and consumables	52,026	30,820	93,415	67,702	243,963	265,937
Depreciation & dilapidations	28,230	–	89,196	4,356	121,782	100,038
Other costs	1,729	4,859	34,686	37,565	78,839	55,184
	1,475,225	703,432	3,337,732	636,018	6,152,407	5,674,464
Support costs	145,465	56,570	387,907	(589,942)	–	–
Governance costs	11,519	11,519	23,038	(46,076)	–	–
Total expenditure 2024	1,632,209	771,521	3,748,677	–	6,152,407	
Total expenditure 2023	1,614,791	624,923	3,434,750	–		5,674,464

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2024

6b Analysis of expenditure (prior year)

	Raising funds		Charitable activities	Support and governance costs	2023 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£
Staff costs (Note 8)	797,758	321,556	2,578,631	468,070	4,166,015
Direct care costs	–	–	167,624	–	167,624
Direct cost of generating funds	138,727	181,805	–	–	320,532
Premises	383,121	23,400	53,062	4,197	463,780
Legal and professional services	46,799	5,248	56,190	27,117	135,354
Equipment, supplies and consumables	65,022	31,093	103,327	66,495	265,937
Depreciation & dilapidations	25,197	–	71,592	3,249	100,038
Other costs	4,437	2,901	22,663	25,183	55,184
	1,461,061	566,003	3,053,089	594,311	5,674,464
Support costs	144,276	49,466	362,752	(556,494)	–
Governance costs	9,454	9,454	18,909	(37,817)	–
Total expenditure 2023	1,614,791	624,923	3,434,750	–	5,674,464

Notes to the financial statements

For the year ended 31 March 2024

7 Net income/(expenditure) for the year

This is stated after charging/ (crediting):

	2024 £	2023 £
Depreciation	109,192	89,250
Profit on disposal of fixed assets	(2,000)	-
Operating lease rentals:		
Property	320,842	333,702
Other	49,191	44,891
Auditor's remuneration (excluding VAT):		
Audit	15,950	14,900
Other services – tax advice/ services	-	3,000
	<u> </u>	<u> </u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	3,879,317	3,563,861
Social security costs	274,010	262,757
Employer's contribution to pension schemes	348,126	300,592
Other forms of employee benefits	29,111	28,805
Termination costs – paid	-	10,000
	<u>4,530,564</u>	<u>4,166,015</u>

The following number of employees received employee benefits (excluding employer pension costs and employers national insurance), of over £60,000 during the year as follows:

	2024 No.	2023 No.
£60,000 – £69,999	2	-
£70,000 – £79,999	-	-
£80,000 – £89,999	-	1
£90,000 – £99,999	1	2
£100,000 – £109,999	1	-
	<u> </u>	<u> </u>

The total employee benefits including pension contributions and national insurance of the key management personnel were £527,503 (2023: £544,708). The role of Clinical Director was vacant for 5 months which is why the overall cost has reduced on the previous year. The Medical Director is paid via a Service Level Agreement (SLA) with Hampshire Hospital Foundation Trust (HHFT). The HHFT SLA costs are included in the above figures and disclosures.

During the year no employees received a termination payment (2023: one employee of £10,000).

The charity trustees were not paid or receive any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil). During the year, no expenses were reimbursed to trustees (2023: £nil).

Notes to the financial statements

For the year ended 31 March 2024

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Raising funds	48.2	44.4
Specialist palliative care	91.5	82.4
Support	10.9	9.8
Governance	0.4	0.4
	151.0	137.0

10 Related party transactions

During the year donations of £18,222 (2023: £25,623) were received from trustees, of which £4,457 was from a company for which a trustee is a director. None of the income was restricted.

The spouse of one the trustees. Andrew Taylor, was employed during the year. The trustee did not have any involvement in setting her pay and the salary is considered to be set on an arm's length basis.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land £	Freehold buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At the start of the year	182,049	2,973,169	778,050	3,933,268
Additions in year	–	35,848	150,682	186,530
Disposals in year	–	–	(311,645)	(311,645)
At the end of the year	182,049	3,009,017	617,087	3,808,153
Depreciation				
At the start of the year	–	2,462,432	662,375	3,124,807
Charge for the year	–	67,914	41,278	109,192
Eliminated on disposal	–	–	(311,645)	(311,645)
At the end of the year	–	2,530,346	392,008	2,922,354
Net book value				
At the end of the year	182,049	478,671	225,079	885,799
At the start of the year	182,049	510,737	115,675	808,461

The freehold land shown above at cost of £182,049 (2023: £182,049) is not depreciated.

All of the assets shown above are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2024

13 Investments

	2024 £	2023 £
Fair value at the start of the year	3,746,533	3,904,592
Net gain/(loss) on change in fair value	351,418	(158,059)
Fair value at the end of the year	<u>4,097,951</u>	<u>3,746,533</u>

Investments comprise:

	The charity 2024 £	2023 £
UK Common investment funds	4,097,951	3,746,533
	<u>4,097,951</u>	<u>3,746,533</u>

14 Debtors

	2024 £	2023 £
Trade debtors	10,623	13,080
Other taxation	89,057	166,082
Other debtors	66,590	77,599
Prepayments	156,428	107,285
	<u>322,698</u>	<u>364,046</u>

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	93,649	107,816
Accruals	351,959	404,989
Deferred income (note 17)	50,498	74,484
	<u>496,106</u>	<u>587,289</u>

16 Deferred income

Deferred income comprises income received in respect of events being held after 31 March 2024 and lottery income received in advance of the draw.

	2024 £	2023 £
Balance at the beginning of the year	74,484	233,445
Amount released to income in the year	(74,484)	(233,445)
Amount deferred in the year	50,498	74,484
Balance at the end of the year	<u>50,498</u>	<u>74,484</u>

17 Pension schemes

The charity operates a defined contribution pension scheme for certain qualifying employees and contributes up to 6% of basic salary matching employee contributions. The total pension contributions payable in the year were £198,892 (2023: £169,741). There were £18,195 outstanding contributions at the year end, (2023: £15,044).

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024 to 23.7% of pensionable pay. The 2020 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. The core cost cap costs of the scheme lies outside the 3% cost cap corridor, however when the wider economic situation is taken into account through the economic cost cap costs of the scheme, the cost cap corridor is not similarly breached. As a result there is no requirement for the Secretary of State to consult on changes to the scheme.

The total pension contributions payable in the year were £149,234 (2023: £130,851). There were no outstanding contributions at the year end or in 2023.

Notes to the financial statements

For the year ended 31 March 2024

18a Analysis of net assets between funds (current year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	458,136	–	427,663	885,799
Investments	4,097,951	–	–	4,097,951
Net current assets	516,658	–	112,739	629,397
Net assets at the end of the year	5,072,745	–	540,402	5,613,147

18b Analysis of net assets between funds (prior year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	322,964	–	485,497	808,461
Investments	2,224,933	1,521,600	–	3,746,533
Net current assets	1,306,170	–	19,627	1,325,797
Net assets at the end of the year	3,854,067	1,521,600	505,124	5,880,791

19a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	485,497	–	(57,834)	–	427,663
Equipment	981	13,407	(14,388)	–	–
Donations/Grants expended	14,431	78,395	(76,599)	–	16,227
Covid 19 related grant from NHSE	–	–	–	–	–
Wessex GP Education Trust	4,215	–	(3,124)	–	1,091
Patient Room Refurbishment	–	108,000	(12,579)	–	95,421
Lindbury Charitable Trust	–	62,000	(62,000)	–	–
Total restricted funds	505,124	261,802	(226,524)	–	540,402
Unrestricted funds:					
Designated funds:					
Capital projects fund	320,000	–	(244,000)	–	76,000
Insurance fund	73,485	–	(19,440)	–	54,045
Fixed asset fund	322,965	39,750	–	–	362,715
Operating fund	–	–	–	1,160,000	1,160,000
Legacy contingency fund	441,000	–	–	417,000	858,000
Total designated funds	1,157,450	39,750	(263,440)	1,577,000	2,510,760
Fair value reserve	1,521,600	351,419	–	(1,873,019)	–
General funds	2,696,617	5,206,792	(5,637,443)	296,019	2,561,985
Total unrestricted funds	4,218,217	5,558,211	(5,637,443)	(1,577,000)	2,561,985
Total funds	5,880,791	5,859,763	(6,127,407)	–	5,613,147

Notes to the financial statements

For the year ended 31 March 2024

19b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	543,332	–	(57,835)	–	485,497
Equipment	6,062	–	(5,081)	–	981
Support Programmes	–	–	–	–	–
Donations/Grants expended	647	29,280	(15,496)	–	14,431
Covid 19 related grant from NHSE	–	96,212	(96,212)	–	–
Wessex GP Education Trust	4,215	–	–	–	4,215
Lindbury Education Trust	2,483	50,000	(52,483)	–	–
Total restricted funds	556,739	175,492	(227,107)	–	505,124
Unrestricted funds:					
Designated funds:	–	–	–	–	–
Capital projects fund	170,000	–	(127,092)	277,092	320,000
Insurance fund	88,720	–	(15,235)	–	73,485
Fixed asset fund	248,820	131,980	(57,835)	–	322,965
Legacy contingency fund	300,000	–	–	141,000	441,000
Service development fund	191,206	–	(191,206)	–	–
Total designated funds	998,746	131,980	(391,368)	418,092	1,157,450
Fair value reserve	1,679,659	113,337	(271,396)	–	1,521,600
General funds	2,892,599	5,278,102	(5,055,992)	(418,092)	2,696,617
Total unrestricted funds	4,572,258	5,391,439	(5,327,388)	(418,092)	4,218,217
Total funds	6,127,743	5,698,911	(5,945,863)	–	5,880,791

Funds – current and prior years

Purposes of restricted funds

Building projects: Donations were received for building projects to provide for the expansion and refurbishment of the Hospice buildings. As the final project was completed in April 2014, all of the outgoings relate to depreciation.

Equipment: The equipment fund provides for the purchase of various types of equipment for which specific funding has been raised.

Support programmes: The funding provides for supporting specified groups of patients and their families.

Donations/Grants expended: The income is for a medical salaries grant, energy project and various other small projects.

Wessex GP Education Trust: funding to enable additional staff to attend History Taking course.

Patient Room Refurbishment: This represents donations from Trusts towards the refurbishment of all patient rooms and will be written down over 5 years in line with our depreciation accounting policy.

Lindbury Education Trust: This was awarded to appoint and fund the training of a Clinical Nurse Specialist. Since awarded the scope of the funding has been widened to enhancing more nurses skills to Advances Practitioner level.

Notes to the financial statements

For the year ended 31 March 2024

19 Funds – current and prior years (continued)

Purposes of designated funds

Capital projects fund: Reserves have been designated of £76k to complete the energy project including solar installation. Prior year includes energy project, patient room refurbishment and brand refresh.

Insurance fund: during 2021 a successful claim for business interruption was made. However, this resulted in a significant increase in insurance premium. This fund is to cover the additional cost of insurance for a five year period.

Fixed asset fund: This is the value of fixed assets in the balance sheet owned by the Hospice and not covered by restricted funds. These assets cannot be readily realised into cash so are therefore excluded from our general reserves.

Operating fund: This represents the reserves needed to cover the forecast deficits for the next three years while the hospice returns to a breakeven position.

Legacy Contingency fund: the legacy contingency fund represents the gap between the legacy budget and the known legacy pipeline. This year the fund has decreased slightly by £25k (2023: increase of £141,000) due a much lower legacy budget being set. Annually the trustees consider the risks within the legacy budget and adjust amount held in the legacy contingency fund.

Fair value reserve: This fund represents the excess of fair value over the historic cost of the investments.

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2024	2023	2024	2023
	£	£	£	£
Less than one year	223,629	289,579	45,301	33,885
One to five years	230,600	708,766	31,104	35,185
Over five years	8,750	306,687	–	–
	462,979	1,305,032	76,405	69,070

The above equipment lease commitments include company cars provided to qualifying staff under a salary sacrifice arrangement.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

Accounts

Company number: 02588395
Charity Number: 1002856

St. Michael's Hospice (North Hampshire)

(Company Limited by Guarantee)

Report and financial statements
For the year ended 31 March 2023

St. Michael's Hospice (North Hampshire)
(Company Limited by Guarantee)

Trustees' annual report

For the year ended 31 March 2023

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For the year ended 31 March 2023

Company number	02588395
Country of incorporation	United Kingdom
Charity number	1002856
Country of registration	England
Registered office and operational address	Basil de Ferranti House, Aldermaston Road BASINGSTOKE, Hampshire RG24 9NB
Patrons	Val Buckley The Earl of Portsmouth
Honorary Life President	Mr A Soundy
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: D Salisbury Chairman D Bowden Honorary Treasurer C Burghes Retired 7 November 2022 A Chancellor Retired 7 November 2022 (former Chairman) M Dolby S Goddard C Hutchings C Jones Appointed 8 August 2022 J Lyons C O'Keeffe Appointed 7 November 2022 V Simpson
Key management	
I Cameron	Chief Executive
J Storrar	Medical Director
C Griffiths	Director of Transformation
G Grace	Finance Director
L Pink	Director of Income Generation
P Aslet	Director of Nursing (retired 31 March 2023)

**St. Michael's Hospice (North Hampshire) and Subsidiary companies
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Trustees' annual report

For the year ended 31 March 2023

Bankers	Lloyds Bank PLC 2, Winchester Street BASINGSTOKE, RG21 1EB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane LONDON EC1Y 0TL
Investment Managers	CCLA Fund Managers Limited Senator House 85 Queen Victoria Street LONDON EC4V 4ET

**St. Michael's Hospice (North Hampshire) and Subsidiary companies
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Trustees' annual report

For the year ended 31 March 2023

The Trustees present their report and the audited financial statements for the year ended March 31, 2023.

Reference and administrative information set out on page 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

St. Michael's Hospice is registered under the Health and Social Care Act 2008 (Regulated Activities) and the Care Quality Commission (Registration) Regulations 2009.

Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps Trustees ensure the charity's aims, objectives and activities remained focussed on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Purposes and Aims

In 2022, St. Michael's Hospice celebrated its 30th year of providing free, compassionate care to people in North Hampshire who have a life-limiting illness, need us for end-of-life care or are experiencing bereavement.

Our purpose is to bring specialist palliative care, interventions and treatment to our patients, as well as extending care to their family, friends and carers by providing bereavement support and advice when a loved one has died.

Everyone deserves a good death – but this will look different for each of our patients. Some patients request to be cared for at home, surrounded by loved ones and in a familiar environment – for those people, we have our Hospice at Home service, where we provide our specialist care in their homes. We also have our 10-bedded In-Patient Unit, which provides 24-hour care on-site for those who cannot be, or do not want to be cared for at home. No matter which their choice is, we are there for our patients whenever and wherever they need us across North Hampshire.

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For the year ended 31 March 2023

It is important to us that the days before dying are filled with as much living as possible. That is why we focus on ensuring that our patients are as comfortable, pain-free and independent as they can be. Our teams are trained and skilled in providing care for treatment of side effects, strain, tension, breathlessness and holistic care. Our aim is about putting life into days – making sure the days that do remain are as normal as they can be. We want our patients to continue making memories with their loved ones, whether that is playing a game together, renewing wedding vows, seeing a beloved pet or simply spending time together.

We know that hospices can be seen as daunting places; however we know this is not true. We pride ourselves on having a friendly environment filled with kindness and compassion, where our staff and volunteers are there for the needs of our patients and their families, whether providing medical care, making a cup of tea, or giving an empathetic ear or warm smile.

Our mission is simple. St. Michael's Hospice aims to enable anyone faced with a life-limiting illness, their families and carers, to attain the highest possible quality of life by providing a choice of specialist care and support.

To achieve this purpose, we have a clearly defined set of aims:

- Ensure that all people in our care with a life-limiting illness have access to the very best medical care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain
- Support and care for our patients' families and loved ones who play a crucial role in their wellbeing
- Allow our patients to die with dignity in a place of their choice.

We meet our aims through the following activities:

- Providing specialist palliative medical and nursing care in our In-Patient Unit (IPU) for critical and complex cases and in people's homes through our Hospice at Home team
- Working collaboratively to coordinate end of life and palliative care in the community across all stakeholders: the NHS, local GPs, Social Services and ourselves
- Therapeutic day care services for patients in the community
- Occupational therapy, physiotherapy, and complementary therapy services
- Providing family, spiritual and bereavement support
- Community and professional education.

**St. Michael's Hospice (North Hampshire) and Subsidiary companies
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Trustees' annual report

For the year ended 31 March 2023

Strategic report

Achievements and performance

The charity's main activities, and the people it seeks to help, are described below. All our charitable activities focus on the provision of specialist palliative care and support services to the terminally ill, their carers and family, and are undertaken to further St. Michael's Hospice's charitable purposes for the public benefit.

2022/23 continued to be especially challenging for the organisation following years of disruption as a result of the Covid pandemic. St. Michael's remains in a sound financial condition, prudently governed, which readies it to weather an uncertain economy and rising costs. We remain committed to extending services whilst eliminating our operating deficit over the medium term. Following the introduction by NHS England of Integrated Care Boards, we must continue our collaborative approach to providing healthcare services and seek appropriate levels of commissioning income for our care in line with amendments to The Care Act 2014. The hospice is proud to be a person-centred organisation, focussed on our people serving those in our community, and the pursuit of excellence is embedded in all we do.

Significant Achievements

The following are key achievements for the past year.

- i. Increased referrals to our Hospice at Home service of 43%
- ii. Launched a Living Well Service for outpatients and relatives
- iii. Appointed a Patient Flow Coordinator to facilitate improvements to discharge planning
- iv. Refurbished in-patient facilities to create a modern and welcoming environment
- v. Adopted modern flexible working systems in response to staff needs
- vi. Launched an Income Generation Strategy to invest in enhanced services

Principal activities and performance

Care Services provision

Specialist palliative and end-of-life care is provided both in patients' own homes and at the Hospice in either our In-Patient Unit or for visiting day-patients in our Living Well Centre.

During the year, the Hospice increased the provision of care to a record number of local people both within the Hospice, and outside through an investment in community nursing and administration posts.

Measuring performance of care provision can be difficult but we monitor key indicators from our VOICES survey and will report on that below. More details on how we collect feedback is available later in the report.

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In-Patient Unit (IPU)

The IPU provides 10 beds for those patients whose conditions are the most critical and complex and who would benefit from a period of intensive support.

- During this year, there were 248 (2021/22: 214) admissions to the IPU
- The average length of stay was 9.3 days (2021/22: 9.4).

For some, admission to the IPU enables the clinical team to treat and relieve symptoms associated with their illness, which means patients can then return home. This year, 125 (2021/22: 81) patients were able to return home after a period on the IPU. The IPU staff start parallel planning for discharge from the start of the admission, resulting in early discussions with patients and families about what they need to be in place before discharge. We are then prepared for when the patient is well enough to be discharged.

One of our aims is to 'ensure that all people with a life-limiting illness have access to the very best medical and nursing care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain', and the latest figures from the VOICES survey for January 2022 to December 2022 show:

- 100% (2021: 100%) of respondents strongly agreed that there was enough help with nursing care from St. Michael's Hospice.

'We felt very supported and felt all the staff at the Hospice showed great care to us/mum after she passed. It was even the little things that made the care feel so brilliant.' Responder to our VOICES survey.

Another of our aims is to 'allow our patients to die with dignity in a place of their choice'. Achieving this can be difficult as the end of life may not always proceed in the way it was expected. In the year 2022/23 our In-Patient Unit supported 96% of patients to achieve their preferred place of death in the Hospice (2021/22: 94%).

Hospice at Home

The Hospice at Home service is provided 365 days a year from 08:30 to 20:00. It allows patients to remain in their own homes, where the majority want to be, while still receiving the Hospice's specialist palliative nursing care.

- We had 374 referrals to the service in the year 2022/23, a 43.8% increase since 2020/21.
- 277 patients were under the care of Hospice at Home at time of death in the year 2022/23 compared with 252 in the year 2021/22.
- Hospice at Home helped 96% of patients achieve their preferred place of death in 2022/23 (94% 2021/22).

**St. Michael's Hospice (North Hampshire) and Subsidiary companies
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For the year ended 31 March 2023

"The team visited or telephoned me, the patient's wife, frequently. I cannot praise the Hospice at Home team enough. They were exceptional in every way." Responder to our VOICES survey.

This year, the Hospice at Home team have added seven days of administrative support to work as part of the triage hub, which receives more than 1,000 calls per month from patients and their families who need support or guidance. This has greatly helped the team achieve a higher number of visits, and ultimately maximised the time they can spend helping our patients and their relatives. This has had a huge positive role in increasing all of the data shown above.

Therapies

Our therapists provide services to patients on the IPU, in Living Well, the Motor Neurone Disease (MND) clinic and in the community.

Current Therapy provision:

The Occupational Therapy (OT) role in the In-Patient Unit is aimed at helping patients with discharge planning, home visits to set up the environment with equipment, often jointly with other members of the wider Multi-Disciplinary Team. The therapy team also discuss end-of-life wishes, care and future proofing. Patients are provided with equipment, alterations and adaptations through Hampshire equipment store, moving and handling advice and provision of posture seating and pressure relief, to enable discharge home. Once patients are discharged, they are kept on the OT caseload for monitoring, support and intervention or review of equipment.

The OT role in Living Well is to organise patients' attendance at group sessions with partners. We run one course each month, which covers subjects such as Breathlessness, Fatigue, Falls and Stress/Anxiety. These sessions are supported by a Bank Physiotherapist, with input from the Patient Flow Co-ordinator who is available to answer questions and signpost on managing finances, benefits and community resources.

The OT role in supporting MND patients – both part-time OTs and the Therapy Assistant are involved with MND patients. The caseload is divided between OTs, both of whom attend the monthly clinic that we hold at the Hospice. We support patients with applications for equipment which is funded through the MNDA, or the Hampshire equipment store. We give moving and handling advice and provide our own posture, seating and pressure relief equipment, which plays a key role with this particular patient group.

'The whole team at St. Michael's Basingstoke went above and beyond in caring for my partner and myself, and mine, and his families. Truly exceptional support and care from everyone that works here in all teams. He said he felt safe in there and comfortable and cared for.' Responder to our VOICES survey.

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Patient and Family Support Team

The Patient and Family Support team covers bereavement services, chaplaincy, counselling, complementary therapy and social support. The focus this year has been on further developing the services and extending our reach to more patients and their families.

