

ST DAVID'S FOUNDATION HOSPICE CARE

England & Wales · Charity number 1010576

Details

Other names	ST DAVID'S FOUNDATION HOSPICE CARE, ST DAVIDS FOUNDATION, ST DAVIDS FOUNDATION HOSPICE CARE, ST DAVID'S HOSPICE CARE
Status	Registered
Legal form	Charitable company
Company number	02700097
Registered	1992-04-21
Register	View on the Charity Commission register

Contact

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Phone	01633851051
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Website	www.stdavidshospicecare.org

Activities

Objects: TO RELIEVE SICKNESS AND PAIN AMONG PERSONS WHO ARE SUFFERING FROM ANY CHRONIC OR LIFE THREATENING ILLNESS IN ENGLAND AND WALES

Activities: To provide palliative care services throughout the unitary authorities of Caerphilly, Monmouthshire, Newport and Torfaen, and within South and Mid Powys, to people with a life-threatening illness, their families and carers.

Classification

- **How:** Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** ENGLAND AND WALES
- Caerphilly
- Gloucestershire
- Monmouthshire
- Newport City
- Powys
- Torfaen

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£9,279,000	£9,327,000	£16,737,000	251
2024-03-31	£9,258,000	£9,154,000	£16,815,000	253
2023-03-31	£9,713,000	£8,341,000	£16,485,000	248
2022-03-31	£8,697,000	£7,876,000	£15,256,000	249
2021-03-31	£9,037,000	£7,419,000	£14,435,000	258

Trustees

Name	Role	Appointed
DAME Rosemary Janet Mair Butler DBE		2016-05-26
DR CHRISTOPHER CHARLES GAFFNEY		
DR JOHN WILLIAM HOLLAND		
Donald James Waters		2023-07-10
Dr Robert Christopher Guy Bracchi		2019-03-25
JAMES OSBORNE THOMPSON		
Jeremy Llewellyn Morgan Felvus		2018-02-13
Judith Elizabeth Child		
MARGARET VAN DE WEYER		
Michael Hine		
Robert Tovey		2023-01-26
Robin Stuart Hall		2022-03-31
THE REVEREND ELAINE HILLS		2017-01-26

Accounts

**ST DAVID'S FOUNDATION
HOSPICE CARE**

**TRUSTEES' ANNUAL REPORT AND
CONSOLIDATED FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2025**

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The Trustees are pleased to present their annual report with the audited, consolidated financial statements of St David's Foundation Hospice Care ("the Hospice") for the year ending 31 March 2025.

This Trustees report incorporates the requirements of a Directors' report required by company law.

Objectives and activities

The principal objective of the Hospice is to relieve sickness and pain among persons who are suffering from any chronic or life-threatening illness in England and Wales. The Hospice currently confines its work to Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Hospice provides a specialist, multi-professional palliative care service in community, Day Hospice and in-patient settings.

The main focus of our work is to provide 24-hour supportive palliative nursing care in patients' own homes via our Clinical Nurse Specialists, Hospice at Home team, our In-Patient Unit, our Day Hospices and to provide support through our Family Support Team.

The Hospice aims to meet this objective by:

Putting patients and their carers first

- delivering excellent high quality and responsive care, free of charge at the right time and in the right place;
- providing bespoke care that meets the individual needs of patients, carers and their families;
- working with Health Boards and other health and social care professionals to support and care for those who need our service;

Supporting and empowering staff and volunteers

- developing a workforce with the skills and ability to deliver our purposes;
- creating a supportive, respectful, listening environment for our valued staff and volunteers;

Strengthening our foundations as a charitable organisation

- making the best use of existing resources to ensure efficiency and effectiveness;
- maximising and diversifying our income generation to fund and develop our services;

Engaging with our communities

- working with and developing mutually beneficial relationships;
- building on and enhancing our excellent reputation and profile;
- being committed to widening access and being inclusive;

Looking forward

- responding and adapting to external influences and changing in a timely manner;
- being innovative and pro-active leaders in our field;
- developing a hospice for the future by always seeking to improve methods and practices;

Striving to be the best at what we do

- aspiring to always exceed quality standards for all aspects of the care and services that we deliver;
- listening and responding to the needs of our patients and communities to keep them at the heart of everything we do;
- being a developing and learning organisation through evaluating our delivery and sharing best practice.

The Hospice undertakes eight core charitable activities to meet its objectives:

- Community Clinical Nurse Specialists
- Hospice at Home
- The Day Hospices
- Fifteen bed In-Patient Unit
- The Family Support Team
- Adult and children bereavement care
- Complementary therapies
- Education

Community Clinical Nurse Specialists

"All the nurses were so caring to Mam and so very respectful to her, she loved to see her CNS arriving."

A relative

The Hospice employs a large team of Clinical Nurse Specialists. They are highly trained, skilled palliative care professionals. The Clinical Nurse Specialists are allocated to GP practices and work as core members of the primary healthcare team. The role of the Clinical Nurse Specialist is to:

- support the patient and family by managing symptom control such as pain and nausea;
- provide information regarding diagnosis and treatment;
- liaise with the Primary Healthcare Team on a plan of care;
- be the key worker within the Hospice and refer patients to other hospice services and other community services;
- work with patients regarding their preferred place of care and preferred place of death.

Hospice at Home

The Hospice at Home team aims to provide end of life care at home and to enable patients to have choice about where they die. The service also provides respite care to patients

to help relieve carer fatigue. The service is delivered with a skill mix of registered palliative care nurses and health care support workers. Each patient and their family are assessed individually to ensure the Hospice develops the best possible package of care for each situation.

"The extra support that the hospice at home nurses gave me took the pressure off when I needed it most."

A relative

In-Patient Unit

The In-Patient Unit is a Consultant led Specialist Palliative Care unit with 15 beds for adult patients who suffer from progressive life limiting conditions and live within the five localities of Aneurin Bevan University Health Board (ABUHB). The service is free for patients and families who fulfil the criteria for admission, which include short term care for the management of complex symptoms, assessment, emotional or psychological distress, rehabilitation following treatment and care at the end of life. The In-Patient Unit does not provide long term nursing care. Holistic care is co-ordinated by a multi-professional team, with a mix of skills that encompass the physical, spiritual, psychological and social requirements of patients and families. All admissions to the In-Patient Unit are decided by the ABUHB medical team.

"Thank you so much for all your professionalism, compassion and diligence supporting our father in his final days."

A relative

Day Hospices

We have two Day Hospices which run throughout the week with patients attending between 9:30am and 4pm at the service most local to them. They are:

- Ysbyty Ystrad Fawr, Ystrad Mynach
- Blakett Avenue, Newport

Day Hospice is a friendly and comfortable place for patients to meet and gain support from others who are in a similar situation, and take part in a range of activities and interests. Patients are able to choose breakfast and lunch from our menu and can enjoy a relaxing bath at some of the locations. Group or individual relaxation sessions and complementary therapy treatments are also available. There is always a Palliative Care Nurse on hand for patients to discuss their condition or medication.

Usk House

Usk House provides a drop-in service one day a week.

The Hospice Harmony Choir

The Hospice Harmony Choir have been singing together for over three years and have performed at music concerts and

festivals. Any patient, their carer or family member can join the Choir which usually meets in Blakett Avenue Day Hospice. Those that attend will often report feeling much more energised and uplifted after attending and the group have become a new form of support for each other. On average we have around 30 participants and have more concerts and activities planned, including percussion sessions to be introduced.

"I love all the activities and the chatting and laughter. And I love the wonderful food. Thank you for brightening my days."

A Day Hospice Patient

The Family Support Team

The Family Support Team are part of the multi-professional team supporting patients and their families with a wide range of social, financial, practical and emotional needs. The team includes:

- Social Workers;
- Welfare Rights Advisors;
- Carer Support;
- Bereavement Support;
- The Unicorn Service supporting children, young people and their families.

Social Workers work across the community and in-patient services supporting patients, families and carers with a wide range of issues.

Welfare Rights Advisors ensure that our patients and families have support to navigate the welfare reforms, access their full entitlements and have fewer money worries.

The Bereavement Service provides support to anyone coping with the loss of a patient of the Hospice.

"The change in our daughter has been clearly visible by our immediate family. She is more herself with being happy and chatty again. 'H' is also more open in speaking about her Grandad with us and also friends. Before her sessions with the Unicorn Project Lead, 'H' would suppress her feelings and put a brave face on everything in front of friends, extended family and teachers."

A parent

"The sessions have given me 'space' in my head to move on with day-to-day tasks and yet still grieve. The environment was very warming and all staff that I engaged with were friendly and helpful."

A bereaved relative

Complementary Therapy

The Complementary Therapy Team at St David's Hospice is made up of experienced therapists. Complementary therapies are offered in conjunction with conventional medical treatment and are offered primarily for the relief of stress and anxiety but can also assist in relieving physical symptoms such as pain, insomnia, nausea and muscle tension. In general, complementary therapies can be used to induce a feeling of well-being and of 'letting go' and are also aimed at giving the patient a 'treat' rather than a treatment.

Therapies include massage, aromatherapy, reflexology and Reiki and are provided at patient's homes or within the Day Hospice or In-Patient Unit setting.

"Thank you for the care you have given me over the past few months. The therapy, and our chats, have lifted my spirits and really helped me, I feel more confident and happy, thank you."

A Complementary Therapy patient

Occupational Therapy

The service is provided primarily in the In-Patient Unit but the OT also provides community and Day Hospice sessions. This has been a positive development.

Education

The Education Department works closely with local Universities through endorsements of specific courses and mentoring of student nurses. A wide range of teaching strategies are used to improve the knowledge and skills of staff to care for people, their families and carers facing a progressive life-threatening illness which is no longer curable. Regular courses are provided for nursing and residential homes in palliative care.

"The course has given me more confidence and will help me to have difficult conversations about Advance Care Planning and what the residents' wishes are."

A training course attendee

Public benefit

Our charitable services are provided without charge to all members of the public with a life-threatening illness who are referred by a health care professional and who live in Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Trustees are of the opinion that they have complied with their duties to have due regard for the guidance on public benefit. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Hospice's aims and objectives and in planning our future activities.

Statement of purpose

St. David's Hospice Care aims to:

- provide a comprehensive range of holistic hospice and palliative care services within the unitary authorities of Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys;
- ensure all staff are appropriately trained and encouraged to participate in continued professional development;
- respect the dignity and privacy of service users at all times and respect the individuals' rights and choice in their care;
- receive referrals of patients who have a diagnosis of a life-threatening illness (either cancer or non-cancer of patients aged 17 years and over);
- promote and disseminate current research and good practice to the wider healthcare community;
- work within the requirements of the Care Standards Act 2000, the Nurses Agencies (Wales) Regulations 2003, the Domiciliary Care Agencies (Wales) Regulations 2004 and the National Minimum Standards for Independent Health Care Services in Wales 2011;
- support the needs of patients' carers and families during the patients' illness and into bereavement;
- provide personal care to young people and adults (aged 17 years and over) within an agreed criteria;
- provide respite care through Day Hospice, Hospice at Home, in-patient care and carer support.

Strategic report

The strategic report required under company law comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods* below.

Key performance indicators

The Hospice uses a range of performance measures to monitor its performance. The key measures related to its charitable work are given in the achievements and performance section starting on page 5. The key financial performance indicators, including the Hospice's reserves, are disclosed in the financial review starting on page 7.

Achievements and performance

In last year’s financial statements we set out the following priorities for the forthcoming year:

Priority	Outcome
Implement a paperless patient record system (EMIS).	 This project is in progress. It has been successfully rolled out for our CNS teams and will be rolling out to other departments in 2025/26
Consolidate our day hospice provision following a review.	 This was completed in 2024/25.
Develop and recruit to our Hospice at Home service to further develop our overnight and day provision.	 This has been partially achieved.
Work with Aneurin Bevan University Health Board to open 15 beds in the in-patient hospice with a mixed acuity of patients.	 This has not been achieved.
Work with Hospices Cymru and Welsh Government on a commissioning framework for Hospices in Wales	 This has been partially achieved.

Community Clinical Nurse Specialists

	2025	2024
Number of patients	3,736	3,499
Average caseload	1,590	1,422
New referrals	2,234	2,042
Discharges	236	86
Deaths	1,908	1,803
Deaths at home	1,319	1,202
% died at home	69%	67%

"The CNS was amazing, so kind and caring."

A relative

- The five teams work through Caerphilly, Monmouthshire, Newport, Torfaen and South & Mid Powys. Each Clinical Nurse Specialist (CNS) is assigned to one or more GP surgeries. The CNS team cared for 3,736 patients which is a 7% increase on 2024. (2024 – 3,499).
- Overall referrals rose to 2,234 from 2,042 in 2024.
- We aim to ensure across the service that at least 60% of patients die in their usual place of residence (excluding Hospice at Home). In 2025 we achieved this with 1,319 of 1,908 (2024 – 1,202 of 1,803) patients dying at home.

Hospice at Home

	2025	2024
Average monthly caseload	83	85
New referrals	677	654
Hours of care	39,512	38,772

"The Hospice at Home service was absolutely amazing. The level of understanding, care and support was beyond all of our expectations."

A relative

- The highly valued team support offered by the Hospice at Home remains at the core of what the Hospice aims to achieve, ensuring patients have *real* choice about where to receive their end of life care.
- There has been a 2% increase in the number of hours of care provided compared to last year (2024 – 13% increase). The total hours of care provided was 39,512 (2024 – 38,772).
- We continue to offer a flexible bespoke service which is tailored to each individual patient and their family.
- Our Hospice at Home service is registered with Care Inspectorate Wales. Our latest inspection can be requested directly from Care Inspectorate Wales.

TRUSTEES REPORT

YEAR ENDED 31 MARCH 2025

In-Patient Unit

	2025	2024
Admissions	302	279
Discharges	85	71
Deaths	204	168
Average length stay in days	10	11
Average bed occupancy	69%	72%

"Thank you to all the doctors and nurses who took such loving care of our Dad and our family. We were so pleased he managed to spend his last days in such a beautiful, peaceful place."

A relative

- The number of admissions to the Hospice In-Patient Unit has increased from 279 to 302.
- The In-Patient Unit is regulated by Healthcare Inspectorate Wales. A quality check was carried out by the Inspectorate body, Health in Wales (HIW) in March 2025. The report is available at on the HIW website at <https://www.hiw.org.uk/st-davids-foundation-hospice-care>.

Day Hospice

	2025	2024
Average monthly caseload	67	63
New referrals	138	150
Attendances	1,925	1,755

"Thank you all for your kindness and always being so welcoming. I love spending the day with good company and feeling so well looked after."

A Day Hospice patient

Complementary Therapy

	2025	2024
Average monthly community caseload	114	102
New referrals	318	309
Treatments given	1,272	1,328

- The community caseload does not include Day Hospice and IPU patients.

Family Support Team

	2025	2024
Social Work		
Average monthly caseload	42	66
New referrals	224	236
Visits	640	615
Welfare Rights		
Average monthly caseload	165	138
New referrals	654	710
Visits	27	29
Adult bereavement service		
Average monthly caseload	56	69
New referrals	178	132
Sessions	649	831
Children's bereavment service (Unicorn)		
Average monthly caseload	149	159
New referrals (families)	375	348
Sessions	1,269	1,528

- Welfare rights referrals have decreased from 710 in 2024 to 654 in 2025.
- Referrals to the Unicorn Service rose in the year from 348 to 375.

"Our son was a little nervous to go at first, but I think he really enjoyed it. He came home and was so excited to tell me that there were other people who had lost parents and not just nans and gramps. I think it really made a difference for him."

A parent whose child had used the Unicorn service

Chaplaincy Service

	2025	2024
Average monthly caseload	40	35
New referrals	185	132
Visits	455	462
Contacts	1,516	1,379

- The chaplaincy service will be a volunteer led service in 2025/26

Out of hours – on call

This 24-hour a day advice line provides invaluable support to patients, families and healthcare professionals. The demand for this service has remained similar to previous years. A total of 1598 calls were made in the year (2024 – 1813).

Clinical risk management

The following procedures are followed to manage Clinical risk:

- The team managers complete quality and patient safety reports monthly and these are assessed and actioned at a monthly Quality and Assurance meeting.
- Senior clinical managers meet weekly to discuss and action any issues arising.
- Policies and procedures are updated regularly.
- The Trustee Clinical Governance Committee meets four times a year.
- A monthly SMT meeting for the In-Patient Unit is held with representatives from ABUHB.
- Risk assessments are completed for every patient and their family.

Compliments and complaints

Although the Hospice aims to provide the very best care to our patients and families there are rare occasions where we do not meet the standard we would expect. As a hospice we take every complaint or concern very seriously and aim to learn from these occasions. A copy of our complaints policy can be obtained from the Hospice.

We receive many compliments and always take the opportunity to learn from these situations and share good practice.

Financial review

Overall the Hospice’s income increased by £21,000 to £9,279,000. The Hospice’s total expenditure increased by £173,000 to £9,327,000. The Hospice’s spending on charitable activities increased by £167,000 from £5,476,000 to £5,643,000.

Legacy income

The Hospice has recognised legacy income of £167,000. This represents a decrease of £420,000 compared to 2024. It compares to an average per year over the five years to 31 March 2025 of £856,000.

Funding sources

The Hospice receives funding to provide its services from a variety of sources. The Hospice received the following from NHS Health Boards, Continuing Health Care, from the NHS, funds individual health care packages.

	Income £000		% of the expenditure on charitable activities	
	2025	2024	2025	2024
NHS service level agreements	2,101	1,991	37.2%	36.4%
NHS Wales End of Life Care Programme Board	223	223	4.0%	4.1%
Continuing health care	370	372	6.6%	6.8%
	2,694	2,586	47.7%	47.2%

The Hospice received additional funding directly from Welsh Government:

	Income £000		% of the expenditure on charitable activities	
	2025	2024	2025	2024
Welsh Government grants and funding	744	556	13.2%	10.2%

The Hospice augments this public funding with donations, legacies and grants from trusts. In addition the Hospice operates three core fundraising activities:

- running a network of charity shops;
- organising fundraising events;
- and operating a lottery.

Charity shops (retail trading)

The Hospice operates 35 (2024 – 37) charity shops. The shops primarily sell second hand goods donated by members of the public. In addition, new goods are sold by the Hospice’s trading subsidiary within the shops. The sale of new goods represented 8% (2024 – 8%) of retail trading income.

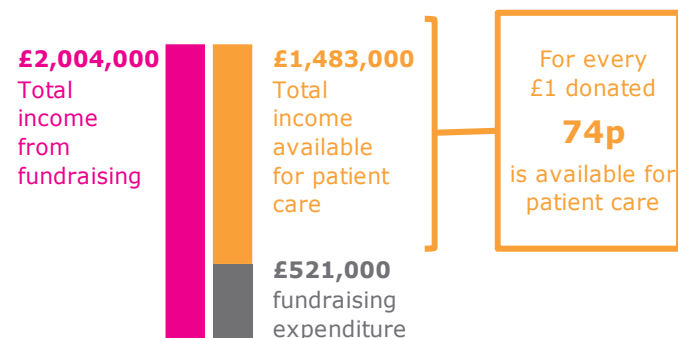
After the allocation of Support Costs, the shops provided a surplus of £314,000 in the year to support patient care.



Fundraising

The fundraising department incorporates both the work associated with appealing for donations and the subsequent administration together with the work associated with organising fundraising events. The net surplus from all fundraising, after the allocation of support costs, was £1,483,000 (2024 - £1,825,000). The surplus margin has decreased to 74% (2024 - 80%).

Pence in the pound



Lottery

The Hospice operates a weekly lottery draw. Most members play every week. Three times a year extra prizes are awarded for the draw. On these weeks additional tickets are sold more widely to the general public.

The net surplus from the lottery after the allocation of support costs was £123,000 (2024 - £141,000). This represents a surplus margin of 37% (2024 - 42%).

"I was so excited with my lottery win. What a brilliant way to support the fantastic work that you do."

A lottery winner

VAT

The Hospice continues to benefit from the VAT refund scheme for palliative care charities which means it has been able to reclaim the VAT on its non-business activities. The additional VAT that the Hospice would not otherwise have been able to recover was £147,000 (2024 - £145,000). The Hospice continues to suffer irrecoverable VAT on some of its expenditure notably expenditure on its lottery and on most fundraising events. The total irrecoverable VAT suffered was £40,000 (2024 - £34,000).

Investment policy

The Trustees reviewed and approved the investment policy on 27 June 2024.

Purpose of the Hospice's investment

The Hospice's investment policy is closely aligned with its reserves policy which sets out that free reserves are primarily held to cover an unexpected reduction in income over the forthcoming twelve months. As such the Hospice's

policy is to keep most surplus cash on deposit with UK based institutions. The terms of deposits may range from instant access to twelve months term deposits to ensure the funds are available if required without loss of capital or interest.

However in order to mitigate the risk of a real term loss in the value of reserves due to inflation the Hospice will invest a limited proportion of reserves in asset classes other than cash (the investment portfolio).

The Hospice calculates a risk based, free reserves requirement every year as set out in the reserves policy. This sets out the level of free reserves that the Hospice will seek to hold. The Hospice will retain at least 100% of the free reserves requirement as cash on deposit. Any additional funds may be invested in the portfolios at the discretion of the Governance Committee.

The level of funds invested in the portfolio will be reported to the Governance Committee as part of the routine management accounts reporting.

Investment Manager

The investment portfolio will be managed on a discretionary basis which means the buy and sell decisions will be made by an Investment Manager subject to the conditions and ethical considerations set out in this policy. The Investment Manager will be appointed by the Governance Committee.

The Governance Committee may select one or more Investment Managers to manage the portfolio.

The Governance Committee will review the appointment of the Investment Managers at least every five years. This review may include a formal tender for the role at the discretion of the committee.

Objectives of the investment portfolio

Funds in the investment portfolio will be invested to produce the best financial return with an acceptable level of risk.

In the short term, income from the investment portfolio will not be used to fund charitable activities. The investment objective is therefore to increase the overall total return of the fund. Since the expectation is that any income from the investment portfolio will be reinvested in the portfolio, the Hospice does not have a preference for either income or capital growth.

To meet its objectives the Hospice investment portfolio can be invested widely according to the Trustees' general power of investment and should be diversified by asset class, and by security. Asset classes could include cash, bonds, equities, commodities and any other assets that are deemed suitable for the Hospice. The weighting of the classes of assets will be at the discretion of the Investment Manager subject to the conditions of this policy.

It is anticipated that investments will primarily be in UK based assets.

Risk

Giving due consideration to the proportion of the overall free reserves the investment portfolio represents, the low risk to which the rest of the free reserves are subject and the

acceptance of risk identified following the analysis undertaken the risk level has been set as medium high.

A medium high risk level means that a large proportion of the investment portfolio may be held in equity investments. A broader range of equity markets and sectors is likely to be used. However fixed interest and non-equity investments may form part of the portfolio.

Time horizon

The Hospice is expected to exist in perpetuity therefore the Hospice can adopt a long term investment time horizon. For the purpose of this policy, the anticipated investment time horizon is over ten years.

Reporting and monitoring

The Investment Managers will be required to produce a valuation and performance report every month.

The Investment Managers will present a performance report at least once a year.

The Governance Committee have responsibility for agreeing the investment objectives and monitoring the investment assets. The committee will meet at least once a year to review the portfolio, including an analysis of return, risk and asset allocation and to review this policy.

Benchmarking

Performance of the investment portfolio will be monitored against the FTSE UK Private Investor Balanced index.

Restricted funds

The investment portfolio will not include any restricted funds of the Hospice.

Ethical investment policy

The Hospice will not invest in companies that produce more than 5% of their revenues from the production and distribution of tobacco and alcohol products. This is in line with the overall objectives of the Hospice.

Principal risks and uncertainties

Financial risks

The Trustees identify the financial risks facing the Hospice as part of the review of the reserves policy. The risk based policy identifies over 20 potential risks to the Hospice's income and expenditure. These may be general, covering a broad class of income or expenditure, or may identify a more specific risk. The principal risks by value are:

- a general risk of over estimation of charity shop sales due to unforeseen external market conditions;
- a risk of an unforeseen reduction of the quality and quantity of stock donations to our shops;
- a general risk of spending over budget within retail shops due to necessary but unbudgeted costs;
- a risk of increased demand to the Hospice At Home service leading to unbudgeted additional costs.

The Hospice primarily mitigates these risks by a regular review of the reserves policy which is aligned closely with the risks identified. Action is taken to ensure reserves remain sufficient. Regular management accounts and other management information is prepared monthly and reviewed by management and Trustees to monitor whether, in light of any risks occurring, any mitigating action is necessary.

Non-financial risks

The Hospice also faces non-financial risks. These may ultimately have a financial impact but would principally affect the services we provide in other ways.

The Hospice maintains a Risk Management log that is regularly reviewed. The register currently identifies 26 risks.

The risks are assessed for severity and likelihood to provide an overall risk rating. The highest rated risks are:

- The effect of the cost of living crisis on the mental health of employees causing stress and anxiety
- The effect of the cost of living crisis on patients and carers
- The risk associated with IT including hardware failure, cyber attacks from malicious third parties and other risks of data loss
- The risk of reputational damage that negatively affects engagement with the Hospice by the public, the NHS and other bodies caused by:
 - a clinical error or omission leading to the mistreatment of a patient;
 - injury or other harm coming to a patient or other member of the public, such as through abuse, by staff, volunteers or members of the public;
 - injury or other harm coming to a member of staff through a failure in their duty of care by management;
 - injury or other harm coming to a participant at a fundraising event.
- The risk to the Hospice caused by the loss of senior staff.

The Hospice will reduce the impact of the cost of living crisis to staff by offering various support such as flexibility around working location where possible, offering hardship loans and reviewing pay regularly.

The Hospice will support patients through our Welfare rights Team.

Plans are in place in the event of major cyber attack or other disruption to IT systems. The charity has appropriate cyber insurance and has a robust back up process in place with multiple levels of redundancy.

The Hospice's strategy for mitigating the impact of reputational risk is primarily to ensure appropriate clinical governance is in place to monitor and improve our service. The Hospice follows best practice for protecting vulnerable adults and others. Monitoring of staff and public health and safety is core to governance at all levels and is supported by a qualified Health and Safety Officer.

Plans are in place in the case of the loss of a senior member of staff. The Hospice has a strong senior team who would provide proficient management in the short term.

Reserves policy

The Trustees have determined that the Hospice maintains reserves:

- to ensure the continuity of service in the event of an unexpected reduction in income whilst alternative funding is sought or expenditure on services is modified;
- to provide funds to replace fixed assets without having to finance the purchase;
- to provide working capital so that the Hospice can manage settling its liabilities when they become due efficiently.

As a mature organisation with a variety of established income streams and predictable, well-planned expenditure the Trustees consider it most appropriate for the Hospice to operate a reserves policy centred on an analysis of the potential risks to the amounts of those income streams and of the potential risks of over-expenditure. In order to quantify the reserves required, the following steps were undertaken as part of the annual budgeting process:

- the expected income for the forthcoming year was identified and classified;
- the potential risks of each class of income were identified;
- the potential proportion of each class of income that was at risk of not being received was estimated and multiplied by the total expected income for that class of income to provide the value of income at risk for that class of income;
- a similar exercise was undertaken to identify and quantify the risk of over-expenditure for the different classes of expenditure;
- all the individual amounts were added together to give a basic risk reserve requirement;
- a general provision of 5% of the basic risk requirement was then added to the total to give the total risk reserve requirement;
- finally, the reserves required for future fixed asset purchases were added to give the overall total reserves requirement.

It is the opinion of the Trustees that the total reserves requirement need only cover a 12 month period since this would provide sufficient time to reduce expenditure or seek alternative sources of income.

The Trustees have included an additional £850,000 (2024 - £890,000) in the reserves requirement to cover the potential loss of income due to the emergency closure of the retail operation.

From this exercise the Trustees have determined that the Hospice requires reserves of £3,060,000 (2024 - £2,752,000). The following table compares reserves required by the policy and reserves held. In accordance with

Charities SORP (FRS 102) paragraph 1.48, reserves held are considered after making allowance for

- restricted funds;
- any fund that can only be realised by disposing of tangible fixed assets;
- and any designated funds that have been established.
- The details of the movement in restricted and designated funds and the purpose of each fund is set out in note 27.

	2025 £000	2024 £000
Total funds	16,737	16,815
Less restricted funds	(71)	(49)
Less fixed assets held in unrestricted funds	(8,280)	(8,434)
Total reserves before designation of funds	8,386	8,332
Designated funds	(506)	(530)
Undesignated reserves	7,880	7,802
Reserves required by the policy	3,060	2,752
Undesignated reserves above policy	4,820	5,050

The Hospice holds £4,820,000 (2024 - £5,050,000) of undesignated reserves above the policy.

In the long term the Hospice will grow its Hospice at Home Service to utilise excess reserves. However recruitment remains a barrier to this expansion currently.

The Trustees are mindful that the legacy income from 2021 - 2024 was exceptional and therefore it is appropriate that at this point undesignated reserves are in excess of the policy. It is expected that legacy income will not remain at this level in forthcoming years and will continue to be volatile.

Plans for future periods

Our key priorities for the forthcoming year have been developed with the direction being set by our five-year Strategic Plan. They are to:

- Continue with paperless patient record system roll out.
- Explore opportunities to extend our well-being service to patients and their families.
- Explore and evaluate options around the remaining in-patient beds (currently used as respite beds).
- Review retail operation to ensure value for money and increase profitability.
- Review and implement income generation and social media strategy.

Structure, governance and management

Governing document

St David's Foundation Hospice Care is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

The Hospice was incorporated on 24th March 1992 and its Memorandum and Articles of Association were altered by Special Resolutions passed on 9th January 1995, 29th March 2001, 26th May 2005 and 27th September 2007.

"Wonderful with my first husband and wonderful again after 17 years."

A relative

Operating name

The Hospice operates under the name "St David's Hospice Care".

Directors and Trustees

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Recruitment and appointment of Trustees

The Chair, Board and Chief Executive review the Board performance yearly through an appraisal system. During this process it is identified if there are any skills or experience gaps on the Board. If and when a vacancy becomes available, the Board will look to recruit a member to the Board with the necessary knowledge and experience. Appointments are made via an application and interview

process. References are obtained and enhanced DBS check completed.

Anyone co-opted onto the Board during the year is formally elected at the AGM as set out in the Articles of Association.

Trustee induction and training

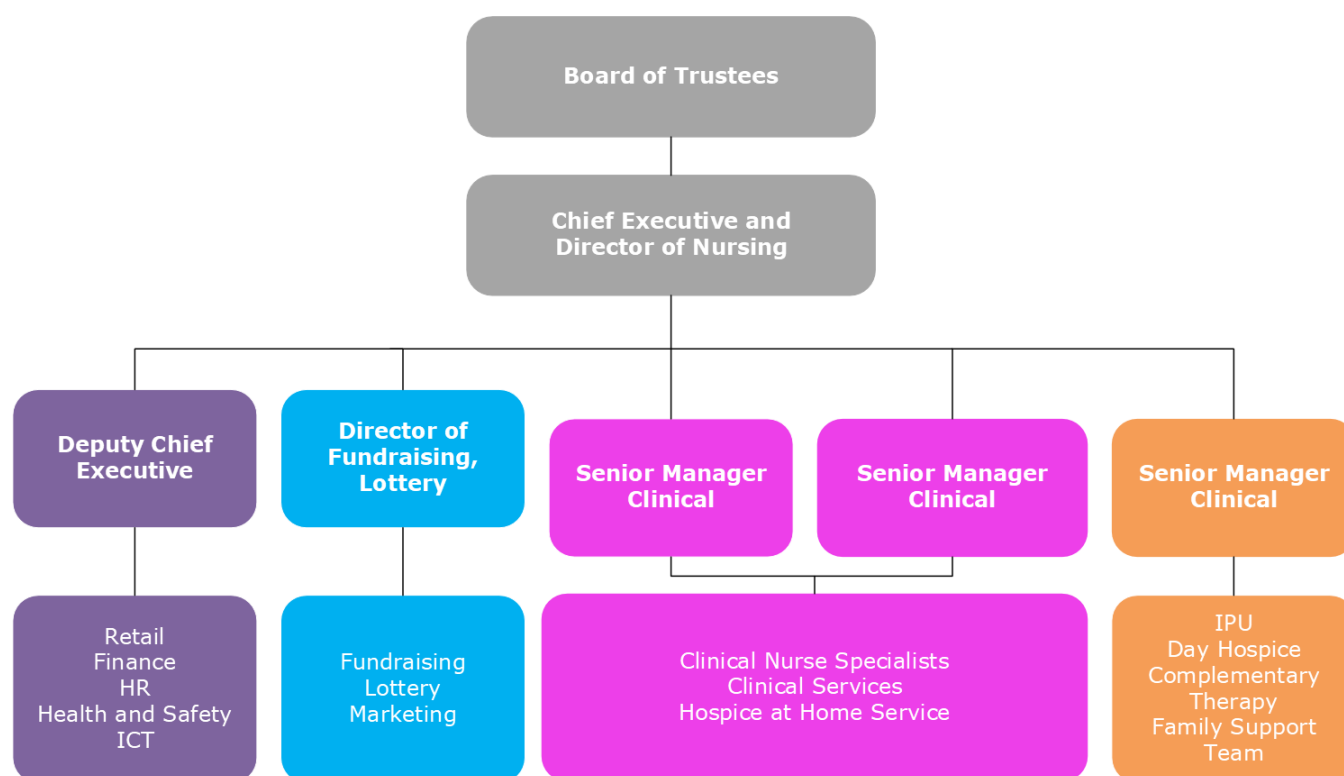
The Hospice ensures each Trustee has a comprehensive induction when appointed. Trustees are provided with various Charity Commission documents and guidelines to support them in their role. An annual appraisal system for Trustees highlights any training needs.

Organisation

The Board of Trustees are voluntary members, who meet six times per year and administer the Hospice. The following committees advise the Board: Governance, Clinical Governance, Health and Safety and Income Generation. The remit of the Governance Committee includes Finance, the reporting of Clinical Incidents and Risk Management. Health and Safety matters are discussed by an employee led meeting in the first instance and issues are forwarded to the Health and Safety Committee. The Governance Committee report back to the Board of the Trustees on a bi-monthly basis. All other committees provide an annual report and exception reporting to the Board as required.

The Trustees appoint a Chief Executive to take overall responsibility for the management of the Hospice by providing professional leadership through the development of strategic plans agreed with the Board of Trustees. The Chief Executive is supported by other members of the Senior Management Team, who prepare reports for the bi-monthly meetings of the Board of Trustees. The key management personnel comprise the Board of Trustees and the members of the Senior Management Team. The structure of the key management team is set out in the chart below.

The subsidiary company has two directors who are the Chair and Chief Executive of the Hospice.



The key management personnel

Pay policy for key management personnel

The Trustees consider the key management personnel of the Hospice to be the Board of Trustees and the Senior Management Team.

All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 17 and 31 of the accounts.

The pay of the Senior Management Team is benchmarked against similar roles in the NHS or other comparable organisations. There is an emphasis on ensuring value for money for the Hospice whilst enabling the recruitment and retention of staff with appropriate skills and experience.

For the Chief Executive / Director of Nursing this exercise may be undertaken by the Chair or an external consultant. Any increases are related to performance and approved by the Board of Trustees.

For other members of the Senior Management Team, benchmarking is undertaken informally by the Chief Executive / Director of Nursing.

The remuneration paid to key management personnel is set out in note 16.

Disabled employees

The Hospice gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Charity's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Volunteers

The Hospice benefits greatly from the support of general volunteers who contribute throughout the organisation supporting both our charitable work and our fundraising activities. Roles include assisting in charity shops, marshalling at fundraising events, volunteering on reception and in our Day Hospices.



Volunteers in our shops donated more than 98,000 hours of their time to help raise funds to support our work.

Special acknowledgements

The Board wishes to record its appreciation for the generosity of the many supporters of St David's for their donations and bequests and to the hundreds of volunteers who give so willingly of their time and expertise. Thanks are also expressed to the President, Vice-Presidents and Patrons who serve in an honorary capacity.

The Board also wishes to acknowledge the tremendous dedication of the clinical, fundraising, retail and administrative staff to fulfilling the objectives of the Hospice. The continued increase in the level and quality of the service is a tribute to their commitment and loyalty.