The **bereavement service** for family members, including children and carers, is provided by both staff and volunteers. Many of our services have seen great uptake this year.

- The monthly bereavement coffee mornings have continued to grow in popularity with a total of 117 attendances this year, compared to 57 last year.
- The bereavement support evenings, held every other month to support newly bereaved relatives, have attracted more attendees with 59 attending this year compared to 40 last year.

Both services allow those grieving to meet others going through a similar experience, build their support networks and access additional support as required.

- In August, the bereavement service launched a new Walk and Talk group held on the third Friday of the month. Uptake has been slow with just 9 attendees since August but it is hoped that as we enter Spring numbers will increase.

'It has been very cathartic. Listening to how other people are dealing with their grief and being given help on how to deal with mine.' Feedback from Bereavement Evening Attendee.

The **counselling service** is offered to all those affected by a life-limiting illness, as well as those who are coping with grief. The appointment of an additional counsellor has helped us to offer counselling to many more patients and relatives. A total of 411 (2021/2022: 281) 1:1 sessions were delivered across the year.

'I can't thank St. Michael's Hospice who arranged the counselling enough. You have all helped me recover from a horrible experience I never want to go back to again.' Letter from Counselling Client.

The availability of a **Chaplain** to provide listening, emotional and spiritual support has proved greatly beneficial to our patients and the service has now been expanded to cover five days a week from three, with the addition of two volunteer chaplains. To support staff with the emotional demands of working in end of life care, reflective sessions are now offered in the specially designed Sanctuary. Our chaplaincy care is designed to cater for all faiths and to those who would not see themselves as having a faith. During the year, 694 (2021/2022: 475) chaplaincy visits were made.

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For the year ended 31 March 2023

The **complementary therapy team** work alongside the medical staff offering treatments to help symptom management – treatments are provided on the IPU and in our outpatient facility, the Turner Centre. Treatments offered include massage, reflexology and Indian head massage. Complementary therapists delivered 706 (2021/2022: 409) treatments during the year.

Other related activities

Education and Training

Education and training is vital to ensuring we can deliver on our purpose, enabling us to know we are offering the very highest standard of treatment and support currently available. In addition, while nurse recruitment is a challenge nationally, that we offer and protect time for further education and training means that we provide a valuable opportunity that nurses may not receive elsewhere.

All nurses continue to have one month's protected learning time when they join the organisation. Our Bluestream online system is used by all staff to offer a range of training. We offer inhouse education sessions such as "An introduction to Palliative Care", "Use of syringe drivers" and "Verification of Expected Death" training and competency assessments.

Multi-professional education sessions are held on a monthly basis, usually with guest speakers. An introduction to Clinical Hypnotherapy, Recognition of Delirium, Parental Nutrition and an update from the Motor Neuron Disease National Conference are a few of the sessions that have been held.

A Hospice Leadership and Management Programme was launched with 1:1 sessions offered by an external provider to all staff in middle management.

Student placements are regularly offered to student nurses from the Universities of Southampton, Winchester and Surrey. Student evaluation of their placements is very positive and, although we did not win, one Winchester student nominated St. Michael's as best student placement.

Summary of other training throughout the reporting period:

- Advanced communication Course – 13 attendees.
- Dedicated Clinical Staff Training Days – 110 attendees.
- Training day held annually for all staff.
- Non-Invasive Ventilation Train the Trainer course – 8 attendees.
- Hospice Biographer training (Stories for Life) – 3 attendees.
- Talking to Children, Pre and post bereavement – 20 attendees.
- NVQ Level 2 in End of Life Care – 3 attendees.
- Resilience Based Clinical Supervision course – 1 attendee.
- Physical Assessment and History Taking course – 1 attendee.
- Income Generation team away day

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All staff undertake an annual appraisal where the personal development plan for the coming 12 months is agreed based on identified main knowledge areas and competencies required for the role. The Hospice encourages training and development of all staff, budgeting and paying for training and allowing time to attend courses to support staff in their roles.

Environmental enhancements

For the first time in the Hospice's history, the In-Patient Unit closed for 14 days in July. During this time, substantial works were undertaken in all patient areas. For four weeks prior to the commencement of works, a phased reduction in admissions began with two beds closing each week leading up to 1 July. The phased reduction in capacity worked well, with our last patient being discharged home 18 hours ahead of schedule.

Hard flooring was installed, replacing aged carpet that did not meet latest infection control requirements. All lighting was replaced; new spotlights provide a soft and homely feel and are very energy efficient. Running simultaneously was a full refurbishment and upgrade to the community and medical offices using money secured through Hospice UK. Rooms were fully redecorated, and acoustic panels were fitted to mitigate noise. Further new lighting and office furniture was installed and has transformed the working environment.

The In-Patient Unit reopened to patients on the 15 July. Further refurbishment works were later undertaken and included a new family room, sanctuary, children's conservatory, Café and meeting area within the Turner Centre, a new counselling room and the decoration of all clinical offices.

Another electric van has joined our fleet, replacing a diesel vehicle at the end of its lease. The main Hospice site is electric-only and had cloud monitoring sensors installed on all circuits. Vast quantities of data are being collected and will be processed to fully understand energy usage/trends. A report will then be produced on how best to reduce the environmental impact of the organisation, whilst mitigating inflated energy costs.

Staff engagement and support

Each month, we hold an online Staff Forum, chaired by the CEO, with all staff welcome and encouraged to attend. To ensure as many staff can attend as possible, the Forum is still held on Zoom – meaning it is accessible from outside the Hospice too. After the conference, all information, including the presentations, are uploaded to the staff intranet for access if staff are unable to attend and reference if staff want to go back to information given.

We continue to recognise long service and celebrate PRIDE nominations in the Forum. We have received 184 PRIDE nominations in 2022/23 and the programme continues to be successful. These are shared and celebrated at our Staff Forum, and on our social media channels – which are well received by our external audiences too.

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To support staff with their health and wellbeing, we have actively promoted our employee assistance programme available to our staff. This provides them with access to treatments for the body and mind, and money back on everyday health.

Patient and Family Feedback

Gathering feedback from those who use our services is vital for continued learning, growth and the promotion of a culture of transparency.

Feedback results are monitored on an ongoing basis by our Patient and Family Support Team Lead so that any important issues are immediately passed for follow up to senior members of the Clinical Team and the Senior Leadership Team where necessary. All the results are collated annually and published on our website.

There are three ways that we collect data:

1. Our **Voices Survey** is mailed to all families 10 weeks following a bereavement. This survey gathers feedback on the In-Patient Unit, Hospice at Home and circumstances surrounding the death. Between 1 January and 31 December 2022 a total of 295 surveys were sent out and 124 were returned for analysis giving a 42% response rate. 96% of those taking part in the survey rated their experience of St. Michael's Hospice at Very Good.
2. **Friends and Family Test**, as measured via Your Experience Matters Postcards and VOICES Survey, for which we had a total of 149 responses (2022:103) and a 97% Very Good/Good rating.
3. We also have a **Hospice User Group** – a new open forum for Hospice patients, carers, family members and friends to be part of. The purpose of the group is to give those service users a voice in how we develop our services for the future and identify areas for improvement. Meetings are held quarterly and to date we have 10 members.

Income generation

The Hospice relies on a wide range of income generation activities to fund services, as statutory funding from North Hampshire ICB funds less than 16% of the costs required to run our services.

The development of future services and the implementation of our strategy rely on our ability to generate significant additional funding. Whilst all our services relieve pressure on our NHS colleagues by preventing hospital admissions, there has not been a significant increase in the substantive yearly grant from the NHS for several years.

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This of course makes the sustainability of services more challenging. Therefore, we rely on our fundraising activities to provide most of the income for current and future services.

Fundraising

Following the introduction of a new Income Generation strategy, fundraising, including legacy income, made an increased contribution of £1,778,000 (2022: £1,634,000); excluding legacies the result was £1,046,000 (2022: £670,000). This is a tremendous achievement during a very tough economic climate.

Legacy income of £732,000 (2022: £964,000), although down on last year, was a strong result and is testament to the promotion of Legacy Giving to our supporters over several years.

Legacies by their nature are not predictable, so we cannot rely on this level of legacy income being sustained year on year.

Net profit from the lottery and scratch cards fell slightly to £153,000 (2022: £164,000). Lottery is an area of focus for 2023–24 to ensure entries in draws do not continue to fall.

We are also supported by The Friends of St. Michael's Hospice who have been fundraising for us since inception of the Hospice, contributing £105,000 in 2022/23 (2022: £100,000).

Retail

Total Retail income has increased this year to £1,940,000 (2022: £1,635,000). Our retail operation runs 11 retail stores, one of which is dedicated to the sale of furniture. We also run a Donation Centre, where donations are dropped off and sorted.

We also sell donations online and have a shop on our website. Online sales, delivered through eBay and Depop, complement our High Street retail shops and have continued to do well, generating an income of £120,000 (2022: £102,000).

Retail expenditure for the year increased from last year to £1,461,000 (2022: £1,218,000) because of investment in staff, upgrading our high street stores fixtures and fittings and legal fees incurred through lease renewals.

Code of fundraising practice

We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice including protecting vulnerable persons. This report covers the requirements charities must follow as set out in the Charities Act 2016.

The charity mainly generates funds from its existing supporter database and does not utilise third-party professional fundraisers. We haven't resumed door-to-door fundraising since it was stopped due to Covid but have resumed street collections again, hosted within supermarkets.

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The fundraising team also receive weekly reports from the Fundraising Preference Service ensuring that they can swiftly act to protect anyone who has requested not to hear from us. There have been no requests through this service since 2017. No complaints were received through other channels either.

Financial review, Reserves Policy and Going Concern

The Hospice achieved an operating deficit of £89k against a budgeted deficit of £633k which is an exceptional achievement and testimony to the hard work of our Income Generation teams.

We have worked hard this year to support our lowest paid staff with the rising cost of living; this has been achieved through mid-year pay rises for our lowest paid staff, together with a one-off payment to all staff in April 2023 of £800 in recognition of their hard work in the year ended 31 March 2023. Staff costs remained in line with with budgetary expectations.

Investments

The Hospice has two investment funds with CCLA Fund Managers Ltd. The Investment Committee meets with the fund manager, usually annually, to review the investment performance and their continued suitability. The total returns for the year are:

	Return	Benchmark
COIF Charities Investment Fund	-0.90%	-3.97%
COIF Ethical Investment Fund	-2.00%	-3.97%

Reserves Policy

General Reserves

The charity aims to hold sufficient general reserves to protect against a sudden short-term decline in income so that a full range of essential services can continue to be provided to our patients and their families. If the level of income is not restored, the Trustees have time to plan and implement change in a controlled way. The Trustees have reviewed the risks associated with income and expenditure and believe that cover for six months' expenditure, net of guaranteed income, should be sufficient to allow this to happen.

We review this policy annually, considering the current challenges the Hospice is facing and the ongoing investment priorities which may require designated funds. Further consideration is also given to the impact of a deficit budget and existing capital commitments. The budget for the coming year, considering all these factors, is then used to work out the level of general reserves required to fund Hospice services for six months, and any designated reserves necessary to support our strategic priorities. The target level of reserves is calculated as £2,578,000 at 31 March 2023. Our general reserves at the year-end excluding designated reserves and fair value reserve are £2,697,000, forecast to reduce to £2,584,000 by 31 March 2024 which is in line with the target.

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The Finance and General Purposes Committee meets quarterly to review the financial performance of the charity, future forecasts and review our performance against our reserves target.

Designated Reserves

Designated reserves are funds set aside by Trustees to meet essential future spending, including operational and capital projects. Annually, based on the priorities included within the budget for the coming year, the Trustees agree funds which should be designated for the coming year. The designated funds at 31 March 2023 are:

- £320k Capital Projects Fund – This fund sets aside reserves for agreed capital projects to be completed prior to 31 March 2024.
- £73k Insurance Fund – this is being written down against the increased premium resulting from the Covid-19 business interruption claim.
- £323k Fixed Asset Fund – The Hospice recognises that money tied up in fixed assets is not readily available to support business operations and should not be recognised within general reserves; this fund represents the value of unrestricted funds tied up in assets.
- £441k Legacy Contingency Fund – this fund includes the difference between the 2023/24 budget for legacies and the known pipeline, recognising the risk and uncertainty with budgeting legacies.

Fair Value Reserve

This fund represents the excess of fair value over the historic cost of the investments. The Fair Value Reserve forms part of the Charity's general reserves however the Trustees may choose to discount this due to uncertainty over market conditions and the likelihood that these gains might not be fully realised upon sale.

Restricted Reserves

Restricted reserves represent donations or grants received for a specific purpose and do not form part of General Reserves. There are three main types of restricted funds:

Property

Restricted donations were received for various large building projects which were all completed by April 2014. Restricted reserves are held to cover the depreciation costs of these buildings.

Equipment and support programmes

Where funding has been received for specific use and has not been expended in the year.

Funds received and spent in the same year

Most funds received in the year are expended during the year on the day-to-day operation of the Hospice, particularly staff costs (which are over 70% of the total cost of operating the Hospice).

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Investment Policy

The Hospice has total net assets of £5.9m, of which £0.8m is fixed assets including property, £3.7m is investments and £1.4m is net current assets. Of the net current assets, £1.3m is cash held by the investment managers which is readily available to support operating activity. Investments are used to provide income for the Charity and capital growth to secure the future of the Hospice.

The Hospice's cash objective is to hold in the operational accounts sufficient funds at the end of each month to cover the following month's salary costs of circa £300,000. Quarterly cashflow forecasts are produced for the Finance and General Purposes Committee (FGPC), and at least annually (or more often if required) the Investment Committee will meet and review the investment managers' performance, the cashflow forecasts and whether additional funds should be invested or withdrawn from the portfolio in order to meet the needs of the Hospice. Where a decision is made to invest surplus funds the following guidelines should apply:

- Invest through diversified funds
- Invest for the long term (> 5 years)
- Return objective of CPI+4%
- Income yield of c3%

Going Concern

The Trustees are satisfied that the Hospice is a Going Concern. The Hospice is holding sufficient cash at year end to cover the next two years' operating deficits. The Hospice has healthy reserves in line with its reserves policy.

Principal risks and uncertainties

The Hospice has monitoring systems in place for financial, clinical, and organisational risk. The CEO and Trustees carried out a complete review of the Risk Management Register during the year. High level risks, defined as those which have a risk of 15/25, are reported to the Board, by the CEO, on a quarterly basis. The SLT regularly monitor risks and work continuously to mitigate impact.

The main risk at the 31 March 2023 is:

Recruitment and Retention;

Whereas for many years, recruitment and retention of nurses has been a significant risk to service delivery, the challenge is now more centred on Income Generation staff. The rising cost of living, coupled with labour shortages, is seriously hindering the organisation's ability to attract and retain high calibre staff, which in turn, may adversely affect income generation potential. A programme of work to assess the barriers to recruitment, and address the issues, will be undertaken in the coming year by the Director of Income Generation.

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Other areas of risk, albeit moderate, remain in business interruption from Covid-19 and seasonal illnesses, along with the nationwide increase in pressure on the health service as a whole. Adequate commissioning funding, and the organisation's own ability to generate sufficient funds in an uncertain economy is a constant risk that requires monitoring and focus.

Plans for the future

The Hospice has continued to work on the five-year strategy launched in March 2020 and progress has been made in many areas, particularly through developing community and outpatient services.

Looking to the coming year, we are focussing on meeting strategic objectives in the following ways.

- **24/7 Reactive Hospice at Home**

We aim to extend our community services to provide around-the-clock responsive care for those remaining in their home. Through this, St. Michael's endeavours to be the single point of contact for local people living with life-limiting illness.

- **Virtual Wards**

Through a change in systems, the Hospice aims to set up virtual wards in the community, providing wrap around care and remote monitoring.

- **Refurbishment of patient rooms**

During the year, through the support of Charitable Trusts, a programme of refurbishment works to patients rooms will create a fresh, bright and modern environment for inpatients and families receiving care.

- **Sustainable Energy**

In response to the ever-increasing cost of energy, and our commitment to reducing the organisation's carbon footprint, St. Michael's will invest in sustainable energy sources for equipment, lighting and heating.

- **Hospice Rebrand**

To create a modern image, reflective of the high standards of services we provide, a rebranding project will be undertaken to enhance our visibility as a local charity and provider of healthcare in North Hampshire.

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Structure, governance and management

The company was established on 5 March 1991 under a Memorandum of Association which set down the objects and powers of the charitable company and is governed under its articles of association and was registered as a charity on 10 May 1991.

Governance

St. Michael's Hospice is governed by the Board with each member in accordance with the Charities Act serving as a Trustee. The Board is responsible for approving the strategic plan and the annual budget and ensuring that sufficient resources are provided to allow the Hospice to fulfil the purpose for which it was established.

All Trustees give their time voluntarily and receive no benefits from the charity. The Trustee Board meets quarterly and there are three Board sub-committees; Finance & General Purpose (including remuneration and investment committee), Income Generation, and Clinical Governance.

Appointments to the Board are ratified at the subsequent annual general meeting.

The current and future Trustee base is seen as representing a good cross-section of accounting, medical, business and corporate governance, and local community input.

Management

Operational activities are delegated to employed staff via the Chief Executive who is responsible to the Board for overall management of the business and the provision of care and services which in the role of Responsible Individual meet the requirements of the Health and Social Care Act 2008 and comply with guidance provided by the Care Quality Commission.

The **Senior Leadership Team** at St. Michael's Hospice ensures strategic direction is maintained and is led by the Chief Executive. Members of the team are:

- Director of Income Generation
- Director of Transformation
- Finance Director
- Medical Director

The **Clinical Management Team** (CMT) are responsible for dealing with the day-to-day clinical operations of St. Michael's Hospice. CMT includes the Medical Director, Hospice at Home Lead, Patient and Family Support Lead, Therapy Lead, IPU Lead and Senior Speciality Doctor.

The **Governance Team** oversees the development and implementation of clinical governance within the Hospice and ensures legal and operational responsibilities are fully discharged. Roles represented on the team are:

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- Caldicott Guardian
- Serious Information Risk Owner (SIRO)
- Data Protection Officer (DPO)
- Health and Safety Officer
- Registered Manager
- Controlled Drugs Accountable Officer (CDAO)
- Safeguarding Lead

The Chief Executive meets regularly with the Chair and other Trustees to discuss issues and progress against objectives.

Appointment of Trustees

New Trustees are identified through the use of a skills matrix necessary to support all areas of St. Michael's as both a charity and provider of healthcare services. Two new Trustees were recruited during the year following two retirements. A Trustee with legal experience, along with a highly skilled medic were recruited as a result.

New Trustees are proposed by either internal or external recommendation or recruitment and are interviewed by the Chair, Chief Executive, and appropriate Chair of sub-committee. All Trustees are then invited to comment confidentially on suitability prior to a vote of the Board of Trustees being taken.

Trustee induction and training

Trustees receive a comprehensive briefing on the role from the Chairman and Chief Executive and have access to an induction pack along with documentation on the Hospice's policies and procedures. Trustees are expected to attend the same Hospice induction programme completed by all staff and volunteers.

Related parties and relationships with other organisations

St. Michael's Hospice works closely with Hampshire Hospitals NHS Foundation Trust and North Hampshire Clinical Commissioning Group.

St. Michael's Hospice worked in partnership with Odiham Cottage Hospital (OCH) to provide enhanced Hospice at Home care within that area. OCH provided a total of £22,500 (2022: £30,000) of income to the Hospice during the year. In the past, St. Michael's also provided befriending services through OCH but this service is now managed by that Trust.

As a member of Hospice UK, the Hospice works with regional hospice Chief Executives, sharing data and experiences. In addition, the Chief Executive is co-chair of the North and Mid Hants steering group which has been set up to look at the provision of palliative care services across the region.

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The Director of Transformation is tasked with stakeholder engagement and management and works collaboratively with organisations across the local healthcare system such as Hampshire Hospitals Foundation Trust, the Integrated Care Board and Southern Health.

The Medical Director is a member of Hampshire and IOW Palliative and End of Life Board that informs decision making for the Integrated Care System.

Nursing and AHP development, education and training remains a priority. With new links with Winchester University who are increasing the portfolio of academic education opportunities. We are also developing close links with the Consultant Nurse from Winchester Hospice, sharing training and development opportunities across north and mid Hampshire.

Remuneration policy for key management personnel

The Finance Committee meets to establish the Chief Executive's, and other executive's remuneration packages on an annual basis. All recommendations made by the committee must be approved by the Board.

As part of the remuneration process, the Finance and General Purposes Committee fully considers recommendations of the Association of Chief Executives of Voluntary Organisations (ACEVO) and completes a benchmarking process across the Hospice sector.