Reference and administrative details

Charity number: 1010576
 Company number: 2700097
 Registered Office: St David's Hospice Care, Blackett Avenue, Newport, NP20 6NH

President: Brigadier Robert Aiken CBE, Lord Lieutenant of Gwent

Vice-Presidents: Mr M. Davies OBE CStJ
 Mr R. Noble CBE

Patrons: Baron Touhig of Islwyn and Glansychan

Ambassadors: Mrs S. Lloyd
 Dr R. O'Shea
 Mr A. Jones

Key Management Personnel: Trustees

Chair: Mr J. O. Thompson
 Vice- Chair: Mrs M. Van de Weyer
 Treasurer: Mr R. Tovey

Trustees:	Dr R. C. G. Bracchi	Dame R. Butler DBE
	Mrs J. E. Child	Mr J. L. M. Felvus
	Dr C. C. Gaffney	Mr R. S. Hall
	Rev E. Hills	Mr M. Hine
	Dr J. W. Holland	Mr D. J. Waters

Key Management Personnel: Senior Leadership Team

Chief Executive:	Mrs K.E. Saysell MBE
Deputy Chief Executive:	Mr A. Hadley
Director of Fundraising and Lottery:	Mr K. Broome
Senior Manager Clinical:	Mrs S. Thomas
Senior Manager Clinical:	Ms A. Bond
Senior Manager Clinical:	Mrs R. Buttweiler

Advisors

Auditors:	Advantage Accountancy & Advisory Ltd, Avalon House, 5-7 Cathedral Road, Cardiff, CF11 9HA
Bankers:	National Westminster Bank plc, High Street, Newport, NP20 1GG
Solicitors:	Robert Davies Partnership LLP, Wentwood House, Langstone Business Village, Newport, NP18 2HJ
	Temple Bright LLP, 29 Great George Street, Bristol, BS1 5QT
Investment Managers:	Charles Stanley & Co. Ltd, 7/8 Park Place Cardiff, CF10 3DP
	Brewin Dolphin, Third Floor, 2 Central Square, Cardiff, CF10 1FS

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also Directors of St David's Foundation Hospice Care for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements the Trustees are required to:

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

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

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Senior Management Team and the Board of Trustees. The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- a strategic plan and annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of day to day management authority and segregation of duties;
- identification and management of risks.

Statement of disclosure to our auditors

So far as the Trustees are aware, there is no relevant audit information of which the Hospice's auditors are unaware, and they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Hospice's auditors are aware of that information.

In approving this Trustees' Report, the Trustees are also approving the Strategic Report (which comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods*) in their capacity as company directors.

Approved by the Board of Trustees on 31 July 2025.



Mrs K.E. Saysell
Company Secretary
Registered Office
St David's Hospice Care
Blackett Avenue
Newport
NP20 6NH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of St David's Foundation Hospice Care for the year ended 31 March 2025 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheet, the Group Statement of Cashflows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Group's and the Parent Charitable Company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts does not cover the

other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 within the Trustees' 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.

Responsibility of Trustees

As explained more fully in the Trustees' Responsibilities Statement [set out on page 14], the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2025

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 is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK corporate taxation laws, employment legislation and health and safety legislation.
- We obtained an understanding of how the company are complying with those legal and regulatory frameworks by making inquiries to management. We corroborated our inquiries through our review of board papers, minutes and legal correspondence.
- We assessed the susceptibility of the company's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the

potential for override of controls or other inappropriate influence over the financial reporting process;

- performing analytical procedures to identify any unusual or unexpected relationships;
- challenging assumptions and judgements made by management in its significant accounting estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- assessing the extent of compliance with relevant laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance Chapter 3 of Part 16 of the Companies Act 2006 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen John Bickerton (Senior Statutory Auditor)
For and on behalf of Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants & Statutory Auditors

Avalon House
5-7 Cathedral Road
Cardiff
CF11 9HA

Date: 31/7/25

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)

YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
	Note						
Income							
Donations and legacies	2	1,354	67	1,421	1,747	94	1,841
Charitable activities	3	2,751	731	3,482	2,635	542	3,177
Other trading activities	4	4,105	58	4,163	4,033	-	4,033
Investments	5	212	-	212	197	-	197
Other	6	1	-	1	10	-	10
Total Income		8,423	856	9,279	8,622	636	9,258
Expenditure							
Raising funds	8/9	3,626	58	3,684	3,678	-	3,678
Charitable activities	10/11	4,869	774	5,643	4,881	595	5,476
Total expenditure		8,495	832	9,327	8,559	595	9,154
Net income before gains / (losses) on investments		(72)	24	(48)	63	41	104
Net gains / (losses) on investments	21	(30)	-	(30)	226	-	226
Net income / (expenditure)		(102)	24	(78)	289	41	330
Transfers between funds	27	2	(2)	-	5	(5)	-
Net movement in funds		(100)	22	(78)	294	36	330
Reconciliation of funds:							
Total funds brought forward	27	16,766	49	16,815	16,472	13	16,485
Total funds carried forward		16,666	71	16,737	16,766	49	16,815

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

All income and expenditure derives from continuing operations.

There is no Corporation Tax payable on any of the activities.

BALANCE SHEETS

AS AT 31 MARCH 2025

		Group 2025 £000	Group 2024 £000	Charity 2025 £000	Charity 2024 £000
	Note				
FIXED ASSETS					
Tangible assets	20	8,280	8,434	8,417	8,573
Investments	21	2,823	2,787	2,823	2,787
		11,103	11,221	11,240	11,360
CURRENT ASSETS					
Stock and work in progress	23	222	199	-	-
Debtors	24	1,714	2,128	1,931	2,326
Cash at bank and in hand	25	4,293	4,057	4,283	4,050
		6,229	6,384	6,214	6,376
LIABILITIES					
Creditors: Amounts falling due within one year	26	595	790	580	782
NET CURRENT ASSETS		5,634	5,594	5,634	5,594
TOTAL ASSETS LESS CURRENT LIABILITIES		16,737	16,815	16,874	16,954
TOTAL NET ASSETS		16,737	16,815	16,874	16,954
THE FUNDS OF THE CHARITY					
Restricted income funds	27	71	49	71	49
Unrestricted income funds	27	16,666	16,766	16,803	16,905
TOTAL CHARITY FUNDS		16,737	16,815	16,874	16,954

The financial statements were approved by the Board of Trustees on 31 July 2025 and were signed on their behalf by:

Mr J. O. Thompson - Trustee and Chair of the Board of Trustees

The notes on pages 21-40 form part of these Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Net cash provided by operating activities	A	224	811
Cash flows from investing activities			
Dividends, interest and rents from investments		212	197
Sale of plant and equipment		-	(1)
Purchase of plant and equipment		(113)	(273)
Proceeds from sale of investments		-	31
Purchase of investments		(66)	(62)
Net cash used in investing activities		33	(108)
Cash flows from financing activities			
Repayment of finance leases		(21)	(20)
Finance lease interest paid		-	(1)
Net cash used in financing activities		(21)	(21)
Change in cash and cash equivalents in the reporting period		236	682
Cash and cash equivalents at the beginning of the reporting period		4,057	3,375
Cash and cash equivalents at the end of the reporting period	B	4,293	4,057

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**A Reconciliation of net income to net cash flow from operating activities**

	2025 £000	2024 £000
Net income for the reporting period (as per the Statement of Financial Activities)	(78)	330
Adjustments for:		
Depreciation charges	267	270
(Gains)/losses on investments	30	(226)
Dividends, interest and rents from investments	(212)	(197)
Interest payable	-	1
Profit on the disposal of fixed assets	-	14
Increase in stocks	(23)	(34)
(Increase) / Decrease in debtors	414	630
Increase / (Decrease) in creditors	(174)	23
Net cash provided by operating activities	224	811

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2025

B Analysis of cash and cash equivalents

	2025	2024
	£000	£000
Cash at Bank	1,100	961
Cash on short term deposit	3,193	3,096
Total cash and cash equivalents	4,293	4,057

C Analysis of changes in net debt

	At start of year	Cash- flows	At end of year
Cash at bank and in hand	4,057	236	4,293
	4,057	236	4,293
Finance lease obligations	21	(21)	0
Total	4,078	215	4,293

1. Accounting policies

St David's Foundation Hospice care is a private company limited by guarantee and a registered charity, incorporated in England & Wales. Its registered office is Blackett Avenue, Newport, NP20 6NH.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Accounts 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) (effective 1 January 2019) - (Charities SORP (FRS 102) – second edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency of the charity is pound sterling.

All financial information is rounded to the nearest £1000 except for the Trustees' expenses set out in note 17 and the subsidiary undertaking table in note 21.

Going Concern

The Trustees have reviewed the financial position of the Hospice whilst considering the impact of its future plans and activities. At the time of approving the accounts, the Trustees have reasonable expectation that the Hospice has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Trustees continue to adopt the Going Concern basis of accounting in preparing the financial statements. There are no material uncertainties about the group's ability to trade as a going concern.

Group financial statements

The financial statements consolidate the results of the Hospice and its wholly owned subsidiary St David's Trading Limited on a line by line basis. A separate *Statement of financial activities and income and expenditure account* for the Hospice has not been presented because the Hospice has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

Income arises when an event (such as a financial transaction) results in either an increase in the Hospice's assets or a reduction in its liabilities. Income is recognised by the Hospice when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Hospice.
- Probable – it is more likely than not that the economic benefits associated with the event will flow to the Hospice.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Donations

Donations are recognised on receipt. Donations raised through online fundraising platforms are deemed to have been received when the donation has been received by the fundraising platform. Gift aid income is recognised when both the underlying donation has been recognised and there is a valid gift aid declaration.

Legacies

Entitlement to legacy income is deemed to occur when either the Hospice is aware probate has been granted, the estate has been finalised and the Hospice has been notified by the executor that a distribution will be made, or when a distribution is received from the estate if that is earlier.

Where legacies have been notified to the Hospice or the Hospice 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. This most commonly occurs when the Hospice has been notified of residuary legacy but it is unable to reliably measure the amount of the income.

Grants

Grants are recognised when the Hospice has entitlement to the funds, performance conditions attached to the grants have been adhered to, it is probable that the income will be received or has been received, and it can be reliably measured. This includes

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

grants received for the purpose of purchasing fixed assets. When a grant cannot be claimed until certain expenditure has been defrayed entitlement is not deemed to have passed to the Hospice until the expenditure has been so defrayed.

Fundraising events

Fundraising income from the sale of entry fees for events is included in income when received even if this is before the event. The likelihood of cancellation of the event is remote so it is more likely than not that the economic benefit will flow to the Hospice.

Donations that are closely associated with fundraising events such as sponsorship of event participants by their friends and family are included in fundraising within other trading activities.

Retail

The Hospice receives a high volume of donations of low value second hand goods for resale in its network of charity shops. The Trustees consider it would be impracticable to recognise the income when the Hospice becomes entitled to the economic benefit of the donated goods since the cost of doing so would outweigh the benefits. Therefore in accordance with FRS102 paragraph 34B.4 the income is recognised in the period in which the donated goods are sold.

The Hospice operates a retail gift aid scheme. Under the scheme the legal form of the transaction is that the Hospice operates as an agent on behalf of the donor. Once the goods have been sold on behalf of the donor, the donor offers to donate the proceeds of the sale to the Hospice. This allows the Hospice to claim gift aid on the cash donation. However the substance of the transaction is such that the donor is donating the goods to the Hospice and is therefore treated as such.

Lottery

Lottery tickets sold in advance are deferred and included in the period in which the draw takes place.

Investment income

Investment income is recognised when it is received.

Rental income

Rental income is recognised when invoiced in accordance with the terms of the lease.

Service level agreements

Income from Service level Agreements and other charitable activities are recognised when invoiced in accordance with the terms set out in the agreement.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified by two main activities: raising funds and charitable activities.

Raising Funds

Expenditure on raising funds includes all expenditure incurred by the Hospice to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable Activities

Expenditure on charitable activities includes expenditure incurred on the activities which further the Hospice's objectives.

Support costs

Support costs are those costs that whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. These costs include Governance, Finance, Human resources, ICT and Health and Safety as well as corporate costs including the costs of employing the Chief Executive, financing costs, insurance and legal and professional fees.

Where these costs are directly attributable to specific activities they have been included in those cost categories. Where these costs are attributable to more than one activity they are apportioned across cost categories on the basis of direct staff hours. The Trustees consider this to be the most equitable method of splitting expenditure attributable to more than one activity.

Irrecoverable VAT

The Hospice suffers from irrecoverable VAT due to the fact that it makes exempt supplies and therefore not all input VAT is recoverable. This is written off to the Statement of Financial Activities in the period in which it arises. Under sections 33C and 33D of the VAT Act 1994 the Hospice can recover the VAT on its non-business transactions.

Pensions

Details of the pension schemes including the accounting policies adopted can be found in note 30.

Termination payments

Termination payments are payable when employment is terminated by the Hospice before the normal retirement date or end of employment contract. Termination payments are recognised when the Hospice can no longer withdraw the offer of the benefits.

Leases***Finance Leases***

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

At the commencement of a finance lease, the Hospice will recognise its rights of use and obligations under the agreement as assets and liabilities in its balance sheet at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The assets are subsequently depreciated over the shorter of its estimated useful life or the lease term.

The Hospice apportions the minimum lease payments between the finance charge in the Statement of Financial Activities and the reduction of the outstanding liability using the effective interest method. The Hospice allocates the finance charge to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating Leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Lease payments under operating leases are recognised as an expense over the lease term on a straight-line basis.

Taxation

St Davids Foundation Hospice Care is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The profit of the trading subsidiary, St David's Trading Limited, is gift aided to St David's Foundation Hospice Care and therefore no amounts are chargeable to Corporation Tax.

Fixed assets***Intangible fixed assets***

Negative goodwill arising from business acquisitions is capitalised and amortised over 2 years.

Tangible fixed assets

Tangible fixed assets are recorded at cost, or in cases where fixed assets have been donated to the Hospice, at valuation at time of acquisition. Depreciation is charged to write off the cost of fixed assets over their estimated useful lives at the following annual rates:

Freehold buildings	2% Straight Line
Leasehold buildings	Life of Lease Straight Line
Fixtures, fittings and equipment	20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	20% Straight Line

Computer equipment is included within fixtures, fittings and equipment in note 20.

Investments

Investment properties

Investment properties are included in the balance sheet at fair value. The Hospice arranges a professional valuation by an independent valuer every year.

Listed investments

Listed investments held are shown at fair value which is their market value.

Investments in Subsidiaries

Investments in subsidiary entities are held at cost less impairment.

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Donations of low value second hand goods that remain unsold at the balance sheet date are not included in stock since they are recognised when sold as set out above.

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.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the Hospice 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.

Basic Financial Instruments

The Hospice only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except finance lease liabilities which are subsequently measured at amortised cost using the effective interest method. Investments in listed shares are measured at fair value (market value).

Funds structure

The Hospice's funds are split into restricted funds and unrestricted funds.

Restricted funds

These are funds that can only be used for a particular restricted purpose within the objects of the Hospice.

Restrictions arise when they are specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds

These funds are available for the general purposes of the Hospice, to be used in accordance with the charitable objects at the discretion of the Trustees. From time to time the Trustees may allocate part of the unrestricted funds to be used for particular purposes within the Hospice's objects. Such sums are described as 'designated funds'.

Critical Accounting Estimates and Assumptions

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Recognition of legacy income

The policy for the recognition of accrued legacy income is set out above. It requires judgment about the probability and timing of receipt of legacies. The hospice gives consideration to its historical experience of income from similar legacies and any other information available for a specific estate.

Depreciation

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

2. Donations and legacies

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Legacies	167	-	167	587	-	587
In memory	484	-	484	457	1	458
Individuals	400	-	400	370	1	371
Corporate, clubs and societies	21	-	21	14	3	17
Trusts and foundations	45	67	112	42	89	131
Community fundraising	224	-	224	263	-	263
Welsh Government grant	13	-	13	14	-	14
	1,354	67	1,421	1,747	94	1,841

The Welsh Government grant is a government grant to fund a proportion of employer pension costs for certain nurses.

3. Income from charitable activities

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Welsh Government funding	-	731	731	-	542	542
NHS Service level agreements	2,101	-	2,101	1,991	-	1,991
NHS Wales (EOLCIB)	223	-	223	223	-	223
Continuing health care	370	-	370	372	-	372
Other charitable activities	57	-	57	49	-	49
	2,751	731	3,482	2,635	542	3,177

In the year ended 31 March 2025 £731,000, (2024 - £542,000) included in restricted funds within Welsh Government funding relates to a grant from Welsh Government to meet the impact of salary cost increases and the wider impact of cost of living increases.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

4. Income from other trading activities

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Retail trading	3,251	-	3,251	3,256	-	3,256
Fundraising	525	58	583	443	-	443
Lottery	329	-	329	334	-	334
	4,105	58	4,163	4,033	-	4,033

Included in fundraising restricted funds is a grant of £58,000 from Newport Council funded by the UK Government's Shared Prosperity Fund to support the delivery of a high quality Half Marathon event in Newport.

5. Income from investments

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Interest received	143	-	143	130	-	130
Dividend income	65	-	65	62	-	62
Rent from investment property	4	-	4	5	-	5
	212	-	212	197	-	197

6. Other income

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Insurance Claim	-	-	-	10	-	10
Other	1	-	1	-	-	-
	1	-	1	10	-	10

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

7. Support costs

The Hospice allocates its support costs as shown in the table below in accordance with the basis of allocation set out in the accounting policies.

	Governance £000	Corporate £000	Finance £000	HR £000	Health and Safety £000	ICT £000	Total £000
Raising funds							
Retail trading	16	97	50	35	19	12	229
Fundraising	1	8	4	3	2	1	19
Lottery	-	2	1	1	-	-	4
Investment management	-	-	-	-	-	-	-
Charitable activities							
In-Patient Unit	10	56	29	19	11	6	131
Community Nursing	7	39	20	13	8	4	91
Hospice At Home	9	51	26	17	10	5	118
Day Hospice	2	10	5	3	2	1	23
Family Support Team	2	10	5	3	2	1	23
Chaplaincy	-	1	1	-	-	-	2
Education	-	-	-	-	-	-	-
Complementary Therapy	1	3	2	1	1	-	8
Clinical Governance	-	-	-	-	-	-	-
Occupational Therapy	-	1	-	-	-	-	1
	48	278	143	95	55	30	649

8. Expenditure on raising funds by cost type

	Direct costs 2025 £000	Support costs 2025 £000	Total funds 2025 £000	Direct costs 2024 £000	Support costs 2024 £000	Total costs 2024 £000
Retail trading	2,708	229	2,937	2,773	215	2,988
Fundraising	502	19	521	441	18	459
Lottery	202	4	206	188	5	193
Investment management	20	-	20	38	-	38
	3,432	252	3,684	3,440	238	3,678

9. Expenditure on raising funds by fund

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Retail trading	2,937	-	2,937	2,988	-	2,988
Fundraising	463	58	521	459	-	459
Lottery	206	-	206	193	-	193
Investment management	20	-	20	38	-	38
	3,626	58	3,684	3,678	-	3,678

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

10. Expenditure on charitable activities by cost type

	Direct costs 2025 £000	Support costs 2025 £000	Total funds 2025 £000	Direct costs 2024 £000	Support costs 2024 £000	Total costs 2024 £000
In-Patient Unit	1,870	131	2,001	1,864	120	1,984
Community Nursing	1,365	91	1,456	1,304	86	1,390
Hospice At Home	1,224	118	1,342	1,170	109	1,279
Day Hospice	366	23	389	347	21	368
Family Support Team	234	23	257	228	23	251
Chaplaincy	45	2	47	46	4	50
Education	45	-	45	38	-	38
Complementary Therapy	55	8	63	60	7	67
Clinical Governance	14	-	14	15	-	15
Occupational Therapy	28	1	29	33	1	34
	5,246	397	5,643	5,105	371	5,476

11. Expenditure on charitable activities by fund

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
In-Patient Unit	1,606	395	2,001	1,740	244	1,984
Community Nursing	1,449	7	1,456	1,088	302	1,390
Hospice At Home	994	348	1,342	1,235	44	1,279
Day Hospice	384	5	389	363	5	368
Family Support Team	238	19	257	251	-	251
Chaplaincy	47	-	47	50	-	50
Education	45	-	45	38	-	38
Complementary Therapy	63	-	63	67	-	67
Clinical Governance	14	-	14	15	-	15
Occupational Therapy	29	-	29	34	-	34
	4,869	774	5,643	4,881	595	5,476

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

12. Net income / (expenditure) for the year

The net income for the year is stated after charging:

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Operating leases - equipment	1	-	1	1	-	1
Operating leases - Land and buildings	567	-	567	564	-	564
Depreciation of owned assets	244	-	244	247	-	247
Depreciation of assets under finance lease	23	-	23	23	-	23
(Gain) / loss on disposal of fixed assets	-	-	-	12	-	12
Fees payable to auditor for:						
- statutory audit	9	-	9	9	-	9
- other services	-	-	-	-	-	-

13. The charity's surplus in the year

The Consolidated Statement of Financial Activities includes the results of the charity's wholly owned subsidiary. The deficit of the charity alone was £78,000 (2024 - £330,000 surplus).

14. Staff costs

	Total 2025 £000	Total 2024 £000
Wages and salaries	5,397	5,228
Social security costs	460	437
Pension costs	361	341
	6,218	6,006

Included in Wages and salaries are termination payments of £nil (2024 - £9,000).

The number of employees, whose total employee benefits (excluding employer pension costs) for the reporting period, fell within each banding of £10,000 from £60,000 were as follows:

	2025	2024
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

15. Staff numbers

The average number of staff employed by the Hospice during the year was 251 (2024 - 252). Some of the Hospice's employees do not undertake work every month. The average number of staff paid each month was 241 (2024 - 238).

16. Key management personnel

The key management personnel comprise the Trustees and the Senior Management Team as set out on page 13. None of the Trustees were paid any remuneration or received any other benefits from an employment with the Hospice or its subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

Trustees' expenses are set out in note 17. The total employee benefits paid to the key management personnel was £381,000 (2024 - £389,000).

17. Trustees' expenses

No Trustee claimed expenses in the previous two years.

18. Taxation

St Davids Foundation Hospice Care is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The profit of the trading subsidiary, St David's Trading Limited, is gift aided to St David's Foundation Hospice Care and therefore no amounts are chargeable to Corporation Tax.

19. Intangible fixed assets

	Negative goodwill £000
Asset cost	
Brought forward	(278)
Additions	-
Carried forward	(278)
Accumulated amortisation	
Brought forward	(278)
Carried forward	(278)
Net book value	
Carried forward	-
Brought forward	-

Negative goodwill arose following the acquisition of St Anne's In-Patient Unit in June 2013.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

20. Tangible fixed assets**Group**

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,624	154	2,293	11,296
Additions	-	-	-	113	113
Disposals	-	-	-	(10)	(10)
Carried forward	225	8,624	154	2,396	11,399
Accumulated depreciation					
Brought forward	59	803	101	1,899	2,862
Disposals	-	-	-	(10)	(10)
Charge for the year	4	89	17	157	267
Carried forward	63	892	118	2,046	3,119
Net book value					
Carried forward	162	7,732	36	350	8,280
Brought forward	166	7,821	53	394	8,434

Company

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,777	154	2,293	11,449
Additions	-	-	-	113	113
Disposals	-	-	-	(10)	(10)
Carried forward	225	8,777	154	2,396	11,552
Accumulated depreciation					
Brought forward	59	817	101	1899	2,876
Disposals	-	-	-	(10)	(10)
Charge for the year	4	91	17	157	269
Carried forward	63	908	118	2,046	3,135
Net book value					
Carried forward	162	7,869	36	350	8,417
Brought forward	166	7,960	53	394	8,573

The fixed assets of the Hospice includes £57,000 (2024 - £57,000) under Leasehold land and buildings which relate to depreciated, capitalised cost of services provided to the Hospice by its subsidiary for the construction of the Blackett Avenue site. In the year depreciation of £1,000 (2024 - £1,000) has been charged against this asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

The fixed assets of the Hospice also includes £81,000 (2024 - £82,000) under Leasehold land and buildings which relate to capitalised cost of services provided to the Hospice by its subsidiary for the construction of the In-Patient Unit. In the year depreciation of £1,000 (2024 - £1,000) has been charged against this asset.

Included in Fixtures, fittings and equipment are assets that were acquired under finance leases with a net book value of £nil (2024 - £5,000).

21. Investments**Group and company**

	Property £000	Listed £000	Total £000
Fair value brought forward	70	2,717	2,787
Additions	-	66	66
Disposals	-	-	-
Gains / (Losses)	-	(30)	(30)
Fair value carried forward	70	2,753	2,823

The Hospice's Investment Property was revalued as at 31 March 2025. A "desktop" valuation was undertaken by independent RICS Registered Valuers, Linnell's Property Consultants and in their opinion the fair value, which is the market value, was £70,000.

Listed investments comprise two investment portfolios managed by two independent investment managers and listed investments held outside the investment portfolios. Cash held from time to time within the investment portfolios as part of normal trading within the portfolios is included in listed investments. The asset classes held in listed investments at 31 March 2025 are shown below:

	Portfolio 1	Portfolio 2	Other listed	2025 £000	2024 £000
Fixed income - UK	168	105	-	273	270
Fixed income - International	85	175	-	260	260
Equity - UK	281	216	-	497	475
Equity - International	532	776	2	1,310	1,306
Property funds	35	43	-	78	83
Commodities	-	43	-	43	26
Absolute return funds	30	29	-	59	107
Infrastructure funds	37	34	-	71	70
Alternative structured investments	64	-	-	64	11
Mixed investment Funds	33	-	-	33	33
Cash	46	19	-	65	76
Total investment	1,311	1,440	2	2,753	2,717

Equity includes securities held directly and held within investment funds.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

The Hospice owns the entire ordinary share capital in its subsidiary undertaking St David's Trading Limited (company number 05734138). This unlisted investment cannot be measured reliably at fair value so has been measured at cost.

	Subsidiary undertaking £
Group	
Cost brought forward and carried forward	-
Charity	
Cost brought forward and carried forward	1

22. Subsidiary company

St David's Trading Limited, the Hospice's wholly owned subsidiary undertakes one core activity: the sale of new, bought in goods within the Hospice's network of charity shops. Profits in St David's Trading Limited are remitted to the Hospice by way of a gift aid payment. At 31 March 2025 St David's Trading Limited had assets of £240,000 (2024 - £209,000) and liabilities of £240,000 (2024 - £209,000). Its funds at the end of the reporting period were therefore £nil (2024 - £nil). The turnover during the year was £233,000 (2024 - £244,000) and expenditure was £233,000 (2024 - £244,000).

23. Stock

	Group 2025 £000	Group 2024 £000	Charity 2025 £000	Charity 2024 £000
Retail stock	222	199	-	-
	222	199	-	-

24. Debtors

	Group 2025 £000	Group 2024 £000	Charity 2025 £000	Charity 2024 £000
Trade debtors	163	65	163	65
Amounts owed by group undertakings	-	-	110	102
Prepayments and accrued income	1,445	1,962	1,553	2,060
Other debtors	106	101	105	99
	1,714	2,128	1,931	2,326

25. Cash at bank and in hand

	Group 2025 £000	Group 2024 £000	Charity 2025 £000	Charity 2024 £000
Cash and bank balances	1,100	961	1,090	954
Cash on short term deposit	3,193	3,096	3,193	3,096
	4,293	4,057	4,283	4,050

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

26. Creditors: Amounts falling due within one year

	Group 2025 £000	Group 2024 £000	Charity 2025 £000	Charity 2024 £000
Trade creditors	180	371	168	365
Accruals and deferred income	248	229	245	227
Taxation and social security	108	110	108	110
Obligations under finance leases	-	21	-	21
Pension liability	52	50	52	50
Other creditors	7	9	7	9
	595	790	580	782

Deferred income relates to lottery tickets sold in advance. This is released to income when the draw takes place. The movement in the deferred income in the year is given below:

	Group 2025 £000	Group 2024 £000	Charity 2025 £000	Charity 2024 £000
Brought forward	41	43	41	43
Amount released from previous years	(41)	(43)	(41)	(43)
Deferred in the current year	39	41	39	41
Carried forward	39	41	39	41

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

27. Analysis of charitable funds**Current year**

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2025 £000
UNRESTRICTED FUNDS						
General Funds						
General fund	16,236	8,423	(8,471)	(30)	2	16,160
Designated Funds						
Domiciliary Care	250	-	-	-	-	250
Electronic patient records	80	-	(24)	-	-	56
Shop dilapidations and refurbishments	200	-	-	-	-	200
Total Designated Funds	530	-	(24)	-	-	506
Total unrestricted funds	16,766	8,423	(8,495)	(30)	2	16,666
RESTRICTED FUNDS						
Bath Chair	2	-	-	-	-	2
Bedside Assessment Kits	-	5	(5)	-	-	-
Companion bed	-	2	-	-	-	2
Children in Need 2024	-	13	(10)	-	-	3
Community Choir	9	1	(4)	-	-	6
Gardener IPU garden	-	1	(1)	-	-	-
Hospice at Home general	-	9	(9)	-	-	-
Hospice at Home Kit Bags	-	3	(3)	-	-	-
Hospice Cost of Living Grant	-	731	(731)	-	-	-
Indoor Sports sessions	6	-	(1)	-	-	5
IPU Family refreshments	1	-	-	-	-	1
Memorial Garden	-	-	-	-	-	-
Mental Health Awareness Training	-	2	-	-	-	2
Nurse Post Graduate Training	-	1	(1)	-	-	-
Shared Prosperity Fund - Half Marathon	-	58	(58)	-	-	-
Snowdrop respite hospice at home	-	10	-	-	-	10
Social worker fund	2	-	-	-	-	2
Syringe driver	27	4	-	-	-	31
Unicorn	-	8	(8)	-	-	-
Usk House Day Hospice general	-	1	-	-	-	1
Vein Finder	-	3	-	-	(2)	1
YM Day Hospice General	-	2	-	-	-	2
Other restricted funds	2	2	(1)	-	-	3
Total restricted funds	49	856	(832)	-	(2)	71
Total funds	16,815	9,279	(9,327)	(30)	-	16,737

The Trustees have designated unrestricted funds for specific purposes as set out above. The details of the purpose of each of those funds is shown below.

During the year the balance of certain restricted funds were transferred to unrestricted funds. The original use of these funds was restricted to the purchase of fixed assets. Since the assets are held for a general and not a restricted purpose the balance has been transferred to unrestricted funds in accordance with Charities SORP (FRS 102) paragraph 2.26.

Similarly, where unrestricted funds have been designated for the purchase of fixed assets they have been transferred to the general fund when the assets have been purchased.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

The total funds related to the subsidiary company were £nil (2024 - £nil).

Unrestricted funds

General funds

General fund

The undesignated unrestricted funds of the Hospice.

Designated Funds

Domiciliary Care

To fund the start-up costs of a domiciliary care project.

Electronic patient records

To fund a project to introduce electronic patient records to improve the efficiency and the quality of the care we provide.

Shop dilapidations and refurbishments

To fund future costs in maintaining and renovating our shop portfolio.

Restricted funds

Bath Chair

To fund the purchase of a bath / hygiene chair for our in-patient unit patients.

Bedside Assessment Kits

For the purchase of bedside assessment kits.

Companion bed

For the purchase of a companion bed for the IPU.

Children in Need 2024

To fund the Unicorn Project, our Children and young people's service.

Community Choir

To support our Community Choir.

Gardener IPU garden

For gardening work in the IPU garden.

Hospice at Home general

To support our Hospice at Home Service.

Hospice at Home Kit Bags

For the purchase of Kit bags and their contents for our Hospice at Home nurses.

Hospice Cost of Living Grant

Funded by Welsh Government for 2024/25 to protect core clinical services commissioned by Welsh Health Boards. In particular the funding is intended for increases salary and cost of living costs.

Indoor Sports sessions

To fund indoor sports sessions at our Day Hospices.

IPU Family refreshments

Support from a private donation to provide refreshments for relatives visiting patients in our IPU.

Memorial Garden

For the ground works and gardening for a Memorial Garden

Mental Health Awareness Training

Training for our nursing staff.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

Nurse Post Graduate Training

To fund Post Graduate Training for a CNS nurse.

Shared Prosperity Fund - Half Marathon

To support our flagship fundraising event the Newport Half Marathon.

Snowdrop respite hospice at home

To support our "snowdrop" project which provides respite Hospice at Home support.

Social worker fund

This fund received from various sources is used to support patients who are facing financial hardship.

Syringe driver

Provided for the purchase of syringe drivers. Provided by various funders.

Unicorn

Fund to support the Unicorn project. Provided by various funders.

Usk House Day Hospice general

Funded from various sources to support our work in the Usk House Day Hospice.

Vein Finder

To fund the purchase of a vein finder device.

YM Day Hospice General

To support our work in the Ystrad Mynach House Day Hospice

Other restricted funds

Other restricted funds with balances less than £500.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

Previous year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2024 £000
UNRESTRICTED FUNDS						
General Funds						
General fund	15,602	8,622	(8,303)	226	89	16,236
Designated Funds						
Domiciliary Care	250	-	-	-	-	250
Electronic patient records	50	-	-	-	30	80
Garden improvements	25	-	(6)	-	(19)	-
ICT hardware upgrade	60	-	-	-	(60)	-
Retail van	20	-	-	-	(20)	-
Shop dilapidations and refurbishments	200	-	-	-	-	200
Utility Costs	250	-	(250)	-	-	-
Ystrad Mynach Day Hospice refit	15	-	-	-	(15)	-
Total Designated Funds	870	-	(256)	-	(84)	530
Total unrestricted funds	16,472	8,622	(8,559)	226	5	16,766
RESTRICTED FUNDS						
Bath Chair	-	2	-	-	-	2
Community Choir	1	11	(3)	-	-	9
Hospice at Home general	-	1	(1)	-	-	-
Hospice at Home in Powys	-	40	(40)	-	-	-
Hospice at Home in Monmouthshire	-	3	(3)	-	-	-
Hospice Cost of Living Grant	-	542	(542)	-	-	-
In-patient unit general	-	3	(3)	-	-	-
Indoor Sports sessions	-	8	(2)	-	-	6
IPU Family refreshments	1	-	-	-	-	1
Mattresses	-	1	-	-	(1)	-
Social worker fund	2	-	-	-	-	2
Syringe driver	7	23	-	-	(3)	27
Usk House Day Hospice general	-	-	-	-	-	-
Other restricted funds	2	2	(1)	-	(1)	2
Total restricted funds	13	636	(595)	-	(5)	49
Total funds	16,485	9,258	(9,154)	226	-	16,815

28. Analysis of group net assets between funds

	Investments £000	Tangible fixed assets £000	Other net assets £000	Total £000
Restricted income funds	-	-	71	71
Unrestricted income funds	2,823	8,280	5,563	16,666
	2,823	8,280	5,634	16,737

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

Previous year

	Investments	Tangible	Other net	Total
	fixed assets	fixed assets	assets	
	£000	£000	£000	£000
Restricted income funds	-	-	49	49
Unrestricted income funds	2,787	8,434	5,545	16,766
	2,787	8,434	5,594	16,815

29. Commitments

There were no capital commitments at 31 March 2025 (2024 - £nil).

The group and company's future minimum lease payments under non-cancellable operating and finance leases are as follows:

	Finance leases		Operating leases	
	2025	2024	2025	2024
	£000	£000	£000	£000
Not later than one year	-	21	394	394
later than one year but not later than five years	-	-	666	716
later than five years	-	-	-	-
	-	21	1,060	1,110

The net book value of fixed assets held under finance lease are given in note 20. The lease payments recognised as an expense in the year are given in note 12.

30. Pensions

The Hospice contributed to two pension schemes in the financial year: the Royal London scheme and the NHS pension scheme.

Royal London scheme

The Hospice operates a defined contribution pension scheme for its employees, where all the assets are held in a separately administered fund, which is outside the control of the Hospice. At the year-end there were 155 (2024 - 159) employees who were members of the scheme. Employer contributions charged against income in the year were £127,000 (2024 - £125,000). Outstanding contributions (both employer and employee) at the balance sheet date were £19,000 (2024 - £20,000).

Employees who are enrolled into a pension under "automatic enrolment" are enrolled into this scheme.

NHS scheme

Staff transferring from the NHS may continue to contribute to the NHS scheme. The scheme is a multi-employer, unfunded defined benefit scheme but the Hospice is unable to identify its share of the underlying assets and liabilities of the Plan on a consistent and reasonable basis and therefore, as permitted by FRS 102 para 28.11, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the Hospice's contributions payable to the Plan in respect of the accounting period. The employee contribution percentage rates under this scheme vary depending on pensionable earnings. At the year end there were 51 (2024 - 43) employees who were members of the scheme. Employer contributions charged against income in the year were £234,000 (2024 - £216,000). Outstanding contributions (both employer and employee) at the balance sheet date were £33,000 (2024 - £30,000).

31. Related party transactions

There were no related party transactions in the previous two years.

32. Legal status of the Hospice

St David's Foundation Hospice Care is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word "limited" and is a registered charity. The liability of each member in the event of a winding-up is limited to £1.