Overall salary funding is part of the annual budget process, and within that approved budget the Chief Executive agrees with the Finance and General Purposes Committee the individual awards for key personnel.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of St. Michael's Hospice for the purposes of company law) are responsible for preparing the Trustees' 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 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 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

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- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees for 2023 was 28 (2022: 35). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 7 August 2023 and signed on their behalf by

D. Salisbury
Chairman

Opinion

We have audited the financial statements of St Michael's Hospice (North Hampshire) (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, 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

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

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St Michael's Hospice (North Hampshire)

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

4 October 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

St. Michael's Hospice (North Hampshire)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations and legacies	2	1,799,902	79,280	1,879,182	1,840,185	57,015	1,897,200
Charitable activities							
Specialist palliative care	3	1,009,753	96,212	1,105,965	1,088,904	407,493	1,496,397
Other trading activities							
Retail	4	2,059,773	–	2,059,773	1,736,873	–	1,736,873
Lottery and Events	4	407,979	–	407,979	410,248	–	410,248
Investments	5	132,672	–	132,672	105,536	–	105,536
Total income		5,410,079	175,492	5,585,571	5,181,746	464,508	5,646,254
Expenditure on:							
Raising funds	6						
Retail		1,614,791	–	1,614,791	1,354,885	–	1,354,885
Cost of raising funds		624,923	–	624,923	567,864	–	567,864
Charitable activities	6						
Specialist palliative care		3,207,643	227,107	3,434,750	2,649,255	515,724	3,164,979
Total expenditure		5,447,357	227,107	5,674,464	4,572,004	515,724	5,087,728
Net (expenditure)/income before net (losses)/gains on investments		(37,278)	(51,615)	(88,893)	609,742	(51,216)	558,526
Net (losses)/gains on investments		(158,059)	–	(158,059)	295,484	–	295,484
Net (expenditure)/income for the year and net movement in funds	7	(195,337)	(51,615)	(246,952)	905,226	(51,216)	854,010
Reconciliation of funds:							
Total funds brought forward		5,571,004	556,739	6,127,743	4,665,778	607,955	5,273,733
Total funds carried forward		5,375,667	505,124	5,880,791	5,571,004	556,739	6,127,743

All the above results, other than those stated under discontinued operations, continued throughout the year. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

St. Michael's Hospice (North Hampshire)**Balance sheet**

Company no. 02588395

As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets:			
Tangible assets	12	808,461	792,152
Investments	13	3,746,533	3,904,592
		<u>4,554,994</u>	<u>4,696,744</u>
Current assets:			
Debtors	14	364,046	869,800
Cash at bank and in hand		1,549,040	1,184,719
		<u>1,913,086</u>	<u>2,054,519</u>
Liabilities:			
Creditors: amounts falling due within one year	15	(587,289)	(623,520)
Net current assets		<u>1,325,797</u>	<u>1,430,999</u>
Total net assets	18	<u>5,880,791</u>	<u>6,127,743</u>
Funds:	19		
Restricted income funds		505,124	556,739
Unrestricted income funds:			
Fair value reserve		1,521,600	1,679,659
Designated funds		1,157,450	998,746
General funds		2,696,617	2,892,599
		<u>5,375,667</u>	<u>5,571,004</u>
Total unrestricted funds		<u>5,375,667</u>	<u>5,571,004</u>
Total funds		<u>5,880,791</u>	<u>6,127,743</u>

Approved by the trustees on 7 August 2023 and signed on their behalf by

D Salisbury
Chairman

St. Michael's Hospice (North Hampshire)

Statement of cash flows

For the year ended 31 March 2023

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

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(246,952)	854,010
Depreciation charges	89,250	88,566
Losses/ (Gains) on investments	158,059	(295,484)
Dividends and interest from investments	(132,672)	(105,197)
Decrease/ (Increase) in debtors	505,754	(142,169)
(Decrease)/ Increase in creditors	(36,231)	100,721
Net cash provided by operating activities	337,208	500,447

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities			337,208		500,447
Cash flows from investing activities:					
Dividends and interest from investments		132,672		105,197	
Purchase of fixed assets		(105,559)		(17,797)	
Purchase of investments		–		(150,000)	
Net cash provided by investing activities			27,113		(62,600)
Change in cash and cash equivalents in the year			364,321		437,847
Cash and cash equivalents at the beginning of the year			1,184,719		746,872
Cash and cash equivalents at the end of the year			1,549,040		1,184,719

1 Accounting policies

a) Statutory information

St. Michael's Hospice (North Hampshire) is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Basil de Ferranti House, Aldermaston Road, Basingstoke, Hampshire, RG24 9NB.

b) Basis of preparation

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)– (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 or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

Income from insurance claims is recognised when the income criteria is met and the value is considered measurable.

1 Accounting policies (continued)

e) Income (continued)

For legacies, entitlement is taken as the earlier of the estate accounts have been drafted and notification has been made by the executor(s) to the charity that a distribution will be made or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Interest and dividends receivable

Interest and dividends on invested funds and funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon receipt of the funds.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are funds allocated by the trustees for specific projects, risks or costs.

h) Expenditure and irrecoverable VAT

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

- Retail is the cost incurred in operating the retail shops.
- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities is the costs of delivering the core palliative care services undertaken to further the purposes of the charity.

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

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to the cost of raising funds. Costs which cannot be directly attributed are allocated based on the head count in each department, which works out as the following percentages for both this and the previous year:

- | | |
|------------------------------|----------------------|
| ● Retail | 26% (prior year 26%) |
| ● Cost of raising funds | 9% (prior year 6%) |
| ● Specialist palliative care | 65% Prior year 68%) |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. They are allocated on the following basis which is representative of the estimated time spent on each area of the business:

- | | |
|------------------------------|-----|
| ● Retail | 25% |
| ● Cost of raising funds | 25% |
| ● Specialist palliative care | 50% |

1 Accounting policies (continued)

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

- | | |
|------------------------------------|---------------------|
| ● Freehold Buildings | 20 years |
| ● Fixtures, fittings and equipment | Between 4 & 5 years |

l) Investments

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet.

Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Stocks

Stocks of goods for resale in the shops are not included in the accounts. It is deemed that the effort required to value the high volume and low individual value of the stock outweighs any benefit of including stock in the financial statements.

n) Debtors

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

o) 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.

p) Creditors and provisions

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

q) Pensions

The charity contributes to the NHS Superannuation pension scheme for certain qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension charge represents contributions payable by the charity to the fund. It is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities. It is therefore accounted for as though it were a defined contribution scheme.

The charity also provides a defined contribution pension scheme for employees other than those within the NHS superannuation pension scheme and contributes up to 6% of basic salary. Contributions are recognised when due.

Notes to the financial statements

For the year ended 31 March 2023

2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations	1,068,023	79,280	1,147,303	876,030	57,015	933,045
Legacies	731,879	-	731,879	964,155	-	964,155
	<u>1,799,902</u>	<u>79,280</u>	<u>1,879,182</u>	<u>1,840,185</u>	<u>57,015</u>	<u>1,897,200</u>

In addition to the legacies above we have contingent legacy assets which can be reasonably valued at £264,000. These relate to three estates where we are named beneficiaries, probate has been granted with property in the process of being sold.

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from North Hampshire Clinical Commissioning Group	923,869	-	923,869	880,689	-	880,689
Income from Odiham Cottage Hospital	22,500	-	22,500	30,000	-	30,000
Covid 19 related funding from HM Government, NHSE and Local Authorities	-	96,212	96,212	36,666	407,493	444,159
Other income	63,384	-	63,384	141,549	-	141,549
Total income from charitable activities	<u>1,009,753</u>	<u>96,212</u>	<u>1,105,965</u>	<u>1,088,904</u>	<u>407,493</u>	<u>1,496,397</u>

Covid Funding was received from the Clinical Commissioning Group and Hospice UK in response to the Omicron COVID variant, and Local Authority Grants for retail premises.

Hospice UK administered Omicron response funding to allow the hospice to make available bed capacity and community support from mid-December 2021 to March 2022.

4 Income from other trading activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Retail	2,059,773	-	2,059,773	1,736,873	-	1,736,873
Lottery	262,128	-	262,128	276,105	-	276,105
Events	145,851	-	145,851	134,143	-	134,143
	<u>2,467,752</u>	<u>-</u>	<u>2,467,752</u>	<u>2,147,121</u>	<u>-</u>	<u>2,147,121</u>

5 Income from investments

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
COIF Charities Investment Funds	130,149	-	130,149	105,197	-	105,197
Bank interest	2,523	-	2,523	339	-	339
	<u>132,672</u>	<u>-</u>	<u>132,672</u>	<u>105,536</u>	<u>-</u>	<u>105,536</u>

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2023

6a Analysis of expenditure (current year)

	Raising funds		Charitable activities	Support and governance costs	2023 Total	2022 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£	£
Staff costs (Note 8)	797,758	321,556	2,578,631	468,070	4,166,015	3,634,078
Direct care costs	–	–	167,624	–	167,624	129,524
Direct cost of generating funds	138,727	181,805	–	–	320,532	299,475
Premises	383,121	23,400	53,062	4,197	463,780	436,306
Legal and professional services	46,799	5,248	56,190	27,117	135,354	104,240
Equipment, supplies and consumables	65,022	31,093	103,327	66,495	265,937	324,554
Depreciation & dilapidations	25,197	–	71,592	3,249	100,038	96,571
Other costs	4,437	2,901	22,663	25,183	55,184	62,980
	1,461,061	566,003	3,053,089	594,311	5,674,464	5,087,728
Support costs	144,276	49,466	362,752	(556,494)	–	–
Governance costs	9,454	9,454	18,909	(37,817)	–	–
Total expenditure 2023	1,614,791	624,923	3,434,750	–	5,674,464	
Total expenditure 2022	1,354,885	567,864	3,164,979	–		5,087,728

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2023

6b Analysis of expenditure (prior year)

	Raising funds		Charitable activities	Support and governance costs	2022 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£
Staff costs (Note 8)	683,687	285,314	2,304,578	360,499	3,634,078
Direct care costs	–	–	129,524	–	129,524
Direct cost of generating funds	118,400	181,075	–	–	299,475
Premises	334,220	24,256	64,501	13,329	436,306
Legal and professional services	4,432	6,685	75,522	17,601	104,240
Equipment, supplies and consumables	49,410	32,748	144,889	97,507	324,554
Depreciation & dilapidations	22,413	–	74,072	86	96,571
Other costs	5,803	2,896	26,375	27,906	62,980
	1,218,365	532,974	2,819,461	516,928	5,087,728
Support costs	129,204	27,574	330,887	(487,665)	–
Governance costs	7,316	7,316	14,631	(29,263)	–
Total expenditure 2022	1,354,885	567,864	3,164,979	–	5,087,728

Notes to the financial statements

For the year ended 31 March 2023

7 Net income/(expenditure) for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	89,250	88,567
Operating lease rentals:		
Property	333,702	281,667
Other	44,891	18,047
Auditor's remuneration (excluding VAT):		
Audit	14,900	13,500
Other services – tax advice/ services	3,000	2,940
	89,250	88,567

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	3,563,861	3,131,896
Social security costs	262,757	214,975
Employer's contribution to pension schemes	300,592	260,420
Other forms of employee benefits	28,805	26,787
Termination costs – paid	10,000	–
	4,166,015	3,634,078

The following number of employees received employee benefits (excluding employer pension costs and employers national insurance), of over £60,000 during the year as follows:

	2023 No.	2022 No.
£70,000 – £79,999	–	1
£80,000 – £89,999	1	2
£90,000 – £99,999	2	–

The total employee benefits including pension contributions and national insurance of the key management personnel were £544,708 (2022: £412,262). The prior year included vacancies which is why costs have risen compared to the previous year. The Medical Director is paid via a Service Level Agreement (SLA) with Hampshire Hospital Foundation Trust (HHFT). The HHFT SLA costs are included in the above figures and disclosures.

During the year one employee received a termination payment of £10,000 (2022: nil).

The charity trustees were not paid or receive any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil). During the year, no expenses were reimbursed to trustees (2022: £nil).

Notes to the financial statements

For the year ended 31 March 2023

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Raising funds	44.4	38.1
Specialist palliative care	82.4	76.1
Support	9.8	11.5
Governance	0.4	0.3
	137.0	126.0

10 Related party transactions

During the year donations of £25,623 (2022: £16,534) were received from trustees, of which £5,243 was from a company for which a trustee is a director. £3,343 was a restricted donation for the memory tree with all other donations being unrestricted.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land £	Freehold buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At the start of the year	182,049	2,973,169	716,727	3,871,945
Additions in year	–	–	105,559	105,559
Disposals in year	–	–	(44,236)	(44,236)
At the end of the year	182,049	2,973,169	778,050	3,933,268
Depreciation				
At the start of the year	–	2,391,227	688,566	3,079,793
Charge for the year	–	71,205	18,045	89,250
Eliminated on disposal	–	–	(44,236)	(44,236)
At the end of the year	–	2,462,432	662,375	3,124,807
Net book value				
At the end of the year	182,049	510,737	115,675	808,461
At the start of the year	182,049	581,942	28,161	792,152

The freehold land shown above at cost of £182,049 is not depreciated.

All of the assets shown above are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2023

13 Investments

	2023 £	2022 £
Fair value at the start of the year	3,904,592	3,459,108
Additions at cost	–	150,000
Net (loss)/gain on change in fair value	(158,059)	295,484
Fair value at the end of the year	3,746,533	3,904,592

Investments comprise:

	The charity 2023 £	2022 £
UK Common investment funds	3,746,533	3,904,592
	3,746,533	3,904,592

14 Debtors

	2023 £	2022 £
Trade debtors	13,080	19,345
Other taxation	166,082	72,681
Other debtors	77,599	662,341
Prepayments	107,285	115,433
	364,046	869,800

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	107,816	97,818
Accruals	404,989	292,257
Deferred income (note 17)	74,484	233,445
	587,289	623,520

16 Deferred income

Deferred income comprises income received in respect of events being held after 31 March 2023 and lottery income received in advance of the draw.

	2023 £	2022 £
Balance at the beginning of the year	233,445	132,645
Amount released to income in the year	(233,445)	(132,645)
Amount deferred in the year	74,484	233,445
Balance at the end of the year	74,484	233,445

17 Pension schemes

The charity operates a defined contribution pension scheme for certain qualifying employees and contributes up to 6% of basic salary matching employee contributions. The total pension contributions payable in the year were £169,741 (2022: £157,962). There were £15,044 outstanding contributions at the year end, (2022: £12,793).

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

The total pension contributions payable in the year were £130,851 (2022: £102,458). There were no outstanding contributions at the year end or in 2022.

Notes to the financial statements

For the year ended 31 March 2023

18a Analysis of net assets between funds (current year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	322,964	–	485,497	808,461
Investments	2,224,933	1,521,600	–	3,746,533
Net current assets	1,306,170	–	19,627	1,325,797
Net assets at the end of the year	3,854,067	1,521,600	505,124	5,880,791

18b Analysis of net assets between funds (prior year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	248,820	–	543,332	792,152
Investments	2,224,933	1,679,659	–	3,904,592
Net current assets	1,417,592	–	13,407	1,430,999
Net assets at the end of the year	3,891,345	1,679,659	556,739	6,127,743

19a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	543,332	–	(57,835)	–	485,497
Equipment	6,062	–	(5,081)	–	981
Donations/Grants expended	647	29,280	(15,496)	–	14,431
Covid 19 related grant from NHSE	–	96,212	(96,212)	–	–
Wessex GP Education Trust	4,215	–	–	–	4,215
Lindbury Education Trust	2,483	50,000	(52,483)	–	–
Total restricted funds	556,739	175,492	(227,107)	–	505,124
Unrestricted funds:					
Designated funds:					
Capital projects fund	170,000	–	(127,092)	277,092	320,000
Insurance fund	88,720	–	(15,235)	–	73,485
Fixed asset fund	248,820	131,980	(57,835)	–	322,965
Legacy contingency fund	300,000	–	–	141,000	441,000
Service development fund	191,206	–	(191,206)	–	–
Total designated funds	998,746	131,980	(391,368)	418,092	1,157,450
Fair value reserve	1,679,659	113,337	(271,396)	–	1,521,600
General funds	2,892,599	5,278,102	(5,055,992)	(418,092)	2,696,617
Total unrestricted funds	4,572,258	5,391,439	(5,327,388)	(418,092)	4,218,217
Total funds	6,127,743	5,698,911	(5,945,863)	–	5,880,791

Notes to the financial statements

For the year ended 31 March 2023

19b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	601,167	–	(57,835)	–	543,332
Equipment	6,062	–	–	–	6,062
Support Programmes	590	–	(590)	–	–
Donations/Grants expended	136	2,800	(2,289)	–	647
Covid 19 related grant from NHSE	–	407,493	(407,493)	–	–
Wessex GP Education Trust	–	4,215	–	–	4,215
Lindbury Education Trust	–	50,000	(47,517)	–	2,483
Total restricted funds	607,955	464,508	(515,724)	–	556,739
Unrestricted funds:					
Designated funds:	–	–	–	–	
Capital projects fund	45,000	–	–	125,000	170,000
Insurance fund	100,000	–	(11,280)	–	88,720
Training fund	20,000	–	(20,000)	–	–
Fixed asset fund	–	–	–	248,820	248,820
Legacy contingency fund	–	–	–	300,000	300,000
Service development fund	–	–	–	191,206	191,206
Total designated funds	165,000	–	(31,280)	865,026	998,746
Fair value reserve	1,384,177	295,482	–	–	1,679,659
General funds	3,116,601	5,181,746	(4,540,722)	(865,026)	2,892,599
Total unrestricted funds	4,500,778	5,477,228	(4,540,722)	(865,026)	4,572,258
Total funds	5,273,733	5,941,736	(5,087,726)	–	6,127,743

Funds – current and prior years

Building projects: Donations were received for building projects to provide for the expansion and refurbishment of the Hospice buildings. As the final project was completed in April 2014, all of the outgoings relate to depreciation.

Equipment: The equipment fund provides for the purchase of various types of equipment for which specific funding has been raised.

Support programmes: The funding provides for supporting specified groups of patients and their families.

Donations/Grants expended: The income is for a medical salaries grant and for various PPE supplies.

Covid 19 related grant from NHSE: The NHSE (NHS England) awarded funding to allow the hospice to make available bed capacity and community support from mid-December 2021 to 31 March 2022. This funding was to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support for the same purpose. In addition funding to support our Single Point of Contact project was also funded from Omicron response funding, the 2022/23 income and expenditure relates to deferred income from the prior year to fund 12 months salaries.

Wessex GP Education Trust: funding to enable additional staff to attend History Taking course.

Lindbury Education Trust: This was awarded to appoint and fund the training of a Clinical Nurse Specialist. Since awarded the scope of the funding has been widened to enhancing more nurses skills to Advances Practitioner level.

19 Funds – current and prior years (continued)

Purposes of designated funds

Capital projects fund: Reserves have been designated of £250k to improve the energy efficient of the main Hospice site, £30k for refurbishment of patient rooms and £25k for a brand refresh. Prior year includes IPU refurbishment, upgrades to the server, decoration of the family room and a new cafe in the Turner Centre.

Insurance fund: during 2021 a successful claim for business interruption was made. However, this resulted in a significant increase in insurance premium. This fund is to cover the additional cost of insurance for a five year period.

Training fund (2022): The Hospice began an extensive management development programme during the year and this fund covered the high up front costs of developing the programme.

Fixed asset fund: This is the value of fixed assets in the balance sheet owned by the Hospice and not covered by restricted funds. These assets cannot be readily realised into cash so are therefore excluded from our general reserves.

Legacy Contingency fund: the legacy contingency fund was set up last year, it represents the gap between the legacy budget and the known legacy pipeline. This year the fund has increased by £141,000 to £441,000 (2022: £300,000). Annually the trustees consider the risks within the legacy budget and adjust amount held in the legacy contingency fund.

Service Development fund (2022): the trustees decided to invest in five new roles in 2022–23 in order to achieve it's strategic objectives. This fund covers the cost of these investments during 2022–23.

Fair value reserve: This fund represents the excess of fair value over the historic cost of the investments.

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	289,579	231,700	33,885	49,075
One to five years	708,766	709,600	35,185	82,134
Over five years	306,687	262,150	–	–
	<u>1,305,032</u>	<u>1,203,450</u>	<u>69,070</u>	<u>131,209</u>

The above equipment lease commitments include company cars provided to qualifying staff under a salary sacrifice arrangement.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

Accounts

Company number: 02588395
Charity Number: 1002856

St. Michael's Hospice (North Hampshire)

(Company Limited by Guarantee)

Report and financial statements
For the year ended 31 March 2022

St. Michael's Hospice (North Hampshire)
(Company Limited by Guarantee)

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For the year ended 31 March 2022

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Trustees' annual report

For the year ended 31 March 2022

Company number 02588395
Country of incorporation United Kingdom

Charity number 1002856
Country of registration England

Registered office and operational address Basil de Ferranti House,
Aldermaston Road
BASINGSTOKE, Hampshire
RG24 9NB

Patrons Val Buckley The Earl of Portsmouth

Honorary Life President Mr A Soundy

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

A Chancellor	Chairman
D Salisbury	Vice Chair
D Bowden	Honorary Treasurer Appointed 7 February 2022
C Burghes	
M Dolby	
S Goddard	Appointed 7 February 2022
C Hutchings	
J Lyons	
V Simpson	Appointed 8 November 2021
P Kaye	Retired 20 January 2022
M Poulter	Retired 21 March 2022
E Verney	Retired 9 August 2021

Key management

I Cameron	Chief Executive
P Aslet	Director of Nursing Appointed 6 December 2021
G Grace	Finance Director Appointed 6 July 2021
C Griffiths	Director of Transformation
L Pink	Director of Income Generation Appointed 4 January 2022
J Storrar	Medical Director
J Astles	Finance Director Retired 31 July 2021
H Maskell	Director of People and Culture Resigned 15 October 2021

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Bankers	Lloyds Bank PLC 2, Winchester Street BASINGSTOKE, RG21 1EB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane LONDON EC1Y 0TL
Investment Managers	CCLA Fund Managers Limited Senator House 85 Queen Victoria Street LONDON EC4V 4ET

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For the year ended 31 March 2022

The trustees present their report and the audited financial statements for the year ended March 31, 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

St. Michael's Hospice is registered under the Health and Social Care Act 2008 (Regulated Activities) and the Care Quality Commission (Registration) Regulations 2009.

Objectives and activities

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Purposes and Aims

St. Michael's Hospice plays a dual role in the lives of those diagnosed with a life limiting illness. We are there to bring specialist palliative care, interventions and treatment for the person facing the end of their life and to provide support for those grieving their death and living with the loss.

A good death will be different for every patient. It may be that the idea of death at home, surrounded by family and photographs and in the place we are most ourselves, brings peace. For others the thought of being at home, where for loved ones a hole will always remain in the last place you rested, is not what a patient prefers, and when comfort may come from knowing medical care is always just a few steps away.

Often a good death will be one where goodbyes have been said, difficult conversations have happened, and where death comes with the knowledge that caring and professional people are watching out for loved ones. Whatever it means to an individual, is what we strive to achieve.

Our purpose is also to ensure that the days that come before are filled with as much living as possible. We are about life, about ensuring that the days that do remain can be as normal as

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For the year ended 31 March 2022

possible, about continuing to create memories, about tears and laughter, hobbies and passions, births and marriages. About football matches, painted nails, drives in the countryside, Valentine's dinners, hugs and holding hands.

So while the perception of hospices is that they are dark and scary and filled with gloom, the truth is different. Coming to St. Michael's our patients will remark on how different it is from what they imagined. How there is a lightness and brightness to the place, you are never far from a view of the gardens. How there is often laughter and how all the patients and their families are treated as though they matter, they are valued.

A good life cannot happen where there is pain, side effects from treatments, breathlessness, lack of mobility, strain and tension, or spiritual and emotional issues. Treating all this so that a good life and good death occur, means providing patient-centred, multidisciplinary, holistic care. Our teams are each highly skilled in their respective areas but it is the way they work together, the coming together of all the cogs so the engine runs perfectly, that means St. Michael's can provide outstanding palliative and end of life care.