Accounts



**ST DAVID'S FOUNDATION
HOSPICE CARE**

**TRUSTEES' ANNUAL REPORT AND
CONSOLIDATED FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2024**

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The Trustees are pleased to present their annual report with the audited, consolidated financial statements of St David's Foundation Hospice Care ("the Hospice") for the year ending 31 March 2024.

This Trustees report incorporates the requirements of a Directors' report required by company law.

Objectives and activities

The principal objective of the Hospice is to relieve sickness and pain among persons who are suffering from any chronic or life-threatening illness in England and Wales. The Hospice currently confines its work to Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Hospice provides a specialist, multi-professional palliative care service in community, Day Hospice and in-patient settings.

The main focus of our work is to provide 24-hour supportive palliative nursing care in patients' own homes via our Clinical Nurse Specialists, Hospice at Home team, our In-Patient Unit, our Day Hospices and to provide support through our Family Support Team.

The Hospice aims to meet this objective by:

Putting patients and their carers first

- delivering excellent high quality and responsive care, free of charge at the right time and in the right place;
- providing bespoke care that meets the individual needs of patients, carers and their families;
- working with Health Boards and other health and social care professionals to support and care for those who need our service;

Supporting and empowering staff and volunteers

- developing a workforce with the skills and ability to deliver our purposes;
- creating a supportive, respectful, listening environment for our valued staff and volunteers;

Strengthening our foundations as a charitable organisation

- making the best use of existing resources to ensure efficiency and effectiveness;
- maximising and diversifying our income generation to fund and develop our services;

Engaging with our communities

- working with and developing mutually beneficial relationships;
- building on and enhancing our excellent reputation and profile;
- being committed to widening access and being inclusive;

Looking forward

- responding and adapting to external influences and changing in a timely manner;
- being innovative and pro-active leaders in our field;
- developing a hospice for the future by always seeking to improve methods and practices;

Striving to be the best at what we do

- aspiring to always exceed quality standards for all aspects of the care and services that we deliver;
- listening and responding to the needs of our patients and communities to keep them at the heart of everything we do;
- being a developing and learning organisation through evaluating our delivery and sharing best practice.

The Hospice undertakes nine core charitable activities to meet its objectives:

- Community Clinical Nurse Specialists
- Hospice at Home
- The Day Hospices
- Fifteen bed In-Patient Unit
- The Family Support Team
- Adult and children bereavement care
- Complementary therapies
- Chaplain service
- Education

Community Clinical Nurse Specialists

"We want to extend a huge thank you for the encouragement, love and kindness that you gave Mum whilst under your care. Dad and I cannot tell you how appreciative we both are, and I know we would not have been able to cope without your support, guidance and humour."

A relative

The Hospice employs a large team of Clinical Nurse Specialists. They are highly trained, skilled palliative care professionals. The Clinical Nurse Specialists are allocated to GP practices and work as core members of the primary healthcare team. The role of the Clinical Nurse Specialist is to:

- support the patient and family by managing symptom control such as pain and nausea;
- provide information regarding diagnosis and treatment;
- liaise with the Primary Healthcare Team on a plan of care;
- be the key worker within the Hospice and refer patients to other hospice services and other community services;

- work with patients regarding their preferred place of care and preferred place of death.

Hospice at Home

The Hospice at Home team aims to provide end of life care at home and to enable patients to have choice about where they die. The service also provides respite care to patients to help relieve carer fatigue. The service is delivered with a skill mix of registered palliative care nurses and health care support workers. Each patient and their family are assessed individually to ensure the Hospice develops the best possible package of care for each situation.

"The extra support that the hospice at home nurses gave me took the pressure off when I needed it most."

A relative

In-Patient Unit

The In-Patient Unit is a Consultant led Specialist Palliative Care unit with 15 beds for adult patients who suffer from progressive life limiting conditions and live within the five localities of Aneurin Bevan University Health Board (ABUHB). The service is free for patients and families who fulfil the criteria for admission, which include short term care for the management of complex symptoms, assessment, emotional or psychological distress, rehabilitation following treatment and care at the end of life. The In-Patient Unit does not provide long term nursing care. Holistic care is co-ordinated by a multi-professional team, with a mix of skills that encompass the physical, spiritual, psychological and social requirements of patients and families. All admissions to the In-Patient Unit are decided by the ABUHB medical team.

"The care and love you gave us was truly amazing, St David's is a very special place with very special staff who, without doubt, made a difference to Dad and us too in what has been a really difficult time."

A relative

Day Hospices

We have three Day Hospices which run throughout the week with patients attending between 9:30am and 4pm at the service most local to them. They are:

- Ysbyty Ystrad Fawr, Ystrad Mynach
- County Hospital, Pontypool
- Blackett Avenue, Newport

Day Hospice is a friendly and comfortable place for patients to meet and gain support from others who are in a similar situation, and take part in a range of activities and interests. Patients are able to choose breakfast and lunch from our menu and can enjoy a relaxing bath at some of the locations.

Group or individual relaxation sessions and complementary therapy treatments are also available. There is always a Palliative Care Nurse on hand for patients to discuss their condition or medication.

Usk House

Usk House provides a drop-in service one day a week.

The Hospice Harmony Choir

The Hospice Harmony Choir have been singing together for over three years and have performed at music concerts and festivals. Any patient, their carer or family member can join the Choir which usually meets in Blackett Avenue Day Hospice. Those that attend will often report feeling much more energised and uplifted after attending and the group have become a new form of support for each other. On average we have around 30 participants and have more concerts and activities planned, including percussion sessions to be introduced.

"I love all the activities and the chatting and laughter. And I love the wonderful food. Thank you for brightening my days."

A Day Hospice Patient

The Family Support Team

The Family Support Team are part of the multi-professional team supporting patients and their families with a wide range of social, financial, practical and emotional needs. The team includes:

- Social Workers;
- Welfare Rights Advisors;
- Carer Support;
- Bereavement Support;
- The Unicorn Service supporting children, young people and their families.

Social Workers work across the community and in-patient services supporting patients, families and carers with a wide range of issues.

Welfare Rights Advisors ensure that our patients and families have support to navigate the welfare reforms, access their full entitlements and have fewer money worries.

The Bereavement Service provides support to anyone coping with the loss of a patient of the Hospice.

"At the end of the sessions, my child had developed the resilience he needed to deal with his grief, there was a lot less anger and acceptance about the circle of life."

A parent

"The support offered was excellent and has made a real positive impact on me as I have had to deal with the loss of my wife. The advice was clear, well thought out and incredibly helpful. I felt I was being listened to empathetically and there was understanding and offered non-judgemental support."

A bereaved relative

Complementary Therapy

The Complementary Therapy Team at St David's Hospice is made up of experienced therapists. Complementary therapies are offered in conjunction with conventional medical treatment and are offered primarily for the relief of stress and anxiety but can also assist in relieving physical symptoms such as pain, insomnia, nausea and muscle tension. In general, complementary therapies can be used to induce a feeling of well-being and of 'letting go' and are also aimed at giving the patient a 'treat' rather than a treatment.

Therapies include massage, aromatherapy, reflexology and Reiki and are provided at patient's homes or within the Day Hospice or In-Patient Unit setting.

"Thank you for the care you have given me over the past few months. The therapy, and our chats, have lifted my spirits and really helped me, I feel more confident and happy, thank you."

A Complementary Therapy patient

Chaplaincy Service

The Hospice has its own Chaplain but also has a very dedicated volunteer spiritual care team who are much appreciated by parents and families alike.

"Thank you for the poignant and uplifting funeral service. You gave a most fitting tribute to Dad's life. I cannot thank you enough for your support."

A bereaved relative

Occupational Therapy

The service is provided primarily in the In-Patient Unit but the OT also provides community and Day Hospice sessions. This has been a positive development.

Education

The Education Department works closely with local Universities through endorsements of specific courses and mentoring of student nurses. A wide range of teaching

strategies are used to improve the knowledge and skills of staff to care for people, their families and carers facing a progressive life-threatening illness which is no longer curable. Regular courses are provided for nursing and residential homes in palliative care.

"The course has given me more confidence and will help me to have difficult conversations about Advance Care Planning and what the residents' wishes are."

A training course attendee

Public benefit

Our charitable services are provided without charge to all members of the public with a life threatening illness who are referred by a health care professional and who live in Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Trustees are of the opinion that they have complied with their duties to have due regard for the guidance on public benefit. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Hospice's aims and objectives and in planning our future activities.

Statement of purpose

St. David's Hospice Care aims to:

- provide a comprehensive range of holistic hospice and palliative care services within the unitary authorities of Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys;
- ensure all staff are appropriately trained and encouraged to participate in continued professional development;
- respect the dignity and privacy of service users at all times and respect the individuals' rights and choice in their care;
- receive referrals of patients who have a diagnosis of a life-threatening illness (either cancer or non-cancer of patients aged 17 years and over);
- promote and disseminate current research and good practice to the wider healthcare community;
- work within the requirements of the Care Standards Act 2000, the Nurses Agencies (Wales) Regulations 2003, the Domiciliary Care Agencies (Wales) Regulations 2004 and the National Minimum Standards for Independent Health Care Services in Wales 2011;
- support the needs of patients' carers and families during the patients' illness and into bereavement;
- provide personal care to young people and adults (aged 17 years and over) within an agreed criteria;
- provide respite care through Day Hospice, Hospice at Home, in-patient care and carer support.

Strategic report

The strategic report required under company law comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods* below.

Key performance indicators

The Hospice uses a range of performance measures to monitor its performance. The key measures related to its charitable work are given in the achievements and performance section starting on page 5. The key financial performance indicators, including the Hospice’s reserves, are disclosed in the financial review starting on page 7.

Achievements and performance

In last year’s financial statements we set out the following priorities for the forthcoming year:

Priority	Outcome
Increase the Day Care provided by our Hospice at Home Service.	 While the care provided has increased, difficulty in recruiting the right staff remains an issue.
Move towards paperless clinical records.	 Progression has been made with the implementation of the EMIS software system which is widely used by GP practices in Wales. It is anticipated this system will be fully operational by year end 2024.
Implement HR software across the Hospice.	 The system has been rolled out across the organisation, department by department. The system will be adopted by the final two departments, IPU and Retail, during the following year.
Review our Day Hospice Care.	 Following a successful away day with Day Hospice staff, we are in the process of implementing changes to enhance the patient experience for our Panteg patients.
Review and develop our retail operation	 There are now two specialist shops within the network of shops – A gentleman’s shop and a bridal studio.
Work closely with partner organisations to improve patient care across Aneurin Bevan University Health Board and Powys Teaching Health Board	 Regular meetings are held between the CEO and the Directorate Manager for Specialist Palliative Care in Aneurin Bevan University Health Board.

Community Clinical Nurse Specialists

	2024	2023
Number of patients	3,499	3,498
Average caseload	1,422	1,439
New referrals	2,042	2,118
Discharges	86	122
Deaths	1,803	1,896
Deaths at home	1,202	1,309
% died at home	67%	69%

"My mum and I were so grateful for the kindness and care given to Dad by his nurse."

A relative

- The five teams work through Caerphilly, Monmouthshire, Newport, Torfaen and South & Mid Powys. Each Clinical Nurse Specialist (CNS) is assigned to one or more GP surgeries. The CNS team cared for 3,499 patients which is similar to the previous year (2023 – 3,498).
- Overall referrals fell slightly to 2,042 from 2,118 in 2023.
- We aim to ensure across the service that at least 60% of patients die in their usual place of residence (excluding Hospice at Home). In 2024 we achieved this

TRUSTEES REPORT

YEAR ENDED 31 MARCH 2024

with 1,202 of 1,803 (2023 – 1,309 of 1,896) patients dying at home.

Hospice at Home

	2024	2023
Average monthly caseload	85	55
New referrals	654	682
Hours of care	38,772	34,452

"The Hospice at Home service was absolutely amazing. The level of understanding, care and support was beyond all of our expectations."

A relative

- The highly valued team support offered by the Hospice at Home remains at the core of what the Hospice aims to achieve, ensuring patients have *real* choice about where to receive their end of life care.
- There has been a 13% increase in the number of hours of care provided compared to last year (2023 – 10% decrease). The total hours of care provided was 38,772 (2023 – 34,452).
- We continue to offer a flexible bespoke service which is tailored to each individual patient and their family.
- Our Hospice at Home service is registered with Care Inspectorate Wales. Our latest inspection can be requested directly from Care Inspectorate Wales.

In-Patient Unit

	2024	2023
Admissions	279	255
Discharges	71	74
Deaths	168	146
Average length stay in days	11	13
Average bed occupancy	72%	60%

"Thank you to all the doctors and nurses who took such loving care of our Dad and our family. We were so pleased he managed to spend his last days in such a beautiful, peaceful place."

A relative

- The number of admissions to the Hospice In-Patient Unit has increased from 255 to 279.
- The In-Patient Unit is regulated by Healthcare Inspectorate Wales. A quality check was carried out by the Inspectorate body, Health in Wales (HIW) on 23rd March 2022 with two recommendations which have been implemented in full.

Day Hospice

	2024	2023
Average monthly caseload	63	69
New referrals	150	136
Attendances	1,755	1,776

"Thank you all for your kindness and always being so welcoming. I love spending the day with good company and feeling so well looked after."

A Day Hospice patient

Complementary Therapy

	2024	2023
Average monthly community caseload	102	71
New referrals	309	352
Treatments given	1,328	1,289

The community caseload does not include Day Hospice and IPU patients.

Family Support Team

	2024	2023
Social Work		
Average monthly caseload	66	42
New referrals	236	156
Visits	615	377
Welfare Rights		
Average monthly caseload	138	124
New referrals	710	703
Visits	29	9
Adult bereavement service		
Average monthly caseload	69	43
New referrals	132	191
Sessions	831	810
Children's bereavement service (Unicorn)		
Average monthly caseload	159	135
New referrals (families)	348	371
Sessions	1,528	1,381

- Welfare rights referrals have increased from 703 in 2023 to 710 in 2024.
- Referrals to the Unicorn Service fell in the year from 371 to 348.

TRUSTEES REPORT

YEAR ENDED 31 MARCH 2024

"Our son was a little nervous to go at first, but I think he really enjoyed it. He came home and was so excited to tell me that there were other people who had lost parents and not just nans and gramps. I think it really made a difference for him."

A parent whose child had used the Unicorn service

Chaplaincy Service

	2024	2023
Average monthly caseload	35	39
New referrals	132	72
Visits	462	2,196
Contacts	1,379	

In 2022/23 visits and contact were recorded as one measure.

"My sincere thanks for the care and support you have offered me over recent months. My gratitude for the love and genuine concern I have been shown cannot be overstated."

A patient writing about the Chaplaincy Service

Out of hours – on call

This 24-hour a day advice line provides invaluable support to patients, families and healthcare professionals. The demand for this service has remained similar to previous years. A total of 1813 calls were made in the year (2023 – 2,498).

Clinical risk management

The following procedures are followed to manage Clinical risk:

- The team managers complete quality and patient safety reports monthly and these are assessed and actioned at a monthly Quality and Assurance meeting.
- Senior clinical managers meet weekly to discuss and action any issues arising.
- Policies and procedures are updated regularly.
- The Trustee Clinical Governance Committee meets four times a year.
- A monthly SMT meeting for the In-Patient Unit is held with representatives from ABUHB.
- Risk assessments are completed for every patient and their family.

Compliments and complaints

Although the Hospice aims to provide the very best care to our patients and families there are rare occasions where we do not meet the standard we would expect. As a hospice we take every complaint or concern very seriously and aim to learn from these occasions. A copy of our complaints policy can be obtained from the Hospice.

We receive many compliments and always take the opportunity to learn from these situations and share good practice.

Financial review

Overall the Hospice's income decreased by £455,000 to £9,258,000. The Hospice's total expenditure increased by £813,000 to £9,154,000. The Hospice's spending on charitable activities increased by £546,000 from £4,930,000 to £5,476,000.

Legacy income

The Hospice has recognised legacy income of £587,000. This represents a decrease of £1,528,000 compared to 2023 which was an exceptional year. It compares to an average per year over the five years to 31 March 2024 of £1,040,000.

Funding sources

The Hospice receives funding to provide its services from a variety of sources. The Hospice received the following from NHS Health Boards and the NHS Wales End of Life Care Programme Board. Continuing Health Care, from the NHS, funds individual health care packages.

	Income £000		% of the expenditure on charitable activities	
	2024	2023	2024	2023
NHS service level agreements	1,991	1,824	36.4%	37.0%
NHS Wales End of Life Care Programme Board	223	223	4.1%	4.5%
Continuing health care	372	374	6.8%	7.6%
	2,586	2,421	47.2%	49.1%

The Hospice received additional funding directly from Welsh Government:

	Income £000		% of the expenditure on charitable activities	
	2024	2023	2024	2023
Welsh Government grants and funding	556	17	10.2%	0.3%

The Hospice augments this public funding with donations, legacies and grants from trusts. In addition the Hospice operates three core fundraising activities:

- running a network of charity shops;
- organising fundraising events;
- and operating a lottery.

Charity shops (retail trading)

The Hospice operates 37 (2023 – 38) charity shops. The shops primarily sell second hand goods donated by members of the public. In addition, new goods are sold by the Hospice’s trading subsidiary within the shops. The sale of new goods represented 8% (2023 – 9%) of retail trading income.

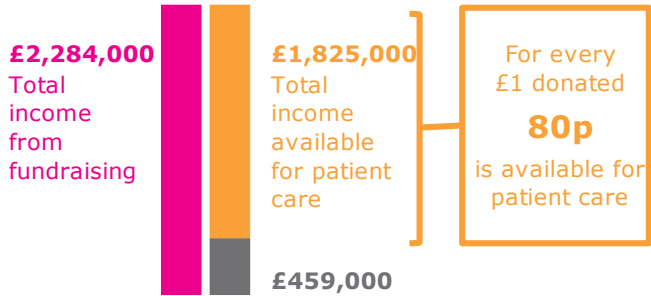
After the allocation of Support Costs, the shops provided a surplus of £268,000 in the year to support patient care.



Fundraising

The fundraising department incorporates both the work associated with appealing for donations and the subsequent administration together with the work associated with organising fundraising events. The net surplus from all fundraising, after the allocation of support costs, was £1,825,000 (2023 – £3,168,000). The surplus margin has decreased to 80% (2023 – 88%).

Pence in the pound



Lottery

The Hospice operates a weekly lottery draw. Most members play every week. Twice a year extra prizes are awarded for the draw. On these weeks additional tickets are sold more widely to the general public.

The net surplus from the lottery after the allocation of support costs was £141,000 (2023 – £150,000). This represents a surplus margin of 42% (2023 – 43%).

"I was so excited with my lottery win. What a brilliant way to support the fantastic work that you do."

A lottery winner

VAT

The Hospice continues to benefit from the VAT refund scheme for palliative care charities which means it has been able to reclaim the VAT on its non-business activities. The additional VAT that the Hospice would not otherwise have been able to recover was £145,000 (2023 – £140,000). The Hospice continues to suffer irrecoverable VAT on some of its expenditure notably expenditure on its lottery and on most fundraising events. The total irrecoverable VAT suffered was £34,000 (2023 – £33,000).

Investment policy

The Trustees reviewed and approved the investment policy on 24 April 2023.

Purpose of the Hospice’s investment

The Hospice’s investment policy is closely aligned with its reserves policy which sets out that free reserves are primarily held to cover an unexpected reduction in income over the forthcoming twelve months. As such the Hospice’s policy is to keep most surplus cash on deposit with UK based institutions. The terms of deposits may range from instant access to twelve months term deposits to ensure the funds are available if required without loss of capital or interest.

However in order to mitigate the risk of a real term loss in the value of reserves due to inflation the Hospice will invest a limited proportion of reserves in asset classes other than cash (the investment portfolio).

The Hospice calculates a risk based, free reserves requirement every year as set out in the reserves policy. This sets out the level of free reserves that the Hospice will seek to hold. The Hospice will retain at least 100% of the free reserves requirement as cash on deposit. Any additional funds may be invested in the portfolios at the discretion of the Governance Committee.

The level of funds invested in the portfolio will be reported to the Governance Committee as part of the routine management accounts reporting.

Investment Manager

The investment portfolio will be managed on a discretionary basis which means the buy and sell decisions will be made by an Investment Manager subject to the conditions and ethical considerations set out in this policy. The Investment Manager will be appointed by the Governance Committee.

The Governance Committee may select one or more Investment Managers to manage the portfolio.

The Governance Committee will review the appointment of the Investment Managers at least every five years. This review may include a formal tender for the role at the discretion of the committee.

Objectives of the investment portfolio

Funds in the investment portfolio will be invested to produce the best financial return with an acceptable level of risk.

In the short term, income from the investment portfolio will not be used to fund charitable activities. The investment objective is therefore to increase the overall total return of the fund. Since the expectation is that any income from the investment portfolio will be reinvested in the portfolio, the Hospice does not have a preference for either income or capital growth.

To meet its objectives the Hospice investment portfolio can be invested widely according to the Trustees' general power of investment and should be diversified by asset class, and by security. Asset classes could include cash, bonds, equities, commodities and any other assets that are deemed suitable for the Hospice. The weighting of the classes of assets will be at the discretion of the Investment Manager subject to the conditions of this policy.

It is anticipated that investments will primarily be in UK based assets.

Risk

Giving due consideration to the proportion of the overall free reserves the investment portfolio represents, the low risk to which the rest of the free reserves are subject and the acceptance of risk identified following the analysis undertaken the risk level has been set as medium high.

A medium high risk level means that a large proportion of the investment portfolio may be held in equity investments. A broader range of equity markets and sectors is likely to be used. However fixed interest and non-equity investments may form part of the portfolio.

Time horizon

The Hospice is expected to exist in perpetuity therefore the Hospice can adopt a long term investment time horizon. For the purpose of this policy, the anticipated investment time horizon is over ten years.

Reporting and monitoring

The Investment Managers will be required to produce a valuation and performance report every month.

The Investment Managers will present a performance report at least once a year.

The Governance Committee have responsibility for agreeing the investment objectives and monitoring the investment assets. The committee will meet at least once a year to review the portfolio, including an analysis of return, risk and asset allocation and to review this policy.

Benchmarking

Performance of the investment portfolio will be monitored against the FTSE UK Private Investor Balanced index.

Restricted funds

The investment portfolio will not include any restricted funds of the Hospice.

Ethical investment policy

The Hospice will not invest in companies that produce more than 5% of their revenues from the production and distribution of tobacco and alcohol products. This is in line with the overall objectives of the Hospice.

Principal risks and uncertainties

Financial risks

The Trustees identify the financial risks facing the Hospice as part of the review of the reserves policy. The risk based policy identifies over 20 potential risks to the Hospice's income and expenditure. These may be general, covering a broad class of income or expenditure, or may identify a more specific risk. The principal risks by value are:

- a general risk of over estimation of charity shop sales due to unforeseen external market conditions;
- a risk of an unforeseen reduction of the quality and quantity of stock donations to our shops;
- a general risk of spending over budget within retail shops due to necessary but unbudgeted costs;
- a risk of increased demand to the Hospice At Home service leading to unbudgeted additional costs.

The Hospice primarily mitigates these risks by a regular review of the reserves policy which is aligned closely with the risks identified. Action is taken to ensure reserves remain sufficient. Regular management accounts and other management information is prepared monthly and reviewed by management and Trustees to monitor whether, in light of any risks occurring, any mitigating action is necessary.

Non-financial risks

The Hospice also faces non-financial risks. These may ultimately have a financial impact but would principally affect the services we provide in other ways.

The Hospice maintains a Risk Management log that is regularly reviewed. The register currently identifies 26 risks.

The risks are assessed for severity and likelihood to provide an overall risk rating. The highest rated risks are:

- The effect of the cost of living crisis on the mental health of employees causing stress and anxiety
- The effect of the cost of living crisis on patients and carers
- The risk associated with IT including hardware failure, cyber attacks from malicious third parties and other risks of data loss
- the risk of reputational damage that negatively affects engagement with the Hospice by the public, the NHS and other bodies caused by:
 - a clinical error or omission leading to the mistreatment of a patient;
 - injury or other harm coming to a patient or other member of the public, such as through abuse, by staff, volunteers or members of the public;
 - injury or other harm coming to a member of staff through a failure in their duty of care by management;
 - injury or other harm coming to a participant at a fundraising event.
- The risk to the Hospice caused by the loss of senior staff.

The Hospice will reduce the impact of the cost of living crisis to staff by offering various support such as flexibility around working location where possible, offering hardship loans and reviewing pay regularly.

The Hospice will support patients through our Welfare rights Team.

Plans are in place in the event of major cyber attack or other disruption to IT systems. The charity has appropriate cyber insurance and has a robust back up process in place with multiple levels of redundancy.

The Hospice's strategy for mitigating the impact of reputational risk is primarily to ensure appropriate clinical governance is in place to monitor and improve our service. The Hospice follows best practice for protecting vulnerable adults and others. Monitoring of staff and public health and safety is core to governance at all levels and is supported by a qualified Health and Safety Officer.

Plans are in place in the case of the loss of a senior member of staff. The Hospice has a strong senior team who would provide proficient management in the short term.

Reserves policy

The Trustees have determined that the Hospice maintains reserves:

- to ensure the continuity of service in the event of an unexpected reduction in income whilst alternative funding is sought or expenditure on services is modified;
- to provide funds to replace fixed assets without having to finance the purchase;
- to provide working capital so that the Hospice can manage settling its liabilities when they become due efficiently.

As a mature organisation with a variety of established income streams and predictable, well-planned expenditure the Trustees consider it most appropriate for the Hospice to operate a reserves policy centred on an analysis of the potential risks to the amounts of those income streams and of the potential risks of over-expenditure. In order to quantify the reserves required, the following steps were undertaken as part of the annual budgeting process:

- the expected income for the forthcoming year was identified and classified;
- the potential risks of each class of income were identified;
- the potential proportion of each class of income that was at risk of not being received was estimated and multiplied by the total expected income for that class of income to provide the value of income at risk for that class of income;
- a similar exercise was undertaken to identify and quantify the risk of over-expenditure for the different classes of expenditure;
- all the individual amounts were added together to give a basic risk reserve requirement;
- a general provision of 5% of the basic risk requirement was then added to the total to give the total risk reserve requirement;
- finally, the reserves required for future fixed asset purchases were added to give the overall total reserves requirement.

It is the opinion of the Trustees that the total reserves requirement need only cover a 12 month period since this would provide sufficient time to reduce expenditure or seek alternative sources of income.

The Trustees have included an additional £890,000 (2023 - £850,000) in the reserves requirement to cover the potential loss of income due to the emergency closure of the retail operation.

From this exercise the Trustees have determined that the Hospice requires reserves of £2,752,000 (2023 - £2,612,000). The following table compares reserves required by the policy and reserves held. In accordance with Charities SORP (FRS 102) paragraph 1.48, reserves held are considered after making allowance for

- restricted funds;

- any fund that can only be realised by disposing of tangible fixed assets;
- and any designated funds that have been established.
- The details of the movement in restricted and designated funds and the purpose of each fund is set out in note 28.

	2024 £000	2023 £000
Total funds	16,815	16,485
Less restricted funds	(49)	(13)
Less fixed assets held in unrestricted funds	(8,434)	(8,444)
Total reserves before designation of funds	8,332	8,028
Designated funds	(530)	(870)
Undesignated reserves	7,802	7,158
Reserves required by the policy	2,752	2,612
Undesignated reserves above policy	5,050	4,546

The Hospice holds £5,050,000 (2023 - £4,546,000) of undesignated reserves above the policy.

The Hospice is in the early stages of identifying an appropriate property for a Day Hospice in North Gwent. As the project is not well advanced the Trustees do not think it is appropriate to set up a designated funds. Reserves held above the policy would be used for this project.

In the long term the Hospice will grow its Hospice at Home Service to utilise excess reserves. However recruitment remains a barrier to this expansion currently.

Finally the Trustees are mindful that the last three years have been exceptional in terms of legacy income and therefore it is appropriate that at this point undesignated reserves are in excess of the policy. It is expected that legacy income will not remain at this level in forthcoming years and will continue to be volatile.

Plans for future periods

Our key priorities for the forthcoming year have been developed with the direction being set by our five-year Strategic Plan. They are to:

- Implement a paperless patient record system (EMIS).
- Consolidate our day hospice provision following a review.
- Develop and recruit to our Hospice at Home service to further develop our overnight and day provision.
- Work with Aneurin Bevan University Health Board to open 15 beds in the in-patient hospice with a mixed acuity of patients.

- Work with Hospices Cymru and Welsh Government on a commissioning framework for Hospices in Wales.

Structure, governance and management

Governing document

St David's Foundation Hospice Care is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

The Hospice was incorporated on 24th March 1992 and its Memorandum and Articles of Association were altered by Special Resolutions passed on 9th January 1995, 29th March 2001, 26th May 2005 and 27th September 2007.

"Wonderful with my first husband and wonderful again after 17 years."

A relative

Operating name

The Hospice operates under the name "St David's Hospice Care".

Directors and Trustees

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Recruitment and appointment of Trustees

The Chair, Board and Chief Executive review the Board performance yearly through an appraisal system. During this process it is identified if there are any skills or experience gaps on the Board. If and when a vacancy becomes available, the Board will look to recruit a member to the Board with the necessary knowledge and experience. Appointments are made via an application and interview process. References are obtained and enhanced DBS check completed.

Anyone co-opted onto the Board during the year is formally elected at the AGM as set out in the Articles of Association.

Trustee induction and training

The Hospice ensures each Trustee has a comprehensive induction when appointed. Trustees are provided with various Charity Commission documents and guidelines to support them in their role. An annual appraisal system for Trustees highlights any training needs.

Organisation

The Board of Trustees are voluntary members, who meet six times per year and administer the Hospice. The following committees advise the Board: Governance, Clinical Governance, Health and Safety and Income Generation. The remit of the Governance Committee includes Finance, the

TRUSTEES REPORT

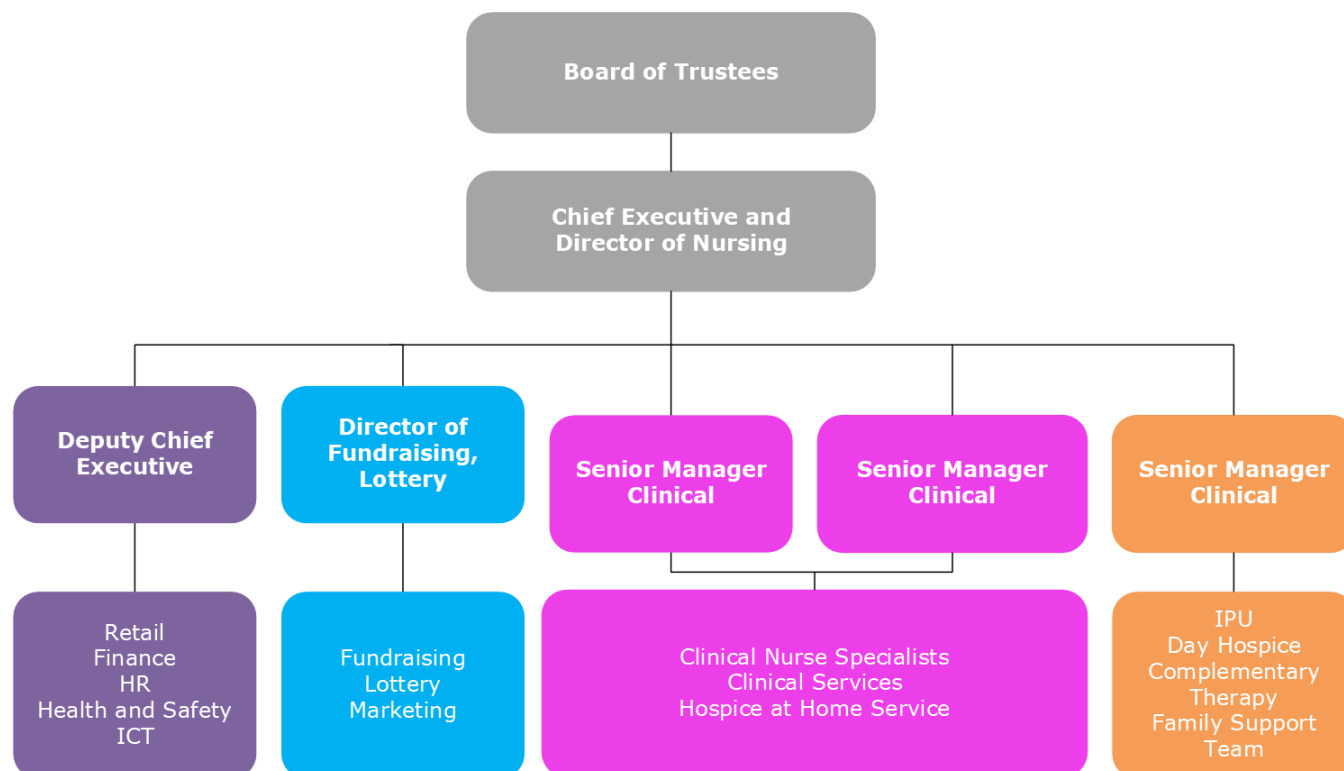
YEAR ENDED 31 MARCH 2024

reporting of Clinical Incidents and Risk Management. Health and Safety matters are discussed by an employee led meeting in the first instance and issues are forwarded to the Health and Safety Committee. The Governance Committee report back to the Board of the Trustees on a bi-monthly basis. All other committees provide an annual report and exception reporting to the Board as required.

The Trustees appoint a Chief Executive to take overall responsibility for the management of the Hospice by providing professional leadership through the development of strategic plans agreed with the Board of Trustees. The

Chief Executive is supported by other members of the Senior Management Team, who prepare reports for the bi-monthly meetings of the Board of Trustees. The key management personnel comprise the Board of Trustees and the members of the Senior Management Team. The structure of the key management team is set out in the chart below.

The subsidiary company has two directors who are the Chair and Chief Executive of the Hospice.

**The key management personnel****Pay policy for key management personnel**

The Trustees consider the key management personnel of the Hospice to be the Board of Trustees and the Senior Management Team.

All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 17 and 32 of the accounts.

The pay of the Senior Management Team is benchmarked against similar roles in the NHS or other comparable organisations. There is an emphasis on ensuring value for money for the Hospice whilst enabling the recruitment and retention of staff with appropriate skills and experience.

For the Chief Executive / Director of Nursing this exercise may be undertaken by the Chair or an external consultant.

Any increases are related to performance and approved by the Board of Trustees.

For other members of the Senior Management Team, benchmarking is undertaken informally by the Chief Executive / Director of Nursing.

The remuneration paid to key management personnel is set out in note 16.

Disabled employees

The Hospice gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Charity's policy to provide continuing employment wherever

practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Volunteers

The Hospice benefits greatly from the support of general volunteers who contribute throughout the organisation supporting both our charitable work and our fundraising activities. Roles include assisting in charity shops, marshalling at fundraising events, volunteering on reception and in our Day Hospices.



Volunteers in our shops donated more than 98,000 hours of their time to help raise funds to support our work.

Special acknowledgements

The Board wishes to record its appreciation for the generosity of the many supporters of St David's for their donations and bequests and to the hundreds of volunteers who give so willingly of their time and expertise. Thanks are also expressed to the President, Vice-Presidents and Patrons who serve in an honorary capacity.

The Board also wishes to acknowledge the tremendous dedication of the clinical, fundraising, retail and administrative staff to fulfilling the objectives of the Hospice. The continued increase in the level and quality of the service is a tribute to their commitment and loyalty.

Reference and administrative details

Charity number: 1010576
Company number: 2700097
Registered Office: St David's Hospice Care, Blackett Avenue, Newport, NP20 6NH

President: Brigadier Robert Aiken CBE, Lord Lieutenant of Gwent

Vice-Presidents: Mr M. Davies OBE CSTJ
Mr R. Noble CBE

Patrons: Baron Tuhig of Islwyn and Glansychan
Mr J. Over QPM, CPM, DL

Ambassadors: Mrs S. Lloyd
Mr R. O'Shea
Mr A. Jones

Key Management Personnel: Trustees

Chair: Mr J. O. Thompson
Vice- Chair: Mrs M. Van de Weyer
Treasurer: Mr R Tovey

Trustees: Dr R. C. G. Bracchi
Mrs J. E. Child
Dr C. C. Gaffney
Rev E. Hills
Dr J. W. Holland

Dame R. Butler DBE
Mr J. L. M. Felvus
Mr R. S. Hall
Mr M. Hine
Mr D. J. Waters (appointed July 2023)

Key Management Personnel: Senior Leadership Team

Chief Executive:
Deputy Chief Executive:
Director of Fundraising and Lottery:
Senior Manager Clinical:
Senior Manager Clinical:
Senior Manager Clinical:

Mrs K.E. Saysell MBE
Mr A. Hadley
Mr K. Broome
Mrs S. Thomas
Ms A. Bond
Mrs R Buttweiler

TRUSTEES REPORT

YEAR ENDED 31 MARCH 2024

Advisors

Auditors:	Advantage Accountancy & Advisory Ltd, Avalon House, 5-7 Cathedral Road, Cardiff, CF11 9HA
Bankers:	National Westminster Bank plc, High Street, Newport, NP20 1GG
Solicitors:	Robert Davies Partnership LLP, Wentwood House, Langstone Business Village, Newport, NP18 2HJ Temple Bright LLP, 29 Great George Street, Bristol, BS1 5QT
Investment Managers:	Charles Stanley & Co. Ltd, 7/8 Park Place Cardiff, CF10 3DP Brewin Dolphin, Third Floor, 2 Central Square, Cardiff, CF10 1FS

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also Directors of St David's Foundation Hospice Care for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements the Trustees are required to:

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

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

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Senior Management Team and the Board of Trustees. The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- a strategic plan and annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of day to day management authority and segregation of duties;
- identification and management of risks.