These are the drivers that lie behind our seemingly simple mission statement: St. Michael's Hospice aims to enable anyone faced with a life-limiting illness, their families and carers, to attain the highest possible quality of life by providing a choice of specialist care and support.

To achieve this purpose, we have a clearly defined set of aims:

- Ensure that all people with life-limiting illness have access to the very best medical care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain
- Support and care for our patients' families and loved ones who play a crucial role in their wellbeing
- Allow our patients to die with dignity in a place of their choice.

We meet our aims through the following activities:

- Providing specialist palliative medical and nursing care in our In-Patient Unit (IPU) for critical and complex cases and in people's homes through our Hospice at Home team
- Taking the lead in coordinating end of life and palliative care to the community across all stakeholders: the NHS, local GPs, Social Services and ourselves
- Therapeutic day care services for patients in the community
- Occupational therapy, physiotherapy, and complementary therapy services
- Providing family, spiritual and bereavement support
- Community and professional education.

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For the year ended 31 March 2022

Strategic report

Achievements and performance

The charity's main activities and the people it seeks to help are described below. All its charitable activities focus on the provision of specialist palliative care and support services to the terminally ill, their carers and family, and are undertaken to further St. Michael's Hospice's charitable purposes for the public benefit.

2021/22 began against the uncertain and unpredictable backdrop of the pandemic. During the year the development of the Omicron variant created significant pressures on the whole healthcare sector. As a result, the Hospice gained access to numerous unexpected grants made available by HM Government to manage the surge in cases and create capacity in hospitals in preparation for increases in admissions. Whereas this was very fortunate and welcomed, it masks the underlying operating deficit currently faced by St. Michael's. This, coupled with a worsening economic picture fuelled by events in Europe, makes prudent financial planning through the management of designated reserves a priority.

Significant Achievements

The following are key achievements for the past year.

- i. Rated 'Outstanding' for Caring and overall 'Good' by the Care Quality Commission (CQC)
- ii. Completed a restructure of the leadership team in line with strategic objectives
- iii. Appointment of a Director of Nursing, Director of Income Generation and Director of Transformation
- iv. Launched an electronic patient records system, and electronic prescribing to integrate into wider healthcare system
- v. Launched Hospice User Groups to gain the views of service users to develop future care
- vi. Increased referrals to Hospice at Home by 17%
- vii. Continued to facilitate secondary care services during the pandemic
- viii. Launched an organisational values-based staff appreciation scheme

Principal activities and performance

Care Services provision

Specialist palliative and end of life care is provided both in patients' own homes and at the Hospice in either our IPU or for visiting day patients in our treatment rooms.

The Hospice received an unannounced CQC inspection during the summer and was delighted to receive a rating of Good with an Outstanding for Caring. The report's recommendations have been acted upon and we continue to strive to achieve outstanding across all categories.

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Measuring performance of care provision can be difficult but we monitor key indicators from our VOICES survey and will report on that in this section. More details on how we collect feedback is available later in the report.

Care service provision is broken down for discussion into IPU, Hospice at Home, Therapies, and Patient and Family Support Services.

In Patient Unit (IPU)

The IPU provides 10 beds for those patients whose conditions are the most critical and complex and who would therefore benefit from a period of intensive support. During the year there were 214 (2021: 225) admissions to the IPU and the average length of stay was 9.4 days (2021: 8.8).

For some, admission to the IPU enables the clinical team to treat and relieve symptoms associated with their disease or illness and thus patients can then return home. This is demonstrated by the fact that 81 (2021: 95) patients were able to return home after a period on the IPU. The IPU staff start parallel planning for discharge from the start of the admission, resulting in early discussions with patients and families about what they would need to be in place prior to discharge. We are then prepared for when the patient is well enough to be discharged.

One of our aims is to 'ensure that all people with life-limiting illness have access to the very best medical and nursing care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain', and the latest figures from the VOICES survey for January 2021 to Dec 2021 show:

- 100% (2021: 100%) of respondents strongly agreed that there was enough help with nursing care

Another of our aims is to 'allow our patients to die with dignity in a place of their choice'. Achieving this can be difficult as the end of life may not always proceed in the way it was expected. The VOICES survey showed that 80% (2020: 82%) had a preference for where they wanted to die with 67% (2021: 77%) preferring to die at home and 52% (2021: 57%) achieved that. However, reflecting perhaps the degree to which things can change as an illness progresses, 96% (2021: 98%) of relatives felt on balance that their loved one died in the right place. Importantly, 98% (2021: 95%) of respondents felt the patient was treated with dignity and respect at all times.

- Mum wanted to die at home at first, but she felt safe and comfortable in the hospice and at peace.

- Responder to our VOICES survey

Looking at the results we were able to see a need to increase the hours we were able to provide chaplaincy support and this has now been accomplished.

By constantly reviewing the guidelines surrounding Covid, the Hospice was able to remain open to visitors albeit under certain restrictions at times.

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Hospice at Home

The Hospice at Home service is provided 365 days a year from 08:30 to 20:00. It allows patients to remain in their own homes, where the majority want to be, while still receiving the Hospice's specialist palliative nursing and medical care. The service provided 2,001 (2021: 1,709) hours of specialist palliative and end of life nursing care. 305 (2021: 260) new patients were referred to the service.

Evaluating the performance of Hospice at Home can also be done through the VOICES survey:

- 98% (2021: 98%) of respondents felt the patient was treated with dignity and respect at all times

Part of our important work in the community also involves coordinating the care of patients across, for example, GP surgeries, community nurses, personal care and support from external providers in the home and social services. Last year, 92% (2021: 92%) stated that there was good communication between Hospice at Home and other professionals.

- *The care at home team gave us all the support we needed, to allow his wishes to be fulfilled*
- *Responder to our VOICES survey*

Therapies

Part of offering the full range of care and support to our community means providing therapeutic day services, physiotherapy, and occupational therapy as these play a vital role in patients' well-being. Remaining active for as long as possible can have a huge impact on the physical and emotional wellbeing of patients and families. The therapy team often work at home with patients from an early stage in their diagnosis, allowing them to build a bond of trust with patients and their families.

An important part of managing symptoms such as pain and anxiety is **physiotherapy** which can help the patient to adapt to any changes in their condition. Getting help with symptoms such as breathlessness and fatigue can allow patients to remain as physically able and independent as possible. There were 287 (2021: 758) face-to-face and virtual physiotherapy sessions during the year. This reflected high levels of vacancies in the workforce throughout the year, which significantly affected our ability to deliver one to one physiotherapy.

Living with a progressive illness can be made easier by making adaptations to the environment and **occupational therapy** can support patients to do so. By providing patients and their families with solutions to challenges brought on by their deteriorating condition they can make the most of their time. As well as working with patients in their homes, occupational therapists work with patients on the IPU who are preparing for discharge to ensure their homes are adapted if necessary and providing equipment to help with needs. During the year, there were 762 (2021: 878) occupational therapy face-to-face sessions.

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The whole team at St. Michael's Basingstoke went above and beyond in caring for my partner and myself, and mine, and his families. Truly exceptional support and care from everyone that works here in all teams. He said he felt safe in there and comfortable and cared for.

Responder to our VOICES survey

Patient and Family Support Team

The Patient and Family Support team encompasses bereavement services, chaplaincy, counselling, complementary therapy and social support. This year work has started on further developing our outpatient support and a new day service for patients will be launched later this year.

The **bereavement service** for family members, including children and carers, is provided by both staff and volunteers. The easing of Covid restrictions and the recruitment of a lead for the team, has enabled an expansion of the service and coffee mornings now run alongside bereavement evenings allowing those grieving to meet others going through a similar experience and build their support networks. 97 people attended support groups during the year

The **counselling service** is offered to all those affected by a life-limiting illness as well as those who are coping with grief. Sessions are 1-to-1 and 281 counselling sessions were delivered over the year.

I received a telephone call on a day that I was coping, I was grateful for the call however, weeks on I needed to talk and have requested a place on one of your bereavement evenings

Responder to our VOICES survey

The availability of a **Chaplain** to provide listening, emotional and spiritual support has proved greatly beneficial to our patients and the service has now been expanded to cover five days a week from three. To support staff with the emotional demands of working in end-of-life care, reflective sessions are now offered in the specially designed Sanctuary. Our chaplaincy care is designed to cater for all faiths and to those who would not see themselves as having a faith. During the year 475 (2021: 265) chaplaincy visits were made.

The **complementary therapy team** work alongside the medical staff offering treatments to help symptom management – treatments are provided on the IPU and in our outpatient facility, the Turner Centre. Treatments offered include massage, aromatherapy, reflexology and Indian head massage. Complementary therapists delivered 409 (2021: 258) treatments during the year.

Other related activities

Education and Training

Education and training is vital to ensuring we can deliver on our purpose, enabling us to know we are offering the very highest standard of treatment and support currently available. In addition, while nurse recruitment is a challenge nationally, that we offer and protect time for further education and training means we provide a valuable opportunity that nurses may not receive elsewhere.

All nurses have one month's protected learning time when they join the organisation. Our Bluestream online training is used by all staff and we offer inhouse education sessions delivered both by staff and outside experts. Just recently we were able to train clinical staff and others on supporting children pre and post bereavement.

We were able to invest in the education of our nursing staff by the creation of a Clinical Nurse Specialist Development post during the year and the opportunity was taken up by one of our Hospice at Home nurses.

The Patient and Family Services Lead and the Therapy Lead attended the Hospice UK Conference and were able to bring back key learnings for the organisation.

A Hospice Leadership & Management Programme was launched with 1-to-1 sessions offered by an external provider to all staff in middle management. The 1-to-1 phase of the programme has now been completed and group sessions will be rolled out shortly.

Student placements are regularly offered to student nurses from the Universities of Southampton and Surrey. Student evaluation of their placements is very positive.

Through our Return to Nursing programme, we offer a flexible programme for those who have been out of nursing for some time. This continues to be a valuable source of new recruits.

Environmental enhancements

The Hospice completed the roll out of Electronic Patient Records (EPR), an exciting development which provides accurate, up-to-date, and complete information about patients at the point of care. The system also enables safer more reliable prescribing with medics able to prescribe remotely, increasing the efficiency and delivering a better patient experience.

Investment in IT infrastructure saw new hardware installed to safeguard operations replacing legacy equipment. A phased replacement of aging desktop computers commenced. Laptops were distributed to a number of teams to allow flexibility and the ability to consult with colleagues directly from patient homes, and to increase the availability of home working. The move to a 'paper-light' culture as per the organisational strategy has seen a significant reduction in printing, this combined with a renegotiated print contract has made strong organisational

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For the year ended 31 March 2022

savings. An IT strategy has been approved by the Board that will enable increased efficiency and push the entire organisation forward over the coming three years.

Hospice security was upgraded with a new CCTV system installed covering all areas of the site. This replaced an ageing system that provided poor coverage and was unreliable. An electronic sign in/sign out system was launched; the system provides the tools to meet the latest in safety regulations and GDPR requirements.

A significant property upgrade is scheduled for the inpatient unit and several other areas of the main site, along with improvements to retail stores. The Hospice has invested in electric vehicles for its clinical and retail teams. A strategy to outline the process of becoming 'net zero' will be completed in the coming year identifying suitable renewable technologies and changes required to increase efficiencies.

Staff engagement and support

Monthly Hospice Forum meetings are held, chaired by the CEO, with all staff welcome and encouraged to attend. Due to restrictions on the number of people that could sit in a room together, these continued to be by Zoom. All the information, including the presentations, are uploaded to the staff intranet for access and reference.

We were able this year to hold our annual staff BBQ once again to thank the staff for their efforts during the year. Long-service awards were also introduced for staff, recognising those staff who have been at the Hospice for 5, 10, 15, and 20 years.

A staff recognition scheme was launched in January, the PRIDE awards, to recognise staff who have exemplified the core values of People, Respect, Integrity, Diversity and Excellence. Across the first 3 months, 32 staff were nominated for awards and the success of the scheme means it has now been rolled out for volunteers.

To support staff health and well-being, three members of staff attended a Mental Health First Aiders course. Staff were recognised during Mental Health Awareness Week with treats and were encouraged to contribute to a tree of positivity which was displayed in the coffee room. The tree and the treats were well received.

Patient and Family Feedback

Gathering feedback from those who use our services is vital for continued learning, growth and the promotion of a culture of transparency.

Feedback results are monitored on an ongoing basis by our Family and Support Team Lead so that any important issues are immediately passed for follow up to senior members of the clinical team and the Senior Leadership Team where necessary. All the results are collated annually and published on our website.

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We have four different ways in which we collect feedback;

1. Voices Survey which is mailed to all families following a bereavement from which the results listed above were drawn
2. Your Experience Matters cards which are available at all times on the IPU and can be completed and returned anonymously. Of the 57 cards completed this year, 98% (2021: 96%) were likely to recommend our services
3. Friends and Family Test, for which we had 103 responses and a 99% very good/good rating
4. Hospice User Group, a new initiative which allows for face-to-face meetings and feedback on everything from clinical services to communication

Income generation

The Hospice relies on a wide range of income generation activities to fund our services. North Hampshire CCG continues to provide funding to support our IPU and community services with core funding representing 17% of running costs in the year current.

The development of future services and the implementation of our strategy rely on our ability to generate significant additional funding. Whilst all our services relieve pressure on our NHS colleagues by preventing hospital admissions, there has not been a significant increase in the substantive yearly grant from the NHS for a number of years. That said, we have received additional yearly one-off payments for certain initiatives. This of course makes the sustainability of services more challenging. Therefore, we rely on our fundraising activities to provide the majority of income for current and future services.

Fundraising

Overall fundraising, including legacy income, made a contribution of £1,634,000 which is a fantastic result (2021: £1,179,000); excluding legacies the result was £670,000 (2021: £650,000).

This has been a particularly good year for legacies with income of £964,000 (2021: £529,000) contributing to the in-year surplus following many years of focus by the fundraising team. This has allowed the trustees to invest in services in 2022-23 and beyond. Legacies by their nature are not predictable and so we cannot be confident that this level of legacy income will be sustained.

Net profit from the lottery and scratch cards fell slightly to £164,000 (2021: £167,000), lottery is an area highlighted for investment in 2022-23 to ensure entries in draws do not continue to fall.

Hospice-led events resumed in June with the relaxation of restrictions and our first event, the Farleigh Wallop Woodland Walk raised a record-breaking amount. Unfortunately the change in Covid guidance came too late for us to be able to hold our two largest events but the team were

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For the year ended 31 March 2022

able to introduce two new events for later in 2021 which were both successful and one, the Reindeer Run, will now become an annual event.

We are also supported by The Friends of St. Michael's Hospice who have been fundraising for us since inception of the Hospice, contributing £100,000 in 2021/22.

Retail

Despite some local restrictions in place due to COVID, our retail shops remained open throughout the year with a slow start back in April 2021 with not all stores open all days. Total retail income was close to pre-pandemic levels at £1,737,000 (2021: £594,000).

As a result of investment during the year, income from online sales achieved record-breaking levels with £101,667 delivered through eBay and Depop. It is vital that our retail operation continues to react to the changes in customer behaviour whilst maintaining a presence on the High Street in our role as community hubs.

Retail expenditure for the year was £1,192,000 (2021: £1,290,000) as savings were made due to redundancies in the previous year and vacancies resulting in a surplus of £545,000 (2021: deficit of £375,000).

Code of fundraising practice

We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. This report covers the requirements charities must follow as set out in the Charities Act 2016.

The charity mainly generates funds from its existing supporter database and does not utilise third-party professional fundraisers. All door-to-door fundraising was cancelled due to Covid but at the end of the year we were able to resume street collections again, hosted within supermarkets. Investment was made in contactless devices to counter the public carrying cash less and less.

The fundraising team also receive weekly reports from the Fundraising Preference Service ensuring that they can swiftly act on anyone who has requested not to hear from us. There have been no requests through this service since 2017. No complaints were received through other channels either.

Vice Patrons Initiative

In recognition of the significant achievements by individual supporters, we honour those individuals as our Vice Patrons. Forty-nine individuals and two groups were recognised in the year (2020: 53). The post is for one year and is awarded annually.

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Voluntary Services

Part of the success of the Hospice is down to volunteers donating their time and their skills, increasing the pool of knowledge available while at the same time providing significant cost savings. With the return of our In-Patient Unit (IPU) volunteers in spring 2022, the Hospice was delighted that volunteers had now returned to all areas of the business. Currently there are 583 volunteers.

During the year volunteers contributed 49,822 hours (2021: 14,958 hours) of their time. The notional value of this equates to £443,914 (2021: £196,700). These increases reflect the impact of stores being closed the previous year, our events cancelled, and volunteers unable to provide their support at the Hospice. The notional value is determined by costing each role as if it were undertaken by a paid member of staff.

Financial review, Reserves Policy and Going Concern

2021–22 was another year of financial uncertainty, which ultimately saw an unexpected surplus of £854,000 due to significant one-off income items, notably Covid-related grants (£444k), a considerable uplift in legacy income (£447k), and Covid-induced cost savings (£345k). The surplus achieved is all being set aside in designated funds to help manage the risks in a 2022–23 anticipated deficit of over £600,000 along with investment priorities to extend the reach of our services.

	"Normal"	Exceptional	
	Activities	Income/ Savings	Result
	31-Mar-22	31-Mar-22	31-Mar-22
	£'000	£'000	£'000
<u>Income</u>	-	-	
Donations & Legacies	1,450	447	1,897
Charitable activities	1,052	444	1,496
Retail	1,737	-	1,737
Lottery and Events	410	-	410
Investments	106	-	106
	4,755	891	5,646
<u>Expenditure</u>	(5,432)	345	(5,087)
Net income/ (expenditure) before gains	(677)	1,236	559
Gains on investments	295	-	295
Net income/ (expenditure)	(382)	1,236	854

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Investments

The Hospice has two investment funds with CCLA Fund Managers Ltd. The Investment Committee meets with the fund manager, usually annually, to review the investment performance and their continued suitability. During the year £150,000 was transferred from the deposit fund held with CCLA and invested in the Ethical Fund. The total returns for the year are:

	Return	Benchmark
COIF Charities Investment Fund	11.62%	11.72%
COIF Ethical Investment Fund	11.56%	11.72%

Reserves Policy

General Reserves

The charity aims to hold sufficient general reserves to protect against a sudden short-term decline in income so that a full range of essential services can continue to be provided to our patients and their families. If the level of income is not restored, then the Trustees have time to plan and implement change in a controlled way. The Trustees have reviewed the risks associated with income and expenditure and believe that cover for six months' expenditure, net of guaranteed income, should be sufficient to allow this to happen.

We review this policy annually considering the current challenges the Hospice is facing and the ongoing investment priorities which may require designated funds. Further consideration is also given to the impact of a deficit budget and existing capital commitments. The budget for the coming year, considering all these factors is then used to work out the level of general reserves required to fund Hospice services for six months, and any designated reserves necessary to support our strategic priorities. The target level of reserves is calculated as £2,881,000 at 31 March 2022. Our general reserves at the year-end excluding designated reserves and fair value reserve are £2,893,000 which is in line with the target.

The Finance & General Purposes Committee meets quarterly to review the financial performance of the charity, future forecasts and review our performance against our reserves target.

Designated Reserves

Designated reserves are funds set aside by trustees to meet essential future spending, including operational and capital projects. Annually, based on the priorities included within the budget for the coming year, the trustees agree funds which should be designated for the coming year. New funds have been created as follows:

- £170k Capital projects fund – This has been extended to include all budgeted capital projects for 2022–23.
- £249k Fixed Asset Fund – The Hospice recognises that money tied up in fixed assets is not readily available to support business operations and should not be recognised within

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For the year ended 31 March 2022

general reserves, to this end we have created a Fixed Asset Designated Fund which represents the value of unrestricted funds tied up in assets.

- £300k Legacy Contingency Fund – the surplus achieved during 2021–22 on legacies will be ring-fenced to cover future volatile legacy receipts.
- £191k Service Development Fund – this represents new posts within the organisation for 2022–23 funded from reserves: 3 nursing positions for 24hr Hospice at Home and a Day Services Coordinator.

Fair Value Reserve

This fund represents the excess of fair value over the historic cost of the investments. The fair value reserves forms part of the Charity's general reserves however the trustees may choose to discount this due to uncertainty over market conditions and the likelihood that these gains might not be fully realised upon sale.

Restricted Reserves

Restricted reserves represent donations or grants received for a specific purpose and do not form part of General Reserves. There are three main types of restricted funds:

Property

Restricted donations were received for various large building projects which were all completed by April 2014. Restricted reserves are held to cover the depreciation costs of these buildings.

Equipment and support programmes

Where funding has been received for specific use and has not been expended in the year.

Funds received and spent in the same year

Most funds received in the year are expended during the year on the day-to-day operation of the Hospice, particularly staff costs which are over 70% of the total cost of operating the Hospice. New funds this year include Linbury Trust, Single Point of Contact (SPOC) funding from the Clinical Commissioning Group and Hospice UK, and Hospice UK Omicron response funding linked directly to activity on IPU and Hospice at Home and spent on staffing in the period.

Investment Policy

St Michael's Hospice (SMH) has total net assets of £6.1m of which £0.8m is fixed assets including property, £3.9m is investments and £1.4m is net current assets. Of the net current assets £0.2m is cash held by the investment managers leaving £1.2m of operational net current assets. Investments are used to provide income for the Charity and capital growth to secure the future of the Hospice.

The Hospice's cash objective is to hold in the operational accounts sufficient funds at the end of each month to cover the following month's salary costs of circa £270,000. Quarterly cashflow

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forecasts are produced for the Finance and General Purposes Committee (FGPC), and twice a year (or more often if required) the Investment Committee will meet and review the investment managers' performance, the cashflow forecasts and whether additional funds should be invested or withdrawn from the portfolio in order to meet the needs of the Hospice. Where a decision is made to invest surplus funds the following guidelines should apply:

- Invest through diversified funds
- Investment for the long term (> 5 years)
- Return objective of CPI+4%
- Income yield of c3%

Going Concern

The trustees are satisfied that the Hospice is a Going Concern. The Hospice is holding sufficient cash at the year end to cover the next two years operating deficits. The Hospice has healthy reserves in line with its reserves policy.

Principal risks and uncertainties

The Hospice has monitoring systems in place for financial, clinical, and organisational risk. The CEO and Trustees carried out a complete review of the Risk Management Register during the year. High level risks, defined as those which have a risk of 20+ after mitigating factors are reported to the Board, by the CEO, on a quarterly basis and the Risk Management Register is reviewed by the Board twice a year.

The main risks at the 31 March 2022 were:

1. Nurse Recruitment and Retention;

The national situation regarding nursing vacancies in the last year has worsened with more than 40,000 positions now unfilled nationwide. Without the ability to recruit from overseas, the Hospice has had to continue to take a pragmatic approach to successful recruitment.

Two Open Days were held to raise awareness about working in a hospice environment and both were successful. A scheme has now started for secondments from HHFT to join our staff for one year. This scheme will improve palliative care skills in the wider healthcare network but also this year, both our secondments were successful in applying for permanent jobs at the Hospice. We are now interviewing for this year's candidates.

The media created for staff recruitment marketing a year ago are now being updated and refreshed.

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2. Insufficient income

As evidenced in recent years, insufficient charitable income will always be a risk to our service aims. Our income streams must therefore be diverse, and continuously evolve to mitigate this and avoid dependence on one, or few, funding models.

As a measure to diversify and evolve, we have recruited a highly experienced Director of Income Generation and investment is now being made to improve the systems and practices of fundraising and retail teams in line with the new income generation strategy.

3. Cost of living

As well as the cost-of-living crisis impacting on our ability to generate income, it will impact on our staff and increase our running costs. The Hospice will do all it can to support staff facing personal hardship both because it is the right thing to do and because many of our staff, particularly those on lower wages, work here because it is a vocation for them when they could use their skills to earn higher wages elsewhere. If rising costs mean they are forced to leave for better paid jobs, there will be an impact on our services.

We are looking at ways to support our staff during the crisis and also to keep our costs as low as possible. We have invested in electric vehicles for our retail vans which has reduced our fuel costs. We are also investigating solar energy for the Hospice.

Plans for the future

The Hospice has continued to work on the five-year strategy launched in March 2020 and progress has been made in many areas, particularly through developing sustainable partnerships with others in our healthcare region, the investment in our clinical IT systems, and the growth of our bereavement support services.

Looking to the coming year, we are focussing on meeting strategic objectives in the following ways.

- **Day Services**

The aim of St. Michael's Hospice Day Services is to provide a therapeutic environment, enabling the patient to have an increased sense of confidence and empowerment to support them in living with their illness, as well as providing support to those caring for them.

- **Launch a Hospice Café**

Our new café, the Hospice Hive, will be open to outpatients, families and friends to provide a community hub providing access to information, advice and support as necessary.

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- **Increase the provision of Hospice at Home**

To extend the provision of services at both ends of the day, to meet patient needs, for those remaining in their own home by investing in additional nursing posts and developing existing staff.

- **Refurbishment of Hospice In-Patient Unit**

To bring the IPU up to current infection control guidelines means replacing the carpeting in the corridor. While this piece of work is being done, the opportunity is being taken to improve the lighting and redecorate. As well as improving the IPU from a safety perspective, this will also make the environment more welcoming and pleasant for patients, their families and staff.

- **Improve flexible working conditions**

To meet the requirements of a modern workforce through provision of mobile technologies and paper-light systems.

Structure, governance and management

The company was established on 5 March 1991 under a memorandum of association which set down the objects and powers of the charitable company and is governed under its articles of association and was registered as a charity on 10 May 1991.

Governance

St Michael's Hospice is governed by the Board with each member in accordance with the Charities Act serving as a trustee. The Board is responsible for approving the strategic plan and the annual budget and ensuring that sufficient resources are provided to allow the Hospice to fulfil the purpose for which it was established.

All trustees give their time voluntarily and receive no benefits from the charity. The trustee board meets quarterly and there are three board sub-committees; Finance & General Purpose (including remuneration and investment policy), Income Generation, and Clinical Governance.

Appointments to the Board are ratified at the subsequent annual general meeting.

The current and future trustee base is seen as representing a good cross-section of accounting, medical, business and corporate governance, and local community input.

Management

Operational activities are delegated to employed staff via the Chief Executive who is responsible to the Board for overall management of the business and the provision of care and services which in the role of Responsible Individual meet the requirements of the Health and Social Care Act 2008 and comply with guidance provided by the Care Quality Commission.

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The **Senior Leadership Team** at St. Michael's Hospice ensures strategic direction is maintained and is led by the Chief Executive. Members of the team are:

- Director of Income Generation
- Director of Nursing
- Director of Transformation
- Finance Director
- Medical Director

The **Clinical Management Team** (CMT) are responsible for dealing with the day-to-day clinical operations of St. Michael's Hospice. CMT includes the Medical Director, Director of Nursing, Hospice at Home Lead, Patient and Family Support Lead, Therapy Lead, IPU Lead and Senior Speciality Doctor.

The **Governance Team** oversee the development and implementation of clinical governance with the Hospital and ensure legal and operational responsibilities are fully discharged. Roles represented on the team are:

- Caldicott Guardian
- Serious Information Risk Owner (SIRO)
- Data Protection Officer (DPO)
- Health and Safety Officer
- Registered Manager
- Controlled Drugs Accountable Officer (CDAO)
- Safeguarding Lead

In addition, there are wider **Management Team** monthly meetings which include representatives from clinical, human resources, finance, fundraising, marcomms, voluntary services and retail.

The Chief Executive meets regularly with the Chair and other trustees to discuss issues and progress against objectives.

Appointment of trustees

New trustees are identified according to skills required and vacancies arising. Three new trustees were recruited during the year following three retirements. Trustees were recruited with experience in finance, human resources and marketing and at this time we are looking to add further clinical experience to the Board.

New trustees are proposed by either internal or external recommendation or recruitment and are interviewed by the Chair, Chief Executive, and another trustee. All trustees are then invited to comment confidentially on suitability prior to a vote of the board of trustees being taken.

Trustee induction and training

Trustees receive a comprehensive briefing on the role from the Chairman and Chief Executive and have access to an induction pack published by Hospice UK along with documentation on the Hospice's policies and procedures. Trustees are expected to attend the same Hospice induction programme completed by all staff and volunteers.

Related parties and relationships with other organisations

St. Michael's Hospice works closely with Hampshire Hospitals NHS Foundation Trust and North Hampshire Clinical Commissioning Group. During the year we again were able to accommodate the Lyford Unit from HHFT into our Turner Centre, to free up space for additional COVID beds in the hospital.

St. Michael's Hospice worked in partnership with Odiham Cottage Hospital (OCH) to provide enhanced Hospice at Home care within that area. OCH provided a total of £30,000 (2021: £79,000) of income to the Hospice during the year. In the past, St. Michael's also provided befriending services through OCH but this service is now managed by that Trust.

As a member of Hospice UK, the Hospice works with regional hospice Chief Executives, sharing data and experiences. In addition, the Chief Executive is co-chair of the North and Mid Hants steering group which has been set up to look at the provision of palliative care services across the region.

The Director of Nursing is also an active member of the Executive Clinical Leads in Hospice and Palliative Care which brings together nursing leadership regionally and nationally. They are also now building relationships with Southern health and Primary care colleagues as we seek to develop and extend the Hospice at Home services.

The Medical Director is a member Hampshire and IOW Palliative and End of Life Board that informs decision making for the Integrated Care System.

Nursing and AHP development, education and training remains a priority. With new links with Winchester University who are increasing the portfolio of academic education opportunities. We are also developing close links with the Consultant Nurse from Winchester Hospice, sharing training and development opportunities across north and mid Hampshire.

Remuneration policy for key management personnel

The Finance Committee meets to establish the Chief Executive's, and other executive's remuneration packages on an annual basis. All recommendations made by the committee must be approved by the Board.

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As part of the remuneration process, the Finance & General Purposes Committee fully considers recommendations of the Association of Chief Executives of Voluntary Organisations (ACEVO) and completes a benchmarking process across the Hospice sector.

Overall salary funding is part of the annual budget process, and within that approved budget the Chief Executive agrees with the Finance & General Purposes Committee the individual awards for key personnel.

Statement of responsibilities of the trustees

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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
- 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.

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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.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees for 2022 was 35 (2021: 35). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 8 August 2022 and signed on their behalf by

A Chancellor
Chairman

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

Opinion

We have audited the financial statements of St Michael's Hospice (North Hampshire) (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the 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, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

19 August 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

St. Michael's Hospice (North Hampshire)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations and legacies	2	1,840,185	57,015	1,897,200	1,319,520	289,590	1,609,110
Charitable activities							
Specialist palliative care	3	1,088,904	407,493	1,496,397	1,660,447	975,685	2,636,132
Other trading activities							
Retail	4	1,736,873	–	1,736,873	914,106	–	914,106
Lottery and Events	4	410,248	–	410,248	354,016	–	354,016
Investments	5	105,536	–	105,536	94,093	–	94,093
Total income		5,181,746	464,508	5,646,254	4,342,182	1,265,275	5,607,457
Expenditure on:							
Raising funds	6						
Retail		1,354,885	–	1,354,885	1,290,216	–	1,290,216
Cost of raising funds		567,864	–	567,864	614,198	–	614,198
Charitable activities	6						
Specialist palliative care		2,649,255	515,724	3,164,979	1,760,445	1,352,251	3,112,696
Total expenditure		4,572,004	515,724	5,087,728	3,664,859	1,352,251	5,017,110
Net income/(expenditure) before net gains/(losses) on investments		609,742	(51,216)	558,526	677,323	(86,976)	590,347
Net gains/(losses) on investments		295,484	–	295,484	542,049	–	542,049
Net income/(expenditure) for the year and net movement in funds	7	905,226	(51,216)	854,010	1,219,372	(86,976)	1,132,396
Reconciliation of funds:							
Total funds brought forward		4,665,778	607,955	5,273,733	3,446,406	694,931	4,141,337
Total funds carried forward		5,571,004	556,739	6,127,743	4,665,778	607,955	5,273,733

All the above results, other than those stated under discontinued operations, continued throughout the year. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

St. Michael's Hospice (North Hampshire)

Balance sheet

Company no. 02588395

As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets:			
Tangible assets	12	792,152	862,922
Investments	13	3,904,592	3,459,108
		<u>4,696,744</u>	<u>4,322,030</u>
Current assets:			
Debtors	15	869,800	727,630
Cash at bank and in hand		1,184,719	746,872
		<u>2,054,519</u>	<u>1,474,502</u>
Liabilities:			
Creditors: amounts falling due within one year	16	(623,520)	(522,799)
Net current assets		<u>1,430,999</u>	<u>951,703</u>
Total net assets	19	<u>6,127,743</u>	<u>5,273,733</u>
Funds:	20		
Restricted income funds		556,739	607,955
Unrestricted income funds:			
Fair value reserve		1,679,659	1,384,177
Designated funds		998,746	165,000
General funds		2,892,599	3,116,601
		<u>5,571,004</u>	<u>4,665,778</u>
Total unrestricted funds		<u>5,571,004</u>	<u>4,665,778</u>
Total funds		<u>6,127,743</u>	<u>5,273,733</u>

Approved by the trustees on 8 August 2022 and signed on their behalf by

A Chancellor
Chairman

Statement of cash flows

For the year ended 31 March 2022

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

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	854,010	1,132,396
Depreciation charges	88,566	89,735
(Gains) on investments	(295,484)	(542,049)
Dividends and interest from investments	(105,197)	(94,093)
(Increase) in debtors	(142,169)	(281,955)
Increase/(Decrease) in creditors	100,721	(52,893)
Net cash provided by operating activities	500,447	251,141

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities			500,447		251,141
Cash flows from investing activities:					
Dividends and interest from investments		105,197		94,093	
Purchase of fixed assets		(17,797)		–	
Purchase of investments		(150,000)		(300,000)	
Net cash provided by investing activities			(62,600)		(205,907)
Change in cash and cash equivalents in the year			437,847		45,234
Cash and cash equivalents at the beginning of the year			746,872		701,638
Cash and cash equivalents at the end of the year			1,184,719		746,872

1 Accounting policies

a) Statutory information

St. Michael's Hospice (North Hampshire) is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Basil de Ferranti House, Aldermaston Road, Basingstoke, Hampshire, RG24 9NB.

b) Basis of preparation

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)– (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 or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

Income from insurance claims is recognised when the income criteria is met and the value is considered measurable.

1 Accounting policies (continued)

e) Income (continued)

For legacies, entitlement is taken as the earlier of the estate accounts have been drafted and notification has been made by the executor(s) to the charity that a distribution will be made or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Interest and dividends receivable

Interest and dividends on invested funds and funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon receipt of the funds.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are funds allocated by the trustees for specific projects, risks or costs.

h) Expenditure and irrecoverable VAT

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

- Retail is the cost incurred in operating the retail shops.
- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities is the costs of delivering the core palliative care services undertaken to further the purposes of the charity.

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

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to the cost of raising funds. Costs which cannot be directly attributed are allocated based on the head count in each department, which works out as the following percentages for both this and the previous year:

- | | |
|------------------------------|-----|
| ● Retail | 26% |
| ● Cost of raising funds | 6% |
| ● Specialist palliative care | 68% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. They are allocated on the following basis which is representative of the estimated time spent on each area of the business:

- | | |
|------------------------------|-----|
| ● Retail | 25% |
| ● Cost of raising funds | 25% |
| ● Specialist palliative care | 50% |

1 Accounting policies (continued)

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

- | | |
|------------------------------------|---------------------|
| ● Freehold Buildings | 20 years |
| ● Fixtures, fittings and equipment | Between 4 & 5 years |

l) Investments

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet.

Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Stocks

Stocks of goods for resale in the shops are not included in the accounts. It is deemed that the effort required to value the high volume and low individual value of the stock outweighs any benefit of including stock in the financial statements.

n) Debtors

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

o) 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.

p) Creditors and provisions

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

q) Pensions

The charity contributes to the NHS Superannuation pension scheme for certain qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension charge represents contributions payable by the charity to the fund. It is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities. It is therefore accounted for as though it were a defined contribution scheme.

The charity also provides a defined contribution pension scheme for employees other than those within the NHS superannuation pension scheme and contributes up to 6% of basic salary. Contributions are recognised when due.

Notes to the financial statements

For the year ended 31 March 2022

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donations	876,030	57,015	933,045	790,386	289,590	1,079,976
Legacies	964,155	-	964,155	529,134	-	529,134
	<u>1,840,185</u>	<u>57,015</u>	<u>1,897,200</u>	<u>1,319,520</u>	<u>289,590</u>	<u>1,609,110</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from North Hampshire Clinical Commissioning Group	880,689	-	880,689	880,023	-	880,023
Income from Odiham Cottage Hospital	30,000	-	30,000	79,377	-	79,377
Covid 19 related funding from HM Government, NHSE and Local Authorities	36,666	407,493	444,159	660,820	975,685	1,636,505
Other income	141,549	-	141,549	40,227	-	40,227
Total income from charitable activities	<u>1,088,904</u>	<u>407,493</u>	<u>1,496,397</u>	<u>1,660,447</u>	<u>975,685</u>	<u>2,636,132</u>

Covid Funding was received from the Clinical Commissioning Group and Hospice UK in response to the Omicron COVID variant, and Local Authority Grants for retail premises.

Hospice UK administered Omicron response funding to allow the hospice to make available bed capacity and community support from mid-December 2021 to March 2022.

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Retail	1,736,873	-	1,736,873	593,280	-	593,280
Retail Business Interruption Insurance Claim	-	-	-	320,826	-	320,826
Income	276,105	-	276,105	268,511	-	268,511
Lottery	134,143	-	134,143	85,505	-	85,505
Events	<u>2,147,121</u>	<u>-</u>	<u>2,147,121</u>	<u>1,268,122</u>	<u>-</u>	<u>1,268,122</u>

The retail operations in the previous year, excluding online sales, suffered from three lockdowns during the year; the first from 22 March 2020 with a phased re-opening between 26 June and 28 August 2020, the second from 2 November 2020 until 2 December 2020, the final lockdown was from 25 December 2020 until 12 April 2021. The shops have been open throughout 2021-22, however we haven't been at full capacity at all times due to being short-staffed due to covid absence and lower footfall due to customer confidence due to covid.

5 Income from investments

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
COIF Charities Investment Funds	105,197	-	105,197	92,851	-	92,851
Bank interest	339	-	339	1,242	-	1,242
	<u>105,536</u>	<u>-</u>	<u>105,536</u>	<u>94,093</u>	<u>-</u>	<u>94,093</u>

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2022

6a Analysis of expenditure (current year)

	Raising funds		Charitable activities	Support and governance costs	2022 Total	2021 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£	£
Staff costs (Note 8)	683,687	285,314	2,304,578	360,499	3,634,078	3,701,673
Direct care costs	–	–	129,524	–	129,524	113,022
Direct cost of generating funds	118,400	181,075	–	–	299,475	203,408
Premises	334,220	24,256	64,501	13,329	436,306	378,582
Legal and professional services	4,432	6,685	75,522	17,601	104,240	129,820
Equipment, supplies and consumables	49,410	32,748	144,889	97,507	324,554	347,561
Depreciation & dilapidations	22,413	–	74,072	86	96,571	97,743
Other costs	5,803	2,896	26,375	27,906	62,980	45,301
	1,218,365	532,974	2,819,461	516,928	5,087,728	5,017,110
Support costs	129,204	27,574	330,887	(487,665)	–	–
Governance costs	7,316	7,316	14,631	(29,263)	–	–
Total expenditure 2022	1,354,885	567,864	3,164,979	–	5,087,728	
Total expenditure 2021	1,290,216	614,198	3,112,696	–		5,017,110

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2022

6b Analysis of expenditure (prior year)

	Raising funds		Charitable activities	Support and governance costs	2021 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	£	£
Staff costs (Note 8)	701,737	357,144	2,289,894	352,898	3,701,673
Direct care costs	–	–	113,022	–	113,022
Direct cost of generating funds	70,666	132,742	–	–	203,408
Premises	281,453	27,317	63,528	6,284	378,582
Legal and professional services	2,533	5,123	87,585	34,579	129,820
Equipment, supplies and consumables	59,651	25,095	180,861	81,954	347,561
Depreciation & dilapidations	22,413	–	71,499	3,831	97,743
Other costs	14,341	–	8,196	22,764	45,301
	1,152,794	547,421	2,814,585	502,310	5,017,110
Support costs	128,235	57,590	279,737	(465,562)	–
Governance costs	9,187	9,187	18,374	(36,748)	–
Total expenditure 2021	1,290,216	614,198	3,112,696	–	5,017,110

Notes to the financial statements

For the year ended 31 March 2022

7 Net income/(expenditure) for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	88,567	89,735
Operating lease rentals:		
Property	281,667	251,555
Other	18,047	15,618
Auditor's remuneration (excluding VAT):		
Audit	13,500	13,000
Additional costs for 2020 audit	-	4,500
Other services – Corporation tax services	2,940	950
	88,567	89,735

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	3,131,896	3,050,865
Social security costs	214,975	227,002
Employer's contribution to pension schemes	260,420	278,466
Other forms of employee benefits	26,787	32,013
Termination costs – paid	-	113,327
	3,634,078	3,701,673

The following number of employees received employee benefits (excluding employer pension costs and employers national insurance), of over £60,000 during the year as follows:

	2022 No.	2021 No.
£60,000 – £69,999	-	-
£70,000 – £79,999	1	1
£80,000 – £89,999	2	1
£90,000 – £99,999	-	1

The total employee benefits including pension contributions and national insurance of the key management personnel were £412,262 (2021: £488,326). The Medical Director is paid via a Service Level Agreement (SLA) with Hampshire Hospital Foundation Trust (HHFT). The HHFT SLA costs are included in the above figures and disclosures.

During the year no employees received termination payments (2021: 11).

The charity trustees were not paid or receive any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil). During the year, no expenses were reimbursed to trustees (2021: £nil).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Raising funds	38.1	42.5
Staff in subsidiary company	–	27.4
Specialist palliative care	76.1	70.0
Support	11.5	10.5
Governance	0.3	0.2
	126.0	150.6

10 Related party transactions

During the year donations of £16,524 (2021: £11,216) were received from trustees, of which £1,383 was from a company for which a trustee is a director. These were general unrestricted donations.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land £	Freehold buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At the start of the year	182,049	2,973,169	698,930	3,854,148
Additions in year	–	–	17,797	17,797
At the end of the year	182,049	2,973,169	716,727	3,871,945
Depreciation				
At the start of the year	–	2,317,858	673,368	2,991,226
Charge for the year	–	73,369	15,198	88,567
At the end of the year	–	2,391,227	688,566	3,079,793
Net book value				
At the end of the year	182,049	581,942	28,161	792,152
At the start of the year	182,049	655,311	25,562	862,922

The freehold land shown above at cost of £182,049 is not depreciated.

All of the assets shown above are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2022

13 Investments

	2022 £	2021 £
Fair value at the start of the year	3,459,108	2,617,060
Additions at cost	150,000	300,000
Write off of investment in subsidiary	–	(1)
Net (loss)/gain on change in fair value	295,484	542,049
Fair value at the end of the year	3,904,592	3,459,108
Historic cost at the end of the year	2,224,930	2,074,930

Investments comprise:

	The charity 2022 £	2021 £
UK Common investment funds	3,904,592	3,459,108
	3,904,592	3,459,108

14 Subsidiary undertaking

The charitable company owned the whole of the issued ordinary share capital of St. Michael's Home Care Limited, a company registered in England (09218951). The subsidiary entered administration on 7 January 2021. All activities up to this date have been consolidated on a line by line basis in the statement of financial activities. For the year ended 31 March 2021 the accounts were consolidated, this year was have prepared charity accounts only. A summary of the results of the subsidiary is shown below:

St. Michael's Home Care Limited	2022 £	2021 £
Turnover	–	419,929
Cost of sales	–	(318,842)
Gross profit	–	101,087
Administrative expenses	–	(128,309)
Management charges payable to parent charity	–	–
(Loss)/profit for the financial year	–	(27,222)
The aggregate of the assets, liabilities and funds was:		
Assets	–	–
Liabilities	–	–
Funds	–	–

During the current year the Hospice received a final dividend of £29,461.77 as a non-preferential creditor of Home Care Limited, this is included in unrestricted other income.