Statement of disclosure to our auditors

So far as the Trustees are aware, there is no relevant audit information of which the Hospice's auditors are unaware, and they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Hospice's auditors are aware of that information.

In approving this Trustees' Report, the Trustees are also approving the Strategic Report (which comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods*) in their capacity as company directors.

Approved by the Board of Trustees on 25 July 2024.



Mrs K.E. Saysell
Company Secretary
Registered Office
St David's Hospice Care
Blackett Avenue
Newport
NP20 6NH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of St David's Foundation Hospice Care for the year ended 31 March 2024 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheet, the Group Statement of Cashflows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Group's and the Parent Charitable Company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts does not cover the

other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 within the Trustees' 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.

Responsibility of Trustees

As explained more fully in the Trustees' Responsibilities Statement [set out on page 14], the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2024

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 is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK corporate taxation laws, employment legislation and health and safety legislation.
- We obtained an understanding of how the company are complying with those legal and regulatory frameworks by making inquiries to management. We corroborated our inquiries through our review of board papers, minutes and legal correspondence.
- We assessed the susceptibility of the company's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the

potential for override of controls or other inappropriate influence over the financial reporting process;

- performing analytical procedures to identify any unusual or unexpected relationships;
- challenging assumptions and judgements made by management in its significant accounting estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- assessing the extent of compliance with relevant laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

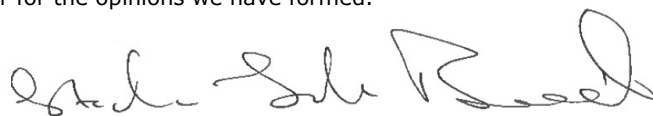
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance Chapter 3 of Part 16 of the Companies Act 2006 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen John Bickerton (Senior Statutory Auditor)
For and on behalf of Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants & Statutory Auditors

Avalon House
5-7 Cathedral Road
Cardiff
CF11 9HA

Date:

25/7/24

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including Income & Expenditure Account)

YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
	Note						
Income							
Donations and legacies	2	1,747	94	1,841	3,121	45	3,166
Charitable activities	3	2,635	542	3,177	2,463	37	2,500
Other trading activities	4	4,033	-	4,033	3,934	-	3,934
Investments	5	197	-	197	102	-	102
Other	6	10	-	10	11	-	11
Total Income		8,622	636	9,258	9,631	82	9,713
Expenditure							
Raising funds	8/9	3,678	-	3,678	3,400	11	3,411
Charitable activities	10/11	4,881	595	5,476	4,814	116	4,930
Total expenditure		8,559	595	9,154	8,214	127	8,341
Net income before gains / (losses) on investments		63	41	104	1,417	(45)	1,372
Net gains / (losses) on investments	21	226	-	226	(143)	-	(143)
Net income / (expenditure)		289	41	330	1,274	(45)	1,229
Transfers between funds	28	5	(5)	-	10	(10)	-
Net movement in funds		294	36	330	1,284	(55)	1,229
Reconciliation of funds:							
Total funds brought forward	28	16,472	13	16,485	15,188	68	15,256
Total funds carried forward		16,766	49	16,815	16,472	13	16,485

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

All income and expenditure derives from continuing operations.

There is no Corporation Tax payable on any of the activities.

BALANCE SHEETS

YEAR ENDED 31 MARCH 2022

		Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
	Note				
FIXED ASSETS					
Tangible assets	20	8,434	8,444	8,573	8,584
Investments	21	2,787	2,530	2,787	2,530
		11,221	10,974	11,360	11,114
CURRENT ASSETS					
Stock and work in progress	23	199	165	-	-
Debtors	24	2,128	2,758	2,326	2,912
Cash at bank and in hand	25	4,057	3,375	4,050	3,366
		6,384	6,298	6,376	6,278
LIABILITIES					
Creditors: Amounts falling due within one year	26	790	766	782	746
NET CURRENT ASSETS		5,594	5,532	5,594	5,532
TOTAL ASSETS LESS CURRENT LIABILITIES		16,815	16,506	16,954	16,646
Creditors: Amounts falling due after more than one year	27	-	21	-	21
TOTAL NET ASSETS		16,815	16,485	16,954	16,625
THE FUNDS OF THE CHARITY					
Restricted income funds	28	49	13	49	13
Unrestricted income funds	28	16,766	16,472	16,905	16,612
TOTAL CHARITY FUNDS		16,815	16,485	16,954	16,625

The financial statements were approved by the Board of Trustees on 25 July 2024 and were signed on their behalf by:



Mr J. O. Thompson - Trustee and Chair of the Board of Trustees

The notes on pages 22-41 form part of these Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash provided by operating activities	A	811	294
Cash flows from investing activities			
Dividends, interest and rents from investments		197	102
Sale of plant and equipment		(1)	9
Purchase of plant and equipment		(273)	(202)
Proceeds from sale of investments		31	-
Purchase of investments		(62)	(1,046)
Net cash used in investing activities		(108)	(1,137)
Cash flows from financing activities			
Repayment of finance leases		(20)	(19)
Finance lease interest paid		(1)	(2)
Net cash used in financing activities		(21)	(21)
Change in cash and cash equivalents in the reporting period		682	(864)
Cash and cash equivalents at the beginning of the reporting period		3,375	4,239
Cash and cash equivalents at the end of the reporting period	B	4,057	3,375

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**A Reconciliation of net income to net cash flow from operating activities**

	2024 £000	2023 £000
Net income for the reporting period (as per the Statement of Financial Activities)	330	1,229
Adjustments for:		
Depreciation charges	270	223
(Gains)/losses on investments	(226)	143
Dividends, interest and rents from investments	(197)	(102)
Interest payable	1	2
Profit on the disposal of fixed assets	14	(2)
Increase in stocks	(34)	(107)
(Increase) / Decrease in debtors	630	(1,238)
Increase / (Decrease) in creditors	23	146
Net cash provided by operating activities	811	294

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2024

B Analysis of cash and cash equivalents

	2024 £000	2023 £000
Cash at Bank	961	373
Cash on short term deposit	3,096	3,002
Total cash and cash equivalents	4,057	3,375

C Analysis of changes in net debt

	At start of year	Cash- flows	At end of year
Cash at bank and in hand	3,375	682	4,057
	3,375	682	4,057
Finance lease obligations	41	(20)	21
Total	3,416	662	4,078

1. Accounting policies

St David's Foundation Hospice care is a private company limited by guarantee and a registered charity, incorporated in England & Wales. Its registered office is Blackett Avenue, Newport, NP20 6NH.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Accounts 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) (effective 1 January 2019) - (Charities SORP (FRS 102) – second edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency of the charity is pound sterling.

All financial information is rounded to the nearest £1000 except for the Trustees' expenses set out in note 17 and the subsidiary undertaking table in note 21.

Going Concern

The Trustees have reviewed the financial position of the Hospice whilst considering the impact of its future plans and activities. At the time of approving the accounts, the Trustees have reasonable expectation that the Hospice has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Trustees continue to adopt the Going Concern basis of accounting in preparing the financial statements. There are no material uncertainties about the group's ability to trade as a going concern.

Group financial statements

The financial statements consolidate the results of the Hospice and its wholly owned subsidiary St David's Trading Limited on a line by line basis. A separate *Statement of financial activities and income and expenditure account* for the Hospice has not been presented because the Hospice has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

Income arises when an event (such as a financial transaction) results in either an increase in the Hospice's assets or a reduction in its liabilities. Income is recognised by the Hospice when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Hospice.
- Probable – it is more likely than not that the economic benefits associated with the event will flow to the Hospice.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Donations

Donations are recognised on receipt. Donations raised through online fundraising platforms are deemed to have been received when the donation has been received by the fundraising platform. Gift aid income is recognised when both the underlying donation has been recognised and there is a valid gift aid declaration.

Legacies

Entitlement to legacy income is deemed to occur when either the Hospice is aware probate has been granted, the estate has been finalised and the Hospice has been notified by the executor that a distribution will be made, or when a distribution is received from the estate if that is earlier.

Where legacies have been notified to the Hospice or the Hospice 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. This most commonly occurs when the Hospice has been notified of residuary legacy but it is unable to reliably measure the amount of the income.

Grants

Grants are recognised when the Hospice has entitlement to the funds, performance conditions attached to the grants have been adhered to, it is probable that the income will be received or has been received, and it can be reliably measured. This includes

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

grants received for the purpose of purchasing fixed assets. When a grant cannot be claimed until certain expenditure has been defrayed entitlement is not deemed to have passed to the Hospice until the expenditure has been so defrayed.

Fundraising events

Fundraising income from the sale of entry fees for events is included in income when received even if this is before the event. The likelihood of cancellation of the event is remote so it is more likely than not that the economic benefit will flow to the Hospice.

Donations that are closely associated with fundraising events such as sponsorship of event participants by their friends and family are included in fundraising within other trading activities.

Retail

The Hospice receives a high volume of donations of low value second hand goods for resale in its network of charity shops. The Trustees consider it would be impracticable to recognise the income when the Hospice becomes entitled to the economic benefit of the donated goods since the cost of doing so would outweigh the benefits. Therefore in accordance with FRS102 paragraph 34B.4 the income is recognised in the period in which the donated goods are sold.

The Hospice operates a retail gift aid scheme. Under the scheme the legal form of the transaction is that the Hospice operates as an agent on behalf of the donor. Once the goods have been sold on behalf of the donor, the donor offers to donate the proceeds of the sale to the Hospice. This allows the Hospice to claim gift aid on the cash donation. However the substance of the transaction is such that the donor is donating the goods to the Hospice and is therefore treated as such.

Lottery

Lottery tickets sold in advance are deferred and included in the period in which the draw takes place.

Investment income

Investment income is recognised when it is received.

Rental income

Rental income is recognised when invoiced in accordance with the terms of the lease.

Service level agreements

Income from Service level Agreements and other charitable activities are recognised when invoiced in accordance with the terms set out in the agreement.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified by two main activities: raising funds and charitable activities.

Raising Funds

Expenditure on raising funds includes all expenditure incurred by the Hospice to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable Activities

Expenditure on charitable activities includes expenditure incurred on the activities which further the Hospice's objectives.

Support costs

Support costs are those costs that whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. These costs include Governance, Finance, Human resources, ICT and Health and Safety as well as corporate costs including the costs of employing the Chief Executive, financing costs, insurance and legal and professional fees.

Where these costs are directly attributable to specific activities they have been included in those cost categories. Where these costs are attributable to more than one activity they are apportioned across cost categories on the basis of direct staff hours. The Trustees consider this to be the most equitable method of splitting expenditure attributable to more than one activity.

Irrecoverable VAT

The Hospice suffers from irrecoverable VAT due to the fact that it makes exempt supplies and therefore not all input VAT is recoverable. This is written off to the Statement of Financial Activities in the period in which it arises. Under sections 33C and 33D of the VAT Act 1994 the Hospice can recover the VAT on its non-business transactions.

Pensions

Details of the pension schemes including the accounting policies adopted can be found in note 31.

Termination payments

Termination payments are payable when employment is terminated by the Hospice before the normal retirement date or end of employment contract. Termination payments are recognised when the Hospice can no longer withdraw the offer of the benefits.

Leases***Finance Leases***

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

At the commencement of a finance lease, the Hospice will recognise its rights of use and obligations under the agreement as assets and liabilities in its balance sheet at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The assets are subsequently depreciated over the shorter of its estimated useful life or the lease term.

The Hospice apportions the minimum lease payments between the finance charge in the Statement of Financial Activities and the reduction of the outstanding liability using the effective interest method. The Hospice allocates the finance charge to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating Leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Lease payments under operating leases are recognised as an expense over the lease term on a straight-line basis.

Taxation

St Davids Foundation Hospice Care is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The profit of the trading subsidiary, St David's Trading Limited, is gift aided to St David's Foundation Hospice Care and therefore no amounts are chargeable to Corporation Tax.

Fixed assets***Intangible fixed assets***

Negative goodwill arising from business acquisitions is capitalised and amortised over 2 years.

Tangible fixed assets

Tangible fixed assets are recorded at cost, or in cases where fixed assets have been donated to the Hospice, at valuation at time of acquisition. Depreciation is charged to write off the cost of fixed assets over their estimated useful lives at the following annual rates:

Freehold buildings	2% Straight Line
Leasehold buildings	Life of Lease Straight Line
Fixtures, fittings and equipment	20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	20% Straight Line

Computer equipment is included within fixtures, fittings and equipment in note 20.

Investments

Investment properties

Investment properties are included in the balance sheet at fair value. The Hospice arranges a professional valuation by an independent valuer every year.

Listed investments

Listed investments held are shown at fair value which is their market value.

Investments in Subsidiaries

Investments in subsidiary entities are held at cost less impairment.

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Donations of low value second hand goods that remain unsold at the balance sheet date are not included in stock since they are recognised when sold as set out above.

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.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the Hospice 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.

Basic Financial Instruments

The Hospice only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except finance lease liabilities which are subsequently measured at amortised cost using the effective interest method. Investments in listed shares are measured at fair value (market value).

Funds structure

The Hospice's funds are split into restricted funds and unrestricted funds.

Restricted funds

These are funds that can only be used for a particular restricted purpose within the objects of the Hospice.

Restrictions arise when they are specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds

These funds are available for the general purposes of the Hospice, to be used in accordance with the charitable objects at the discretion of the Trustees. From time to time the Trustees may allocate part of the unrestricted funds to be used for particular purposes within the Hospice's objects. Such sums are described as 'designated funds'.

Critical Accounting Estimates and Assumptions

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Recognition of legacy income

The policy for the recognition of accrued legacy income is set out above. It requires judgment about the probability and timing of receipt of legacies. The hospice gives consideration to its historical experience of income from similar legacies and any other information available for a specific estate.

Depreciation

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

2. Donations and legacies

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Legacies	587	-	587	2,115	-	2,115
In memory	457	1	458	417	-	417
Individuals	370	1	371	355	-	355
Corporate, clubs and societies	14	3	17	43	-	43
Trusts and foundations	42	89	131	36	45	81
Community fundraising	263	-	263	138	-	138
Welsh Government grant	14	-	14	17	-	17
	1,747	94	1,841	3,121	45	3,166

The Welsh Government grant is a government grant to fund a proportion of employer pension costs for certain nurses.

3. Income from charitable activities

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Welsh Government funding	-	542	542	-	-	-
NHS Service level agreements	1,991	-	1,991	1,824	-	1,824
NHS Wales (EOLCIB)	223	-	223	223	-	223
Continuing health care	372	-	372	374	-	374
Other charitable activities	49	-	49	42	37	79
	2,635	542	3,177	2,463	37	2,500

In the year ended 31 March 2024, £542,000 included in restricted funds within Welsh Government funding relates to a grant from Welsh Government to meet the inflationary impact of salary costs and wider cost of living impacts such as energy.

In the year ended 31 March 2023, £37,000 included in restricted funds, within other charitable activities relates to government grants funded by Welsh Government and distributed by Newport Council to fund one off payments to Health Care Assistants.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

4. Income from other trading activities

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Retail trading	3,256	-	3,256	3,142	-	3,142
Fundraising	443	-	443	443	-	443
Lottery	334	-	334	349	-	349
	4,033	-	4,033	3,934	-	3,934

5. Income from investments

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Interest received	130	-	130	52	-	52
Dividend income	62	-	62	45	-	45
Rent from investment property	5	-	5	5	-	5
	197	-	197	102	-	102

6. Other income

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Insurance Claim	10	-	10	6	-	6
Other	-	-	-	5	-	5
	10	-	10	11	-	11

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

7. Support costs

The Hospice allocates its support costs as shown in the table below in accordance with the basis of allocation set out in the accounting policies.

	Governance £000	Corporate £000	Finance £000	HR £000	Health and Safety £000	ICT £000	Total £000
Raising funds							
Retail trading	18	94	46	33	18	6	215
Fundraising	1	7	4	3	2	1	18
Lottery	-	2	1	1	1	-	5
Investment management	-	-	-	-	-	-	-
Charitable activities							
In-Patient Unit	10	52	25	18	11	4	120
Community Nursing	7	37	18	13	8	3	86
Hospice At Home	9	47	23	16	10	4	109
Day Hospice	2	9	4	3	2	1	21
Family Support Team	2	10	5	3	2	1	23
Chaplaincy	-	2	1	1	-	-	4
Education	-	-	-	-	-	-	-
Complementary Therapy	1	3	1	1	1	-	7
Clinical Governance	-	-	-	-	-	-	-
Occupational Therapy	-	1	-	-	-	-	1
	50	264	128	92	55	20	609

8. Expenditure on raising funds by cost type

	Direct costs 2024 £000	Support costs 2024 £000	Total costs 2024 £000	Direct costs 2023 £000	Support costs 2023 £000	Total costs 2023 £000
Retail trading	2,773	215	2,988	2,531	229	2,760
Fundraising	441	18	459	422	19	441
Lottery	188	5	193	193	6	199
Investment management	38	-	38	11	-	11
	3,440	238	3,678	3,157	254	3,411

9. Expenditure on raising funds by fund

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Retail trading	2,988	-	2,988	2,760	-	2,760
Fundraising	459	-	459	430	11	441
Lottery	193	-	193	199	-	199
Investment management	38	-	38	11	-	11
	3,678	-	3,678	3,400	11	3,411

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

10. Expenditure on charitable activities by cost type

	Direct costs 2024 £000	Support costs 2024 £000	Total costs 2024 £000	Direct costs 2023 £000	Support costs 2023 £000	Total costs 2023 £000
In-Patient Unit	1,864	120	1,984	1,651	126	1,777
Community Nursing	1,304	86	1,390	1,101	82	1,183
Hospice At Home	1,170	109	1,279	1,088	114	1,202
Day Hospice	347	21	368	312	21	333
Family Support Team	228	23	251	212	23	235
Chaplaincy	46	4	50	41	4	45
Education	38	-	38	37	-	37
Complementary Therapy	60	7	67	57	7	64
Clinical Governance	15	-	15	20	1	21
Occupational Therapy	33	1	34	32	1	33
	5,105	371	5,476	4,551	379	4,930

11. Expenditure on charitable activities by fund

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total costs 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total costs 2023 £000
In-Patient Unit	1,740	244	1,984	1,777	-	1,777
Community Nursing	1,088	302	1,390	1,183	-	1,183
Hospice At Home	1,235	44	1,279	1,121	81	1,202
Day Hospice	363	5	368	330	3	333
Family Support Team	251	-	251	203	32	235
Chaplaincy	50	-	50	45	-	45
Education	38	-	38	37	-	37
Complementary Therapy	67	-	67	64	-	64
Clinical Governance	15	-	15	21	-	21
Occupational Therapy	34	-	34	33	-	33
	4,881	595	5,476	4,814	116	4,930

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

12. Net income / (expenditure) for the year

The net income for the year is stated after charging:

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Operating leases - equipment	1	-	1	1	-	1
Operating leases - Land and buildings	564	-	564	551	-	551
Depreciation of owned assets	247	-	247	200	-	200
Depreciation of assets under finance lease	23	-	23	23	-	23
(Gain) / loss on disposal of fixed assets	12	-	12	2	-	2
Fees payable to auditor for:	-	-	-	-	-	-
- statutory audit	9	-	9	8	-	8
- other services	-	-	-	1	-	1

13. The charity's surplus in the year

The Consolidated Statement of Financial Activities includes the results of the charity's wholly owned subsidiary. The surplus of the charity alone was £330,000 (2023 - £1,229,000).

14. Staff costs

	Total 2024 £000	Total 2023 £000
Wages and salaries	5,228	4,677
Social security costs	437	396
Pension costs	341	309
	6,006	5,382

Included in Wages and salaries are termination payments of £9,000 (2023 - £1,000).

The number of employees, whose total employee benefits (excluding employer pension costs) for the reporting period, fell within each banding of £10,000 from £60,000 were as follows:

	2024	2023
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

15. Staff numbers

The average number of staff employed by the Hospice during the year was 253 (2023 - 248). Some of the Hospice's employees do not undertake work every month. The average number of staff paid each month was 238 (2023 - 233).

16. Key management personnel

The key management personnel comprise the Trustees and the Senior Management Team as set out on page 13. None of the Trustees were paid any remuneration or received any other benefits from an employment with the Hospice or its subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

Trustees' expenses are set out in note 17. The total employee benefits paid to the key management personnel was £389,000 (2023 - £376,000).

17. Trustees' expenses

No Trustee claimed expenses in the previous two years.

18. Taxation

St Davids Foundation Hospice Care is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The profit of the trading subsidiary, St David's Trading Limited, is gift aided to St David's Foundation Hospice Care and therefore no amounts are chargeable to Corporation Tax.

19. Intangible fixed assets

	Negative goodwill £000
Asset cost	
Brought forward	(278)
Additions	-
Carried forward	(278)
Accumulated amortisation	
Brought forward	(278)
Carried forward	(278)
Net book value	
Carried forward	-
Brought forward	-

Negative goodwill arose following the acquisition of St Anne's In-Patient Unit in June 2013.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

20. Tangible fixed assets**Group**

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,624	149	2,122	11,120
Additions	-	-	17	256	273
Disposals	-	-	(12)	(85)	(97)
Carried forward	225	8,624	154	2,293	11,296
Accumulated depreciation					
Brought forward	55	713	94	1,814	2,676
Disposals	-	-	(12)	(72)	(84)
Charge for the year	4	90	19	157	270
Carried forward	59	803	101	1,899	2,862
Net book value					
Carried forward	166	7,821	53	394	8,434
Brought forward	170	7,911	55	308	8,444

Company

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,777	149	2,122	11,273
Additions	-	-	17	256	273
Disposals	-	-	(12)	(85)	(97)
Carried forward	225	8,777	154	2,293	11,449
Accumulated depreciation					
Brought forward	55	726	94	1814	2,689
Disposals	-	-	(12)	(72)	(84)
Charge for the year	4	91	19	157	271
Carried forward	59	817	101	1,899	2,876
Net book value					
Carried forward	166	7,960	53	394	8,573
Brought forward	170	8,051	55	308	8,584

The fixed assets of the Hospice includes £57,000 (2023 - £58,000) under Leasehold land and buildings which relate to depreciated, capitalised cost of services provided to the Hospice by its subsidiary for the construction of the Blackett Avenue site. In the year depreciation of £1,000 (2023 - £1,000) has been charged against this asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

The fixed assets of the Hospice also includes £82,000 (2023 - £82,000) under Leasehold land and buildings which relate to capitalised cost of services provided to the Hospice by its subsidiary for the construction of the In-Patient Unit. In the year depreciation of £1,000 (2023 - £1,000) has been charged against this asset.

Included in Fixtures, fittings and equipment are assets that were acquired under finance leases with a net book value of £5,000 (2023 - £28,000).

21. Investments**Group and company**

	Property £000	Listed £000	Total £000
Fair value brought forward	70	2,460	2,530
Additions	-	62	62
Disposals	-	(31)	(31)
Gains / (Losses)	-	226	226
Fair value carried forward	70	2,717	2,787

The Hospice's Investment Property was revalued as at 31 March 2024. A "desktop" valuation was undertaken by independent RICS Registered Valuers, Linnell's Property Consultants and in their opinion the fair value, which is the market value, was £70,000.

Listed investments comprise two investment portfolios managed by two independent investment managers and listed investments held outside the investment portfolios. Cash held from time to time within the investment portfolios as part of normal trading within the portfolios is included in listed investments. The asset classes held in listed investments at 31 March 2024 are shown below:

	Portfolio 1	Portfolio 2	Other listed	2024 £000	2023 £000
Fixed income - UK	169	101	-	270	159
Fixed income - International	110	150	-	260	260
Equity - UK	194	164	-	358	381
Equity - International	-	17	2	19	18
Equity funds - UK	80	37	-	117	121
Equity funds - International	522	765	-	1,287	1,058
Property funds	49	34	-	83	74
Commodities	-	26	-	26	23
Absolute return funds	73	34	-	107	121
Infrastructure funds	46	24	-	70	56
Alternative structured investments	11	-	-	11	25
Mixed investment Funds	33	-	-	33	63
Cash	28	48	-	76	101
Total investment	1,315	1,400	2	2,717	2,460

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

The Hospice owns the entire ordinary share capital in its subsidiary undertaking St David's Trading Limited (company number 05734138). This unlisted investment cannot be measured reliably at fair value so has been measured at cost.

	Subsidiary undertaking £
Group	
Cost brought forward and carried forward	-
Charity	
Cost brought forward and carried forward	1

22. Subsidiary company

St David's Trading Limited, the Hospice's wholly owned subsidiary undertakes one core activity: the sale of new, bought in goods within the Hospice's network of charity shops. Profits in St David's Trading Limited are remitted to the Hospice by way of a gift aid payment. At 31 March 2024 St David's Trading Limited had assets of £209,000 (2023 - £193,000) and liabilities of £209,000 (2023 - £193,000). Its funds at the end of the reporting period were therefore £nil (2023 - £nil). The turnover during the year was £244,000 (2023 - £265,000) and expenditure was £244,000 (2023 - £265,000).

23. Stock

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Retail stock	199	165	-	-
	199	165	-	-

24. Debtors

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Trade debtors	65	77	65	77
Amounts owed by group undertakings	-	-	102	132
Prepayments and accrued income	1,962	2,546	2,060	2,587
Other debtors	101	135	99	116
	2,128	2,758	2,326	2,912

25. Cash at bank and in hand

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Cash and bank balances	961	373	954	364
Cash on short term deposit	3,096	3,002	3,096	3,002
	4,057	3,375	4,050	3,366

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

26. Creditors: Amounts falling due within one year

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Trade creditors	371	360	365	343
Amounts owed to group undertakings	-	-	-	-
Accruals and deferred income	229	243	227	240
Taxation and social security	110	91	110	91
Obligations under finance leases	21	20	21	20
Pension liability	50	45	50	45
Other creditors	9	7	9	7
	790	766	782	746

Deferred income relates to lottery tickets sold in advance. This is released to income when the draw takes place. The movement in the deferred income in the year is given below:

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Brought forward	43	50	43	50
Amount released from previous years	(43)	(50)	(43)	(50)
Deferred in the current year	41	43	41	43
Carried forward	41	43	41	43

27. Creditors: Amounts falling due after one year

	Group 2024 £000	Group 2023 £000	Charity 2024 £000	Charity 2023 £000
Obligations under finance leases	-	21	-	21
	-	21	-	21

The finance lease liabilities are secured against the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

28. Analysis of charitable funds**Current year**

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2024 £000
UNRESTRICTED FUNDS						
General Funds						
General fund	15,602	8,622	(8,303)	226	89	16,236
Designated Funds						
Domiciliary Care	250	-	-	-	-	250
Electronic patient records	50	-	-	-	30	80
Garden improvements	25	-	(6)	-	(19)	-
ICT hardware upgrade	60	-	-	-	(60)	-
Retail van	20	-	-	-	(20)	-
Shop dilapidations and refurbishments	200	-	-	-	-	200
Utility Costs	250	-	(250)	-	-	-
Ystrad Mynach Day Hospice refit	15	-	-	-	(15)	-
Total Designated Funds	870	-	(256)	-	(84)	530
Total unrestricted funds	16,472	8,622	(8,559)	226	5	16,766
RESTRICTED FUNDS						
Bath Chair	-	2	-	-	-	2
Community Choir	1	11	(3)	-	-	9
Hospice at Home general	-	1	(1)	-	-	-
Hospice at Home in Powys	-	40	(40)	-	-	-
Hospice at Home in Monmouthshire	-	3	(3)	-	-	-
Hospice Cost of Living Grant	-	542	(542)	-	-	-
In-patient unit general	-	3	(3)	-	-	-
Indoor Sports sessions	-	8	(2)	-	-	6
IPU Family refreshments	1	-	-	-	-	1
Mattresses	-	1	-	-	(1)	-
Social worker fund	2	-	-	-	-	2
Syringe driver	7	23	-	-	(3)	27
Usk House Day Hospice general	-	-	-	-	-	-
Other restricted funds	2	2	(1)	-	(1)	2
Total restricted funds	13	636	(595)	-	(5)	49
Total funds	16,485	9,258	(9,154)	226	-	16,815

The Trustees have designated unrestricted funds for specific purposes as set out above. The details of the purpose of each of those funds is shown in the table below.

During the year the balance of certain restricted funds were transferred to unrestricted funds. The original use of these funds was restricted to the purchase of fixed assets. Since the assets are held for a general and not a restricted purpose the balance has been transferred to unrestricted funds in accordance with Charities SORP (FRS 102) paragraph 2.26.

Similarly, where unrestricted funds have been designated for the purchase of fixed assets they have been transferred to the general fund when the assets have been purchased.

The total funds related to the subsidiary company were £nil (2023 - £nil).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

Name of Fund	Description, nature and purpose of the fund
Unrestricted funds	
General funds	
General fund	The undesignated unrestricted funds of the Hospice.
Designated Funds	
Domiciliary Care	To fund the start-up costs of a domiciliary care project.
Electronic patient records	To fund a project to introduce electronic patient records to improve the efficiency and the quality of the care we provide.
Garden improvements	To fund improvements to the garden around our In-Patient Unit for the enjoyment of our patients. The fund has been transferred to unrestricted in the year to match against capital expenditure.
ICT hardware upgrade	To fund upgrade to our ICT infrastructure with a particular emphasis on improving security. The fund has been transferred to unrestricted in the year to match against capital expenditure.
Retail Van	To fund the purchase of a new van for our retail team. The fund has been transferred to unrestricted in the year to match against capital expenditure.
Shop dilapidations and refurbishments	To fund future costs in maintaining and renovating our shop portfolio.
Utility Costs	To fund the increased costs of Utilities in 2023/24.
Ystrad Mynach Day Hospice refit	To refit our Day hospice at Ysbyty Ystrad Fawr, Ystrad Mynach. The fund has been transferred to unrestricted in the year to match against capital expenditure.
Restricted funds	
Additional Social Care Payment	Funded by NHS Wales to provide a bonus to Health Care Workers. This fund closed in the previous year.
Children in Need 2019	To fund the Unicorn Project, our Children and young people's service. This fund closed in the previous year.
Bath Chair	To fund the purchase of a bath / hygiene chair for our in-patient unit patients.
Community Choir	Funded from various sources to support of Community Choir.
Furniture for IPU	To fund new furniture for the IPU. This fund closed in the previous year.
Hoist (Welsh Church Fund)	Provided to fund a hoist. This fund closed in the previous year.
Hoist (St James' place)	Provided to fund a hoist. This fund closed in the previous year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

<i>Name of Fund</i>	<i>Description, nature and purpose of the fund</i>
Hospice at Home general	Funded from various sources to support our Hospice at Home Service. The fund closed in the previous year.
Hospice at Home in Powys	To fund an increase in the provision of Hospice at Home care in Powys.
Hospice at Home in Monmouthshire	To fund our Hospice at Home nurses in Monmouthshire.
Hospice Cost of Living Grant	Funded by Welsh Government to meet the inflationary impact of salary costs and wider cost of living impacts such as energy. This funding is restricted to the core clinical services which are commissioned by Welsh Health Boards.
In-patient Unit General	Funded from various sources to support our In-patient Unit.
Indoor Sports Sessions	To fund indoor sports sessions at our Day Hospices.
IPU Family refreshments	Support from a private donation to provide refreshments for relatives visiting patients in our IPU.
Mattresses	To fund the purchase of specialist mattresses.
New Website Project	Funded by WCVA for the development of a new website. This fund closed in the previous year.
Social worker fund	This fund received from various sources is used to support patients who are facing financial hardship.
Syringe driver	Provided for the purchase of syringe drivers. Provided by various funders.
Unicorn Project	Fund to support the Unicorn project. Provided by various funders.
Usk House Day Hospice general	Funded from various sources to support our work in the Usk House Day Hospice.
Other restricted funds	Other restricted funds with balances less than £500.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

Previous year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2023 £000
UNRESTRICTED FUNDS						
General Funds						
General fund	15,188	9,631	(8,214)	(143)	(860)	15,602
Designated Funds						
Domiciliary Care	-	-	-	-	250	250
Electronic patient records	-	-	-	-	50	50
Garden improvements	-	-	-	-	25	25
ICT hardware upgrade	-	-	-	-	60	60
Retail van	-	-	-	-	20	20
Shop dilapidations and refurbishments	-	-	-	-	200	200
Utility Costs	-	-	-	-	250	250
Ystrad Mynach Day Hospice refit	-	-	-	-	15	15
Total Designated Funds	-	-	-	-	870	870
Total unrestricted funds	15,188	9,631	(8,214)	(143)	10	16,472
RESTRICTED FUNDS						
Additional Social Care Payment	-	37	(37)	-	-	-
Children in Need 2019	9	20	(29)	-	-	-
Community Choir	-	4	(3)	-	-	1
Furniture for IPU	-	2	-	-	(2)	-
Hoist (Welsh Church Fund)	1	-	-	-	(1)	-
Hoist (St James' palace)	-	3	-	-	(3)	-
Hospice at Home in Monmouthshire	-	2	(2)	-	-	-
IPU Family refreshments	1	-	-	-	-	1
Mattresses	-	4	-	-	(4)	-
New Website Project	7	4	(11)	-	-	-
Social worker fund	2	-	-	-	-	2
Syringe driver	3	4	-	-	-	7
Unicorn Project	2	1	(3)	-	-	-
Usk House Day Hospice general	41	1	(42)	-	-	-
Other restricted funds	2	-	-	-	-	2
Total restricted funds	68	82	(127)	-	(10)	13
Total funds	15,256	9,713	(8,341)	(143)	-	16,485

29. Analysis of group net assets between funds

	Investments £000	Tangible fixed assets £000	Other net assets £000	Total £000
Restricted income funds	-	-	49	49
Unrestricted income funds	2,787	8,434	5,545	16,766
	2,787	8,434	5,594	16,815

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024

Previous year

	Investments	Tangible fixed assets	Other net assets	Total
	£000	£000	£000	£000
Restricted income funds	-	-	13	13
Unrestricted income funds	2,530	8,444	5,498	16,472
	2,530	8,444	5,511	16,485

30. Commitments

There were no capital commitments at 31 March 2024 (2023 - £nil).

The group and company's future minimum lease payments under non-cancellable operating and finance leases are as follows:

	Finance leases		Operating leases	
	2024	2023	2024	2023
	£000	£000	£000	£000
Not later than one year	21	21	394	405
later than one year but not later than five years	-	21	716	671
later than five years	-	-	-	-
	21	42	1,110	1,076

The net book value of fixed assets held under finance lease are given in note 20. The lease payments recognised as an expense in the year are given in note 12.

31. Pensions

The Hospice contributed to two pension schemes in the financial year: the Royal London scheme and the NHS pension scheme.

Royal London scheme

The Hospice operates a defined contribution pension scheme for its employees, where all the assets are held in a separately administered fund, which is outside the control of the Hospice. At the year-end there were 159 (2023 - 152) employees who were members of the scheme. Employer contributions charged against income in the year were £125,000 (2023 - £119,000). Outstanding contributions (both employer and employee) at the balance sheet date were £20,000 (2023 - £18,000).

Employees who are enrolled into a pension under "automatic enrolment" are enrolled into this scheme.

NHS scheme

Staff transferring from the NHS may continue to contribute to the NHS scheme. The scheme is a multi-employer, unfunded defined benefit scheme but the Hospice is unable to identify its share of the underlying assets and liabilities of the Plan on a consistent and reasonable basis and therefore, as permitted by FRS 102 para 28.11, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the Hospice's contributions payable to the Plan in respect of the accounting period. The employee contribution percentage rates under this scheme vary depending on pensionable earnings. At the year end there were 43 (2023 - 40) employees who were members of the scheme. Employer contributions charged against income in the year were £216,000 (2023 - £190,000). Outstanding contributions (both employer and employee) at the balance sheet date were £30,000 (2023 - £27,000).

32. Related party transactions

There were no related party transactions in the previous two years.

33. Legal status of the Hospice

St David's Foundation Hospice Care is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word "limited" and is a registered charity. The liability of each member in the event of a winding-up is limited to £1.

Accounts



**ST DAVID'S FOUNDATION
HOSPICE CARE**

**TRUSTEES' ANNUAL REPORT AND
CONSOLIDATED FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2023**

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YEAR ENDED 31 MARCH 2023

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The Trustees are pleased to present their annual report with the audited, consolidated financial statements of St David's Foundation Hospice Care ("the Hospice") for the year ending 31 March 2023.

This Trustees report incorporates the requirements of a Directors' report required by company law.

COVID-19 Pandemic

The Pandemic continued to cause disruption during 2022/23 particularly in our In-Patient Unit. Staff sickness remained problematic during the first three quarters of the year. Retail footfall was also reduced in the first six months of the year.

Objectives and activities

The principal objective of the Hospice is to relieve sickness and pain among persons who are suffering from any chronic or life-threatening illness in England and Wales. The Hospice currently confines its work to Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Hospice provides a specialist, multi-professional palliative care service in community, Day Hospice and in-patient settings.

The main focus of our work is to provide 24-hour supportive palliative nursing care in patients' own homes via our Clinical Nurse Specialists, Hospice at Home team, our In-Patient Unit, our Day Hospices and to provide support through our Family Support Team.

The Hospice aims to meet this objective by:

Putting patients and their carers first

- delivering excellent high quality and responsive care, free of charge at the right time and in the right place;
- providing bespoke care that meets the individual needs of patients, carers and their families;
- working with Health Boards and other health and social care professionals to support and care for those who need our service;

Supporting and empowering staff and volunteers

- developing a workforce with the skills and ability to deliver our purposes;
- creating a supportive, respectful, listening environment for our valued staff and volunteers;

Strengthening our foundations as a charitable organisation

- making the best use of existing resources to ensure efficiency and effectiveness;
- maximising and diversifying our income generation to fund and develop our services;

Engaging with our communities

- working with and developing mutually beneficial relationships;

- building on and enhancing our excellent reputation and profile;
- being committed to widening access and being inclusive;

Looking forward

- responding and adapting to external influences and changing in a timely manner;
- being innovative and pro-active leaders in our field;
- developing a hospice for the future by always seeking to improve methods and practices;

Striving to be the best at what we do

- aspiring to always exceed quality standards for all aspects of the care and services that we deliver;
- listening and responding to the needs of our patients and communities to keep them at the heart of everything we do;
- being a developing and learning organisation through evaluating our delivery and sharing best practice.

The Hospice undertakes nine core charitable activities to meet its objectives:

- Community Clinical Nurse Specialists
- Hospice at Home
- The Day Hospices
- Fifteen bed In-Patient Unit
- The Family Support Team
- Adult and children bereavement care
- Complementary therapies
- Chaplain service
- Education

Community Clinical Nurse Specialists

"I cannot express my gratitude to St David's enough for the palliative care provided to my Mum. It is hard to imagine anyone having more expertise and providing a more compassionate service than they did."

A relative

The Hospice employs a large team of Clinical Nurse Specialists. They are highly trained, skilled palliative care professionals. The Clinical Nurse Specialists are allocated to GP practices and work as core members of the primary healthcare team. The role of the Clinical Nurse Specialist is to:

- support the patient and family by managing symptom control such as pain and nausea;
- provide information regarding diagnosis and treatment;
- liaise with the Primary Healthcare Team on a plan of care;

- be the key worker within the Hospice and refer patients to other hospice services and other community services;
- work with patients regarding their preferred place of care and preferred place of death.

Hospice at Home

The Hospice at Home team aims to provide end of life care at home and to enable patients to have choice about where they die. The service also provides respite care to patients to help relieve carer fatigue. The service is delivered with a skill mix of registered palliative care nurses and health care support workers. Each patient and their family are assessed individually to ensure the Hospice develops the best possible package of care for each situation.

"When the nurses arrived at 10pm each evening it allowed us to get some rest, knowing that Dad was in excellent hands, with his pain controlled and most of all, that he would not be alone overnight."

A relative

In-Patient Unit

The In-Patient Unit is a Consultant led Specialist Palliative Care unit with 15 beds for adult patients who suffer from progressive life limiting conditions and live within the five localities of Aneurin Bevan University Health Board (ABUHB). The service is free for patients and families who fulfil the criteria for admission, which include short term care for the management of complex symptoms, assessment, emotional or psychological distress, rehabilitation following treatment and care at the end of life. The In-Patient Unit does not provide long term nursing care. Holistic care is co-ordinated by a multi-professional team, with a mix of skills that encompass the physical, spiritual, psychological and social requirements of patients and families. All admissions to the In-Patient Unit are decided by the ABUHB medical team.

"My family and I want to thank all the amazing doctors and nurses who took such loving care of our Dad and our family. We were so pleased he managed to spend his last days in such a peaceful place."

A relative

Day Hospices

We have three Day Hospices which run throughout the week with patients attending between 9:30am and 4pm at the service most local to them. They are:

- Ysbyty Ystrad Fawr, Ystrad Mynach
- County Hospital, Pontypool

- Blackett Avenue, Newport

Day Hospice is a friendly and comfortable place for patients to meet and gain support from others who are in a similar situation, and take part in a range of activities and interests. Patients are able to choose breakfast and lunch from our menu and can enjoy a relaxing bath at some of the locations. Group or individual relaxation sessions and complementary therapy treatments are also available. There is always a Palliative Care Nurse on hand for patients to discuss their condition or medication.

Usk House

Usk House provides a drop-in service one day a week.

The Hospice Harmony Choir

The Hospice Harmony Choir have been singing together for over three years and have performed at music concerts and festivals. Any patient, their carer or family member can join the Choir which usually meets in Blackett Avenue Day Hospice. Those that attend will often report feeling much more energised and uplifted after attending and the group have become a new form of support for each other. On average we have around 30 participants and have more concerts and activities planned, including percussion sessions to be introduced.

The Family Support Team

The Family Support Team are part of the multi-professional team supporting patients and their families with a wide range of social, financial, practical and emotional needs. The team includes:

- Social Workers;
- Welfare Rights Advisors;
- Carer Support;
- Bereavement Support;
- The Unicorn Service supporting children, young people and their families.

Social Workers work across the community and in-patient services supporting patients, families and carers with a wide range of issues.

Welfare Rights Advisors ensure that our patients and families have support to navigate the welfare reforms, access their full entitlements and have fewer money worries.

The Bereavement Service provides support to anyone coping with the loss of a patient of the Hospice.

"T. just listened which really helped me as I am not good at talking about feelings, she was so nice and made me feel at ease. I found her easy to chat to."

A bereaved relative

Well-being groups

During the year well-being groups were established by the Occupational Therapist. The aim of our well-being groups was to give individuals the opportunity to gain some helpful self-management techniques for symptoms such as fatigue, breathlessness and anxiety and to meet with other individuals who were in a similar position in order that they could share some of their experiences and helpful strategies which have improved their well-being.

"I found it reassuring to share my feelings of wellness with like-minded people who understand the subtleties of the complexity of living well with cancer"

A patient who attended a well-being group

Complementary Therapy

The Complementary Therapy Team at St David's Hospice is made up of experienced therapists. Complementary therapies are offered in conjunction with conventional medical treatment and are offered primarily for the relief of stress and anxiety but can also assist in relieving physical symptoms such as pain, insomnia, nausea and muscle tension. In general, complementary therapies can be used to induce a feeling of well-being and of 'letting go' and are also aimed at giving the patient a 'treat' rather than a treatment.

Therapies include massage, aromatherapy, reflexology and Reiki and are provided at patient's homes or within the Day Hospice or In-Patient Unit setting.

Chaplaincy Service

The Hospice has been providing a chaplaincy service since June 2019. The Hospice has its own Chaplain but also has a very dedicated volunteer spiritual care team who are much appreciated by parents and families alike.

Occupational Therapy

Historically this service was purchased from ABUHB but now the Hospice employs the OT directly. The service is provided primarily in the In-Patient Unit but the OT also provides community and Day Hospice sessions. This has been a positive development.

Education

The Education Department works closely with local Universities through endorsements of specific courses and mentoring of student nurses. A wide range of teaching strategies are used to improve the knowledge and skills of staff to care for people, their families and carers facing a progressive life-threatening illness which is no longer curable. Regular courses are provided for nursing and residential homes in palliative care.

Public benefit

Our charitable services are provided without charge to all members of the public with a life threatening illness who are referred by a health care professional and who live in Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Trustees are of the opinion that they have complied with their duties to have due regard for the guidance on public benefit. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Hospice's aims and objectives and in planning our future activities.

Statement of purpose

St. David's Hospice Care aims to:

- provide a comprehensive range of holistic hospice and palliative care services within the unitary authorities of Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys;
- ensure all staff are appropriately trained and encouraged to participate in continued professional development;
- respect the dignity and privacy of service users at all times and respect the individuals' rights and choice in their care;
- receive referrals of patients who have a diagnosis of a life-threatening illness (either cancer or non-cancer of patients aged 17 years and over);
- promote and disseminate current research and good practice to the wider healthcare community;
- work within the requirements of the Care Standards Act 2000, the Nurses Agencies (Wales) Regulations 2003, the Domiciliary Care Agencies (Wales) Regulations 2004 and the National Minimum Standards for Independent Health Care Services in Wales 2011;
- support the needs of patients' carers and families during the patients' illness and into bereavement;
- provide personal care to young people and adults (aged 17 years and over) within an agreed criteria;
- provide respite care through Day Hospice, Hospice at Home, in-patient care and carer support.

Strategic report

The strategic report required under company law comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods* below.

Key performance indicators

The Hospice uses a range of performance measures to monitor its performance. The key measures related to its charitable work are given in the achievements and performance section starting on page 5. The key financial performance indicators, including the Hospice's reserves, are disclosed in the financial review starting on page 7.

Achievements and performance

In last year's financial statements we set out the following priorities for the forthcoming year:

Priority	Outcome
Continue with retail redesign focusing on sustainability, maximising income and working efficiently.	 This has been partially completed but further redesign will move into 2023/24.
Further develop the Hospice at Home team, being innovative to increase recruitment.	 Partially achieved. Further work is required to maximise recruitment and retention.
Continue to develop the skill mix within CNS teams and In-Patient Unit.	 Achieved.
Extend family support services to meet the growing demand/complexity of our patients and families.	 Achieved.
Invest in our digital/on-line presence.	 Partially achieved. New website achieved, further work needed on social media platforms.
Work with Welsh Government to increase funding to voluntary hospices.	 Partially achieved.
Drive forward the inspection process for hospices in Wales.	 Partially achieved. Work continues on this.
Develop a three year education plan.	 Achieved.

Community Clinical Nurse Specialists

	2023	2022
Number of patients	3,498	3,386
Average caseload	1,439	1,355
New referrals	2,118	2,095
Discharges	122	195
Deaths	1,896	1,736
Deaths at home	1,309	1,259
% died at home	69%	73%

"We can't thank you enough for all the support and care you showed towards our mum during your visit. Your guidance helped us through a difficult time and we will always be grateful."

A relative

- The five teams work through Caerphilly, Monmouthshire, Newport, Torfaen and South & Mid Powys. Each Clinical Nurse Specialist (CNS) is assigned to one or more GP surgeries. The CNS team cared for

3,498 patients which is an increase on the previous year (2022 – 3,386).

- Overall referrals rose slightly to 2,118 from 2,095 in 2022.
- We aim to ensure across the service that at least 60% of patients die in their usual place of residence (excluding Hospice at Home). In 2023 we achieved this with 1,309 of 1,896 (2022 – 1,259 of 1,736) patients dying at home.

Hospice at Home

	2023	2022
Average monthly caseload	55	80
New referrals	682	724
Hours of care	34,452	38,440

TRUSTEES REPORT

YEAR ENDED 31 MARCH 2023

"My husband needed to find a peaceful place. The hospice at home allowed us some quiet time to be with him. St David's created a difference allowing him to slip away peacefully without discomfort."

The wife of a patient

- The highly valued team support offered by the Hospice at Home remains at the core of what the Hospice aims to achieve, ensuring patients have *real* choice about where to receive their end of life care.
- There has been a 10% decrease in the number of hours of care provided compared to last year (2022 - 20% decrease), with a total number of hours of care provided of 34,452 (2022 - 38,440). This was due to COVID-19 and recruitment of staff.
- We continue to offer a flexible bespoke service which is tailored to each individual patient and their family.
- Our Hospice at Home service is registered with Care Inspectorate Wales. Our latest inspection can be requested directly from Care Inspectorate Wales.

In-Patient Unit

	2023	2022
Admissions	255	208
Discharges	74	66
Deaths	146	124
Average length stay in days	13	16
Average bed occupancy	60%	57%

"The staff and volunteers are welcoming, friendly and kind. The atmosphere is peaceful and calm."

An In-Patient Unit patient

- The number of admissions to the Hospice In-Patient Unit has increased from 208 to 338.
- The In-Patient Unit is regulated by Healthcare Inspectorate Wales. A quality check was carried out by the Inspectorate body, Health in Wales (HIW) on 23rd March 2022 with two recommendations.

"I was reassured from the very start that my wife was in the best possible hands – thank you, I am sure your staff increased the families time with her."

The husband of an In-Patient Unit patient

Day Hospice

	2023	2022
Average monthly caseload	69	42
New referrals	136	103
Attendances	1,776	579

- The day Hospices were closed throughout 2021 but reopened in 2022.

Complementary Therapy

	2023	2022
Average monthly community caseload	71	51
New referrals	352	246
Treatments given	1,289	788

The community caseload does not include Day Hospice and IPU patients.

Family Support Team

	2023	2022
Social Work		
Average monthly caseload	42	55
New referrals	156	149
Visits	377	391
Welfare Rights		
Average monthly caseload	123	138
New referrals	703	730
Visits	9	15
Adult bereavement service		
Average monthly caseload	43	53
New referrals	191	207
Sessions	810	695
Children's bereavement service (Unicorn)		
Average monthly caseload	135	137
New referrals (families)	371	329
Sessions	1,381	1,580

- Welfare rights referrals have decreased from 730 in 2022 to 703 in 2023.
- Referrals to the Unicorn Service rose in the year from 329 to 371.

"My son was a little nervous to go at first but I think he really enjoyed it. He came home and was so excited to tell me that there were other people who had lost parents and not just Nan and Gramps. I think it really made a difference for him."

A parent whose child had used the Unicorn service

Chaplaincy Service

	2023	2022
Average monthly caseload	39	55
New referrals	72	60
Visits	2,196	2,424

Out of hours – on call

This 24-hour a day advice line provides invaluable support to patients, families and healthcare professionals. The demand for this service has remained similar to previous years. A total of 2,498 calls were made in the year (2022 – 2,227).

Clinical risk management

- The team managers complete quality and patient safety reports monthly and these are assessed and actioned at a monthly Quality and Assurance meeting.
- Senior clinical managers meet weekly to discuss and action any issues arising.
- Policies and procedures are updated regularly.
- The Trustee Clinical Governance Committee meets four times a year.
- A monthly SMT meeting for the In-Patient Unit is held with representatives from ABUHB.
- Risk assessments are completed for every patient and their family.

Compliments and complaints

Although the Hospice aims to provide the very best care to our patients and families there are rare occasions where we do not meet the standard we would expect. As a hospice we take every complaint or concern very seriously and aim to learn from these occasions. A copy of our complaints policy can be obtained from the Hospice.

We receive many compliments and always take the opportunity to learn from these situations and share good practice.

Financial review

Overall the Hospice's income increased by £1,016,000 to £9,713,000. The Hospice's total expenditure increased by £465,000 to £8,341,000. The Hospice's spending on

charitable activities increased by £293,000 from £4,637,000 to £4,930,000.

The financial impact of COVID-19

The direct financial impact of COVID-19 has now largely passed and the Hospice has returned to its traditional retail and fundraising activities. However trading continues to be challenging in these areas in part due to changes in behaviour of the general public as a result of the pandemic.

Legacy income

The Hospice has recognised legacy income of £2,115,000. This represents an increase of £1,486,000 compared to 2022. It compares to an average per year over the five years to 31 March 2023 of £1,132,000.

Funding sources

The Hospice receives funding to provide its services from a variety of sources. The Hospice received the following from the Welsh Government and NHS Health Boards under long term agreements:

	Income £000		% of the expenditure on charitable activities	
	2023	2022	2023	2022
NHS service level agreements	1,824	1,718	37%	37%
Welsh Government	17	19	0%	0%
	1,841	1,737	37%	37%

The Hospice receives additional NHS funding for individual continuing health care packages.

	Income £000		% of the expenditure on charitable activities	
	2023	2022	2023	2022
Care packages	374	427	8%	9%

The Hospice augments this public funding with donations, legacies and grants from trusts. In addition the Hospice operates three core fundraising activities:

- running a network of charity shops;
- organising fundraising events;
- and operating a lottery.

Charity shops (retail trading)

The Hospice operates 38 (2022 – 38) charity shops. The shops primarily sell second hand goods donated by members of the public. In addition new goods are sold by the Hospice's trading subsidiary within the shops. The sale of new goods represented 9% (2022 – 6%) of retail trading income.

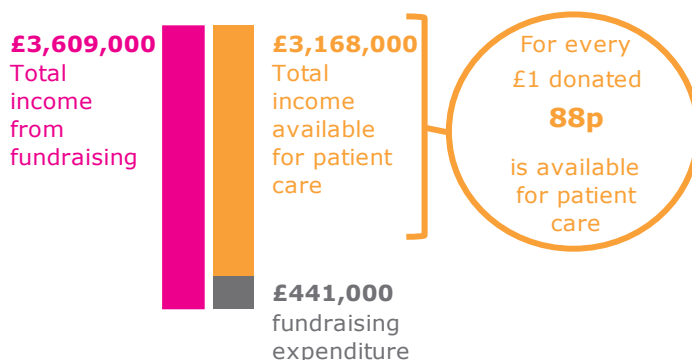
The shops provided a surplus of £382,000 in the year to support patient care.



Fundraising

The fundraising department incorporates both the work associated with appealing for donations and the subsequent administration together with the work associated with organising fundraising events. The net surplus from all fundraising, after the allocation of support costs, was £3,168,000 (2022 – £1,790,000). The surplus margin has increased to 88% (2022 – 81%).

Pence in the pound



Lottery

The Hospice operates a weekly lottery draw. Most members play every week. Twice a year extra prizes are awarded for the draw. On these weeks additional tickets are sold more widely to the general public.

The net surplus from the lottery after the allocation of support costs was £150,000 (2022 – £157,000). This represents a surplus margin of 43% (2022 – 45%).

VAT

The Hospice continues to benefit from the VAT refund scheme for palliative care charities which means it has been able to reclaim the VAT on its non-business activities. The additional VAT that the Hospice would not otherwise have

been able to recover was £140,000 (2022 – £112,000). The Hospice continues to suffer irrecoverable VAT on some of its expenditure notably expenditure on its lottery and on most fundraising events. The total irrecoverable VAT suffered was £33,000 (2022 – £25,000).

Investment policy

The Trustees reviewed and approved the investment policy on 24 April 2023.

Purpose of the Hospice's investment

The Hospice's investment policy is closely aligned with its reserves policy which sets out that free reserves are primarily held to cover an unexpected reduction in income over the forthcoming twelve months. As such the Hospice's policy is to keep most surplus cash on deposit with UK based institutions. The terms of deposits may range from instant access to twelve months term deposits to ensure the funds are available if required without loss of capital or interest.

However in order to mitigate the risk of a real term loss in the value of reserves due to inflation the Hospice will invest a limited proportion of reserves in asset classes other than cash (the investment portfolio).

The Hospice calculates a risk based, free reserves requirement every year as set out in the reserves policy. This sets out the level of free reserves that the Hospice will seek to hold. The Hospice will retain at least 100% of the free reserves requirement as cash on deposit. Any additional funds may be invested in the portfolios at the discretion of the Governance Committee.

The level of funds invested in the portfolio will be reported to the Governance Committee as part of the routine management accounts reporting.

Investment Manager

The investment portfolio will be managed on a discretionary basis which means the buy and sell decisions will be made by an Investment Manager subject to the conditions and ethical considerations set out in this policy. The Investment Manager will be appointed by the Governance Committee.

The Governance Committee may select one or more Investment Managers to manage the portfolio.

The Governance Committee will review the appointment of the Investment Managers at least every five years. This review may include a formal tender for the role at the discretion of the committee.

Objectives of the investment portfolio

Funds in the investment portfolio will be invested to produce the best financial return with an acceptable level of risk.

In the short term, income from the investment portfolio will not be used to fund charitable activities. The investment objective is therefore to increase the overall total return of the fund. Since the expectation is that any income from the investment portfolio will be reinvested in the portfolio, the Hospice does not have a preference for either income or capital growth.

To meet its objectives the Hospice investment portfolio can be invested widely according to the Trustees' general power of investment and should be diversified by asset class, and by security. Asset classes could include cash, bonds, equities, commodities and any other assets that are deemed suitable for the Hospice. The weighting of the classes of assets will be at the discretion of the Investment Manager subject to the conditions of this policy.

It is anticipated that investments will primarily be in UK based assets.

Risk

Giving due consideration to the proportion of the overall free reserves the investment portfolio represents, the low risk to which the rest of the free reserves are subject and the acceptance of risk identified following the analysis undertaken the risk level has been set as medium high.

A medium high risk level means that a large proportion of the investment portfolio may be held in equity investments. A broader range of equity markets and sectors is likely to be used. However fixed interest and non-equity investments may form part of the portfolio.

Time horizon

The Hospice is expected to exist in perpetuity therefore the Hospice can adopt a long term investment time horizon. For the purpose of this policy, the anticipated investment time horizon is over ten years.

Reporting and monitoring

The Investment Managers will be required to produce a valuation and performance report every month.

The Investment Managers will present a performance report at least once a year.

The Governance Committee have responsibility for agreeing the investment objectives and monitoring the investment assets. The committee will meet at least once a year to review the portfolio, including an analysis of return, risk and asset allocation and to review this policy.

Benchmarking

Performance of the investment portfolio will be monitored against the FTSE UK Private Investor Balanced index.

Restricted funds

The investment portfolio will not include any restricted funds of the Hospice.

Ethical investment policy

The Hospice will not invest in companies that produce more than 5% of their revenues from the production and distribution of tobacco and alcohol products. This is in line with the overall objectives of the Hospice.

Principal risks and uncertainties

COVID-19

The risks to the Hospice from COVID-19 appear to have reduced however the possibility of new variants affecting the Hospices ability to deliver its services remains a risk. Long term behavioural change affecting footfall in our shops also remains a concern.

Financial risks

The Trustees identify the financial risks facing the Hospice as part of the review of the reserves policy. The risk based policy identifies over 20 potential risks to the Hospice's income and expenditure. These may be general, covering a broad class of income or expenditure, or may identify a more specific risk. The principal risks by value are:

- a general risk of over estimation of charity shop sales due to unforeseen external market conditions;
- a risk of an unforeseen reduction of the quality and quantity of stock donations to our shops;
- a general risk of spending over budget within retail shops due to necessary but unbudgeted costs;
- a risk of increased demand to the Hospice At Home service leading to unbudgeted additional costs.

The Hospice primarily mitigates these risks by a regular review of the reserves policy which is aligned closely with the risks identified. Action is taken to ensure reserves remain sufficient. Regular management accounts and other management information is prepared monthly and reviewed by management and Trustees to monitor whether, in light of any risks occurring, any mitigating action is necessary.

Non-financial risks

The Hospice also faces non-financial risks. These may ultimately have a financial impact but would principally affect the services we provide in other ways. The principal non-financial risks are:

- the risk of reputational damage that negatively affects engagement with the Hospice by the public, the NHS and other bodies caused by:
 - a clinical error or omission leading to the mistreatment of a patient;
 - injury or other harm coming to a patient or other member of the public, such as through abuse, by staff, volunteers or members of the public;
 - injury or other harm coming to a member of staff through a failure in their duty of care by management;
 - injury or other harm coming to a participant at a fundraising event.
- The risk to the Hospice caused by the loss of senior staff.

The Hospice's strategy for mitigating the impact of reputational risk is primarily to ensure appropriate clinical governance is in place to monitor and improve our service. The Hospice follows best practice for protecting vulnerable adults and others. Monitoring of staff and public health and

safety is core to governance at all levels and is supported by a qualified Health and Safety Officer.

Plans are in place in the case of the loss of a senior member of staff. The Hospice has a strong senior team who would provide proficient management in the short term.

Reserves policy

The Trustees have determined that the Hospice maintains reserves:

- to ensure the continuity of service in the event of an unexpected reduction in income whilst alternative funding is sought or expenditure on services is modified;
- to provide funds to replace fixed assets without having to finance the purchase;
- to provide working capital so that the Hospice can manage settling its liabilities when they become due efficiently.

As a mature organisation with a variety of established income streams and predictable, well-planned expenditure the Trustees consider it most appropriate for the Hospice to operate a reserves policy centred on an analysis of the potential risks to the amounts of those income streams and of the potential risks of over-expenditure. In order to quantify the reserves required, the following steps were undertaken as part of the annual budgeting process:

- the expected income for the forthcoming year was identified and classified;
- the potential risks of each class of income were identified;
- the potential proportion of each class of income that was at risk of not being received was estimated and multiplied by the total expected income for that class of income to provide the value of income at risk for that class of income;
- a similar exercise was undertaken to identify and quantify the risk of over-expenditure for the different classes of expenditure;
- all the individual amounts were added together to give a basic risk reserve requirement;
- a general provision of 5% of the basic risk requirement was then added to the total to give the total risk reserve requirement;
- finally, the reserves required for future fixed asset purchases were added to give the overall total reserves requirement.

It is the opinion of the Trustees that the total reserves requirement need only cover a 12 month period since this would provide sufficient time to reduce expenditure or seek alternative sources of income.

The Trustees have included an additional £870,000 (2022 - £860,000) in the reserves requirement to cover the potential loss of income due to the COVID-19 pandemic.

From this exercise the Trustees have determined that the Hospice requires reserves of £2,612,000 (2022 - £2,596,000). The following table compares reserves

required by the policy and reserves held. In accordance with Charities SORP (FRS 102) paragraph 1.48, reserves held are considered after making allowance for

- restricted funds;
- any fund that can only be realised by disposing of tangible fixed assets;
- and any designated funds that have been established.
- The details of the movement in restricted and designated funds and the purpose of each fund is set out in note 28.

	2023	2022
	£000	£000
Total funds	16,485	15,256
Less restricted funds	(13)	(68)
Less fixed assets held in unrestricted funds	(8,444)	(8,472)
Total reserves before designation of funds	8,028	6,716
Designated funds	(870)	-
Undesignated reserves	7,158	6,716
Reserves required by the policy	2,612	2,596
Undesignated reserves above policy	4,546	4,120

The Hospice holds £4,546,000 (2022 - £4,120,000) of undesignated reserves above the policy.

The Trustees are mindful that the last three years have been exceptional in terms of legacy income and therefore it is appropriate that at this point undesignated reserves are in excess of the policy. It is expected that legacy income will not remain at this level in forthcoming years and will continue to be volatile.

Plans for future periods

Our key priorities for the forthcoming year are to:

- Increase the Day Care provided by our Hospice at Home Service.
- Move towards paperless clinical records.
- Implement HR software across the Hospice.
- Review our Day Hospice Care.
- Review and develop our retail operation.
- Work closely with partner organisations to improve patient care across Aneurin Bevan University Health Board and Powys Teaching Health Board.

Structure, governance and management

Governing document

St David's Foundation Hospice Care is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

The Hospice was incorporated on 24th March 1992 and its Memorandum and Articles of Association were altered by Special Resolutions passed on 9th January 1995, 29th March 2001, 26th May 2005 and 27th September 2007.

*Wonderful with my first husband
and wonderful again after 17
years.*

A relative

Operating name

The Hospice operates under the name "St David's Hospice Care".

Directors and Trustees

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Recruitment and appointment of Trustees

The Chair, Board and Chief Executive review the Board performance yearly through an appraisal system. During this process it is identified if there are any skills or experience gaps on the Board. If and when a vacancy becomes available, the Board will look to recruit a member to the Board with the necessary knowledge and experience. Appointments are made via an application and interview

process. References are obtained and enhanced DBS check completed.

Anyone co-opted onto the Board during the year is formally elected at the AGM as set out in the Articles of Association.

Trustee induction and training

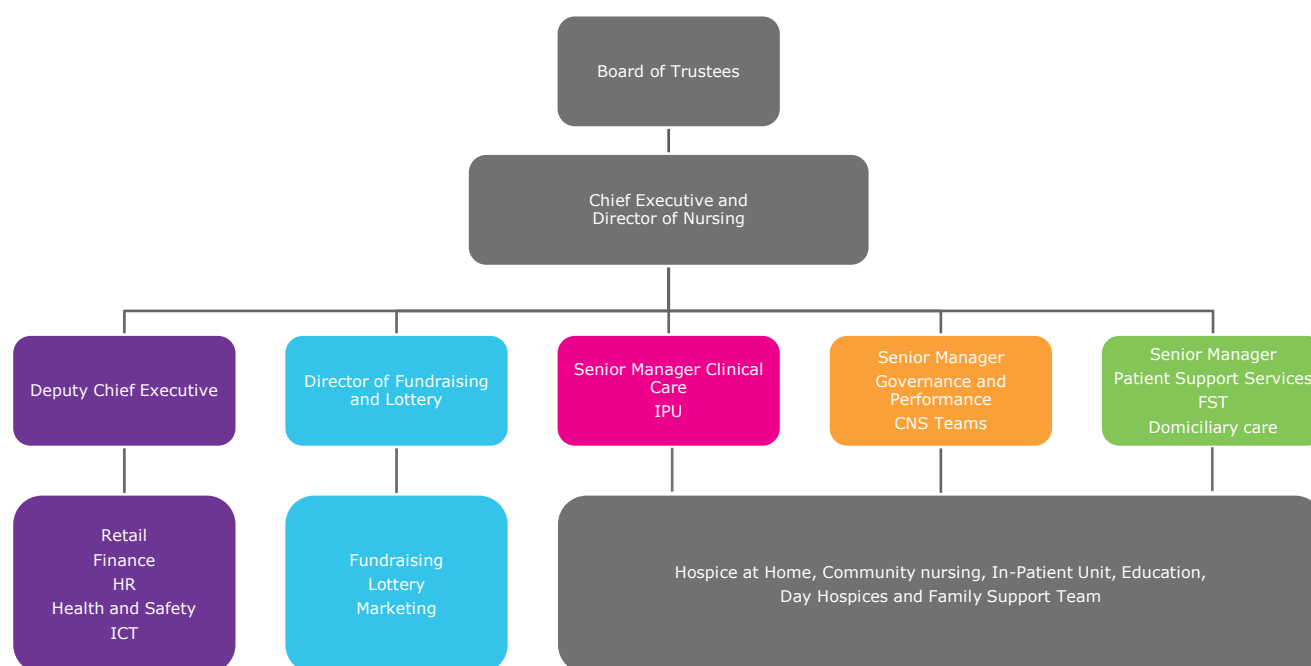
The Hospice ensures each Trustee has a comprehensive induction when appointed. Trustees are provided with various Charity Commission documents and guidelines to support them in their role. An annual appraisal system for Trustees highlights any training needs.

Organisation

The Board of Trustees are voluntary members, who meet six times per year and administer the Hospice. The following sub-groups advise the Board: Governance Committee; Retail; Clinical; Safeguarding and Income Generation. The remit of the Governance Committee includes Finance, Health & Safety, the reporting of Clinical Incidents and Risk Management. Health & Safety matters are discussed by an employee Health & Safety Committee in the first instance and issues are forwarded to the Governance Committee. The Governance Committee report back to the Board of the Trustees on a bi-monthly basis.

The Trustees appoint a Chief Executive to take overall responsibility for the management of the Hospice by providing professional leadership through the development of strategic plans agreed with the Board of Trustees. The Chief Executive is supported by other members of the Senior Management Team, who prepare reports for the bi-monthly meetings of the Board of Trustees. The key management personnel comprise the Board of Trustees and the members of the Senior Management Team. The structure of the key management team is set out in the chart below.

The subsidiary company has two directors who are the Chair and Chief Executive of the Hospice.



The key management personnel

Pay policy for key management personnel

The Trustees consider the key management personnel of the Hospice to be the Board of Trustees and the Senior Management Team.

All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 17 and 32 of the accounts.

The pay of the Senior Management Team is benchmarked against similar roles in the NHS or other comparable organisations. There is an emphasis on ensuring value for money for the Hospice whilst enabling the recruitment and retention of staff with appropriate skills and experience.

For the Chief Executive / Director of Nursing this exercise may be undertaken by the Chair or an external consultant. Any increases are related to performance and approved by the Board of Trustees.

For other members of the Senior Management Team, benchmarking is undertaken informally by the Chief Executive / Director of Nursing.

The remuneration paid to key management personnel is set out in note 16.

Disabled employees

The Hospice gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Charity's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Volunteers

The Hospice benefits greatly from the support of general volunteers who contribute throughout the organisation supporting both our charitable work and our fundraising activities. Roles include assisting in charity shops, marshalling at fundraising events, volunteering on reception and in our Day Hospices.



Volunteers in our shops donated more than 98,000 hours of their time to help raise funds to support our work.

Special acknowledgements

The Board wishes to record its appreciation for the generosity of the many supporters of St David's for their donations and bequests and to the hundreds of volunteers who give so willingly of their time and expertise. Thanks are also expressed to the President, Vice-Presidents and Patrons who serve in an honorary capacity.

The Board also wishes to acknowledge the tremendous dedication of the clinical, fundraising, retail and administrative staff to fulfilling the objectives of the Hospice. The continued increase in the level and quality of the service is a tribute to their commitment and loyalty.

Reference and administrative details

Charity number: 1010576
 Company number: 2700097
 Registered Office: St David's Hospice Care, Blackett Avenue, Newport, NP20 6NH

President: Brigadier Robert Aiken CBE, Lord Lieutenant of Gwent

Vice-Presidents: Mr J. Capel
 Mr M. Davies OBE CSTJ
 Mr R. Noble OBE

Patrons: Baron Touhig of Islwyn and Glansychan
 Mr J. Over QPM, CPM, DL

Ambassadors: Mrs S. Lloyd
 Mr R. O'Shea
 Mr A. Jones

Key Management Personnel: Trustees

Chair: Mr J. O. Thompson
 Vice- Chair: Mrs M. Van de Weyer
 Treasurer: Mr R Tovey (appointed 26 January 2023)

Trustees:	Dr R. C. G. Bracchi	Dame R. Butler DBE
	Mrs J. E. Child	Mr M. Davies OBE CSTJ (resigned 6 October 2022)
	Mr J. L. M. Felvus	Dr C. C. Gaffney
	Mr R S Hall	Rev E. Hills
	Mr M. Hine	Dr J. W. Holland
	Mr D. J. Waters (appointed 10 July 2023)	

Mr J O Thompson was appointed as Chair on 6 October 2022 following the resignation of Mr M. Davies. On 25 May 2023 Mrs M. Van de Weyer was appointed as Vice-Chair and resigned as Treasurer and Mr R Tovey was appointed as Treasurer.

Key Management Personnel: Senior Management Team

Chief Executive:	Mrs K.E. Saysell MBE
Deputy Chief Executive	Mr A. Hadley
Director of Fundraising and Lottery:	Mr K. Broome
Senior Manager Governance and Performance:	Ms K. Hughes
Senior Manager Clinical Care:	Ms S. Thomas
Senior Manager Patient Support Services:	Ms G. Tanner

Advisors

Auditors:	Advantage Accountancy & Advisory Ltd, Avalon House, 5-7 Cathedral Road, Cardiff, CF11 9HA
Bankers:	National Westminster Bank plc, High Street, Newport, NP20 1GG
Solicitors:	Robert Davies Partnership LLP, Wentwood House, Langstone Business Village, Newport, NP18 2HJ
	Temple Bright LLP, 29 Great George Street, Bristol, BS1 5QT
Investment Managers:	Charles Stanley & Co. Ltd, 7/8 Park Place Cardiff CF10 3DP
	Brewin Dolphin, 2nd Floor, 5 Callaghan Square, Cardiff, CF10 5BT

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also Directors of St David's Foundation Hospice Care for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements the Trustees are required to:

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

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

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Senior Management Team and the Board of Trustees. The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- a strategic plan and annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of day to day management authority and segregation of duties;
- identification and management of risks.

Statement of disclosure to our auditors

So far as the Trustees are aware, there is no relevant audit information of which the Hospice's auditors are unaware, and they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Hospice's auditors are aware of that information.

In approving this Trustees' Report, the Trustees are also approving the Strategic Report (which comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods*) in their capacity as company directors.