15 Debtors

	2022 £	2021 £
Trade debtors	19,345	25,987
Other taxation	72,681	45,550
Other debtors	662,341	523,567
Prepayments	115,433	132,526
	869,800	727,630

Notes to the financial statements

For the year ended 31 March 2022

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	97,818	91,265
Accruals	292,257	298,889
Deferred income (note 17)	233,445	132,645
	623,520	522,799

17 Deferred income

Deferred income comprises income received in respect of events being held after 31 March 2022 and lottery income received in advance of the draw.

	2022 £	2021 £
Balance at the beginning of the year	132,645	127,800
Amount released to income in the year	(132,645)	(32,150)
Amount deferred in the year	233,445	36,995
Balance at the end of the year	233,445	132,645

18 Pension schemes

The charity operates a defined contribution pension scheme for certain qualifying employees and contributes up to 6% of basic salary matching employee contributions. The total pension contributions payable in the year were £157,962 (2021: £172,442). There were £12,793 outstanding contributions at the year end, (2021: £13,648).

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

The total pension contributions payable in the year were £102,458 (2021: £116,282). There were no outstanding contributions at the year end or in 2021.

19a Analysis of net assets between funds (current year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	248,820	–	543,332	792,152
Investments	2,224,933	1,679,659	–	3,904,592
Net current assets	1,417,592	–	13,407	1,430,999
Net assets at the end of the year	3,891,345	1,679,659	556,739	6,127,743

19b Analysis of net assets between funds (prior year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	261,756	–	601,166	862,922
Investments	2,074,931	1,384,177	–	3,459,108
Net current assets	944,914	–	6,789	951,703
Net assets at the end of the year	3,281,601	1,384,177	607,955	5,273,733

20a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	601,167	–	(57,835)	–	543,332
Equipment	6,062	–	–	–	6,062
Support Programmes	590	–	(590)	–	–
Donations/Grants expended	136	2,800	(2,289)	–	647
Covid 19 related grant from NHSE	–	407,493	(407,493)	–	–
Wessex GP Education Trust	–	4,215	–	–	4,215
Lindbury Education Trust	–	50,000	(47,517)	–	2,483
Total restricted funds	607,955	464,508	(515,724)	–	556,739
Unrestricted funds:					
Designated funds:					
Property improvement fund	45,000	–	–	125,000	170,000
Insurance fund	100,000	–	(11,280)	–	88,720
Training fund	20,000	–	(20,000)	–	–
Fixed asset fund	–	–	–	248,820	248,820
Legacy contingency fund	–	–	–	300,000	300,000
Service development fund	–	–	–	191,206	191,206
Total designated funds	165,000	–	(31,280)	865,026	998,746
Fair value reserve	1,384,177	295,482	–	–	1,679,659
General funds	3,116,601	5,181,746	(4,540,722)	(865,026)	2,892,599
Total unrestricted funds	4,500,778	5,477,228	(4,540,722)	(865,026)	4,572,258
Total funds	5,273,733	5,941,736	(5,087,726)	–	6,127,743

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2022

20b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	659,465	–	(58,298)	–	601,167
Equipment	26,302	7,226	(27,466)	–	6,062
Education	8,203	–	(8,203)	–	–
Support Programmes	961	–	(371)	–	590
Community Palliative Care	–	25,000	(25,000)	–	–
Donations/Grants expended	–	51,401	(51,265)	–	136
Covid 19 related grant from NHSE	–	975,685	(975,685)	–	–
Friends of St Michael's Hospice Covid 19 Appeal	–	185,963	(185,963)	–	–
Calleva Foundation	–	20,000	(20,000)	–	–
Total restricted funds	694,931	1,265,275	(1,352,251)	–	607,955
Unrestricted funds:					
Designated funds:					
Property improvement fund	–	45,000	–	–	45,000
Insurance fund	–	100,000	–	–	100,000
Training fund	–	20,000	–	–	20,000
Total designated funds	–	165,000	–	–	165,000
Fair value reserve	842,128	542,049	–	–	1,384,177
General funds	2,604,278	4,624,331	(4,112,008)	–	3,116,601
Total unrestricted funds	3,446,406	5,166,380	(4,112,008)	–	4,500,778
Total funds	4,141,337	6,596,655	(5,464,259)	–	5,273,733

20 Movements in funds (continued)

Funds – current and prior years

Building projects: Donations were received for building projects to provide for the expansion and refurbishment of the Hospice buildings. As the final project was completed in April 2014, all of the outgoings relate to depreciation.

Equipment: The equipment fund provides for the purchase of various types of equipment for which specific funding has been raised.

Support programmes: The funding provides for supporting specified groups of patients and their families.

Donations/Grants expended: The income is for a medical salaries grant and for various PPE supplies.

Covid 19 related grant from NHSE: The NHSE (NHS England) awarded funding to allow the hospice to make available bed capacity and community support from mid-December 2021 to 31 March 2022. This funding was to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support for the same purpose. In addition funding to support our Single Point of Contact project was also funded from Omicron response funding.

Wessex GP Education Trust: funding to enable additional staff to attend History Taking course.

Lindbury Education Trust: This was awarded to appoint and fund the training of a Clinical Nurse Specialist. Since awarded the scope of the funding has been widened to enhancing more nurses skills to Advances Practitioner level.

Education (2021): The education funds provide for the support of course fees for nurses, together with delivering specific training to relevant bodies in the community.

Community Palliative Care (2021): This is funding for the continuation of the community palliative care programme.

Friends of St Michael's Hospice Covid 19 Appeal (2021): appeal run to mitigate loss of income from events and to further support the Hospice.

Calleva Foundation (2021): The Calleva Foundation made a donation in April 2020 to provide funds to support St. Michael's Home Care Limited.

Funds – current and prior years (continued)

Purposes of designated funds

Property improvement fund: Reserves have been designated to complete the refurbishment programme in the In Patient Unit scheduled for July 2022. Further capital works designated include an upgrade to the server, decoration of the family room and a new cafe in the Turner Centre all planned in 2022-23.

Insurance fund: during the year a successful claim for business interruption was made. However, this resulted in a significant increase in insurance premium. This fund is to cover the additional cost of insurance for a five year period.

Training fund: The Hospice began an extensive management development programme during the year and this fund covered the high up front costs of developing the programme.

Fixed asset fund: This is the value of fixed assets in the balance sheet owned by the Hospice and not covered by restricted funds. These assets cannot be readily realised into cash so are therefore excluded from our general reserves.

Legacy Contingency fund: the trustees have decided to designated £300,000 in 2021-22 to cover any shortfall in legacy income in the coming years. When the budget for 2022-23 was agreed a large legacy anticipated in that year crossed the income threshold and required recognition in the current year reducing our ability to meet the 2022-23 legacy budget. Annually the trustees will consider the risks within the legacy budget and adjust amount held in the legacy contingency fund.

Service Development fund: the trustees have decided to invest in five new roles in 2022-23 in order to achieve it's strategic objectives. This fund covers the cost of these investments during 2022-23.

Fair value reserve: This fund represents the excess of fair value over the historic cost of the investments.

Notes to the financial statements

For the year ended 31 March 2022

21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	231,700	211,700	49,075	10,491
One to five years	709,600	721,350	82,134	10,071
Over five years	262,150	312,100	–	–
	1,203,450	1,245,150	131,209	20,562

The above equipment lease commitments include company cars provided to qualifying staff under a salary sacrifice arrangement.

22 Post balance sheet event

Since 31 March 2022, the markets have continued to be volatile. As at the date of approving the accounts, the value of investments had fallen by £112,000 compared with the 31 March value.

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

ST MICHAEL'S HOSPICE(NORTH HAMPSHIRE)

England & Wales - Charity number 1002856

Accounts

Company number: 02588395

Charity Number: 1002856

St. Michael's Hospice (North Hampshire)

(Company Limited by Guarantee)

Group Report and financial statements

For the year ended 31 March 2021

St. Michael's Hospice (North Hampshire) and subsidiary company

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St. Michael's Hospice (North Hampshire) and subsidiary company

Reference and administrative information

For the year ended 31 March 2021

Company number 02588395
Country of incorporation United Kingdom

Charity number 1002856
Country of registration England

Registered office and operational address Basil de Ferranti House
Aldermaston Road
Basingstoke
Hampshire
RG24 9NB

Patrons Val Buckley The Earl of Portsmouth

Honorary Life President Mr A Soundy

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

A Chancellor	Chair
E Verney	Vice Chair
M Poulter	Treasurer and Secretary
C Burghes	
M Dolby	Appointed 17 April 2020
C Hutchings	
P Kaye	
J Lyons MBE	Appointed 9 November 2020
D Salisbury	
C Thiriet	Appointed 17 April 2020, Resigned 7 December 2020
C de Ferranti	Resigned 9 November 2020
H Freeman	Resigned 12 January 2021
S Scott-Malden	Resigned 9 November 2020

Key management

I Cameron	Chief Executive
J Astles	Finance Director
C Griffiths	Commercial Director
H Maskell	Director of People and Culture
J Storrar	Medical Director Appointed 1 July 2020
M Partridge	Director of Medical Services Seconded 30 June 2020
J Spreadbury	Director of Patient Services Resigned 28 Feb 2021

St. Michael's Hospice (North Hampshire) and subsidiary company

Reference and administrative information

For the year ended 31 March 2021

Bankers	Lloyds Bank PLC 2, Winchester Street BASINGSTOKE, RG21 1EB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane LONDON EC1Y 0TL
Investment Managers	CCLA Fund Managers Limited Senator House 85 Queen Victoria Street LONDON EC4V 4ET

The trustees present their report and the audited financial statements for the year ended March 31, 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

St. Michael's Hospice is registered under the Health and Social Care Act 2008 (Regulated Activities) and the Care Quality Commission (Registration) Regulations 2009.

Objectives and activities

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Purposes and aims

The work of hospices is ultimately to provide a good death for people. What we saw nightly on our news programmes this year was our health service desperately trying to do just that but under the cruellest of circumstances as it was so vital to minimise human contact. The images of families unable to say goodbye to loved ones except through a computer screen, who didn't get to spend precious time in those final days reflecting on the good times, brought into stark relief why those communities who have a hospice value them so dearly.

St. Michael's purpose is to enable people faced with life limiting illness, their families and carers, to attain the highest possible quality of life by providing a choice of specialist care and support. In this extraordinary year we were able to fulfil this purpose in continually changing and challenging circumstances.

We enabled people still to die in a place of their choosing, with their loved ones at their side, having lived their final days and months in the best health and as free from pain as is possible.

We did this through the courage, resilience, passion and compassion of our clinical teams and through the professionalism and determination of all the supporting teams. And that really is the

picture for this year that this report will focus on: 2020–21 cannot be compared to the year before and will not be a benchmark for the years that follow.

To achieve our purpose, we have a clearly defined set of aims:

- ensure that all dying people have access to the very best medical care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain
- support and care for our patients' families and loved ones who play a crucial role in their wellbeing
- allow our patients to die with dignity in a place of their choice.

We meet our aims through the following activities:

- providing specialist palliative medical and nursing care in our In-Patient Unit (IPU) for critical and complex cases and in people's homes through our Hospice at Home team
- taking the lead in coordinating end of life and palliative care to the community across all stakeholders: the NHS, local GPs, Social Services and ourselves
- therapeutic day care services for patients in the community
- occupational therapy, physiotherapy, and complementary therapy services
- providing family, spiritual and bereavement support
- befriending service
- community and professional education.

In the short term, delivering our aims means having the best clinical staff on hand to care for our patients, a dynamic team to raise the vital funds needed, and a dedicated staff for all the necessary support functions.

During this last year we knew our staff would be under incredible strain to deliver our services and we focussed on their health and wellbeing to enable them to do their roles. We added a staff intranet to increase communication channels from the Chief Executive so that everyone could always know what was happening whether they were at the hospice, working from home or furloughed. During the height of the crisis, daily communications were sent out along with weekly reports from the Medical Director. Our complementary therapy teams offered staff custom blended aromatherapy oils. The HR team frequently signposted staff to health and wellbeing resources that were available either through our private health provider, were part of the Hospice UK Hub initiative or were available through corporate partnerships.

The Hospice is not exempt from the shortage of nursing staff occurring across the county. To ensure that we offered working conditions competitive with other local healthcare providers, we reviewed our terms and conditions and instituted joining and referral bonuses. We also invested in video assets to be sure that prospective employees fully understood the advantages of working for St. Michael's.

During the earliest days of the crisis, the Hospice also fulfilled its aim to ensure that all dying people have access to the very best medical care by getting up and running a palliative care hub. By keeping patients who could stay at home out of the hospital, pressure was relieved on hospital wards. Working together with Hampshire Hospital NHS Foundation Trust (HHFT), Southern Health NHS Foundation Trust and the local GP surgeries, the COVID-19 Hub, based and operated by St. Michael's:

- provided 24hr telephone advice for not only all the palliative patients within North Hampshire at this challenging time, but also specific Covid advice for health care professionals aiming to keep Covid patients at home.
- The hub itself was a point where local healthcare professionals could come to collect required clinical equipment and end of life medication for their patients.

We were also joined in the Hospice by the local Macmillan team from HHFT to enable them to work away from the hospital. What grew out of this arrangement begun from necessity was a much stronger working relationship between the two community teams, ours and the Macmillan team. Working in close proximity improved communication between the two teams so that the transfer of patient care from one team to the other became more fluid, to the great advantage of the patients and their families. The move was such a success that the team is now based here permanently, and our aim is to take the lead in coordinating end of life and palliative care to the community.

In the financial year 2019–2020, we set our long-term objectives through the development of our strategic plan. The plan focuses on:

- Developing sustainable partnerships
- Being financially balanced and self-sufficient
- Enhancing training, education and investment in people
- Investment in and extension of our services.

Despite the circumstances of the last year, all of these objectives continued to be addressed and are at the forefront of the Senior Leadership Team's (SLT) plans.

For the first point, as well as the relationships we nurtured during the establishment and running of the COVID-19 Hub, we were able to make room for the HHFT Lyford Unit to return to Basingstoke after they had to be relocated to Winchester to make room in the Hospital for Covid patients. The Lyford Unit provides treatment, investigative and therapeutic procedures and consultations to patients with a variety of long-term or prolonged conditions.

Thanks in part to initiatives from the government to provide funds to hospices, run a furlough scheme and provide retail grant funding scheme, combined with the cost saving measures we also implemented, we were able to continue our services. Without this support from the government, we would have needed to heavily draw on our reserves during the year.

The quick-thinking and flexibility of our fundraising teams, who came up with novel ways to engage our supporters, from virtual events to Facebook dog shows, meant we also continued to bring in donations despite the challenging circumstances of lockdown and social distancing. A debt of thanks is also due to the Friends of St. Michael's Hospice who, because all their events had to be cancelled, ran an appeal which raised over £250,000. Our retail team also helped by moving quickly to get an eBay store up and running as soon as that was allowed.

The clinical and non-clinical Blue Stream Academy eLearning suite which we run is designed to mean training and development can run inhouse at any time which suits the individual. This facility meant we were able to ensure that our staff maintained their continued investment in their skills.

During the year we also developed and launched a Compassionate Neighbours Scheme which will extend our services.

Strategic report

Achievements and performance

The charity's main activities and the people it seeks to help are described below. All its charitable activities focus on the provision of specialist palliative care and support services to the terminally ill, their carers and family, and are undertaken to further St. Michael's Hospice's charitable purposes for the public benefit.

Significant Achievements

The following are key achievements for the past year.

- i. Appointment of a Medical Director
- ii. First phase of leadership and management programme
- iii. Completed full review of Clinical Services
- iv. Facilitated the continuation of secondary care services during the pandemic
- v. Launched an organisational values-based appraisal process
- vi. Increased staff engagement through digital media
- vii. Increased referrals to Hospice at Home through integration with the Macmillan Team
- viii. Complete review of all Hospice policies and procedures.

Principal activities and performance

Care Services provision

Care is provided to patients with a diagnosis of a life-limiting illness. Care is provided both in their own homes or at the Hospice in either our IPU or for visiting day patients in our treatment rooms. Covid meant that during this last year, we were limited in the extent to which patients could come to the Hospice for treatments. Care service provision is broken down for discussion into IPU, Hospice at Home, Therapies, and Family Support Services.

1. In-Patient Unit (IPU)

The IPU provides 10 beds for those patients whose conditions are the most critical and complex and who would therefore benefit from a period of intensive care. During the year there were 225 (2020: 207) admissions to the IPU and the average length of stay was 8.8 days (2020: 12.1).

Some of the work done on the IPU is to stabilise patients and allow them to return home. This is demonstrated by the fact that 95 (2020: 57) patients were able to return home after a period on the IPU. While there are fluctuations in this number year on year, the increased number of patients returning home this year is partly because of the introduction of a new daily discharge meeting. The IPU staff start parallel planning for discharge from the start of the admission, resulting in earlier discussions with patients and families about what they would need to be in place prior to discharge. We are then better prepared for when the patient is well enough to be discharged.

Measuring performance can be difficult but we monitor key indicators from our VOICES survey, which is mailed to all families following a bereavement, as well as through Friends and Family Feedback cards. Results of these are monitored on an ongoing basis by our Quality and Governance Manager so that any important issues are immediately passed for follow up to senior members of the clinical team and the SLT where necessary. All the results are collated annually and published on our website. Monitoring feedback this way promotes a culture of transparency and continual improvement as well as providing learning opportunities.

One of our aims is to 'ensure that all dying people have access to the very best medical care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain', and the latest figures from the report for January 2020 to Dec 2020 show the following:

- 100% (2019: 81%) of respondents strongly agreed that there was enough help with nursing care
- 86% (2019: 87%) of respondents said they received enough emotional support on the IPU
- in terms of pain relief whilst on the IPU, more than 86% (2019: 79%) stated that pain was completely relieved either always or some of the time

Another of our aims is to 'allow our patients to die with dignity in a place of their choice'. Achieving this can be difficult as the end of life may not always proceed in the way it was expected. The VOICES survey showed that 77% (2019: 60%) of patients wanted to die at home and that of those who had a preference, 57% (2019: 60%) achieved their preferred place of death. However, reflecting perhaps the degree to which things can change, 98% (2019: 90%) of respondents felt overall that their loved one died in the right place. Importantly, 95% (2019: 99%) of respondents felt the patient was always treated with dignity and respect by the nurses, 92% (2019: 95%) by the doctors.

Trustees' annual report

For the year ended 31 March 2021

The Hospice worked hard during the year to prevent having to suspend all family visits and the guidance on visitors was regularly reviewed. While visiting restrictions did have to be put in place at the height of the crisis, families were never totally restricted from coming to the Hospice.

Enjoyed having meals with my husband. Excellent food, staff catered very generously to all our needs.

- Responder to our VOICES survey

NB Data used here is from 89 returned surveys out of 197 which were posted and may not be truly reflective of all patients and their families that had accessed SMH services in the months leading up to their death in this survey period. It is no longer possible to benchmark our results as the survey, conducted by the Office for National Statistics, has not been run nationally since 2015.

2. Hospice at Home

The Hospice at Home service used to be called the St. Michael's Hospice Community Palliative Care Team (SMHCPCT). The service is provided 365 days a year from 08:30 to 22:00. It allows patients to remain in their own homes, where the majority want to be, while still receiving the Hospice's specialist palliative nursing and medical care. The service provided 1,709 (2020: 1,854) hours of care. 260 (2020: 229) new patients were referred to the service.

Evaluating the performance of Hospice at Home can also be done through the VOICES survey.

- 86% (2019: 78%) of the respondents (where pain was an issue) felt that pain was relieved completely either always or some of the time.
- 84% (2019: 78%) of respondents also felt there was relief of symptoms other than pain e.g. sickness, breathlessness.
- 95% (2019: 85%) of respondents felt the care received was exceptional or excellent.

Naturally, the kind of intensive, round the clock care that is available on the IPU cannot be replicated in home visits so it is to be expected that some of these numbers will be lower than those on the IPU.

Part of our important work in the community also involves coordinating the care of those in their homes across all the clinical services and professionals who may be involved, for instance, GP surgeries, community nurses and social services. Last year, 92% (2019: 88%) stated that there was good communication between Hospice at Home and other professionals and 99% (2019: 99%) of respondents said that they felt the patient was treated with dignity and respect at all times.

My husband and I were extremely pleased with the amount of time given at each visit. The nurses never seemed in a hurry – this was so much appreciated.

- Responder to our VOICES survey

3. Therapies

Part of offering the full range of care and support to our community means providing therapeutic day services, physiotherapy, and occupational therapy as these play a vital role in patients' well-being. The therapy team often work at home with patients from an early stage in their diagnosis, allowing them to build a bond of trust with patients and their families.

Covid prevented our **therapeutic day services** from being able to see out-patients in the Hospice, but the team carried on their support by telephone when in-person visits were not allowed. They quickly started video sessions where it was appropriate to continue to support patients with improving and managing their symptoms. At any one time, the Therapeutic Day Services is caring for around 93 (2020: 90) patients.

An important part of managing symptoms such as pain and anxiety is **physiotherapy** which can help the patient to adapt to any changes in their condition. Getting help with symptoms such as breathlessness and fatigue can allow patients to remain as physically able and independent as possible. There were 639 (2020: 1,140) face-to-face physiotherapy sessions during the year. To address being able to care for patients who couldn't visit the weekly outpatient session, 119 sessions were conducted virtually including weekly yoga sessions.

Living with a progressive illness can be made easier by making adaptations to the environment and **occupational therapy** can support patients to do so. By providing patients and their families with solutions to challenges brought on by their deteriorating condition they can make the most of their time. As well as working with patients in their homes, occupational therapists work with patients on the IPU who are preparing for discharge to ensure their homes are adapted if necessary and providing equipment to help with needs. During the year, there were 878 (2020: 1,201) occupational therapy sessions.

4. Family Support Team

The Family Support team encompasses bereavement services, social work, chaplaincy, clinical psychology and complementary therapy.

Our **social worker** can provide expert advice and assistance to patients and families looking to access benefits and support outside the Hospice. 113 (2020: 101) new patients were referred to the social worker during the year.

The **bereavement service** for family members, including children and carers, is provided by both staff and volunteers. Due to the challenge of Covid and recruitment difficulties, we struggled to run this service to the standard that we would like during the year. However, at the end of the year we were able to recruit a high calibre bereavement lead to join the team and we look forward to better supporting our bereaved families in the future. We did run bereavement evenings as Covid restrictions lifted; we re-introduced monthly Bereavement Evenings in November 2020 and have continued to run them on a monthly basis in a Covid secure environment.