Approved by the Board of Trustees on 27 July 2023.



Mrs K.E. Saysell
Company Secretary
Registered Office
St David's Hospice Care
Blackett Avenue
Newport
NP20 6NH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of St David's Foundation Hospice Care for the year ended 31 March 2023 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheet, the Group Statement of Cashflows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Group's and the Parent Charitable Company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts does not cover the

other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 within the Trustees' 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.

Responsibility of Trustees

As explained more fully in the Trustees' Responsibilities Statement [set out on page 14], the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2023

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 is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK corporate taxation laws, employment legislation and health and safety legislation.
- We obtained an understanding of how the company are complying with those legal and regulatory frameworks by making inquiries to management. We corroborated our inquiries through our review of board papers, minutes and legal correspondence.
- We assessed the susceptibility of the company's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the

potential for override of controls or other inappropriate influence over the financial reporting process;

- performing analytical procedures to identify any unusual or unexpected relationships;
- challenging assumptions and judgements made by management in its significant accounting estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- assessing the extent of compliance with relevant laws and regulations.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

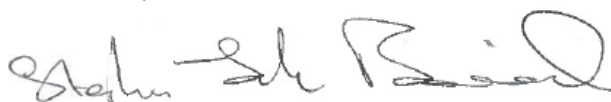
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance Chapter 3 of Part 16 of the Companies Act 2006 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen John Bickerton (Senior Statutory Auditor)
For and on behalf of Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants & Statutory Auditors

Avalon House
5-7 Cathedral Road
Cardiff
CF11 9HA

Date: 27/7/22

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including Income & Expenditure Account)

YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
	Note						
Income							
Donations and legacies	2	3,121	45	3,166	1,756	125	1,881
Charitable activities	3	2,463	37	2,500	2,815	94	2,909
Other trading activities	4	3,934	-	3,934	3,772	-	3,772
Investments	5	102	-	102	37	-	37
Other	6	11	-	11	98	-	98
Total Income		9,631	82	9,713	8,478	219	8,697
Expenditure							
Raising funds	8/9	3,400	11	3,411	3,233	6	3,239
Charitable activities	10/11	4,814	116	4,930	4,452	185	4,637
Total expenditure		8,214	127	8,341	7,685	191	7,876
Net income before gains / (losses) on investments		1,417	(45)	1,372	793	28	821
Net gains / (losses) on investments	21	(143)	-	(143)	-	-	-
Net income / (expenditure)		1,274	(45)	1,229	793	28	821
Transfers between funds	28	10	(10)	-	8	(8)	-
Net movement in funds		1,284	(55)	1,229	801	20	821
Reconciliation of funds:							
Total funds brought forward	28	15,188	68	15,256	14,387	48	14,435
Total funds carried forward		16,472	13	16,485	15,188	68	15,256

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

All income and expenditure derives from continuing operations.

There is no Corporation Tax payable on any of the activities.

BALANCE SHEETS

AS AT 31 MARCH 2023

		Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
	Note				
FIXED ASSETS					
Tangible assets	20	8,444	8,472	8,584	8,614
Investments	21	2,530	1,627	2,530	1,627
		10,974	10,099	11,114	10,241
CURRENT ASSETS					
Stock and work in progress	23	165	58	-	5
Debtors	24	2,758	1,520	2,912	1,581
Cash at bank and in hand	25	3,375	4,239	3,366	4,230
		6,298	5,817	6,278	5,816
LIABILITIES					
Creditors: Amounts falling due within one year	26	766	619	746	617
NET CURRENT ASSETS		5,532	5,198	5,532	5,199
TOTAL ASSETS LESS CURRENT LIABILITIES		16,506	15,297	16,646	15,440
Creditors: Amounts falling due after more than one year	27	21	41	21	41
TOTAL NET ASSETS		16,485	15,256	16,625	15,399
THE FUNDS OF THE CHARITY					
Restricted income funds	28	13	68	13	68
Unrestricted income funds	28	16,472	15,188	16,612	15,331
TOTAL CHARITY FUNDS		16,485	15,256	16,625	15,399

The financial statements were approved by the Board of Trustees on 27th July 2023 and were signed on their behalf by:



Mr J. O. Thompson - Trustee and Chair of the Board of Trustees

The notes on pages 21 -39 form part of these Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	A	294	2,002
Cash flows from investing activities			
Dividends, interest and rents from investments		102	37
Sale of plant and equipment		9	9
Purchase of plant and equipment		(202)	(125)
Purchase of investments		(1,046)	(1,017)
Net cash used in investing activities		(1,137)	(1,096)
Cash flows from financing activities			
Repayment of finance leases		(19)	(19)
Finance lease interest paid		(2)	(3)
Net cash used in financing activities		(21)	(22)
Change in cash and cash equivalents in the reporting period		(864)	884
Cash and cash equivalents at the beginning of the reporting period		4,239	3,355
Cash and cash equivalents at the end of the reporting period	B	3,375	4,239

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**A Reconciliation of net income to net cash flow from operating activities**

	2023 £000	2022 £000
Net income for the reporting period (as per the Statement of Financial Activities)	1,229	821
Adjustments for:		
Depreciation charges	223	279
(Gains)/losses on investments	143	-
Dividends, interest and rents from investments	(102)	(37)
Interest payable	2	3
Profit on the disposal of fixed assets	(2)	(3)
Increase in stocks	(107)	(11)
(Increase) / Decrease in debtors	(1,238)	856
Increase / (Decrease) in creditors	146	94
Net cash provided by operating activities	294	2,002

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023

B Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash at Bank	373	969
Cash on short term deposit	3,002	3,270
Total cash and cash equivalents	3,375	4,239

C Analysis of changes in net debt

	At start of year	Cash- flows	At end of year
Cash at bank and in hand	4,239	(864)	3,375
	4,239	(864)	3,375
Finance lease obligations	60	(19)	41
Total	4,299	(883)	3,416

1. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Accounts 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) (effective 1 January 2019) - (Charities SORP (FRS 102) – second edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency of the charity is pound sterling.

All financial information is rounded to the nearest £1000 except for the Trustees' expenses set out in note 17 and the subsidiary undertaking table in note 21.

Going Concern

The Trustees have reviewed the financial position of the Hospice whilst considering the impact of its future plans and activities. At the time of approving the accounts, the Trustees have reasonable expectation that the Hospice has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Trustees continue to adopt the Going Concern basis of accounting in preparing the financial statements.

Group financial statements

The financial statements consolidate the results of the Hospice and its wholly owned subsidiary St David's Trading Limited on a line by line basis. A separate *Statement of financial activities and income and expenditure account* for the Hospice has not been presented because the Hospice has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

Income arises when an event (such as a financial transaction) results in either an increase in the Hospice's assets or a reduction in its liabilities. Income is recognised by the Hospice when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Hospice.
- Probable – it is more likely than not that the economic benefits associated with the event will flow to the Hospice.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Donations

Donations are recognised on receipt. Donations raised through online fundraising platforms are deemed to have been received when the donation has been received by the fundraising platform. Gift aid income is recognised when both the underlying donation has been recognised and there is a valid gift aid declaration.

Legacies

Entitlement to legacy income is deemed to occur when either the Hospice is aware probate has been granted, the estate has been finalised and the Hospice has been notified by the executor that a distribution will be made, or when a distribution is received from the estate if that is earlier.

Where legacies have been notified to the Hospice or the Hospice 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. This most commonly occurs when the Hospice has been notified of residuary legacy but it is unable to reliably measure the amount of the income.

Grants

Grants are recognised when the Hospice has entitlement to the funds, performance conditions attached to the grants have been adhered to, it is probable that the income will be received or has been received, and it can be reliably measured. This includes grants received for the purpose of purchasing fixed assets. When a grant cannot be claimed until certain expenditure has been defrayed entitlement is not deemed to have passed to the Hospice until the expenditure has been so defrayed.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

Fundraising events

Fundraising income from the sale of entry fees for events is included in income when received even if this is before the event. The likelihood of cancellation of the event is remote so it is more likely than not that the economic benefit will flow to the Hospice.

Donations that are closely associated with fundraising events such as sponsorship of event participants by their friends and family are included in fundraising within other trading activities.

Retail

The Hospice receives a high volume of donations of low value second hand goods for resale in its network of charity shops. The Trustees consider it would be impracticable to recognise the income when the Hospice becomes entitled to the economic benefit of the donated goods since the cost of doing so would outweigh the benefits. Therefore in accordance with FRS102 paragraph 34B.4 the income is recognised in the period in which the donated goods are sold.

The Hospice operates a retail gift aid scheme. Under the scheme the legal form of the transaction is that the Hospice operates as an agent on behalf of the donor. Once the goods have been sold on behalf of the donor, the donor offers to donate the proceeds of the sale to the Hospice. This allows the Hospice to claim gift aid on the cash donation. However the substance of the transaction is such that the donor is donating the goods to the Hospice and is therefore treated as such.

Lottery

Lottery tickets sold in advance are deferred and included in the period in which the draw takes place.

Investment income

Investment income is recognised when it is received.

Rental income

Rental income is recognised when invoiced in accordance with the terms of the lease.

Service level agreements

Income from Service level Agreements and other charitable activities are recognised when invoiced in accordance with the terms set out in the agreement.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified by two main activities: raising funds and charitable activities.

Raising Funds

Expenditure on raising funds includes all expenditure incurred by the Hospice to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable Activities

Expenditure on charitable activities includes expenditure incurred on the activities which further the Hospice's objectives.

Support costs

Support costs are those costs that whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. These costs include Governance, Finance, Human resources, ICT and Health and Safety as well as corporate costs including the costs of employing the Chief Executive, financing costs, insurance and legal and professional fees.

Where these costs are directly attributable to specific activities they have been included in those cost categories. Where these costs are attributable to more than one activity they are apportioned across cost categories on the basis of direct staff hours. The Trustees consider this to be the most equitable method of splitting expenditure attributable to more than one activity.

Irrecoverable VAT

The Hospice suffers from irrecoverable VAT due to the fact that it makes exempt supplies and therefore not all input VAT is recoverable. This is written off to the Statement of Financial Activities in the period in which it arises. Under sections 33C and 33D of the VAT Act 1994 the Hospice can recover the VAT on its non-business transactions.

NOTES TO THE FINANCIAL STATEMENTSYEAR ENDED 31 MARCH 2023

Pensions

Details of the pension schemes including the accounting policies adopted can be found in note 31.

Termination payments

Termination payments are payable when employment is terminated by the Hospice before the normal retirement date or end of employment contract. Termination payments are recognised when the Hospice can no longer withdraw the offer of the benefits.

Leases***Finance Leases***

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

At the commencement of a finance lease, the Hospice will recognise its rights of use and obligations under the agreement as assets and liabilities in its balance sheet at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The assets are subsequently depreciated over the shorter of its estimated useful life or the lease term.

The Hospice apportions the minimum lease payments between the finance charge in the Statement of Financial Activities and the reduction of the outstanding liability using the effective interest method. The Hospice allocates the finance charge to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating Leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Lease payments under operating leases are recognised as an expense over the lease term on a straight-line basis.

Taxation

The company has obtained charitable status under Section 505(1a) and (1c) Income and Corporation Taxes Act 1988 and has only undertaken primary purpose activities during the year and is therefore exempt from Corporation Tax.

The profit of the trading subsidiary, St David's Trading Limited, is gift aided to St David's Foundation Hospice Care and therefore no amounts are chargeable to Corporation Tax.

Fixed assets***Intangible fixed assets***

Negative goodwill arising from business acquisitions is capitalised and amortised over 2 years.

Tangible fixed assets

Tangible fixed assets are recorded at cost, or in cases where fixed assets have been donated to the Hospice, at valuation at time of acquisition. Depreciation is charged to write off the cost of fixed assets over their estimated useful lives at the following annual rates:

Freehold buildings	2% Straight Line
Leasehold buildings	Life of Lease Straight Line
Fixtures, fittings and equipment	20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	20% Straight Line

Computer equipment is included within fixtures, fittings and equipment in note 20.

Investments***Investment properties***

Investment properties are included in the balance sheet at fair value. The Hospice arranges a professional valuation by an independent valuer every year.

Listed investments

Listed investments held are shown at fair value which is their market value.

Investments in Subsidiaries

Investments in subsidiary entities are held at cost less impairment.

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Donations of low value second hand goods that remain unsold at the balance sheet date are not included in stock since they are recognised when sold as set out above.

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.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the Hospice 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.

Basic Financial Instruments

The Hospice only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except finance lease liabilities which are subsequently measured at amortised cost using the effective interest method. Investments in listed shares are measured at fair value (market value).

Funds structure

The Hospice's funds are split into restricted funds and unrestricted funds.

Restricted funds

These are funds that can only be used for a particular restricted purpose within the objects of the Hospice.

Restrictions arise when they are specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds

These funds are available for the general purposes of the Hospice, to be used in accordance with the charitable objects at the discretion of the Trustees. From time to time the Trustees may allocate part of the unrestricted funds to be used for particular purposes within the Hospice's objects. Such sums are described as 'designated funds'.

Critical Accounting Estimates and Assumptions

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Recognition of legacy income

The policy for the recognition of accrued legacy income is set out below. It requires judgment about the probability and timing of receipt of legacies. The hospice gives consideration to its historical experience of income from similar legacies and any other information available for a specific estate.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

Depreciation

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

2. Donations and legacies

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Legacies	2,115	-	2,115	593	36	629
In memory	417	-	417	440	2	442
Individuals	355	-	355	439	4	443
Corporate, clubs and societies	43	-	43	28	2	30
Trusts and foundations	36	45	81	87	78	165
Community fundraising	138	-	138	150	3	153
Welsh Government grant	17	-	17	19	-	19
	3,121	45	3,166	1,756	125	1,881

The Welsh Government grant is a government grant to fund a proportion of employer pension costs for certain nurses.

3. Income from charitable activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Service level agreements	1,824	-	1,824	1,718	-	1,718
Hospice Funding (EOLCIB)	223	-	223	-	-	-
Covid-19 emergency funding	-	-	-	630	-	630
Continuing health care	374	-	374	427	-	427
Other charitable activities	42	37	79	40	94	134
	2,463	37	2,500	2,815	94	2,909

£37,000 included in restricted funds within other charitable activities relates to governments grants funded by Welsh Government and distributed by Newport Council to fund one off payments to Health Care Assistants. Similar grants of £94,000 were received in 2021/22 but funded one off payments to a wider cohort of staff providing NHS care indirectly.

4. Income from other trading activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Retail trading	3,142	-	3,142	3,106	-	3,106
Fundraising	443	-	443	317	-	317
Lottery	349	-	349	349	-	349
	3,934	-	3,934	3,772	-	3,772

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

5. Income from investments

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Interest received	52	-	52	16	-	16
Dividend income	45	-	45	17	-	17
Rent from investment property	5	-	5	4	-	4
	102	-	102	37	-	37

6. Other income

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Job Retention Scheme	-	-	-	44	-	44
Insurance Claim	6	-	6	52	-	52
Other	5	-	5	2	-	2
	11	-	11	98	-	98

£nil (2022 - £44,000) was received in government grants as part of the Coronavirus Job Retention scheme.

7. Support costs

The Hospice allocates its support costs as shown in the table below in accordance with the basis of allocation set out in the accounting policies.

	Governance £000	Corporate £000	Finance £000	HR £000	Health and Safety £000	ICT £000	Total £000
Raising funds							
Retail trading	18	100	46	33	19	13	229
Fundraising	1	8	4	3	2	1	19
Lottery	-	3	1	1	1	-	6
Investment management	-	-	-	-	-	-	-
Charitable activities							
In-Patient Unit	10	55	25	18	11	7	126
Community Nursing	7	36	16	12	7	4	82
Hospice At Home	9	50	23	16	10	6	114
Day Hospice	2	9	4	3	2	1	21
Family Support Team	2	10	5	3	2	1	23
Chaplaincy	-	2	1	1	-	-	4
Education	-	-	-	-	-	-	-
Complementary Therapy	1	3	1	1	1	-	7
Clinical Governance	-	1	-	-	-	-	1
Occupational Therapy	-	1	-	-	-	-	1
	50	278	126	91	55	33	633

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

8. Expenditure on raising funds by cost type

	Direct costs 2023 £000	Support costs 2023 £000	Total costs 2023 £000	Direct costs 2022 £000	Support costs 2022 £000	Total costs 2022 £000
Retail trading	2,531	229	2,760	2,416	214	2,630
Fundraising	422	19	441	389	19	408
Lottery	193	6	199	188	4	192
Investment management	11	-	11	9	-	9
	3,157	254	3,411	3,002	237	3,239

9. Expenditure on raising funds by fund

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Retail trading	2,760	-	2,760	2,630	-	2,630
Fundraising	430	11	441	402	6	408
Lottery	199	-	199	192	-	192
Investment management	11	-	11	9	-	9
	3,400	11	3,411	3,233	6	3,239

10. Expenditure on charitable activities by cost type

	Direct costs 2023 £000	Support costs 2023 £000	Total costs 2023 £000	Direct costs 2022 £000	Support costs 2022 £000	Total costs 2022 £000
In-Patient Unit	1,651	126	1,777	1,544	101	1,645
Community Nursing	1,101	82	1,183	1,042	67	1,109
Hospice At Home	1,088	114	1,202	1,095	103	1,198
Day Hospice	312	21	333	286	15	301
Family Support Team	212	23	235	216	20	236
Chaplaincy	41	4	45	40	3	43
Education	37	-	37	39	-	39
Complementary Therapy	57	7	64	31	3	34
Clinical Governance	20	1	21	18	-	18
Occupational Therapy	32	1	33	14	-	14
	4,551	379	4,930	4,325	312	4,637

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

11. Expenditure on charitable activities by fund

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total costs 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total costs 2022 £000
In-Patient Unit	1,777	-	1,777	1,610	35	1,645
Community Nursing	1,183	-	1,183	1,089	20	1,109
Hospice At Home	1,121	81	1,202	1,134	64	1,198
Day Hospice	330	3	333	296	5	301
Family Support Team	203	32	235	175	61	236
Chaplaincy	45	-	45	43	-	43
Education	37	-	37	39	-	39
Complementary Therapy	64	-	64	34	-	34
Clinical Governance	21	-	21	18	-	18
Occupational Therapy	33	-	33	14	-	14
	4,814	116	4,930	4,452	185	4,637

12. Net income / (expenditure) for the year

The net income for the year is stated after charging:

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Operating leases - equipment	1	-	1	3	-	3
Operating leases - Land and buildings	551	-	551	534	-	534
Depreciation of owned assets	200	-	200	256	-	256
Depreciation of assets under finance lease	23	-	23	23	-	23
(Gain) / loss on disposal of fixed assets	2	-	2	9	-	9
Fees payable to auditor for:			-			-
- statutory audit	8	-	8	7	-	7
- other services	-	-	-	-	-	-

13. The charity's surplus in the year

The Consolidated Statement of Financial Activities includes the results of the charity's wholly owned subsidiary. The surplus of the charity alone was £1,224,000 (2022 - £819,000).

14. Staff costs

	Total 2023 £000	Total 2022 £000
Wages and salaries	4,677	4,586
Social security costs	396	365
Pension costs	309	309
	5,382	5,260

Included in Wages and salaries are termination payments of £1,000 (2022 - £18,000).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

The number of employees, whose total employee benefits (excluding employer pension costs) for the reporting period, fell within each banding of £10,000 from £60,000 were as follows:

	2023	2022
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

15. Staff numbers

The average number of staff employed by the Hospice during the year was 248 (2022 – 249). Some of the Hospice's employees do not undertake work every month. The average number of staff paid each month was 233 (2022 – 230).

16. Key management personnel

The key management personnel comprise the Trustees and the Senior Management Team as set out on page 13. None of the Trustees were paid any remuneration or received any other benefits from an employment with the Hospice or its subsidiary. Trustees' expenses are set out in note 17. The total employee benefits paid to the key management personnel was £376,000 (2022 – £374,000).

17. Trustees' expenses

No Trustee claimed expenses in the previous two years.

18. Taxation

The company has obtained charitable status under Section 505(1a) and (1c) Income and Corporation Taxes Act 1988 and has only undertaken primary purpose activities during the year and is therefore exempt from Corporation Tax.

The profit of the trading subsidiary, St David's Trading Limited, is gift aided to St David's Foundation Hospice Care and therefore no amounts are chargeable to Corporation Tax.

19. Intangible fixed assets

	Negative goodwill £000
Asset cost	
Brought forward	(278)
Additions	-
Carried forward	(278)
Accumulated amortisation	
Brought forward	(278)
Carried forward	(278)
Net book value	
Carried forward	-
Brought forward	-

Negative goodwill arose following the acquisition of St Anne's In-Patient Unit in June 2013.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

20. Tangible fixed assets**Group**

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,624	163	1,956	10,968
Additions	-	-	18	184	202
Disposals	-	-	(32)	(18)	(50)
Carried forward	225	8,624	149	2,122	11,120
Accumulated depreciation					
Brought forward	50	623	110	1,713	2,496
Disposals	-	-	(32)	(11)	(43)
Charge for the year	5	90	16	112	223
Carried forward	55	713	94	1,814	2,676
Net book value					
Carried forward	170	7,911	55	308	8,444
Brought forward	175	8,001	53	243	8,472

Company

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,777	163	1,956	11,121
Additions	-	-	18	184	202
Disposals	-	-	(32)	(18)	(50)
Carried forward	225	8,777	149	2,122	11,273
Accumulated depreciation					
Brought forward	50	634	110	1713	2,507
Disposals	-	-	(32)	(11)	(43)
Charge for the year	5	92	16	112	225
Carried forward	55	726	94	1,814	2,689
Net book value					
Carried forward	170	8,051	55	308	8,584
Brought forward	175	8,143	53	243	8,614

The fixed assets of the Hospice includes £58,000 (2022 - £59,000) under Leasehold land and buildings which relate to depreciated, capitalised cost of services provided to the Hospice by its subsidiary for the construction of the Blackett Avenue site. In the year depreciation of £1,000 (2022 - £1,000) has been charged against this asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

The fixed assets of the Hospice also includes £82,000 (2022 - £83,000) under Leasehold land and buildings which relate to capitalised cost of services provided to the Hospice by its subsidiary for the construction of the In-Patient Unit. In the year depreciation of £1,000 (2022 - £1,000) has been charged against this asset.

Included in Fixtures, fittings and equipment are assets that were acquired under finance leases with a net book value of £28,000 (2022 - £51,000).

21. Investments**Group and company**

	Property £000	Listed £000	Total £000
Fair value brought forward	80	1,547	1,627
Additions	-	1,046	1,046
Gains / (Losses)	(10)	(133)	(143)
Fair value carried forward	70	2,460	2,530

The Hospice's Investment Property was revalued as at 31 March 2023. A "desktop" valuation was undertaken by independent RICS Registered Valuers, Linnell's Property Consultants and in their opinion the fair value, which is the market value, was £70,000.

Listed investments comprise two investment portfolios managed by two independent investment managers and listed investments held outside the investment portfolios. Cash held from time to time within the investment portfolios as part of normal trading within the portfolios is included in listed investments. The asset classes held in listed investments at 31 March 2023 are shown below:

	Portfolio 1	Portfolio 2	Other listed	2023 £000	2022 £000
Fixed income - UK	73	86	-	159	63
Fixed income - International	137	123	-	260	119
Equity - UK	199	182	-	381	367
Equity - International	-	17	1	18	698
Equity funds - UK	69	52	-	121	-
Equity funds - International	456	602	-	1,058	-
Property funds	48	26	-	74	56
Commodities	-	23	-	23	16
Absolute return funds	43	78	-	121	91
Infrastructure funds	56	-	-	56	13
Alternative structured investments	25	-	-	25	27
Mixed investment Funds	33	30	-	63	9
Cash	74	27	-	101	88
Total investment	1,213	1,246	1	2,460	1,547

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

The Hospice owns the entire ordinary share capital in its subsidiary undertaking St David's Trading Limited (company number 05734138). This unlisted investment cannot be measured reliably at fair value so has been measured at cost.

	Subsidiary undertaking £
Group	
Cost brought forward and carried forward	-
Charity	
Cost brought forward and carried forward	1

22. Subsidiary company

St David's Trading Limited, the Hospice's wholly owned subsidiary undertakes one core activity: the sale of new, bought in goods within the Hospice's network of charity shops. Profits in St David's Trading Limited are remitted to the Hospice by way of a gift aid payment. At 31 March 2023 St David's Trading Limited had assets of £193,000 (2022 - £76,000) and liabilities of £193,000 (2022 - £76,000). Its funds at the end of the reporting period were therefore £nil (2022 - £nil). The turnover during the year was £265,000 (2022 - £189,000) and expenditure was £265,000 (2022 - £189,000).

23. Stock

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Retail stock	165	58	-	5
	165	58	-	5

24. Debtors

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Trade debtors	77	679	77	679
Amounts owed by group undertakings	-	-	132	75
Prepayments and accrued income	2,546	765	2,587	765
Other debtors	135	76	116	62
	2,758	1,520	2,912	1,581

25. Cash at bank and in hand

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Cash and bank balances	373	969	364	960
Cash on short term deposit	3,002	3,270	3,002	3,270
	3,375	4,239	3,366	4,230

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

26. Creditors: Amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Trade creditors	360	149	343	149
Amounts owed to group undertakings	-	-	-	-
Accruals and deferred income	243	308	240	306
Taxation and social security	91	88	91	88
Obligations under finance leases	20	19	20	19
Pension liability	45	43	45	43
Other creditors	7	12	7	12
	766	619	746	617

Deferred income relates to lottery tickets sold in advance. This is released to income when the draw takes place. The movement in the deferred income in the year is given below:

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Brought forward	50	52	50	52
Amount released from previous years	(50)	(52)	(50)	(52)
Deferred in the current year	43	50	43	50
Carried forward	43	50	43	50

27. Creditors: Amounts falling due after one year

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Obligations under finance leases	21	41	21	41
	21	41	21	41

The finance lease liabilities are secured against the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

28. Analysis of charitable funds**Current year**

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2023 £000
UNRESTRICTED FUNDS						
General Funds						
General fund	15,188	9,631	(8,214)	(143)	(860)	15,602
Designated Funds						
Domiciliary Care	-	-	-	-	250	250
Electronic patient records	-	-	-	-	50	50
Garden improvements	-	-	-	-	25	25
ICT hardware upgrade	-	-	-	-	60	60
Retail van	-	-	-	-	20	20
Shop dilapidations and refurbishments	-	-	-	-	200	200
Utility Costs	-	-	-	-	250	250
Ystrad Mynach Day Hospice refit	-	-	-	-	15	15
Total Designated Funds	-	-	-	-	870	870
Total unrestricted funds	15,188	9,631	(8,214)	(143)	10	16,472
RESTRICTED FUNDS						
Additional Social Care Payment	-	37	(37)	-	-	-
Children in Need 2019	9	20	(29)	-	-	-
Community Choir	-	4	(3)	-	-	1
Furniture for IPU	-	2	-	-	(2)	-
Hoist (Welsh Church Fund)	1	-	-	-	(1)	-
Hoist (St James' palace)	-	3	-	-	(3)	-
Hospice at Home in Monmouthshire	-	2	(2)	-	-	-
IPU Family refreshments	1	-	-	-	-	1
Mattresses	-	4	-	-	(4)	-
New Website Project	7	4	(11)	-	-	-
Social worker fund	2	-	-	-	-	2
Syringe driver	3	4	-	-	-	7
Unicorn Project	2	1	(3)	-	-	-
Usk House Day Hospice general	41	1	(42)	-	-	-
Other restricted funds	2	-	-	-	-	2
Total restricted funds	68	82	(127)	-	(10)	13
Total funds	15,256	9,713	(8,341)	(143)	-	16,485

During the year the balance of certain restricted funds were transferred to unrestricted funds. The original use of these funds was restricted to the purchase of fixed assets. Since the assets are held for a general and not a restricted purpose the balance has been transferred to unrestricted funds in accordance with Charities SORP (FRS 102) paragraph 2.26.

At the end of the year the Trustees designated unrestricted funds for specific purposes as set out above. The details of the purpose of each of those funds is shown in the table below.

The total funds related to the subsidiary company were £nil (2022 - £nil).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

Name of Fund	Description, nature and purpose of the fund
Unrestricted funds	
General funds	
General fund	The undesignated unrestricted funds of the Hospice.
Designated Funds	
Domiciliary Care	To fund the start-up costs of a domiciliary care project.
Electronic patient records	To fund a project to introduce electronic patient records to improve the efficiency and the quality of the care we provide.
Garden improvements	To fund improvements to the garden around our In-Patient Unit for the enjoyment of our patients.
ICT hardware upgrade	To fund upgrade to our ICT infrastructure with a particular emphasis on improving security.
Retail Van	To fund the purchase of a new van for our retail team.
Shop dilapidations and refurbishments	To fund future costs in maintaining and renovating our shop portfolio.
Utility Costs	To fund the increased costs of Utilities in 2023/24.
Ystrad Mynach Day Hospice refit	To refit our Day hospice at Ysbyty Ystrad Fawr, Ystrad Mynach.
Restricted funds	
Additional Social Care Payment	Funded by NHS Wales to provide a bonus to Health Care Workers.
Bereavement Support	This fund received from various sources is used to support our bereavement service. The fund closed in the previous year.
Blackett Ave Day Hospice General	Funded from various sources to support our work in the Blackett Avenue Day Hospice. The fund closed in the previous year.
Bonus for NHS commissioned health care services	Funded by NHS Wales to provide a bonus to Health Care workers providing commissioned services to NHS. The fund closed in the previous year.
Children in Need 2019	Funded by BBC Children in Need to fund our Unicorn Project, our Children and young people's service.
Community Choir	Funded from various sources to support of Community Choir.
Financial Recognition for Social Care Worker Scheme	Provided by Welsh Government to make a payment to Social Care Workers in recognition of their work during the Covid-19 pandemic. The fund closed in the previous year.
Hoist (Welsh Church Fund)	Provided to fund a hoist.
Hoist (St James' place)	Provided to fund a hoist.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

<i>Name of Fund</i>	<i>Description, nature and purpose of the fund</i>
Hospice at Home general	Funded from various sources to support our Hospice at Home Service. The fund closed in the previous year.
Hospice at Home Health Care Assistant	Provided by the Waterloo Foundation to fund the full-time equivalent salary of a Health Care Assistant caring for patients in our Hospice at Home service. The fund closed in the previous year.
Hospice at Home Monmouthshire	From Rathbones to fund our Hospice at Home nurses in Monmouthshire.
IPU Family refreshments	Support from a private donation to provide refreshments for relatives visiting patients in our IPU.
Mattresses	Funded by Cwmbran Trust for the purchase of specialist mattresses.
New Website Project	Funded by WCVA for the development of a new website.
Panteg garden furniture	To fund the re-development of the garden at Panteg. The fund closed in the previous year.
Refurbishment of Day Hospice	Provided by Plutus Health to fund the refurbishment of our Day Hospice. The fund closed in the previous year.
Social worker fund	This fund received from various sources is used to support patients who are facing financial hardship.
Spiritual Room Furniture	This fund closed in the previous year.
Syringe driver	Provided for the purchase of syringe drivers.
Trevor Gray Education Centre	Provided to fund an e-learning suite and staff training. The fund closed in the previous year.
Unicorn Project	Fund to support the Unicorn project. Provided by various funders.
Usk House Day Hospice general	Funded from various sources to support our work in the Usk House Day Hospice.
Welfare Rights Advisor salary	Provided by the Moondance Foundation towards the salary of A Welfare Rights Advisor. The fund closed in the previous year.
Other restricted funds	Other restricted funds with balances less than £500.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

Previous year

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2022 £000
UNRESTRICTED FUNDS						
General fund	14,387	8,478	(7,685)	-	8	15,188
Total unrestricted funds	14,387	8,478	(7,685)	-	8	15,188
RESTRICTED FUNDS						
Bereavement Support	1	1	(2)	-	-	-
Blackett Ave Day Hospice General	-	1	(1)	-	-	-
Bonus for NHS commissioned health care services	-	75	(75)	-	-	-
Children in Need 2019	4	40	(35)	-	-	9
Financial Recognition for Social Care Worker Scheme	-	19	(19)	-	-	-
Hoist (Welsh Church Fund)	1	-	-	-	-	1
Hospice at Home general	-	2	(2)	-	-	-
Hospice at Home Health Care Assistant	-	22	(22)	-	-	-
IPU Family refreshments	1	-	-	-	-	1
New Website Project	-	13	(6)	-	-	7
Panteg garden furniture	1	-	-	-	(1)	-
Refurbishment of Day Hospice	7	-	-	-	(7)	-
Social worker fund	2	-	-	-	-	2
Syringe driver	-	3	-	-	-	3
Spiritual Room Furniture	-	-	-	-	-	-
Trevor Gray Education Centre	9	-	(9)	-	-	-
Unicorn Project	2	3	(3)	-	-	2
Usk House Day Hospice general	-	41	-	-	-	41
Welfare Rights Advisor salary	16	-	(16)	-	-	-
Other restricted funds	4	(1)	(1)	-	-	2
Total restricted funds	48	219	(191)	-	(8)	68
Total funds	14,435	8,697	(7,876)	-	-	15,256

29. Analysis of group net assets between funds

	Investments £000	Tangible fixed assets £000	Other net assets £000	Total £000
Restricted income funds	-	-	13	13
Unrestricted income funds	2,530	8,444	5,498	16,472
	2,530	8,444	5,511	16,485

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

Previous year

	Investments £000	Tangible fixed assets £000	Other net assets £000	Total £000
Restricted income funds	-	-	68	68
Unrestricted income funds	1,627	8,472	5,089	15,188
	1,627	8,472	5,157	15,256

30. Commitments

There were no capital commitments at 31 March 2023 (2022 £nil).

The group and company's future minimum lease payments under non-cancellable operating and finance leases are as follows:

	Finance leases		Operating leases	
	2023 £000	2022 £000	2023 £000	2022 £000
Not later than one year	21	22	405	419
later than one year but not later than five years	21	43	671	503
later than five years		-		-
	42	65	1,076	922

The net book value of fixed assets held under finance lease are given in note 20. The lease payments recognised as an expense in the year are given in note 12.

31. Pensions

The Hospice contributed to two pension schemes in the financial year: the Royal London scheme and the NHS pension scheme.

Royal London scheme

The Hospice operates a defined contribution pension scheme for its employees, where all the assets are held in a separately administered fund, which is outside the control of the Hospice. At the year-end there were 152 (2022 - 154) employees who were members of the scheme. Employer contributions charged against income in the year were £119,000 (2022 - £121,000). Outstanding contributions (both employer and employee) at the balance sheet date were £18,000 (2022 - £18,000).

Employees who are enrolled into a pension under "automatic enrolment" are enrolled into this scheme.

NHS scheme

Staff transferring from the NHS may continue to contribute to the NHS scheme. The scheme is a multi-employer, unfunded defined benefit scheme but the Hospice is unable to identify its share of the underlying assets and liabilities of the Plan on a consistent and reasonable basis and therefore, as permitted by FRS 102 para 28.11, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the Hospice's contributions payable to the Plan in respect of the accounting period. The employee contribution percentage rates under this scheme vary depending on pensionable earnings. At the year end there were 40 (2022 - 40) employees who were members of the scheme. Employer contributions charged against income in the year were £190,000 (2022 - £188,000). Outstanding contributions (both employer and employee) at the balance sheet date were £27,000 (2022 - £26,000).

32. Related party transactions

There were no related party transactions in the previous two years.

33. Legal status of the Hospice

St David's Foundation Hospice Care is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word "limited" and is a registered charity. The liability of each member in the event of a winding-up is limited to £1.

Accounts

**ST DAVID'S FOUNDATION
HOSPICE CARE**

**TRUSTEES' ANNUAL REPORT AND
CONSOLIDATED FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2022**

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YEAR ENDED 31 MARCH 2022

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The Trustees are pleased to present their annual report with the audited, consolidated financial statements of St David's Foundation Hospice Care ("the Hospice") for the year ending 31 March 2022.

This Trustees report incorporates the requirements of a Directors' report required by company law.

COVID-19 Pandemic

The last twelve months presented a new chapter in the pandemic which has continued to place demands on the hospice from various quarters.

Welsh Government announced early in the financial year that they would continue with the emergency funding which gave us assurance to continue to offer the same levels of services to patients pre-pandemic.

PPE was supported by Aneurin Bevan University Health Board and our Health and Safety Manager worked tirelessly to ensure plentiful and appropriate supplies.

The clinical teams continued to deliver services within the parameters of Welsh Government guidelines.

In September 2021 we were able to re-open our Day Hospices and by the end of the financial year the Day Hospice was operating normally.

Pressure, however, continued throughout the year with staff sickness and the need to isolate.

Fundraising events by the end of the year were back up and running but retail took more time to recover.