Trustees' annual report

For the year ended 31 March 2021

The availability of a Chaplain to provide **spiritual and religious care** throughout the year has proved greatly beneficial to our patients and also to our staff. This care is designed to cater for all faiths and to those who would not see themselves as having a faith. Our Chaplain was particularly appreciated during the height of the Covid restrictions in the winter of 2020/21 when we did have to limit visitors on the IPU but he could be there for patients. During the year 265 chaplaincy visits were made.

The **complementary therapy team** work alongside the medical staff offering treatments to help symptom management – treatments are provided on the IPU and during this year patients and their families were also supported by telephone consultation. After consultation, bespoke aromatherapy oils were posted out and these treatments were also delivered to staff. Complementary therapists delivered 258 treatments during the year.

Other related activities

Environmental enhancements. Facilities management carried out several projects during the year to keep the Hospice buildings and grounds in good order. A full check was completed on all doors for fire safety purposes to ensure compliance with legislation and phase I and II of the project to replace doors was completed. Phase III will be completed in the first quarter of the new year.

In addition, a water risk assessment was completed to ensure compliance and an electrical wiring hotspot check was also carried out. Tree surgeons were employed to crown the tall trees which line our entrance way and new bumper rails were installed all around the IPU. New flooring was also laid in the Turner Centre.

Projects that had to be postponed during the year have all been rescheduled and will be completed in 2021.

Good that as a visitor I could get drinks and cake. Pleasant gardens, reception staff very friendly.

- Responder to our VOICES survey

Staff feedback/engagement Monthly Hospice Forum meetings are held, chaired by the CEO, with all staff welcome and encouraged to attend. These continued during the year but were conducted by Zoom. A monthly staff bulletin is also emailed out and was added to the intranet for those staff working from home or furloughed.

Regretfully the Hospice was unable to hold any away days for staff, but these are already being planned for the next financial year.

Education and Training Our investment in Blue Stream Academy for our training and education needs was rewarded this year. When so much needed to be done virtually, staff could continue to access this vital resource

All staff have the opportunity for 1–2–1 sessions to discuss possible education and training pathways and professional development.

Trustees' annual report

For the year ended 31 March 2021

Student placements are regularly offered to student nurses from the Universities of Southampton and Surrey. Student evaluation of their placements is very positive.

Through our Return to Nursing programme, we offer a flexible programme for those who have been out of nursing for some time. This continues to be a valuable source of new recruits.

Relative and Patient Feedback We gather feedback from relatives a few months after a death through the "Voices" survey which provides management with extremely valuable patient and carer feedback and is used to improve service provision. Of those who complete the survey, 100% (2020: 94%) would recommend our services. As a way to gather more immediate feedback, and to involve patients as well as relatives, we also have 'Your Experience Matters to Us' postcards throughout the IPU which can be filled in and deposited into a box anonymously. From these postcards, 96% (2019: 97%) would recommend our services.

Website development The Hospice had committed to a new website at the start of the financial year and that work was carried out as planned. The new website has better facilities for a staff intranet portal, sharing of resources with other health care professionals, as well as enhanced features to increase revenue. The site launched in January 2021 and by the end of the year there was a 50% increase in the number of people signing up for an event who added a donation to their entry. There was also a significant increase in t-shirt sales.

Income generation

The Hospice relies on a wide range of income generation activities to fund the above services. In a year without Covid funding, over 70% of our costs are paid for by community fundraising income. North Hampshire CCG continues to provide funding to support our IPU and community services.

The development of future services and the implementation of our strategy rely on our ability to generate significant additional funding. Whilst all our services relieve pressure on our NHS colleagues by preventing hospital admissions, there has not been a significant increase in the substantive yearly grant from the NHS for a number of years. That said, they have made additional yearly one-off payments for certain initiatives. This of course makes the sustainability of services more challenging. Therefore, we rely on our fundraising activities to provide the majority of income for current and future services.

Fundraising in 2020/21 has seen the fundraising department achieve revenues of £904,000 (2020: £994,000), a decrease of 9% against the previous year but a remarkable achievement in a year when so much was cancelled.

There was an increase in legacy income to £529,000 (2020: £447,000) and we continue to increase awareness of Gifts in Wills. Net profit from the lottery and scratch cards fell to £167,000 (2020: £195,000). Our scratch cards are sold at in our stores and at events so the decrease in net profit was to be expected.

During the year, all the Hospice's scheduled events were cancelled except for the autumn Golf Day. In their place, virtual events were created where possible and these were well supported by the community. All the fundraising events held in the community were also cancelled along with collections and campaigns.

We are also supported by The Friends of St. Michael's Hospice who have been fundraising for us since inception of the Hospice. Their contribution significantly increased this year -- despite the cancellation of their events -- due to an extraordinary appeal they held in April 2020. In addition, in March 2021 they launched an appeal to increase regular givers. Their income was in excess of £250,000 (2020: £85,000).

Overall fundraising made a contribution of £1,179,000 (2020: 1,211,000).

Code of fundraising practice We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. This report covers the requirements charities must follow as set out in the Charities Act 2016.

The charity mainly generates funds from its existing supporter database and does not utilise third-party professional fundraisers. All street collections and door-to-door fundraising was cancelled during the year due to Covid. During the year the charity changed its basis for gaining consent to contact people from an opt-in basis to a legitimate interest basis. This was undertaken after extensive consultation with an external company specialising in GDPR compliance.

We received one complaint in the financial year and it was from a store customer complaining about being challenged for not wearing a mask. It was dealt with as soon as it was received and to the satisfaction of the complainant by our Head of Retail without needing to be escalated. Had it not been satisfactorily dealt with by the Head of Retail, it would have been escalated to the SLT. The Head of Retail regularly reports to the SLT and Trustees so any lessons regarding complaints can be learnt.

The fundraising team also receive weekly reports from the Fundraising Preference Service ensuring that they can swiftly act on anyone who has requested not to hear from us. There have been no requests through this service since 2017.

Vice Patrons Initiative In recognition of the significant achievements by individual supporters, we honour those individuals as our Vice Patrons. Fifty-three supporters were recognised in the current year (2020: 54). The post is for one year and is awarded annually.

Retail. Our retail sales were affected by Covid from the middle of March 2020 through to middle of April 2021. During this time, the shops were closed for extensive periods and when open the operations were affected by the need to restrict the number of staff, volunteers and customers who could be in the stores at any one time. Total retail income was £594,000 (2020: £1,776,000). Included in this income is £79,000 (2020: £2,000) from the success story for the year, online sales

through eBay. In addition, a successful business interruption insurance claim of £321,000 was made for the first lockdown. Unfortunately, when the second lockdown happened the insurance contract had been renewed and the business interruption clause updated to specifically exclude pandemics.

Retail expenditure for the year was £1,290,000 (2020: £1,336,000), resulting in a loss of £375,000 (2020: profit £440,000). This loss is mitigated by furlough income in respect of retail staff of £238,000.

Volunteer engagement Volunteer support for the Hospice in all appropriate areas of activity has historically always been very strong. This year we began standing our volunteers down for their own safety and the safety of our staff and patients from March 2020. Volunteers remained away until the summer when our retail operations reopened and those that were comfortable doing so returned to support those operations. We have since also welcomed back our gardening volunteers as well.

Many services could not be provided without volunteer input, and others would suffer staff shortages or additional staff costs. During the year volunteers contributed 14,958 hours (2020: 80,172 hours) of their time. The notional value of this equates to £196,700 (2020: £791,000). The notional value is determined by costing each role as if it were undertaken by a paid member of staff.

St. Michael's Home Care As was detailed fully in our report for the financial year 2019/20, this subsidiary was wound up in December 2020 was in administration in December 2020 and entered liquidation on 7 January 2021.

In April 2020, before the seriousness of Covid was known, the Calleva Foundation provided £20,000 of funding to try and help the business through what was perceived as a short-term problem. However, the Covid issues proved to be long term and resulted in the closure of the business.

The business is in liquidation and there is no information available as to if or how much is available to pay creditors.

Financial review, Reserves Policy and Going Concern

Financial Review

The Hospice had a challenging year, but thanks to the support of the Government in the form of funding from NHS England, retail grants via Local Authorities, the furlough scheme and Hospice held insurance policies the result before gains in the value of investments is a surplus of £591,000. As can be seen below, without the afore mentioned one off funding, there would have been a deficit of £1,046,000.

St. Michael's Hospice (North Hampshire) and subsidiary company

Trustees' annual report

For the year ended 31 March 2021

	"Normal" Activities £'000	Government Funding £'000	Total £'000	2020 £'000
Income				
Donations and legacies	1,609	–	1,609	1,442
Charitable activities	1,000	1,637	2,637	912
Retail	914	–	914	1,768
Home Care including gain on disposal	447	–	447	741
Lottery and Events	354	–	354	460
Investments	94	–	94	106
Total income	4,418	1,637	6,055	5,429
Expenditure				
Hospice	5,001	–	5,001	5,187
Home Care	463	–	463	873
Total expenditure	5,464	–	5,464	6,060
Income less expenditure	(1,046)	1,637	591	(631)

Total Hospice income for the year was £3,971,000 compared with £4,687,000 the previous year – a decrease of £716,000. There is an increase in donations of £85,000, due in part to an appeal by and other income from The Friends of St Michael's Hospice which raised in excess of £250,000. Legacies increased by £82,000.

The most significant drop in income was retail income due to the three prolonged periods of lockdown when the shops were closed. The total decrease was £1,175,000, although there was a successful business interruption claim of £321,000 and online income grew by £77,000 during the year.

Hospice expenditure of £5,001,000 was £185,000 less than the previous years. This was a combination of staff savings due to a redundancy programme, furlough savings and rent savings due to the generosity of several of our landlords offering a rent holiday.

Investments

The Hospice invests in three funds which are managed by CCLA Fund Manager Ltd. The investment committee meets with the fund manager annually to discuss the investments and their continued suitability. During the year £300,000 was transferred from the Deposit Fund and invested in the Ethical Fund. The total returns for the year can be summarised:

	Return	Benchmark
Charities Investment Fund	24.31%	22.90%
Charities Ethical Fund	23.87%	22.90%
Charities Deposit Fund	0.08%	–0.04%

Reserves Policy

General Reserves: The charity aims to hold sufficient general reserves to protect against a sudden short-term decline in income so that a full range of services can continue to be provided. If the level of income is not restored, then the Trustees have time to plan and implement change in a controlled way. The Trustees have reviewed the risks associated with income and expenditure and believe that cover for six months' expenditure, net of guaranteed income, should be sufficient to allow this to happen.

Income generation is becoming increasingly challenging for all charities and the Trustees also hold reserves to invest in the short to medium term income generation strategy.

The policy is reviewed each year and the target level of general reserves is calculated at the end of the financial year based on the budget for the coming year. The Finance Committee meet regularly to monitor results and future forecasts.

The target for 2021–22 is £3,047,000. On the 31 March 2021, the actual general reserves (excluding fixed assets, but not land) was £4,421,000. However, it is deemed prudent to discount the fair value reserve by 50%, giving a surplus of £682,000.

Due to the uncertainties around future income as a result of the Covid 19 pandemic, excess reserves will not be invested in additional services until the organisation has a better understanding of results from Income Generation. The reserves policy is based on business as usual scenario and does not take into account the potential further detrimental impact of Covid19. The trustees consider it to be prudent to hold additional reserves at this time.

Designated Reserves: The Trustees have created three designated reserves during the year.

- **Property improvement fund:** there is a programme of works on the IPU, which due to the restrictions imposed by the Covid 19 pandemic, was not possible to complete in the financial year. The Trustees have designated funds to complete the programme during 2021/22.
- **Insurance fund:** the success of the business interruption insurance claim will result in increased premiums for years to come. The Trustees have designated the portion of the claim which was paid as a result of the Supreme Court decision in December 2020 to disallow the insurers from withholding the so-called pandemic factor (retail sales were declining even before the first lockdown), to cover this increase over the next five years.
- **Training fund:** one of the key aspects of the five-year strategy is to “enhance training, education and invest in our people.” And within the strategy there is a programme to build an internal learning programme for all staff. This fund will allow for the development of the collateral for an ongoing management training programme.

Restricted Reserves: There are three types of restricted reserves.

- **Property:** restricted donations were received for various large building projects which were all completed by April 2014. Restricted reserves are held to cover the depreciation costs of these buildings.
- **Equipment and support programmes:** where funding has been received for specific use and has not been expended in the year.
- **Funds received and spent in the same year:** most funds received in the year are expended during the year on the day-to-day operation of the Hospice, particularly staff costs which are almost 75% of the total cost of operating the Hospice.

Significant funds were received and expended during the year from:

- NHS England
- The Friends of St Michael's Hospice
- The Rank Foundation
- The Calleva Foundation

Investment Policy: St. Michael's Hospice's articles of association give the trustees the power to make any investments considered appropriate. The responsibility for the investment policy is delegated to the Investment Committee which follows a policy of investing surplus funds in long term assets such as equities, bonds and property and places cash on deposit to further the Hospice's aims by generating investment income and capital growth and as a reserve against any future shortfall in income. The funds are invested with CCLA, a charity specialist investor, in their COIF Charities Investment and Ethical Investment Funds with a view to generate an income yield together with potential capital growth, dependent on market conditions. The Finance Committee reviews the investment policy annually as well as the performance of CCLA. The Hospice seeks to balance maximising long-term returns and avoiding undue risk and volatility in capital values.

Going Concern

The Trustees have reviewed the budgets and plans for the period to 31 August 2022 and are content that based on what they believe is the worst-case scenario, the Hospice is a going concern.

Principal risks and uncertainties

The Hospice has monitoring systems in place for financial, clinical, and organisational risk. The CEO and Senior Leadership Team continually monitor and formerly undertake periodic reviews of the Risk Management Register before sharing annually with Trustees. A scheme of scoring is used and high level risks, defined as those which have a risk of 20+ after mitigating factors, are reported to the Board, by the CEO, on a quarterly basis and the Risk Management Register is reviewed by the Board twice a year.

The main risks at the 31 March 2021 were:

1. Nurse Recruitment and Retention

With over 38,000 nursing vacancies and no national NHS workforce strategy in place St. Michaels like many are finding recruitment of nursing staff enormously challenging. Competing against NHS trusts who have dedicated recruitment teams has dictated St. Michael's take a pragmatic approach to successful future recruitment.

The Hospice has fully revised its management structure, terms and conditions, and development opportunities for its clinical staff to ensure we are competitive with other local health care providers. An investment in creating videos with its current staff to demonstrate the advantages of working here are fully marketed on its website.

During the year, funding from a trust was secured to be able to offer a 3-year Clinical Nurse Specialist post, from April 1, 2021. This is a great boost to the skills and reputation of the Hospice.

- 2. Insufficient income:** The impact of the COVID-19 pandemic has yet to be fully felt by St. Michael's with a great deal of unknowns looking ahead. The last year saw a catastrophic impact on traditional income generation methods with huge falls in retail, fundraising income this was mitigated by income from one off COVID-19 government funding, insurance policy and other successful grant applications secured.

Any loss in statutory income may result in a reduction in services, loss of jobs and Hospice closure.

A new Income Generation strategy has been adopted to identify and develop income streams whilst enhancing opportunities with existing ones. A new Marketing and Communications strategy will be developed to underpin the Income Generation strategy whilst extending the reach of the donor base. It will be assisted by maintaining effective spending controls, budgeting, and reserves management.

- 3. Clinical IT Systems:** Poor care planning, ineffective care, unsafe services and patient data not shared with other care providers. Increased drug errors as a result of multiple systems in place and no audit trail of data updates and deletions.

An information communication technology (ICT) strategy being developed to address the increasing technological requirements concerning patient data and use of shared Hospice and HHFT IT systems in conjunction with the wider healthcare system. Back-up measures are in place if systems fail, and secure login is required for all systems – clinical and non-clinical.

Plans for the future

During 2020, our new strategy for the next five years was launched. The overarching aim of St. Michael's Hospice is to 'Increase the reach of Hospice services and the quality of our care'. The SLT kept these four goals in mind during the year and ensured that at all times the Hospice was working towards achieving them.

- **Developing Sustainable Partnerships**

We look to develop relationships to achieve better integration into the local Health & Social Care system and enhance partnership working with key individuals in Primary Care Networks and Care Homes. We aim to develop User Groups to improve services, respond to changing local needs and build an engagement programme to educate and promote our work in schools.

- **Being Financially Balanced and Self-Sufficient**

During 2021 we developed an Income Generation Strategy and completed a comprehensive review of all services and structures to ensure they are feasible and financially sustainable.

- **Enhancing Training, Development, and Investing in our People**

We will continue to invest in our workforce through competitive terms and conditions and initiate a structured leadership and management scheme to develop our staff and increase opportunities. In the coming years we will build an internal learning program for all staff whilst developing the Hospice as a training facility for local healthcare professionals.

- **Investing and Extending our Services**

We aim to be compliant in all five Care Quality Commission domains and achieve an 'Outstanding' rating. We will establish a Family Support Team with a focus on anticipatory grief through the appointment of a Clinical Psychologist. We look to enhance our services in the community to increase access to our services and work alongside Care Homes to raise the quality of care.

The response of our staff, volunteers and community to support the Hospice during this last year proved that the Hospice can meet the toughest of hurdles and these goals will ensure we can continue to provide our services well into the future.

Structure, governance and management

The company was established on 5 March 1991 under a memorandum of association which set down the objects and powers of the charitable company and is governed under its articles of association and was registered as a charity on 10 May 1991.

Structure and Governance

St Michael's Hospice is governed by the Board with each member in accordance with the Charities Act serving as a trustee. The Board is responsible for approving the strategic plan and the annual budget and ensuring that sufficient resources are provided to allow the Hospice to fulfil the purpose for which it was established.

All trustees give their time voluntarily and receive no benefits from the charity. The trustee board meets quarterly and there are three board sub-committees: Finance and General Purpose (including remuneration and investment policy), Income Generation, and Clinical Governance.

Appointments to the Board are ratified at the subsequent annual general meeting.

The current and future trustee base is seen as representing a good cross-section of accounting, medical, business and corporate governance, and local community input.

Management

Operational activities are delegated to employed staff via the Chief Executive who is responsible to the Board for overall management of the business and the provision of care and services which in the role of Responsible Individual meet the requirements of the Health and Social Care Act 2008 and comply with guidance provided by the Care Quality Commission.

The SLT at St. Michael's Hospice ensures strategic direction is maintained and is led by the Chief Executive. Members of the team are:

- Medical Director
- Finance Director
- Commercial Director
- Director of People and Culture

The Management Team are responsible for dealing with the day-to-day operations of St. Michael's Hospice. The team is led by the Chief Executive and, as well as the members of the SLT include the:

- Quality & Governance Manager and Family Support Services Lead
- IPU Lead
- Registered Manager and Hospice at Home Lead
- Therapy Lead
- Head of Fundraising
- Head of Retail
- Voluntary Services Manager
- Communications Manager
- Management Accountant
- HR Manager
- Head of Facilities

The Chief Executive meets regularly with the Chair and other trustees to discuss issues and progress against objectives.

Appointment of trustees

New trustees are identified according to skills required and vacancies arising. Two new trustees were recruited during the year with three leaving during the year. One trustee was appointed and resigned during the year. We are currently recruiting for two more trustees.

New trustees are proposed by either internal or external recommendation or recruitment and are interviewed by the Chair and another trustee. All trustees are then invited to comment confidentially on suitability prior to a vote of the board of trustees being taken.

Trustee induction and training

Trustees receive a comprehensive briefing on the role from the Chairman and Chief Executive and have access to an induction pack published by Hospice UK along with documentation on the Hospice's policies and procedures. Trustees are expected to attend the same Hospice induction programme completed by all staff and volunteers.

During the year, all board meetings were conducted by video to reduce the risk of infection to the Hospice although during the summer a number of sub-committee meetings were conducted at the Hospice.

As from 2020, all Trustees now undergo formal annual appraisals, carried out by the Board Chairman.

Related parties and relationships with other organisations

St. Michael's Hospice works closely with Hampshire Hospitals NHS Foundation Trust and North Hampshire Clinical Commissioning Group.

St. Michael's Hospice also works in partnership with Odiham Cottage Hospital Trust (OCH) regarding the provision of befriending services as well as enhanced Hospice at Home care within that area. OCH provided a total of £79,000 (2020: £60,000) of income to the Hospice during the year, including a donation of £25,000.

St. Michael's Hospice is a member of Hospice UK and works with regional hospice Chief Executives, sharing data and experiences.

Remuneration policy for key management personnel

The Finance Committee meets to establish the Chief Executive's remuneration package on an annual basis.

Overall salary funding is part of the annual budget process, and within that approved budget the Chief Executive agrees with the finance committee the individual awards for key personnel.

Statement of responsibilities of the trustees

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees for 2021 was 35 (2020: 34). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 9 August 2021 and signed on their behalf by

A Chancellor
Chairman

Independent auditor's report

To the members of

St. Michael's Hospice (North Hampshire)

Opinion

We have audited the financial statements of St Michael's Hospice (North Hampshire) (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 of the parent charitable company's affairs as at 31 March 2021 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
- 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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on St Michael's Hospice (North Hampshire)'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.

Independent auditor's report

To the members of

St. Michael's Hospice (North Hampshire)

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, 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 parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed 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 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the Finance and General Purpose Committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent auditor's report

To the members of

St. Michael's Hospice (North Hampshire)

- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

Independent auditor's report

To the members of

St. Michael's Hospice (North Hampshire)

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.

Fleur Holden (Senior statutory auditor)

3 September 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

St. Michael's Hospice (North Hampshire)

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	1,319,520	289,590	1,609,110	1,379,687	61,876	1,441,563
Charitable activities							
Specialist palliative care	3	1,660,447	975,685	2,636,132	912,148	–	912,148
Other trading activities							
Retail	4	914,106	–	914,106	1,768,538	–	1,768,538
Lottery and Events	4	354,016	–	354,016	459,590	–	459,590
Discontinued operations							
Home Care		419,927	–	419,927	741,226	–	741,226
Gains on disposal of discontinued operations	7	27,222	–	27,222	–	–	–
Investments	5	94,093	–	94,093	105,627	–	105,627
Total income		4,789,331	1,265,275	6,054,606	5,366,816	61,876	5,428,692
Expenditure on:							
Raising funds	6						
Retail		1,290,216	–	1,290,216	1,336,260	–	1,336,260
Cost of raising funds		598,169	–	598,169	691,560	–	691,560
Discontinued operations	6						
Home Care		463,178	–	463,178	723,115	150,000	873,115
Charitable activities	6						
Specialist palliative care		1,760,445	1,352,251	3,112,696	2,901,147	257,320	3,158,467
Total expenditure		4,112,008	1,352,251	5,464,259	5,652,082	407,320	6,059,402
Net income/(expenditure) before net gains/(losses) on investments		677,323	(86,976)	590,347	(285,266)	(345,444)	(630,710)
Net gains/(losses) on investments		542,049	–	542,049	(98,457)	–	(98,457)
Net income/(expenditure) for the year and net movement in funds	8	1,219,372	(86,976)	1,132,396	(383,723)	(345,444)	(729,167)
Reconciliation of funds:							
Total funds brought forward		3,446,406	694,931	4,141,337	3,830,129	1,040,375	4,870,504
Total funds carried forward		4,665,778	607,955	5,273,733	3,446,406	694,931	4,141,337

All the above results, other than those stated under discontinued operations, continued throughout the year. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 22 to the financial statements.

Balance sheets

Company no. 02588395

As at 31 March 2021

	Note	The group 2021 £	2020 £	The charity 2021 £	2020 £
Fixed assets:					
Tangible assets	13	862,922	952,657	862,922	952,657
Investments	14	3,459,108	2,617,059	3,459,108	2,617,060
		<u>4,322,030</u>	<u>3,569,716</u>	<u>4,322,030</u>	<u>3,569,717</u>
Current assets:					
Debtors	17	727,630	445,675	727,630	382,296
Cash at bank and in hand		746,872	701,638	746,872	674,155
		<u>1,474,502</u>	<u>1,147,313</u>	<u>1,474,502</u>	<u>1,056,451</u>
Liabilities:					
Creditors: amounts falling due within one year	18	(522,799)	(575,692)	(522,799)	(484,831)
		<u>951,703</u>	<u>571,621</u>	<u>951,703</u>	<u>571,620</u>
Net current assets		<u>951,703</u>	<u>571,621</u>	<u>951,703</u>	<u>571,620</u>
Total net assets	21	<u>5,273,733</u>	<u>4,141,337</u>	<u>5,273,733</u>	<u>4,141,337</u>
Funds:	22				
Restricted income funds		607,955	694,931	607,955	694,931
Unrestricted income funds:					
Fair value reserve		1,384,177	842,128	1,384,177	842,128
Designated funds		165,000	–	165,000	–
General funds		3,116,601	2,604,278	3,116,601	2,604,278
		<u>4,665,778</u>	<u>3,446,406</u>	<u>4,665,778</u>	<u>3,446,406</u>
Total unrestricted funds		<u>4,665,778</u>	<u>3,446,406</u>	<u>4,665,778</u>	<u>3,446,406</u>
Total funds		<u>5,273,733</u>	<u>4,141,337</u>	<u>5,273,733</u>	<u>4,141,337</u>

Approved by the trustees on 9 August 2021 and signed on their behalf by

A Chancellor
Chairman

St. Michael's Hospice (North Hampshire)

Consolidated statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	23		251,141		(209,321)
Cash flows from investing activities:					
Dividends and interest from investments		94,093		105,627	
Purchase of fixed assets		–		(53,973)	
Purchase of investments		(300,000)		–	
Proceeds from sale of investments		–		400,000	
Net cash provided by investing activities			<u>(205,907)</u>		<u>451,654</u>
Change in cash and cash equivalents in the year			45,234		242,333
Cash and cash equivalents at the beginning of the year			<u>701,638</u>		<u>459,305</u>
Cash and cash equivalents at the end of the year			<u>746,872</u>		<u>701,638</u>

1 Accounting policies

a) Statutory information

St. Michael's Hospice (North Hampshire) is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Basil de Ferranti House, Aldermaston Road, Basingstoke, Hampshire, RG24 9NB.

b) Basis of preparation

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)– (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 or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary St. Michael's Home Care Limited on a line by line basis until the date of liquidation. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date, and taking the impact of the Covid-19 pandemic into account, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Discontinued operations

St Michael's Home Care Limited entered liquidation on 7 January 2021 and is in the process of being wound up. Amounts due to the charity were written off in full during the year. Income and expenses for the year to 7 January 2021 have been included in the accounts on a line by line basis. No balance sheet items are included in the accounts as at 31 March 2021.

f) Income

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

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

Income from insurance claims is recognised when the income criteria is met and the value is considered measurable.

1 Accounting policies (continued)

f) Income (continued)

For legacies, entitlement is taken as the earlier of the estate accounts have been drafted and notification has been made by the executor(s) to the charity that a distribution will be made or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

On March 11 2020 the charity became eligible for £230,000 of retail, hospitality and leisure grants in respect of shops with a rateable value up to £51,000. The income was received in 2020/21 and relates to the period from 1 April onwards. The trustees have opted to recognise the grants in the financial year to 31 March 2021 based on an entitlement date of 1 April 2020 as per the guidance issued by the Department for Business, Energy and Industrial Strategy as that is the period to which income relates.

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

g) Interest and dividends receivable

Interest and dividends on invested funds and funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon receipt of the funds.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are funds allocated by the trustees for specific projects or costs.

i) Expenditure and irrecoverable VAT

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

- Retail and Home Care is the cost incurred in operating the retail shops and St. Michael's Home Care.
- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities is the costs of delivering the core palliative care services undertaken to further the purposes of the charity.

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

1 Accounting policies (continued)

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to the cost of raising funds.

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on the headcount associated with the attributable activity.

● Retail	28%
● Cost of raising funds	9%
● Specialist palliative care	60%
● Discontinued operations	3%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. They are allocated on the following basis:

● Retail and Home Care	25%
● Cost of raising funds	25%
● Specialist palliative care	50%

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Tangible fixed assets are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

● Freehold Buildings	20 years
● Fixtures, fittings and equipment	Between 4 & 5 years

m) Investments

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Stocks

Stocks of goods for resale in the shops are not included in the accounts. It is deemed that the effort required to value the high volume and low individual value of the stock outweighs any benefit of including stock in the financial statements.

1 Accounting policies (continued)

o) Debtors

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

p) 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.

q) Creditors and provisions

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

r) Pensions

The charity contributes to the NHS Superannuation pension scheme for certain qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension charge represents contributions payable by the charity to the fund. It is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities. It is therefore accounted for as though it were a defined contribution scheme.

The group also provides a defined contribution pension scheme for employees other than those within the NHS superannuation pension scheme and contributes up to 6% of basic salary. Contributions are recognised when due.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donations	790,386	289,590	1,079,976	932,465	61,876	994,341
Legacies	529,134	–	529,134	447,222	–	447,222
	<u>1,319,520</u>	<u>289,590</u>	<u>1,609,110</u>	<u>1,379,687</u>	<u>61,876</u>	<u>1,441,563</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from North Hampshire Clinical Commissioning Group	880,023	–	880,023	837,201	–	837,201
Income from Odiham Cottage Hospital	79,377	–	79,377	60,416	–	60,416
Covid 19 related funding from HM Government, NHSE and Local Authorities	660,820	975,685	1,636,505	–	–	–
Other income	40,227	–	40,227	14,531	–	14,531
Total income from charitable activities	<u>1,660,447</u>	<u>975,685</u>	<u>2,636,132</u>	<u>912,148</u>	<u>–</u>	<u>912,148</u>

Covid Funding was received from a number of sources, furlough income from HM Government, support for Hospices from NHSE and Local Authority Grants for retail premises.

The NHSE (NHS England) awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

4 Income from other trading activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Retail	593,280	–	593,280	1,768,538	–	1,768,538
Retail Business Interruption Insurance Claim	320,826	–	320,826	–	–	–
Income	268,511	–	268,511	313,322	–	313,322
Lottery	85,505	–	85,505	146,268	–	146,268
Events	<u>1,268,122</u>	<u>–</u>	<u>1,268,122</u>	<u>2,228,128</u>	<u>–</u>	<u>2,228,128</u>

The retail operation, excluding online sales, suffered from three lockdowns during the year; the first from 22 March 2020 with a phased re-opening between 26 June and 28 August 2020, the second from 2 November 2020 until 2 December 2020, the final lockdown was from 25 December 2020 until 12 April 2021.

Trading losses for the first lockdown, from 22 March to 15 June 2020 were covered by the business interruption clause in the Hospice's insurance policy. This clause was revoked by the Insurers when the insurance renewed in August 2020.

5 Income from investments

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
COIF Charities Investment Funds	92,851	–	92,851	103,901	–	103,901
Bank interest	1,242	–	1,242	1,726	–	1,726
	<u>94,093</u>	<u>–</u>	<u>94,093</u>	<u>105,627</u>	<u>–</u>	<u>105,627</u>

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2021

6a Analysis of expenditure – current year

	Raising funds		Charitable activities	Discontinued operations	Support and governance costs	2021 Total	2020 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	Home Care £	£	£	£
Staff costs (Note 9)	701,737	357,144	2,289,894	375,559	352,898	4,077,232	4236720
Direct care costs	–	–	113,022	–	–	113,022	146117
Direct cost of generating funds	70,666	132,742	–	27,989	–	231,397	435726
Premises	281,453	27,317	63,528	595	6,284	379,177	447573
Legal and professional services	2,533	5,123	87,585	25,259	34,579	155,079	193243
Equipment, supplies and consumables	59,651	25,095	180,861	14,150	81,954	361,711	301456
Depreciation & dilapidations	22,413	–	71,499	–	3,831	97,743	263719
Other costs	14,341	–	8,196	3,597	22,764	48,898	34848
	1,152,794	547,421	2,814,585	447,149	502,310	5,464,259	6,059,402
Support costs (note 1j)	128,235	41,561	279,737	16,029	(465,562)	–	–
Governance costs	9,187	9,187	18,374	–	(36,748)	–	–
Total expenditure 2021	1,290,216	598,169	3,112,696	463,178	–	5,464,259	
Total expenditure 2020	1,336,260	691,560	3,158,467	873,115	–		6,059,402

Support and governance costs above include £36,748 relating to governance, being £14,775 of staff costs, £21,127 legal and professional services and £846 of other support costs.

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2021

6b Analysis of expenditure – prior year

	Raising funds		Charitable activities	Discontinued operations	Support and governance costs	2020 Total
	Retail £	Cost of raising funds £	Specialist palliative care £	Home Care £	£	£
Staff costs (Note 9)	695,536	357,205	2,177,581	632,709	373,689	4,236,720
Direct care costs	–	–	146,117	–	–	146,117
Direct cost of generating funds	139,168	218,540	–	78,018	–	435,726
Premises	363,278	27,171	50,413	935	5,776	447,573
Legal and professional services	11,035	6,827	96,886	55,474	23,021	193,243
Equipment, supplies and consumables	50,368	25,407	140,198	17,375	68,108	301,456
Depreciation & dilapidations	17,979	–	236,305	–	9,435	263,719
Other costs	1,706	668	9,841	5,403	17,230	34,848
	1,279,070	635,818	2,857,341	789,914	497,259	6,059,402
Support costs (note 1j)	52,024	45,411	280,465	78,036	(455,936)	–
Governance costs	5,166	10,331	20,661	5,165	(41,323)	–
Total expenditure 2020	1,336,260	691,560	3,158,467	873,115	–	6,059,402
Total expenditure 2019	1,154,707	711,535	3,062,913	1,002,311	–	

Support and governance costs above include £41,323 relating to governance, being £14,141 of staff costs, £20,113 legal and professional services and £7,069 of other support costs.

7 Discontinued operations

On 7 January 2021 St Michael's Home Care Ltd entered liquidation. The loss for the period to this date was £27,222. There were £57,800 of net assets transferred to the Liquidator. At the end of the financial year the liquidation process was ongoing with no indication as to whether there would be funds available to creditors.

8 Net income/(expenditure) for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	89,735	255,715
Operating lease rentals:		
Property	251,555	278,775
Other	15,618	14,685
Auditor's remuneration (excluding VAT):		
Audit – Group and subsidiary company audits	13,000	15,500
Additional costs for 2020 audit	4,500	–
Other services – Corporation tax services	950	750
	950	750

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	3,404,993	3,687,771
Social security costs	238,176	240,013
Employer's contribution to pension schemes	288,724	277,969
Other forms of employee benefits	32,012	28,155
Termination costs – paid	113,327	2,812
	4,077,232	4,236,720

The following number of employees received employee benefits (excluding employer pension costs and employers national insurance), of over £60,000 during the year as follows:

	2021 No.	2020 No.
£60,000 – £69,999		1
£70,000 – £79,999	1	2
£80,000 – £89,999	1	
£90,000 – £99,999	1	–

The total employee benefits including pension contributions and national insurance of the key management personnel were £488,326 (2020: £365,519). In 2020 there were two new members of the Senior Leadership team whose costs were included for part of that year and are included for the full year in 2021. The Director of Medical Services, who is employed by the Hospice was replaced by the Medical Director who is paid via a Service Level Agreement (SLA) with Hampshire Hospital Foundation Trust (HHFT). The HHFT SLA costs are included in the above figure.

During the year eleven employees received termination payments (2020: two).

The charity trustees were not paid or receive any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil). During the year, no expenses were reimbursed to trustees (2020: £nil).

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Raising funds	42.5	44.3
Staff in subsidiary company	27.4	52.0
Specialist palliative care	70.0	77.2
Support	10.5	12.7
Governance	0.2	0.1
	150.6	186.3

11 Related party transactions

During the year donations of £11,216 were received from trustees, of which £2,000 was restricted to additional Covid 19 costs.

12 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

13 Tangible fixed assets

The group and the charity

	Freehold land £	Freehold buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At the start of the year	182,049	2,992,786	888,076	4,062,911
Additions in year	–	–	–	–
Disposals in year	–	(19,617)	(189,146)	(208,763)
At the end of the year	182,049	2,973,169	698,930	3,854,148
Depreciation				
At the start of the year	–	2,261,931	848,323	3,110,254
Charge for the year	–	75,544	14,191	89,735
Eliminated on disposal	–	(19,617)	(189,146)	(208,763)
At the end of the year	–	2,317,858	673,368	2,991,226
Net book value				
At the end of the year	182,049	655,311	25,562	862,922
At the start of the year	182,049	730,855	39,753	952,657

The freehold land shown above at cost of £182,049 is not depreciated.

All of the group's assets shown above are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2021

14 Investments

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Fair value at the start of the year	2,617,059	3,115,516	2,617,060	3,115,517
Additions at cost	300,000	–	300,000	–
Disposal proceeds	–	(400,000)	–	(400,000)
Write off of investment in subsidiary	–	–	(1)	–
Net (loss)/gain on change in fair value	542,049	(98,457)	542,049	(98,457)
Fair value at the end of the year	3,459,108	2,617,059	3,459,108	2,617,060
Historic cost at the end of the year	2,074,930	1,774,930	2,074,930	1,774,931

Investments comprise:

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
UK Common investment funds	3,459,108	2,617,059	3,459,108	2,617,059
Investments in subsidiaries	–	–	–	1
	3,459,108	2,617,059	3,459,108	2,617,060

15 Subsidiary undertaking

The charitable company owned the whole of the issued ordinary share capital of St. Michael's Home Care Limited, a company registered in England (09218951). The subsidiary entered administration on 7 January 2021. All activities up to this date have been consolidated on a line by line basis in the statement of financial activities. A summary of the results of the subsidiary is shown below:

St. Michael's Home Care Limited	2021	2020
	£	£
Turnover	419,929	741,227
Cost of sales	(318,842)	(551,503)
Gross profit	101,087	189,724
Administrative expenses	(128,309)	(214,462)
Management charges payable to parent charity	–	(35,746)
Operating (loss)/profit	(27,222)	(60,484)
Interest receivable	–	8
Interest payable to parent charity	–	–
(Loss)/profit for the financial year	(27,222)	(60,476)
The aggregate of the assets, liabilities and funds was:		
Assets	–	112,570
Liabilities	–	(373,994)
Funds	–	(261,424)

16 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	5,634,679	4,699,254
Result for the year	1,132,396	(930,115)

17 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	25,987	171,956	25,987	108,542
Amounts due from group undertakings	–	–	–	708
Other taxation	45,550	128,464	45,550	128,464
Other debtors	523,567	45,850	523,567	45,391
Prepayments	132,526	99,405	132,526	99,191
	727,630	445,675	727,630	382,296

18 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	91,265	100,983	91,265	78,874
Amounts due to group undertakings	–	–	–	21,000
Taxation and social security	–	8,795	–	–
Accruals	298,889	338,114	298,889	257,157
Deferred income (note 19)	132,645	127,800	132,645	127,800
	522,799	575,692	522,799	484,831

19 Deferred income

Deferred income comprises income received in respect of events being held after 31 March 2021 and lottery income received in advance of the draw.

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Balance at the beginning of the year	127,800	54,717	127,800	54,717
Amount released to income in the year	(32,150)	(54,717)	(32,150)	(54,717)
Amount deferred in the year	36,995	127,800	36,995	127,800
Balance at the end of the year	132,645	127,800	132,645	127,800

20 Pension schemes

The group operates a defined contribution pension scheme for certain qualifying employees and contributes up to 6% of basic salary matching employee contributions. The total pension contributions payable in the year were £172,442 (2020: £171,112). There were £13,648 outstanding contributions at the year end, (2020: £17,082).

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM (Government Financial Reporting Manual) requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

The total pension contributions payable in the year were £116,282 (2020: £106,857). There were no outstanding contributions at the year end or in 2020.

21a Analysis of group net assets between funds (current year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	261,756	–	601,166	862,922
Investments	2,074,931	1,384,177	–	3,459,108
Net current assets	944,914	–	6,789	951,703
Net assets at the end of the year	3,281,601	1,384,177	607,955	5,273,733

21b Analysis of group net assets between funds (prior year)

	General unrestricted £	Fair value reserve £	Restricted funds £	Total funds £
Tangible fixed assets	293,192	–	659,465	952,657
Investments	1,774,931	842,128	–	2,617,059
Net current assets	536,155	–	35,466	571,621
Net assets at the end of the year	2,604,278	842,128	694,931	4,141,337

22a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	At the end of the year £
Restricted funds:				
Building projects	659,465	–	(58,298)	601,167
Equipment	26,302	7,226	(27,466)	6,062
Education	8,203	–	(8,203)	–
Support Programmes	961	–	(371)	590
Community Palliative Care	–	25,000	(25,000)	–
Donations/Grants expended	–	51,401	(51,265)	136
Covid 19 related grant from NHSE	–	975,685	(975,685)	–
Friends of St Michael's Hospice Covid 19	–	–	–	–
Appeal	–	185,963	(185,963)	–
Calleva Foundation	–	20,000	(20,000)	–
Total restricted funds	694,931	1,265,275	(1,352,251)	607,955
Unrestricted funds:				
Designated funds:				
Property improvement fund	–	45,000	–	45,000
Insurance fund	–	100,000	–	100,000
Training fund	–	20,000	–	20,000
Total designated funds	–	165,000	–	165,000
Fair value reserve	842,128	542,049	–	1,384,177
General funds	2,604,278	4,624,331	(4,112,008)	3,116,601
Total unrestricted funds	3,446,406	5,166,380	(4,112,008)	4,500,778
Total funds	4,141,337	6,596,655	(5,464,259)	5,273,733

22b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	At the end of the year £
Restricted funds:				
Building projects	873,197	–	(213,732)	659,465
Equipment	6,062	20,240	–	26,302
Education	8,203	–	–	8,203
Support Programmes	2,913	–	(1,952)	961
Community Palliative Care	–	25,000	(25,000)	–
Donations/Grants expended	–	16,636	(16,636)	–
Calleva Foundation	150,000	–	(150,000)	–
Total restricted funds	1,040,375	61,876	(407,320)	694,931
Unrestricted funds:				
Fair value reserve	1,089,158	–	(247,030)	842,128
General funds	2,740,971	5,366,816	(5,503,509)	2,604,278
Total unrestricted funds	3,830,129	5,366,816	(5,750,539)	3,446,406
Total funds	4,870,504	5,428,692	(6,157,859)	4,141,337

Funds – current and prior years

Building projects: Donations were received for building projects to provide for the expansion and refurbishment of the Hospice buildings. As the final project was completed in April 2014, all of the outgoings relate to depreciation.

Equipment: The equipment fund provides for the purchase of various types of equipment for which specific funding has been raised.

Education: The education funds provide for the support of course fees for nurses, together with delivering specific training to relevant bodies in the community.

Support programmes: The funding provides for supporting specified groups of patients and their families.

Community Palliative Care: This is funding for the continuation of the community palliative care programme.

Donations/Grants expended: The income is for a medical salaries grant and for various PPE supplies.

Calleva Foundation: The Calleva Foundation made a donation in April 2020 to provide funds to support St. Michael's Home Care Limited.

Covid 19 related grant from NHSE: The NHSE (NHS England) awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 and from November 2020 to March 2021. This funding was to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support for the same purpose.

Friends of St Michael's Hospice Covid 19 Appeal: appeal run to mitigate loss of income from events and to further support the Hospice.

Funds – current and prior years (continued)

Purposes of designated funds

Property improvement fund: Reserves have been designated to complete the refurbishment programme in the In Patient Unit in 2021–22.

Insurance fund: during the year a successful claim for business interruption was made. However, this resulted in a significant increase in insurance premium. This fund is to cover the additional cost of insurance for a five year period.

Training fund: The Hospice has begun an extensive management development programme and this fund is set up to cover the high up front costs of developing the programme.

Fair value reserve: This fund represents the excess of fair value over the historic cost of the investments.

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

	2021 £	2020 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	1,132,396	(729,167)
Depreciation charges	89,735	255,715
Losses/(Gains) on investments	(542,049)	98,457
Dividends and interest from investments	(94,093)	(105,627)
Decrease/(Increase) in debtors	(281,955)	153,058
Increase/(Decrease) in creditors	(52,893)	118,243
Net cash (used in) operating activities	251,141	(209,321)

24 Operating lease commitments

The charity and group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2021 £	2020 £	Equipment 2021 £	2020 £
Less than one year	211,700	279,355	10,491	10,600
One to five years	721,350	779,850	10,071	2,860
Over five years	312,100	465,300	–	–
	1,245,150	1,524,505	20,562	13,460

25 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.