Objectives and activities

The principal objective of the Hospice is to relieve sickness and pain among persons who are suffering from any chronic or life-threatening illness in England and Wales. The Hospice currently confines its work to Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Hospice provides a specialist, multi-professional palliative care service in community, Day Hospice and in-patient settings.

The main focus of our work is to provide 24-hour supportive palliative nursing care in patients' own homes via our Clinical Nurse Specialists, Hospice at Home team, our In-Patient Unit, our Day Hospices and to provide support through our Family Support Team.

The Hospice aims to meet this objective by:

Putting patients and their carers first

- delivering excellent high quality and responsive care, free of charge at the right time and in the right place;
- providing bespoke care that meets the individual needs of patients, carers and their families;
- working with Health Boards and other health and social care professionals to support and care for those who need our service;

Supporting and empowering staff and volunteers

- developing a workforce with the skills and ability to deliver our purposes;
- creating a supportive, respectful, listening environment for our valued staff and volunteers;

Strengthening our foundations as a charitable organisation

- making the best use of existing resources to ensure efficiency and effectiveness;
- maximising and diversifying our income generation to fund and develop our services;

Engaging with our communities

- working with and developing mutually beneficial relationships;
- building on and enhancing our excellent reputation and profile;
- being committed to widening access and being inclusive;

Looking forward

- responding and adapting to external influences and changing in a timely manner;
- being innovative and pro-active leaders in our field;
- developing a hospice for the future by always seeking to improve methods and practices;

Striving to be the best at what we do

- aspiring to always exceed quality standards for all aspects of the care and services that we deliver;
- listening and responding to the needs of our patients and communities to keep them at the heart of everything we do;
- being a developing and learning organisation through evaluating our delivery and sharing best practice.

The Hospice undertakes nine core charitable activities to meet its objectives:

- Community Clinical Nurse Specialists
- Hospice at Home
- The Day Hospices
- Fifteen bed In-Patient Unit
- The Family Support Team
- Adult and children bereavement care
- Complementary therapies
- Chaplain service
- Education

Community Clinical Nurse Specialists

"We can't thank you enough for all the support and care you showed towards our mum during your visits. Your guidance helped us through a difficult time and we will always be grateful."

A relative

The Hospice employs a large team of Clinical Nurse Specialists. They are highly trained, skilled palliative care professionals. The Clinical Nurse Specialists are allocated to GP practices and work as core members of the primary

healthcare team. The role of the Clinical Nurse Specialist is to:

- support the patient and family by managing symptom control such as pain and nausea;
- provide information regarding diagnosis and treatment;
- liaise with the Primary Healthcare Team on a plan of care;
- be the key worker within the Hospice and refer patients to other hospice services and other community services;
- work with patients regarding their preferred place of care and preferred place of death.

Hospice at Home

The Hospice at Home team aims to provide end of life care at home and to enable patients to have choice about where they die. The service also provides respite care to patients to help relieve carer fatigue. The service is delivered with a skill mix of qualified palliative care nurses and health care assistants. Each patient and their family are assessed individually to ensure the Hospice develops the best possible package of care for each situation.

"As soon as the nurse arrived at the house everything felt better, like we could cope and we could do the right thing for mum which was to keep her at home. As a family, we felt supported and we had total faith in the care offered. I was able to get some sleep for the first time in what felt like a long time, reassured that mum was being well looked after."

A relative

In-Patient Unit

"I would like to thank you for everything you did for my mother. My mum was at the hospice for a short time but she was treated with kindness and respect, as was I and my family. My mum passed away in beautiful, peaceful surroundings and I cannot thank you enough for all the support, care and love you provided."

A relative

The In-Patient Unit is a Consultant led Specialist Palliative Care unit with 15 beds for adult patients who suffer from progressive life limiting conditions and live within the five localities of Aneurin Bevan University Health Board (ABUHB). The service is free for patients and families who fulfil the criteria for admission, which include short term care for the management of complex symptoms, assessment, emotional or psychological distress, rehabilitation following treatment and care at the end of life. The In-Patient Unit

does not provide long term nursing care. Holistic care is co-ordinated by a multi-professional team, with a mix of skills that encompass the physical, spiritual, psychological and social requirements of patients and families. All admissions to the In-patient Hospice are decided by the ABUHB medical team.

Day Hospices

We have 4 Day Hospices which run throughout the week with patients attending between 10am and 4pm at the service most local to them. They are:

- Ysbyty Ystrad Fawr, Ystrad Mynach
- County Hospital, Pontypool
- Usk House, Brecon
- Blackett Avenue, Newport

Day Hospice is a friendly and comfortable place for patients to meet and gain support from others who are in a similar situation, and take part in a range of activities and interests. Patients are able to choose breakfast and lunch from our menu and can enjoy a relaxing bath at some of the locations. Group or individual relaxation sessions and complementary therapy treatments are also available. There is always a Palliative Care Nurse on hand for patients to discuss their condition or medication.

The Hospice Harmony Choir

The Hospice Harmony Choir have been singing together for over three years and have performed at music concerts and festivals. Any patient, their carer or family member can join the Choir which usually meets in Blackett Avenue Day Hospice. Those that attend will often report feeling much more energised and uplifted after attending and the group have become a new form of support for each other. On average we have around 30 participants and have more concerts and activities planned, including percussion sessions to be introduced.

The Family Support Team

The Family Support Team are part of the multi-professional team supporting patients and their families with a wide range of social, financial, practical and emotional needs. The team includes:

- Social Workers;
- Welfare Rights Advisors;
- Carer Support;
- Bereavement Support;
- The Unicorn Service supporting children, young people and their families.

Social workers work across the community and in patient services supporting patients, families and carers with a wide range of issues.

Welfare Rights Advisors ensure that our patients and families have support to navigate the welfare reforms, access their full entitlements and have fewer money worries.

The Bereavement Service provides support to anyone coping with the loss of a patient of the Hospice.

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"T. just listened which really helped me as I am not good at talking about feelings, she was so nice and made me feel at ease. I found her easy to chat to."

A bereaved relative

Wellbeing group

During the year wellbeing groups were established by the Family Support Team. The aim of our Wellbeing groups was to give individuals the opportunity to gain some helpful self-management techniques for symptoms such as fatigue, breathlessness and anxiety and to meet with other individuals who were in a similar position in order that they could share some of their experiences and helpful strategies which have improved their wellbeing.

Our first group ran for 6 weeks in February 2022 and received some very positive feedback which included

"I found it reassuring to share my feelings of wellness with like-minded people that understand the subtleties of the complexity of living well with cancer"

A patient who attended a wellbeing group

Further groups are planned which will include group sessions for carers to enable them to support their own wellbeing, particularly as many have been isolated during lockdown and would benefit from the social interaction and also to develop their own strategies to manage stress, anxiety and worry.

Complementary Therapy

The Complementary Therapy Team at St David's Hospice is made up of experienced therapists. Complementary therapies are offered in conjunction with conventional medical treatment and are offered primarily for the relief of stress and anxiety but can also assist in relieving physical symptoms such as pain, insomnia, nausea and muscle tension. In general, complementary therapies can be used to induce a feeling of well-being and of 'letting go' and are also aimed at giving the patient a 'treat' rather than a treatment.

Therapies include massage, aromatherapy, reflexology and Reiki and are provided at patient's homes or within the Day Hospice or In-Patient Unit setting.

Chaplaincy Service

The Hospice has been providing a chaplaincy service since June 2019. The Hospice has its own Chaplain but also has a very dedicated volunteer spiritual care team who are much appreciated by parents and families alike.

Occupational Therapy

Historically this service was purchased from ABUHB but now the Hospice employees the OT directly. The service is provided primarily in the In Patient Hospice but the OT also provides community and Day Hospice sessions. This has been a positive development.

Education

The Education Department works closely with local Universities through endorsements of specific courses and mentoring of student nurses. A wide range of teaching strategies are used to improve the knowledge and skills of staff to care for people, their families and carers facing a progressive life-threatening illness which is no longer curable. Regular courses are provided for nursing and residential homes in palliative care.

Public benefit

Our charitable services are provided without charge to all members of the public with a life threatening illness who are referred by a health care professional and who live in Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Trustees are of the opinion that they have complied with their duties to have due regard for the guidance on public benefit. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Hospice's aims and objectives and in planning our future activities.

Statement of purpose

St. David's Hospice Care aims to:

- provide a comprehensive range of holistic hospice and palliative care services within the unitary authorities of Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys;
- ensure all staff are appropriately trained and encouraged to participate in continued professional development;
- respect the dignity and privacy of service users at all times and respect the individuals' rights and choice in their care;
- receive referrals of patients who have a diagnosis of a life-threatening illness (either cancer or non-cancer of patients aged 17 years and over);
- promote and disseminate current research and good practice to the wider healthcare community;
- work within the requirements of the Care Standards Act 2000, the Nurses Agencies (Wales) Regulations 2003, the Domiciliary Care Agencies (Wales) Regulations 2004 and the National Minimum Standards for Independent Health Care Services in Wales 2011;
- support the need of patients' carers and families during the patients' illness and into bereavement;
- provide personal care to young people and adults (aged 17 years and over) within an agreed criteria;
- provide respite care through Day Hospice, Hospice at Home, in-patient care and carer support.

Strategic report

The strategic report required under company law comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods* below.

Key performance indicators

The Hospice uses a range of performance measures to monitor its performance. The key measures related to its charitable work are given in the achievements and performance section starting on page 5. The key financial performance indicators, including the Hospice's reserves, are disclosed in the financial review starting on page 7.

Achievements and performance

In last year's financial statements we set out the following priorities for the forthcoming year:

Priority	Outcome
Consolidate and review lessons learnt from the COVID-19 pandemic – Review all infection control procedures and St David's Hospice Care responses to the pandemic.	 Achieved COVID policies and plans updated and reviewed as changes in legislation dictated.
Work to re-open all clinical services to a pre-pandemic service delivery level as Welsh Government guidance allows.	 By March 2022, all services were back to normal apart from Usk House which reopened on 6th June 2022.
Review and develop retail operation to ensure it is fit for purpose for the next 10 years.	 A review of retail took place in 2021 and will continue into 2022.
Continue to evaluate the occupancy of the In-Patient Hospice and take all opportunities to increase access to patients and families.	 Not achieved – Occupancy remains at an average of 57%.
Develop our work on widening access to under-represented groups including the travelling community, BAME communities, Eastern Europeans, the homeless, asylum seekers, the LGBT+ community and people with learning difficulties.	 The Hospice Under-represented Groups Group (HUGG) was established and continuing.
Develop our Clinical Nurse Specialist workforce to meet the changing demand for our expertise and skills.	 We have introduced a skill mix within the teams which is evaluating well.
Develop our Hospice at Home team to offer increased day care.	 Recruitment and the pandemic has delayed the development of day care.

Community Clinical Nurse Specialists

	2022	2021
Number of patients	3,386	3,455
Average caseload	1,355	1,305
New referrals	2,095	2,143
Discharges	195	231
Deaths	1,736	1,734
Deaths at home	1,259	1,291
% died at home	73%	75%

"I cannot express my gratitude to St David's for the palliative care provided by the Clinical Nurse Specialists. It's hard to imagine anyone having more expertise and providing more compassionate support than they did."

A patient

- The five teams work through Caerphilly, Monmouthshire, Newport, Torfaen and South & Mid Powys. Each Clinical Nurse Specialist (CNS) is assigned to one or more GP surgeries. The CNS team cared for 3,386 patients which is a small decrease on the previous year (2021 – 3,455).
- Overall referrals fell slightly to 2,095 from 2,143 in 2021.
- We aim to ensure across the service that at least 60% of patients die in their usual place of residence

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(excluding Hospice at Home). In 2022 we achieved this with 1,259 of 1,736 (2021 – 1,291 of 1,734) patients dying at home.

Hospice at Home

	2022	2021
Average monthly caseload	80	84
New referrals	724	737
Hours of care	38,440	48,137

"I thank the nurse who offered us so much support and compassion from the bottom of my heart, she did a great job at a very difficult time. She made the process of mum's dying as good as it could be and allowed her to die at home, exactly where she wanted to be, pain free and comfortable. Thank you so much

Best wishes"

The relative of a patient

- The highly valued team support offered by the Hospice at Home remains at the core of what the Hospice aims to achieve, ensuring patients have *real* choice about where to receive their end of life care.
- There has been a 20% decrease in the number of hours of care provided compared to last year (2021 – 3.0% increase), with a total number of hours of care provided of 38,440 (2021 – 48,137). This was due to Covid 19 and recruitment of staff.
- We continue to offer a flexible bespoke service which is tailored to each individual patient and their family.
- Our Hospice at Home service is registered with Care Inspectorate Wales. Our latest inspection can be requested directly from Care Inspectorate Wales.

In-Patient Unit

	2022	2021
Admissions	208	195
Discharges	66	57
Deaths	124	113
Average length stay in days	16	17
Average bed occupancy	57%	52%

"I am writing to say how grateful I am to you and all your colleagues at St David's for making me feel so welcome when I stayed at your hospice. It is hard to put into words the difference it has made for both myself and my wife and the feeling of well-being it has given. My thanks to all the staff for their kindness and care during my stay."

An In-Patient Unit patient

- The number of admissions to the Hospice In-Patient Unit has increased from 195 to 208.
- Following a drop in the bed occupancy in 2021 because of a COVID-19 outbreak within the staff group the bed occupancy has increased to the pre-pandemic level.
- A staff questionnaire was undertaken in June 2021. 100% of responses noted the staff felt patients' views were taken into account and patients are listened to regarding the care and support offered by St David's Hospice Care.
- Overall responses were positive but areas for improvement include better communication and more training opportunities to be made available.
- 100% of the received responses noted staff felt they had the right 'tools' to support patients with regards to their ongoing health, development and overall well-being.
- Staff were asked to consider how St David's can help patients to feel more independent and in control of their everyday life and suggestions included trying to maintain the same routine in the hospice as the patient has at home, encouraging patients to have daily goals and helping them to achieve them and by actively listening to them and engaging them in their day to day care.
- The In-Patient Unit is regulated by Healthcare Inspectorate Wales. A quality check was carried out by the Inspectorate body, Health in Wales (HIW) on 23rd March 2022 with two recommendations.

"It's a very relaxed environment. The staff are wonderful – they take time to explain things and go the extra mile."

An In-Patient Unit patient

Day Hospice

	2022	2021
Average monthly caseload	42	-
New referrals	103	-
Attendances	579	-

- The day Hospices were closed throughout 2021 but are now returning to normal activity.

Complementary Therapy

	2022	2021
Average monthly community caseload	51	41
New referrals	246	81
Treatments given	788	461

The community caseload does not include Day Hospice and IPU patients.

Family Support Team

	2022	2021
Social Work		
Average monthly caseload	55	54
New referrals	149	144
Visits	391	546
Welfare Rights		
Average monthly caseload	138	110
New referrals	730	583
Visits	15	2
Adult bereavement service		
Average monthly caseload	53	58
New referrals	207	186
Sessions	695	710
Children's bereavement service (Unicorn)		
Average monthly caseload	137	143
New referrals (families)	329	236
Sessions	1,580	1,344

- Welfare rights referrals have increased from 583 in 2021 to 730 in 2022.
- Referrals to the Unicorn Service rose in the year from 236 to 329).

"The service offered a safe place for my child to talk and discuss the bereavement. He was able to talk to someone who could give him age appropriate answers and clarity. Help him understand emotions and that it is ok to cry and be sad sometimes. "

A parent whose child had used the Unicorn service

Chaplaincy Service

	2022	2021
Average monthly caseload	55	26
New referrals	60	79
Visits	2,424	1,162

Out of hours – on call

This 24-hour a day advice line provides invaluable support to patients, families and healthcare professionals. The demand for this service has remained similar to previous years. A total of 2,227 calls were made in the year (2021 – 1,742).

Clinical risk management

- The team managers complete quality and patient safety reports monthly and these are assessed and actioned at a monthly Quality and Assurance meeting.
- Senior clinical managers meet weekly to discuss and action any issues arising.
- Policies and procedures are updated regularly.
- The Trustee clinical governance sub-group meets four times a year.
- A monthly SMT meeting for the In-Patient Unit is held with representatives from ABUHB.
- Risk assessments are completed for every patient and their family.

Compliments and complaints

Although the Hospice aims to provide the very best care to our patients and families there are rare occasions where we do not meet the standard we would expect. As a hospice we take every complaint or concern very seriously and aim to learn from these occasions. A copy of our complaints policy can be obtained from the Hospice.

We receive many compliments and always take the opportunity to learn from these situations and share good practice.

Financial review

Overall the Hospice's income decreased from £9,037,000 to £8,697,000. The Hospice's total expenditure increased by £457,000 to £7,876,000. The Hospice's spending on charitable activities increased by £10,000 from £4,627,000 to £4,637,000.

The financial impact of COVID-19

The pandemic had a substantial impact on the traditional income streams of the hospice. In 2021 the hospice was reliant on substantial government support from various sources to replace this lost income.

The hospice received the last support under the Job Retention Scheme in the early part of the year. 2022 has seen a return to our traditional retail and fundraising activity.

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The hospice is also very grateful for the public's response to our donation appeal during the year.

Legacy income

The Hospice has recognised legacy income of £629,000. This represents a decrease of £89,000 compared to 2021. It compares to an average per year over the five years to 31 March 2022 of £764,000.

Funding sources

The Hospice receives funding to provide its services from a variety of sources. The Hospice received the following from the Welsh Government and NHS Health Boards under long term agreements:

	Income £000		% of the expenditure on charitable activities	
	2022	2021	2022	2021
NHS service level agreements	1,718	1,770	37%	38%
Welsh Government	19	23	0%	0%
	1,737	1,793	37%	38%

The Hospice receives additional NHS funding for individual continuing health care packages.

	Income £000		% of the expenditure on charitable activities	
	2022	2021	2022	2021
Care packages	427	436	9%	9%

The Hospice augments this public funding with donations, legacies and grants from trusts. In addition the Hospice operates three core fundraising activities:

- running a network of charity shops;
- organising fundraising events;
- and operating a lottery.

The hospice's ability to raise funds from its charity shops and fundraising events was severely restricted in the year.

Charity shops (retail trading)

The Hospice operates 38 (2021 - 38) charity shops. The shops primarily sell second hand goods donated by members of the public. In addition new goods are sold by the Hospice's trading subsidiary within the shops. The sale of new goods represented 6% (2021 - 6%) of retail trading income.

The shops were able to reopen on 12 April 2021 and have returned to profit in the year. They have provided a surplus of £476,000 in the year to support patient care.

£13,000

Provided
per shop
for patient
care

Fundraising

The fundraising department incorporates both the work associated with appealing for donations and the subsequent administration together with the work associated with organising fundraising events. The net surplus from all fundraising, after the allocation of support costs, was £1,790,000 (2021 - £1,762,000). A return in the year to more fundraising events has necessarily led to a decrease in surplus margin to 81% (2021 - 86%).

Pence in the pound**£2,198,000**

Total
income
from
fundraising

£1,790,000

Total
income
available
for patient
care

£408,000
fundraising
expenditure

For every
£1 donated
81p
is available
for patient
care

Lottery

The Hospice operates a weekly lottery draw. Most members play every week. Twice a year extra prizes are awarded for the draw. On these weeks additional tickets are sold more widely to the general public.

The net surplus from the lottery after the allocation of support costs was £157,000 (2021 - £120,000). This represents a surplus margin of 45% (2021 - 36%).

VAT

The Hospice continues to benefit from the VAT refund scheme for palliative care charities which means it has been able to reclaim the VAT on its non-business activities. The additional VAT that the Hospice would not otherwise have been able to recover was £112,000 (2021 - £94,000). The Hospice continues to suffer irrecoverable VAT on some of its expenditure notably expenditure on its lottery and on most fundraising events. The total irrecoverable VAT suffered was £25,000 (2021 - £11,000).

Investment policy

The Trustees reviewed and approved the investment policy on 27 April 2022.

Purpose of the Hospice's investment

The Hospice's investment policy is closely aligned with its reserves policy which sets out that free reserves are primarily held to cover an unexpected reduction in income over the forthcoming twelve months. As such the Hospice's policy is to keep most surplus cash on deposit with UK based institutions. The terms of deposits may range from instant access to twelve months term deposits to ensure the funds are available if required without loss of capital or interest.

However in order to mitigate the risk of a real term loss in the value of reserves due to inflation the Hospice will invest a limited proportion of reserves in asset classes other than cash (the investment portfolio).

The Hospice calculates a risk based, free reserves requirement every year as set out in the reserves policy. This sets out the level of free reserves that the Hospice will seek to hold. The Hospice will retain at least 100% of the free reserves requirement as cash on deposit. Any additional funds may be invested in the portfolios at the discretion of the Senior Management Team.

The level of funds invested in the portfolio will be reported to the Governance Committee as part of the routine management accounts reporting.

Investment Manager

The investment portfolio will be managed on a discretionary basis which means the buy and sell decisions will be made by an Investment Manager subject to the conditions and ethical considerations set out in this policy. The Investment Manager will be appointed by the Governance Committee.

The Governance Committee may select one or more Investment Managers to manage the portfolio.

The Governance Committee will review the appointment of the Investment Managers at least every five years. This review may include a formal tender for the role at the discretion of the committee.

Objectives of the investment portfolio

Funds in the investment portfolio will be invested to produce the best financial return with an acceptable level of risk.

In the short term, income from the investment portfolio will not be used to fund charitable activities. The investment objective is therefore to increase the overall total return of the fund. Since the expectation is that any income from the investment portfolio will be reinvested in the portfolio, the Hospice does not have a preference for either income or capital growth.

To meet its objectives the Hospice investment portfolio can be invested widely according to the Trustees' general power of investment and should be diversified by asset class, and by security. Asset classes could include cash, bonds, equities, commodities and any other assets that are deemed

suitable for the Hospice. The weighting of the classes of assets will be at the discretion of the Investment Manager subject to the conditions of this policy.

It is anticipated that investments will primarily be in UK based assets.

Risk

Giving due consideration to the proportion of the overall free reserves the investment portfolio represents, the low risk to which the rest of the free reserves are subject and the acceptance of risk identified following the analysis undertaken the risk level has been set as medium high.

A medium high risk level means that a large proportion of the investment portfolio may be held in equity investments. A broader range of equity markets and sectors is likely to be used. However fixed interest and non-equity investments may form part of the portfolio.

Time horizon

The Hospice is expected to exist in perpetuity therefore the Hospice can adopt a long term investment time horizon. For the purpose of this policy, the anticipated investment time horizon is over ten years.

Reporting and monitoring

The Investment Managers will be required to produce a valuation and performance report every month.

The Investment Managers will present a performance report at least once a year.

The Governance Committee have responsibility for agreeing the investment objectives and monitoring the investment assets. The committee will meet at least once a year to review the portfolio, including an analysis of return, risk and asset allocation and to review this policy.

Benchmarking

Performance of the investment portfolio will be monitored against the FTSE UK Private Investor Balanced index.

Restricted funds

The investment portfolio will not include any restricted funds of the Hospice.

Ethical investment policy

The Hospice will not invest in companies that produce more than 5% of their revenues from the production and distribution of tobacco and alcohol products. This is in line with the overall objectives of the Hospice.

Principal risks and uncertainties***COVID-19***

The global pandemic continues to represent a significant risk to the hospice's ability to deliver its services effectively. The UK vaccine rollout appears to be effectively controlling the worst aspects of the pandemic and governments internationally and at all levels in the UK have demonstrated

an unparalleled commitment to tackling the pandemic. However there remain risks at the wider level such as impacts on the national economy as well as localised risks such as infections within the staff group. These risks may continue for some years.

Financial risks

The Trustees identify the financial risks facing the Hospice as part of the review of the reserves policy. The risk based policy identifies over 20 potential risks to the Hospice's income and expenditure. These may be general, covering a broad class of income or expenditure, or may identify a more specific risk. The principal risks by value are:

- a general risk of over estimation of charity shop sales due to unforeseen external market conditions;
- a risk of an unforeseen reduction of the quality and quantity of stock donations to our shops;
- a general risk of spending over budget within retail shops due to necessary but unbudgeted costs;
- a risk of increased demand to the Hospice At Home service leading to unbudgeted additional costs.

The Hospice primarily mitigates these risks by a regular review of the reserves policy which is aligned closely with the risks identified. Action is taken to ensure reserves remain sufficient. Regular management accounts and other management information is prepared monthly and reviewed by management and Trustees to monitor whether, in light of any risks occurring, any mitigating action is necessary.

Non-financial risks

The Hospice also faces non-financial risks. These may ultimately have a financial impact but would principally affect the services we provide in other ways. The principal non-financial risks are:

- the risk of reputational damage that negatively affects engagement with the Hospice by the public, the NHS and other bodies caused by:
 - a clinical error or omission leading to the mistreatment of a patient;
 - injury or other harm coming to a patient or other member of the public, such as through abuse, by staff, volunteers or members of the public;
 - injury or other harm coming to a member of staff through a failure in their duty of care by management;
 - injury or other harm coming to a participant at a fundraising event.
- The risk to the Hospice caused by the loss of senior staff.

The Hospice's strategy for mitigating the impact of reputational risk is primarily to ensure appropriate clinical governance is in place to monitor and improve our service. The Hospice follows best practice for protecting vulnerable adults and others. Monitoring of staff and public health and safety is core to governance at all levels and is supported by a qualified Health and Safety Officer.

Plans are in place in the case of the loss of a senior member of staff. The Hospice has a strong senior team who would provide proficient management in the short term.

Reserves policy

The Trustees have determined that the Hospice maintains reserves:

- to ensure the continuity of service in the event of an unexpected reduction in income whilst alternative funding is sought or expenditure on services is modified;
- to provide funds to replace fixed assets without having to finance the purchase;
- to provide working capital so that the Hospice can manage settling its liabilities when they become due efficiently.

As a mature organisation with a variety of established income streams and predictable, well-planned expenditure the Trustees consider it most appropriate for the Hospice to operate a reserves policy centred on an analysis of the potential risks to the amounts of those income streams and of the potential risks of over-expenditure. In order to quantify the reserves required, the following steps were undertaken as part of the annual budgeting process:

- the expected income for the forthcoming year was identified and classified;
- the potential risks of each class of income were identified;
- the potential proportion of each class of income that was at risk of not being received was estimated and multiplied by the total expected income for that class of income to provide the value of income at risk for that class of income;
- a similar exercise was undertaken to identify and quantify the risk of over-expenditure for the different classes of expenditure;
- all the individual amounts were added together to give a basic risk reserve requirement;
- a general provision of 5% of the basic risk requirement was then added to the total to give the total risk reserve requirement;
- finally, the reserves required for future fixed asset purchases were added to give the overall total reserves requirement.

It is the opinion of the Trustees that the total reserves requirement need only cover a 12 month period since this would provide sufficient time to reduce expenditure or seek alternative sources of income.

The Trustees have included an additional £870,000 (2021 - £860,000) in the reserves requirement to cover expected loss of income due to the COVID-19 pandemic.

From this exercise the Trustees have determined that the Hospice requires reserves of £2,596,000 (2021 - £2,591,000). The following table compares reserves required by the policy and reserves held. In accordance with Charities SORP (FRS 102) paragraph 1.48, reserves held are considered after making allowance for

- restricted funds;
- any fund that can only be realised by disposing of tangible fixed assets;
- and any designated funds that have been established.

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	2022 £000	2021 £000
Total funds	15,256	14,435
Less restricted funds	(68)	(48)
Less fixed assets held in unrestricted funds	(8,472)	(8,632)
Total reserves before designation of funds	6,716	5,755
Designated funds	-	-
Undesignated reserves	6,716	5,755
Reserves required by the policy	2,596	2,591
Undesignated reserves above policy	4,120	3,164

The Hospice holds £4,120,000 (2021 - £3,164,000) of undesignated reserves above the policy.

The COVID-19 pandemic remains an issue to watch during 2022/23, even with the vaccine rollout.

The Trustees are mindful that the last two years have been exceptional in terms of legacy income and therefore it is appropriate that at this point undesignated reserves are in excess of the policy. It is expected that legacy income will not remain at this level in forthcoming years and will continue to be volatile.

Plans for future periods

Our key priorities for the forthcoming year are to:

- Continue with retail redesign focusing on sustainability, maximising income and working efficiently.
- Further develop the Hospice at Home team, being innovative to increase recruitment.
- Continue to develop the skill mix within CNS teams and In-Patient Hospice.
- Extend family support services to meet the growing demand/complexity of our patients and families.
- Invest in our digital/on-line presence.
- Work with Welsh Government to increase funding to voluntary hospices.
- Drive forward the inspection process for hospices in Wales.
- Develop a three year education plan.

Structure, governance and management**Governing document**

St David's Foundation Hospice Care is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

The Hospice was incorporated on 24th March 1992 and its Memorandum and Articles of Association were altered by Special Resolutions passed on 9th January 1995, 29th March 2001, 26th May 2005 and 27th September 2007.

*Wonderful with my first husband
and wonderful again after 17
years.*

A patient

Operating name

The Hospice operates under the name "St David's Hospice Care".

Directors and Trustees

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Recruitment and appointment of Trustees

The Chair, Board and Chief Executive review the Board performance yearly through an appraisal system. During this process it is identified if there are any skills or experience gaps on the Board. If and when a vacancy becomes available the Board will look to recruit a member to the Board with the necessary knowledge and experience. Appointments are made via an application and interview process. References are obtained and an enhanced DBS check completed.

Anyone co-opted onto the Board during the year is formally elected at the AGM as set out in the Articles of Association.

Trustee induction and training

The Hospice ensures each Trustee has a comprehensive induction when appointed. Trustees are provided with various Charity Commission documents and guidelines to support them in their role. An annual appraisal system for Trustees highlights any training needs.

Organisation

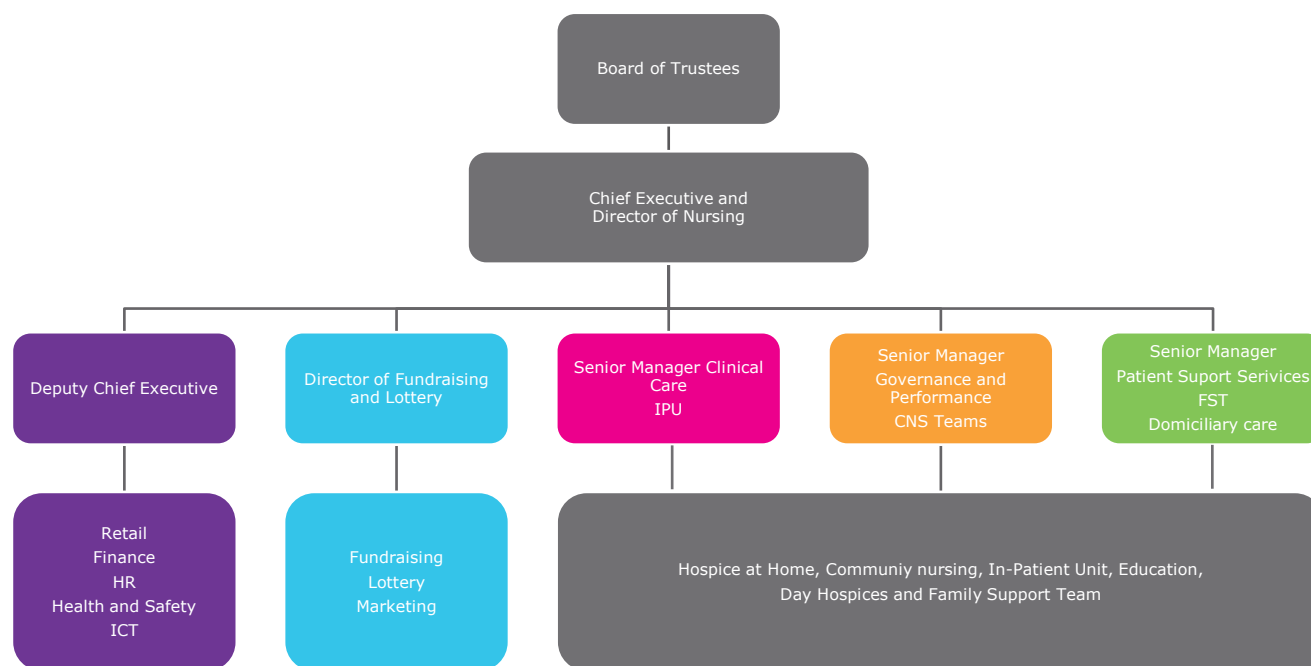
The Board of Trustees are voluntary members, who meet six times per year and administer the Hospice. The following sub-groups advise the Board: Governance Committee; Retail; Clinical; Safeguarding and Income Generation. The remit of the Governance Committee includes Finance, Health & Safety, the reporting of Clinical Incidents and Risk Management. Health & Safety matters are discussed by an employee Health & Safety Committee in the first instance and issues are forwarded to the Governance Committee. The

Governance Committee report back to the Board of the Trustees on a bi-monthly basis.

The Trustees appoint a Chief Executive to take overall responsibility for the management of the Hospice by providing professional leadership through the development of strategic plans agreed with the Board of Trustees. The Chief Executive is supported by other members of the Senior Management Team, who prepare reports for the bi-monthly

meetings of the Board of Trustees. The key management personnel comprise the Board of Trustees and the members of the Senior Management Team. The structure of the key management team is set out in the chart below.

The subsidiary company has two directors who are the Chair and Chief Executive of the Hospice.



The key management personnel

Pay policy for key management personnel

The Trustees consider the key management personnel of the Hospice to be the Board of Trustees and the Senior Management Team.

All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 29 and 30 of the accounts.

The pay of the Senior Management Team is benchmarked against similar roles in the NHS or other comparable organisations. There is an emphasis on ensuring value for money for the Hospice whilst enabling the recruitment and retention of staff with appropriate skills and experience.

For the Chief Executive / Director of Nursing this exercise may be undertaken by the Chair or an external consultant. Any increases are related to performance and approved by the Board of Trustees.

For other members of the Senior Management Team, benchmarking is undertaken informally by the Chief Executive / Director of Nursing.

The remuneration paid to key management personnel is set out in note 28.

Disabled employees

The Hospice gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Volunteers

The Hospice benefits greatly from the support of general volunteers who contribute throughout the organisation supporting both our charitable work and our fundraising activities. Roles include assisting in charity shops, marshalling at fundraising events, volunteering on reception and in our Day Hospices.



Volunteers in our shops donated more than 98,000 hours of their time to help raise funds to support our work.

Special acknowledgements

The Board wishes to record its appreciation for the generosity of the many supporters of St David's for their donations and bequests and to the hundreds of volunteers who give so willingly of their time and expertise. Thanks are also expressed to the President, Vice-Presidents and Patrons who serve in an honorary capacity.

The Board also wishes to acknowledge the tremendous dedication of the clinical, fundraising, retail and administrative staff to fulfilling the objectives of the Hospice. The continued increase in the level and quality of the service is a tribute to their commitment and loyalty.

Reference and administrative details

Charity number: 1010576
 Company number: 2700097
 Registered Office: St David's Hospice Care, Blackett Avenue, Newport, NP20 6NH

President: Brigadier Robert Aiken CBE, Lord Lieutenant of Gwent

Vice-Presidents:	Mr J. Capel	Mr W. Jenkyn-Jones
	Dr R. Lurvey MBE	Mr R. Noble OBE
	Prof W. B. Peeling CBE	Mrs P. A. White MBE

Patrons:

Baron Touhig of Islwyn and Glansychan
Mr J. Over QPM, CPM, DL
Mrs S. Lloyd
Mr R. O'Shea
Mr A. Jones

Key Management Personnel: Trustees

Chair: Mr M. Davies OBE CStJ
 Vice- Chair: Mr J. O. Thompson
 Treasurer: Mrs M. Van de Weyer

Trustees:	Dr R. C. G. Bracchi	Dame R. Butler DBE
	Mrs J. E. Child	Mr J. L. M. Felvus
	Dr C. C. Gaffney	Mr R S Hall (appointed 31 March 2022)
	Rev E. Hills	Mr M. Hine
	Dr J. W. Holland	

Key Management Personnel: Senior Management Team

Chief Executive:	Mrs K.E. Saysell MBE
Deputy Chief Executive	Mr A. Hadley
Director of Fundraising and Lottery:	Mr K. Broome
Senior Manager Governance and Performance:	Ms K. Hughes
Senior Manager Clinical Care:	Ms S. Thomas
Senior Manager Patient Support Services:	Ms G. Tanner

Advisors

Auditors:	Advantage Accountancy & Advisory Ltd, Avalon House, 5-7 Cathedral Road, Cardiff, CF11 9HA
Bankers:	National Westminster Bank plc, High Street, Newport, NP20 1GG
Solicitors:	Robert Davies Partnership LLP, Wentwood House, Langstone Business Village, Newport, NP18 2HJ
	Temple Bright LLP, 29 Great George Street, Bristol, BS1 5QT
Investment Managers:	Charles Stanley & Co. Ltd, 7/8 Park Place Cardiff CF10 3DP
	Brewin Dolphin, 2nd Floor, 5 Callaghan Square, Cardiff, CF10 5BT

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also directors of St David's Foundation Hospice Care for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements the Trustees are required to:

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

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

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Senior Management Team and the Board of Trustees. The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- A strategic plan and annual budget approved by the Trustees;
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- Delegation of day to day management authority and segregation of duties;
- Identification and management of risks.

Statement of disclosure to our auditors

So far as the Trustees are aware, there is no relevant audit information of which the Hospice's auditors are unaware, and they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Hospice's auditors are aware of that information.

In approving this Trustees' Report, the Trustees are also approving the Strategic Report (which comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods*) in their capacity as company directors.

Approved by the Board of Trustees on 28 July 2022.



Mrs K.E. Saysell
Company Secretary
Registered Office
St David's Hospice Care
Blackett Avenue
Newport
NP20 6NH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of St David's Foundation Hospice Care for the year ended 31 March 2022 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheet, the Group Statement of Cashflows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Group's and the Parent Charitable Company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise

explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' 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 within the Trustees' 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.

Responsibility of Trustees

As explained more fully in the Trustees' Responsibilities Statement [set out on page 14], the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2022

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 is detailed below:
- We obtained understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which they operate. We determined that the following laws and regulations were most significant: The Companies Act 2006 and UK corporate taxation laws.
- We obtained an understanding of how the charitable company is complying with the legal and regulatory frameworks by making enquiries with management. We corroborated our inquiries through our review of board papers, minutes and legal correspondence.
- We assessed the susceptibility of the charitable company's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential override of controls or other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with relevant laws and regulations.

A further description of our responsibilities available on the Financial Reporting Council's website at:

<http://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance Chapter 3 of Part 16 of the Companies Act 2006 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen John Bickerton (Senior Statutory Auditor)
For and on behalf of Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants & Statutory Auditors

Avalon House
5-7 Cathedral Road
Cardiff
CF11 9HA

Date:

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including Income & Expenditure Account)

YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
	Note						
Income							
Donations and legacies	3	1,756	125	1,881	1,877	59	1,936
Charitable activities	4	2,815	94	2,909	3,529	-	3,529
Other trading activities	5	3,772	-	3,772	1,823	-	1,823
Investments	6	37	-	37	28	-	28
Other	7	98	-	98	1,721	-	1,721
Total Income		8,478	219	8,697	8,978	59	9,037
Expenditure							
Raising funds	9/10	3,233	6	3,239	2,792	-	2,792
Charitable activities	11/12	4,452	185	4,637	4,579	48	4,627
Total expenditure		7,685	191	7,876	7,371	48	7,419
Net gains on investments	15	-	-	-	102	-	102
Net income		793	28	821	1,709	11	1,720
Transfers between funds	22	8	(8)	-	6	(6)	-
Net movement in funds		801	20	821	1,715	5	1,720
Reconciliation of funds:							
Total funds brought forward	22	14,387	48	14,435	12,672	43	12,715
Total funds carried forward		15,188	68	15,256	14,387	48	14,435

BALANCE SHEETS

YEAR ENDED 31 MARCH 2022

		Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
	Note				
FIXED ASSETS					
Tangible assets	14	8,472	8,632	8,614	8,776
Investments	15	1,627	610	1,627	610
		10,099	9,242	10,241	9,386
CURRENT ASSETS					
Stock and work in progress	17	58	47	5	2
Debtors	18	1,520	2,376	1,581	2,419
Cash at bank and in hand	19	4,239	3,355	4,230	3,354
		5,817	5,778	5,816	5,775
LIABILITIES					
Creditors: Amounts falling due within one year	20	619	525	617	523
NET CURRENT ASSETS		5,198	5,253	5,199	5,252
TOTAL ASSETS LESS CURRENT LIABILITIES		15,297	14,495	15,440	14,638
Creditors: Amounts falling due after more than one year	21	41	60	41	60
TOTAL NET ASSETS		15,256	14,435	15,399	14,578
THE FUNDS OF THE CHARITY					
Restricted income funds	22	68	48	68	48
Unrestricted income funds	22	15,188	14,387	15,331	14,530
TOTAL CHARITY FUNDS		15,256	14,435	15,399	14,578

Signed and authorised for issue on behalf of the Board of Trustees



Mr M Davies OBE CStJ

Approved and authorised for issue by the Board on 28 July 2022.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	A	2,002	961
Cash flows from investing activities			
Dividends, interest and rents from investments		37	28
Sale of plant and equipment		9	-
Purchase of plant and equipment		(125)	(43)
Purchase of investments		(1,017)	(11)
Net cash used in investing activities		(1,096)	(26)
Cash flows from financing activities			
Repayment of finance leases		(19)	(18)
Finance lease interest paid		(3)	(4)
Net cash used in financing activities		(22)	(22)
Change in cash and cash equivalents in the reporting period		884	913
Cash and cash equivalents at the beginning of the reporting period		3,355	2,442
Cash and cash equivalents at the end of the reporting period	B	4,239	3,355

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**A Reconciliation of net income to net cash flow from operating activities**

	2022 £000	2021 £000
Net income for the reporting period (as per the Statement of Financial Activities)	821	1,720
Adjustments for:		
Depreciation charges	279	316
(Gains)/losses on investments	-	(102)
Dividends, interest and rents from investments	(37)	(28)
Interest payable	3	4
Profit on the disposal of fixed assets	(3)	-
Increase in stocks	(11)	(6)
Decrease / (Increase) in debtors	856	(903)
Increase / (Decrease) in creditors	94	(40)
Net cash provided by operating activities	2,002	961

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

B Analysis of cash and cash equivalents

	2022	2021
	£000	£000
Cash at Bank	969	1,353
Cash on short term deposit	3,270	2,002
Total cash and cash equivalents	4,239	3,355

1. Accounting policies

Basis of Accounts 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) (effective 1 January 2019) - (Charities SORP (FRS 102) – second edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

All financial information is rounded to the nearest £1000 except for the Trustees' expenses set out in note 29 and the subsidiary undertaking table in note 15.

Group financial statements

The financial statements consolidate the results of the Hospice and its wholly owned subsidiary St David's Trading Limited on a line by line basis. A separate *Statement of financial activities and income and expenditure account* for the Hospice has not been presented because the Hospice has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

Income arises when an event (such as a financial transaction) results in either an increase in the Hospice's assets or a reduction in its liabilities. Income is recognised by the Hospice when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Hospice.
- Probable – it is more likely than not that the economic benefits associated with the event will flow to the Hospice.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Legacies

Entitlement to legacy income is deemed to occur when either the Hospice is aware probate has been granted, the estate has been finalised and the Hospice has been notified by the executor that a distribution will be made or when a distribution is received from the estate if that is earlier.

Where legacies have been notified to the Hospice or the Hospice 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. This most commonly occurs when the Hospice has been notified of residuary legacy but it is unable to reliably measure the amount of the income.

Grants

Grants are recognised when the Hospice has entitlement to the funds. This includes grants received for the purpose of purchasing fixed assets. When a grant cannot be claimed until certain expenditure has been defrayed entitlement is not deemed to have passed to the Hospice until the expenditure has been so defrayed.

Fundraising events

Fundraising income from the sale of entry fees for events is included in income when received even if this is before the event. The likelihood of cancellation of the event is remote so it is more likely than not that the economic benefit will flow to the Hospice.

Donations that are closely associated with fundraising events such as sponsorship of event participants by their friends and family are included in fundraising within other trading activities.

Retail

The Hospice receives a high volume of donations of low value second hand goods for resale in its network of charity shops. The Trustees consider it would be impracticable to recognise the income when the Hospice becomes entitled to the economic benefit of the donated goods since the cost of doing so would outweigh the benefits. Therefore in accordance with FRS102 paragraph 34B.4 the income is recognised in the period in which the donated goods are sold.

The Hospice operates a retail gift aid scheme. Under the scheme the legal form of the transaction is that the Hospice operates as an agent on behalf of the donor. Once the goods have been sold on behalf of the donor, the donor offers to donate the proceeds of the sale to the Hospice. This allows the Hospice to claim gift aid on the cash donation. However the substance of the transaction is such that the donor is donating the goods to the Hospice and is therefore treated as such.

NOTES TO THE FINANCIAL STATEMENTSYEAR ENDED 31 MARCH 2022

Lottery

Lottery tickets sold in advance are deferred and included in the period in which the draw takes place.

Expenditure

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

Irrecoverable VAT

The Hospice suffers from irrecoverable VAT due to the fact that it makes exempt supplies and therefore not all input VAT is recoverable. This is written off to the Statement of Financial Activities in the period in which it arises. Under sections 33C and 33D of the VAT Act 1994 the Hospice can recover the VAT on its non-business transactions.

Support costs

Support costs are those costs that whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. These costs include Governance, Finance, Human resources, ICT and Health and Safety as well as corporate costs including the costs of employing the Chief Executive, financing costs, insurance and legal and professional fees.

Where these costs are directly attributable to specific activities they have been included in those cost categories. Where these costs are attributable to more than one activity they are apportioned across cost categories on the basis of direct staff hours. The Trustees consider this to be the most equitable method of splitting expenditure attributable to more than one activity.

Pensions

Details of the pension schemes including the accounting policies adopted can be found in note 26.

Termination payments

Termination payments are payable when employment is terminated by the Hospice before the normal retirement date or end of employment contract. Termination payments are recognised when the Hospice can no longer withdraw the offer of the benefits.

Fixed assets***Intangible fixed assets***

Negative goodwill arising from business acquisitions is capitalised and amortised over 2 years.

Tangible fixed assets

Tangible fixed assets are recorded at cost, or in cases where fixed assets have been donated to the Hospice, at valuation at time of acquisition. Fixed assets with an initial cost of less than £1,000 are not capitalised but are included in full in expenditure in the year of acquisition. Depreciation is charged to write off the cost of fixed assets over their estimated useful lives at the following annual rates:

Freehold buildings	2% Straight Line
Leasehold buildings	Life of Lease Straight Line (current leasehold buildings have a 99 year lease)
Fixtures, fittings and equipment	20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	20% Straight Line

Computer equipment is included within fixtures, fittings and equipment in note 14.

Investments***Investment properties***

Investment properties are included in the balance sheet at fair value. The Hospice arranges a full professional valuation by an independent valuer every five years. In the intervening years the Hospice management obtain advice from an independent valuer to ensure the asset is held at fair value. The next full professional independent five year valuation will be at 31 March 2023.

Listed investments

Listed investments held are shown at fair value which is their market value.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Donations of low value second hand goods that remain unsold at the balance sheet date are not included in stock since they are recognised when sold as set out above.

Funds structure

The Hospice's funds are split into restricted funds and unrestricted funds.

Restricted funds

These are funds that can only be used for a particular restricted purposes within the objects of the Hospice.

Restrictions arise when they are specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds

These funds are available for the general purposes of the Hospice, to be used in accordance with the charitable objects at the discretion of the Trustees. From time to time the Trustees may allocate part of the unrestricted funds to be used for particular purposes within the Hospice's objects. Such sums are described as 'designated funds'.

2. Auditor's remuneration

The net income for the year is stated after charging:

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Statutory audit fees	7	-	7	8	-	8
Other services	-	-	-	-	-	-

3. Donations and legacies

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Legacies	593	36	629	718	-	718
In memory	440	2	442	353	2	355
Individuals	439	4	443	600	1	601
Corporate, clubs and societies	28	2	30	16	-	16
Trusts and foundations	87	78	165	65	56	121
Community fundraising	150	3	153	102	-	102
Welsh Government	19	-	19	23	-	23
	1,756	125	1,881	1,877	59	1,936

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

4. Income from charitable activities

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Service level agreements	1,718	-	1,718	1,770	-	1,770
Covid-19 emergency funding	630	-	630	1,288	-	1,288
Continuing health care	427	-	427	436	-	436
Other charitable activities	40	94	134	35	-	35
	2,815	94	2,909	3,529	-	3,529

5. Income from other trading activities

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Retail trading	3,106	-	3,106	1,374	-	1,374
Fundraising	317	-	317	113	-	113
Lottery	349	-	349	336	-	336
	3,772	-	3,772	1,823	-	1,823

6. Income from investments

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Interest received	16	-	16	13	-	13
Rent from investment property	4	-	4	4	-	4
Dividend income	17	-	17	11	-	11
	37	-	37	28	-	28

7. Other income

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Job Retention Scheme	44	-	44	648	-	648
Retail Business grants	-	-	-	597	-	597
Insurance Claim	52	-	52	470	-	470
Other	2	-	2	6	-	6
	98	-	98	1,721	-	1,721

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

8. Support costs

The Hospice allocates its support costs as shown in the table below in accordance with the basis of allocation set out in the accounting policies.

	Governance £000	Corporate £000	Finance £000	HR £000	Health and Safety £000	ICT £000	Total £000
Raising funds							
Retail trading	18	86	46	34	18	12	214
Fundraising	2	7	4	3	2	1	19
Lottery	-	2	1	1	-	-	4
Investment management	-	-	-	-	-	-	-
Charitable activities							
In-Patient Unit	8	40	22	17	9	5	101
Community Nursing	6	26	14	11	6	4	67
Hospice At Home	9	40	22	17	9	6	103
Day Hospice	1	6	3	3	1	1	15
Family Support Team	2	8	4	3	2	1	20
Chaplaincy	-	1	1	1	-	-	3
Education	-	-	-	-	-	-	-
Complementary Therapy	-	1	1	1	-	-	3
Clinical Governance	-	-	-	-	-	-	-
Occupational Therapy	-	-	-	-	-	-	-
	46	217	118	91	47	30	549

9. Expenditure on raising funds by cost type

	Direct costs 2022 £000	Support costs 2022 £000	Total costs 2022 £000	Direct costs 2021 £000	Support costs 2021 £000	Total costs 2021 £000
Retail trading	2,416	214	2,630	2,109	177	2,286
Fundraising	389	19	408	271	16	287
Lottery	188	4	192	208	8	216
Investment management	9	-	9	3	-	3
	3,002	237	3,239	2,591	201	2,792

10. Expenditure on raising funds by fund

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total costs 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total costs 2021 £000
Retail trading	2,630	-	2,630	2,286	-	2,286
Fundraising	402	6	408	287	-	287
Lottery	192	-	192	216	-	216
Investment management	9	-	9	3	-	3
	3,233	6	3,239	2,792	-	2,792

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

11. Expenditure on charitable activities by cost type

	Direct costs 2022 £000	Support costs 2022 £000	Total costs 2022 £000	Direct costs 2021 £000	Support costs 2021 £000	Total costs 2021 £000
In-Patient Unit	1,544	101	1,645	1,437	80	1,517
Community Nursing	1,042	67	1,109	1,007	57	1,064
Hospice At Home	1,095	103	1,198	1,200	92	1,292
Day Hospice	286	15	301	305	18	323
Family Support Team	216	20	236	221	20	241
Chaplaincy	40	3	43	39	2	41
Education	39	-	39	71	2	73
Complementary Therapy	31	3	34	35	3	38
Clinical Governance	18	-	18	18	-	18
Occupational Therapy	14	-	14	20	-	20
	4,325	312	4,637	4,353	274	4,627

12. Expenditure on charitable activities by fund

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total costs 2022 £000	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total costs 2021 £000
In-Patient Unit	1,610	35	1,645	1,513	4	1,517
Community Nursing	1,089	20	1,109	1,064	-	1,064
Hospice At Home	1,134	64	1,198	1,287	5	1,292
Day Hospice	296	5	301	322	1	323
Family Support Team	175	61	236	203	38	241
Chaplaincy	43	-	43	41	-	41
Education	39	-	39	73	-	73
Complementary Therapy	34	-	34	38	-	38
Clinical Governance	18	-	18	18	-	18
Occupational Therapy	14	-	14	20	-	20
	4,452	185	4,637	4,579	48	4,627

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

13. Intangible fixed assets

	Negative goodwill £000
Asset cost	
Brought forward	(278)
Additions	-
Carried forward	(278)
Accumulated amortisation	
Brought forward	(278)
Carried forward	(278)
Net book value	
Carried forward	-
Brought forward	-

Negative goodwill arose following the acquisition of St Anne's In-Patient Unit in June 2013.

14. Tangible fixed assets**Group**

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,623	208	1,867	10,923
Additions	-	1	34	90	125
Disposals	-	-	(79)	(1)	(80)
Carried forward	225	8,624	163	1,956	10,968
Accumulated depreciation					
Brought forward	45	533	166	1,547	2,291
Disposals	-	-	(74)	-	(74)
Charge for the year	5	90	18	166	279
Carried forward	50	623	110	1,713	2,496
Net book value					
Carried forward	175	8,001	53	243	8,472
Brought forward	180	8,090	42	320	8,632

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Company

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,776	208	1,867	11,076
Additions	-	1	34	90	125
Disposals	-	-	(79)	(1)	(80)
Carried forward	225	8,777	163	1,956	11,121
Accumulated depreciation					
Brought forward	45	542	166	1547	2,300
Disposals	-	-	(74)	-	(74)
Charge for the year	5	92	18	166	281
Carried forward	50	634	110	1,713	2,507
Net book value					
Carried forward	175	8,143	53	243	8,614
Brought forward	180	8,234	42	320	8,776

The fixed assets of the Hospice includes £59,000 (2021 - £59,000) under Leasehold land and buildings which relate to depreciated, capitalised cost of services provided to the Hospice by its subsidiary for the construction of the Blackett Avenue site. In the year depreciation of £1,000 (2021 - £1,000) has been charged against this asset.

The fixed assets of the Hospice also includes £83,000 (2021 - £84,000) under Leasehold land and buildings which relate to capitalised cost of services provided to the Hospice by its subsidiary for the construction of the In-Patient Unit. In the year depreciation of £1,000 (2021 - £1,000) has been charged against this asset.

Included in Fixtures, fittings and equipment are assets that were acquired under finance leases with a net book value of £51,000 (2021 - £74,000).

15. Investments**Group and company**

	Property £000	Listed £000	Total £000
Fair value brought forward	65	545	610
Additions	-	1,017	1,017
Gains / (Losses)	15	(15)	-
Fair value carried forward	80	1,547	1,627

The Hospice's Investment Property was revalued as at 31 March 2022. A "desktop" valuation was undertaken by independent RICS Registered Valuers, Linnells Property Consultants and in their opinion the fair value, which is the market value, was £80,000. As set out in note 1 the next full professional independent five year valuation will be at 31 March 2023.

Listed investments comprise two investment portfolios managed by two independent investment managers and listed investments held outside the investment portfolios. Cash held from time to time within the investment portfolios as part of normal trading within the portfolios is included in listed investments. The asset classes held in listed investments at 31 March 2022 are shown below:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

	Portfolio 1	Portfolio 2	Other listed	2022 £000	2021 £000
Fixed income - UK	27	36	-	63	33
Fixed income - International	22	97	-	119	40
Equity - UK	105	262	-	367	75
Equity - International	212	485	1	698	1
Equity funds - UK	-	-	-	-	72
Equity funds - International	-	-	-	-	229
Property funds	34	22	-	56	23
Commodities	-	16	-	16	-
Absolute return funds	11	80	-	91	20
Infrastructure funds	13	-	-	13	20
Alternative structured investments	27	-	-	27	6
Mixed investment Funds	9	-	-	9	9
Cash	58	30	-	88	17
Total investment	518	1,028	1	1,547	545

The Hospice owns the entire ordinary share capital in its subsidiary undertaking St David's Trading Limited (company number 05734138). This unlisted investment cannot be measured reliably at fair value so has been measured at cost.

	Subsidiary undertaking £
Group	
Cost brought forward and carried forward	-
Charity	
Cost brought forward and carried forward	1

16. Subsidiary company

St David's Trading Limited, the Hospice's wholly owned subsidiary undertakes two core activities: the sale of new, bought in goods within the Hospice's network of charity shops and the development of a new In-Patient Unit. The development of the new In-Patient Unit is now complete. Profits in St David's Trading Limited are remitted to the Hospice by way of a gift aid payment. At 31 March 2022 St David's Trading Limited had assets of £76,000 (2021 - £46,000) and liabilities of £76,000 (2021 - £46,000). Its funds at the end of the reporting period were therefore £nil (2021 - £nil). The turnover during the year was £189,000 (2021 - £71,000) and expenditure was £189,000 (2021 - £71,000).

17. Stock

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Stock	58	47	5	2
	58	47	5	2

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

18. Debtors

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Trade debtors	679	873	679	873
Amounts owed by group undertakings	-	-	75	6
Prepayments and accrued income	765	1,448	765	1,486
Other debtors	76	55	62	54
	1,520	2,376	1,581	2,419

19. Cash at bank and in hand

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Cash and bank balances	969	1,353	960	1,352
Cash on short term deposit	3,270	2,002	3,270	2,002
	4,239	3,355	4,230	3,354

20. Creditors: Amounts falling due within one year

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Trade creditors	149	77	149	77
Amounts owed to group undertakings	-	-	-	-
Accruals and deferred income	308	297	306	295
Taxation and social security	88	84	88	84
Obligations under finance leases	19	19	19	19
Pension liability	43	43	43	43
Other creditors	12	5	12	5
	619	525	617	523

21. Creditors: Amounts falling due after one year

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Obligations under finance leases	41	60	41	60
	41	60	41	60

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

22. Movement in funds

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2022 £000
UNRESTRICTED FUNDS						
General fund	14,387	8,478	(7,685)	-	8	15,188
Total unrestricted funds	14,387	8,478	(7,685)	-	8	15,188
RESTRICTED FUNDS						
Bereavement Support	1	1	(2)	-	-	-
Blackett Ave Day Hospice General	-	1	(1)	-	-	-
Bonus for NHS commissioned health care services	-	75	(75)	-	-	-
Children in Need 2019	4	40	(35)	-	-	9
Financial Recognition for Social Care Worker Scheme	-	19	(19)	-	-	-
Hoist	1	-	-	-	-	1
Hospice at Home general	-	2	(2)	-	-	-
Hospice at Home Health Care Assistant	-	22	(22)	-	-	-
IPU Family refreshments	1	-	-	-	-	1
New Website Project	-	13	(6)	-	-	7
Panteg garden furniture	1	-	-	-	(1)	-
Refurbishment of Day Hospice	7	-	-	-	(7)	-
Social worker fund	2	-	-	-	-	2
Syringe driver	-	3	-	-	-	3
Spiritual Room Furniture	-	-	-	-	-	-
Trevor Gray Education Centre	9	-	(9)	-	-	-
Unicorn Project	2	3	(3)	-	-	2
Usk House Day Hospice general	-	41	-	-	-	41
Welfare Rights Advisor salary	16	-	(16)	-	-	-
Other restricted funds	4	(1)	(1)	-	-	2
Total restricted funds	48	219	(191)	-	(8)	68
Total funds	14,435	8,697	(7,876)	-	-	15,256

During the year the balance of certain restricted funds were transferred to unrestricted funds. The original use of these funds was restricted to the purchase of fixed assets. Since the assets are held for a general and not a restricted purpose the balance has been transferred to unrestricted funds in accordance with Charities SORP (FRS 102) paragraph 2.26.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Name of Fund	Description, nature and purpose of the fund
Unrestricted funds	
General fund	The undesignated unrestricted funds of the Hospice.
Restricted funds	
Bereavement Support	This fund received from various sources is used to support our bereavement service.
Blackett Ave. Day Hospice General	Funded from various sources to support our work in the Blackett Avenue Day Hospice.
Bonus for NHS commissioned health care services	Funded by NHS Wales to provide a bonus to Health Care workers providing commissioned services to NHS.
Children in Need 2019	Funded by BBC Children in Need to fund our Unicorn Project, our Children and young people's service.
Financial Recognition for Social Care Worker Scheme	Provided by Welsh Government to make a payment to Social Care Workers in recognition of their work during the Covid-19 pandemic.
Hoist	Provided by Welsh Church Fund to fund a hoist.
Hospice at Home general	Funded from various sources to support our Hospice at Home Service.
Hospice at Home Health Care Assistant	Provided by the Waterloo Foundation to fund the full time equivalent salary of a Health Care Assistant caring for patients in our Hospice at Home service.
IPU Family refreshments	Support from a private donation to provide refreshments for relatives visiting patients in our IPU.
New Website Project	Funded by WCVA for the development of a new website.
Panteg garden furniture	To fund the re-development of the garden at Panteg.
Refurbishment of Day Hospice	Provided by Plutus Health to fund the refurbishment of our Day Hospice.
Social worker fund	This fund received from various sources is used to support patients who are facing financial hardship.
Syringe driver	Provided by a private donor for the purchase of a syringe driver.
Spiritual Room Furniture	Provided by E Lewis for furniture for the Spiritual Room.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Name of Fund	Description, nature and purpose of the fund
Trevor Gray Education Centre	Provided to fund an e-learning suite and staff training.
Unicorn Project	Fund to support the Unicorn project. Provided by various funders.
Usk House Day Hospice general	Funded from various sources to support our work in the Usk House Day Hospice.
Welfare Rights Advisor salary	Provided by the Moondance Foundation towards the salary of A Welfare Rights Advisor.
Other restricted funds	Other restricted funds with balances less than £500.

23. Analysis of group net assets between funds

	Investments £000	Tangible fixed assets £000	Other net assets £000	Total £000
Restricted income funds	-	-	68	68
Unrestricted income funds	1,627	8,472	5,089	15,188
	1,627	8,472	5,157	15,256

24. Commitments

The group and company's future minimum operating and finance lease payments are as follows:

	Finance leases		Operating leases	
	2022 £000	2021 £000	2022 £000	2021 £000
Not later than one year	22	22	419	456
later than one year but not later than five years	43	64	503	706
later than five years	-	-	-	-
	65	86	922	1,162

The net book value of fixed assets held under finance lease are given in note 14.

25. Staff costs

	Total 2022 £000	Total 2021 £000
Wages and salaries	4,586	4,585
Social security costs	365	363
Pension costs	309	313
	5,260	5,261

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Included in Wages and salaries are termination payments of £18,000 (2021 – £18,000).

The number of employees, whose total employee benefits (excluding employer pension costs) for the reporting period, fell within each banding of £10,000 from £60,000 were as follows:

	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

26. Pensions

The Hospice contributed to two pension schemes in the financial year: the Royal London scheme and the NHS pension scheme.

Royal London scheme

The Hospice operates a defined contribution pension scheme for its employees, where all the assets are held in a separately administered fund, which is outside the control of the Hospice. At the year-end there were 154 (2021 – 155) employees who were members of the scheme. Employer contributions charged against income in the year were £121,000 (2021 – £127,000). Outstanding contributions (both employer and employee) at the balance sheet date were £18,000 (2021 – £17,000).

Employees who are enrolled into a pension under "automatic enrolment" are enrolled into this scheme.

NHS scheme

Staff transferring from the NHS may continue to contribute to the NHS scheme. The scheme is a multi-employer, unfunded defined benefit scheme but the Hospice is unable to identify its share of the underlying assets and liabilities of the Plan on a consistent and reasonable basis and therefore, as permitted by FRS 102 para 28.11, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the Hospice's contributions payable to the Plan in respect of the accounting period. The employee contribution percentage rates under this scheme vary depending on pensionable earnings. At the year end there were 40 (2021 – 39) who were members of the scheme. Employer contributions charged against income in the year were £188,000 (2021 – £186,000). Outstanding contributions (both employer and employee) at the balance sheet date were £26,000 (2021 – £26,000).

27. Staff numbers

The average number of staff employed by the Hospice during the year was 249 (2021 – 258). Some of the Hospice's employees do not undertake work every month. The average number of staff paid each month was 230 (2021 – 235).

28. Key management personnel

The key management personnel comprise the Trustees and the Senior Management Team as set out on page 13. None of the Trustees were paid any remuneration or received any other benefits from an employment with the Hospice or its subsidiary. Trustees' expenses are set out in note 29. The total employee benefits paid to the key management personnel was £374,000 (2021 – £370,000).

29. Trustees' expenses

No Trustee claimed expenses in the previous two years.

30. Related party transactions

There were no related party transactions in the previous two years.

31. Legal status of the Hospice

St David's Foundation Hospice Care is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word "limited" and is a registered charity. The liability of each member in the event of a winding-up is limited to £1.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

32. Taxation

The company has obtained charitable status under Section 505(1a) and (1c) Income and Corporation Taxes Act 1988 and has only undertaken primary purpose activities during the year and is therefore exempt from Corporation Tax.

Accounts

**ST DAVID'S FOUNDATION
HOSPICE CARE**

**TRUSTEES' ANNUAL REPORT AND
CONSOLIDATED FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2021**

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YEAR ENDED 31 MARCH 2021

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The Trustees are pleased to present their annual report with the audited, consolidated financial statements of St David's Foundation Hospice Care ("the Hospice") for the year ending 31 March 2021.

This Trustees report incorporates the requirements of a Directors' report required by company law.

COVID-19 Statement and response

On Monday March 23rd 2020 St David's Hospice Care faced one of the most difficult times in its history as did many hospices across the UK. The hospice was faced with having to adapt and change its service delivery in a very short timescale. Our priority was to ensure we could deliver our core services but being increasingly mindful of how the pandemic might increase demand for our care.

Overnight two key sources of income (retail and fundraising) stopped abruptly with no indication of how long the pandemic would last.

Financial Response

Furlough – St David's Hospice Care took the decision to furlough all retail and fundraising staff during the first wave and this approach continued into the second wave in autumn 2020.

Welsh Government Support – St David's Hospice Care took an active role in negotiating and talking to Welsh Government to highlight the financial risks facing the sector due to the pandemic. This work was led by Hospice UK and Hospices Cymru. The support and response from Welsh Government was very positive and we are very grateful for their support.

Landlord Support – At the beginning of the pandemic we contacted landlords to ask them to offer the hospice a rent holiday. Many landlords were very sympathetic and offered various options to help.

Business Rates Relief and Related Grants – St David's Hospice Care applied, where applicable, for all grants and relief schemes from the local authorities.

Insurance Claim – A business interruption claim was made and this was successful.

Clinical Response

Clinical Nurse Specialists – Clinical Nurse Specialists introduced virtual visits, Attend Anywhere and increased phone support. All face-to-face visits continued for symptom management and end of life care.

Hospice at Home – Service delivery continued and there was an increase in activity during the pandemic. The service coped remarkably well during very difficult circumstances.

Family Support Team – The services were adapted to virtual platforms and phone support but visits were undertaken where needed.

Day Hospice – Sadly, all four day hospices had to shut temporarily but new ways of supporting patients were

developed and this proved to be very successful. A new befriending service was developed at the beginning of the pandemic to address the issues around loneliness and isolation.

Bereavement – Further investment from Welsh Government ensured St David's Hospice Care could cope with any increasing demand due to families losing loved ones due to COVID-19.

In Patient Unit – The unit coped well during the first wave and we continued to admit patients as normal. Unfortunately, during November 2020, a COVID-19 outbreak within the staff group took hold and we were unable to admit patients for seven weeks.

Care Homes – St David's Hospice Care supported many care homes during the pandemic, either with symptom management or by providing staff to care for end of life patients within the home, sincere thanks goes out to all our staff who supported this effort.

The Head of Service for Caerphilly Borough, Palliative Care & Primary Care Diabetes Service at Aneurin Bevan University Health Board acknowledged the work and commitment of St David's staff by including the following thanks in their newsletter:

The Caerphilly Management Team would sincerely like to thank the St David's Foundation for all the support they have provided to the Caerphilly locality during the last 10 months. In the spirit of partnership working they have again responded to the calls of support from many different areas, whilst providing a much needed and important community service along with a platinum inpatient service at the St David's Hospice.

Not only have they provided support to Caerphilly during this second wave of the pandemic but have been kind enough to offer support to other boroughs as well at times of need. St David's nurses have provided support to our District Nursing Service and have provided specialist nursing support within care homes across Caerphilly during the recent crisis, which we would not have managed without. The support they provided to care home patients was second to none and provided that additional level of specialist nursing support required to negate patients being admitted to a hospital setting unnecessarily.

PPE – Grateful thanks to Aneurin Bevan University Health Board for their tremendous support with PPE. We were able to ensure our staff and patients remained safe during the pandemic due to their support.

The response from our Health and Safety Officer was extraordinary ensuring a plentiful supply to all front line staff.

Objectives and activities

The principal objective of the Hospice is to relieve sickness and pain among persons who are suffering from any chronic or life-threatening illness in England and Wales. The Hospice currently confines its work to Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Hospice provides a specialist, multi-professional palliative care service in community, Day Hospice and in-patient settings.

The main focus of our work is to provide 24-hour supportive palliative nursing care in patients' own homes via our Clinical Nurse Specialists, Hospice at Home team, our In-Patient Unit, our Day Hospices and to provide support through our Family Support Team.

The Hospice aims to meet this objective by:

Putting patients and their carers first

- delivering excellent high quality and responsive care, free of charge at the right time and in the right place;
- providing bespoke care that meets the individual needs of patients, carers and their families;
- working with Health Boards and other health and social care professionals to support and care for those who need our service;

Supporting and empowering staff and volunteers

- developing a workforce with the skills and ability to deliver our purposes;
- creating a supportive, respectful, listening environment for our valued staff and volunteers;

Strengthening our foundations as a charitable organisation

- making the best use of existing resources to ensure efficiency and effectiveness;
- maximising and diversifying our income generation to fund and develop our services;

Engaging with our communities

- working with and developing mutually beneficial relationships;
- building on and enhancing our excellent reputation and profile;
- being committed to widening access and being inclusive;

Looking forward

- responding and adapting to external influences and changing in a timely manner;
- being innovative and pro-active leaders in our field;
- developing a hospice for the future by always seeking to improve methods and practices;

Striving to be the best at what we do

- aspiring to always exceed quality standards for all aspects of the care and services that we deliver;
- listening and responding to the needs of our patients and communities to keep them at the heart of everything we do;
- being a developing and learning organisation through evaluating our delivery and sharing best practice.

The Hospice undertakes nine core charitable activities to meet its objectives:

- Community Clinical Nurse Specialists
- Hospice at Home
- The Day Hospices
- Fifteen bed In-Patient Unit
- The Family Support Team
- Adult and child bereavement care
- Complementary therapies
- Chaplain service
- Education

Community Clinical Nurse Specialists

"The CNS always has a smile on her face, a kind word and a fantastic sense of humour. My mother and I have had good days and bad but the CNS always pulled us through the bad and out the other side to a new day again."

A family member of a patient

The Hospice employs a large team of Clinical Nurse Specialists. They are highly trained, skilled palliative care professionals. The Clinical Nurse Specialists are allocated to GP practices and work as core members of the primary healthcare team. The role of the Clinical Nurse Specialist is to:

- support the patient and family by managing symptom control such as pain and nausea;
- provide information regarding diagnosis and treatment;
- liaise with the Primary Healthcare Team on a plan of care;
- be the key worker within the Hospice and refer patients to other hospice services and other community services;
- work with patients regarding their preferred place of care and preferred place of death.

Hospice at Home

The Hospice at Home team aims to provide end of life care at home and to enable patients to have choice about where they die. The service also provides respite care to patients to help relieve carer fatigue. The service is delivered with a skill mix of qualified palliative care nurses and health care assistants. Each patient and their family are assessed individually to ensure the Hospice develops the best possible package of care for each situation.

TRUSTEES REPORT

YEAR ENDED 31 MARCH 2021

"The service made all the difference and allowed us to keep dad at home until the end which we couldn't have otherwise have coped with, thank you."

A relative

Day Hospices

We have 4 Day Hospices which run throughout the week with patients attending between 10am and 4pm at the service most local to them. They are:

- Ysbyty Ystrad Fawr, Ystrad Mynach
- County Hospital, Pontypool
- Usk House, Brecon
- Blackett Avenue, Newport

Day Hospice is a friendly and comfortable place for patients to meet and gain support from others who are in a similar situation, and take part in a range of activities and interests. Patients are able to choose breakfast and lunch from our menu and can enjoy a relaxing bath at any of the locations. Group or individual relaxation sessions and complementary therapy treatments are also available. There is always a Specialist Palliative Care Nurse on hand for patients to discuss their condition or medication.

The Hospice Harmony Choir

The Hospice Harmony Choir have been singing together for over three years and have performed at music concerts and festivals. Any patient, their carer or family member can join the Choir which usually meets in Blackett Avenue Day Hospice. Those that attend will often report feeling much more energised and uplifted after attending and the group have become a new form of support for each other. On average we have around 30 participants and have more concerts and activities planned, including percussion sessions to be introduced.

In-Patient Unit

"I would like to take time to say a massive thank you to your staff. As I have stated, I have never been treated with so much help and kindness in my life, they do and will go out of their way to help and treat you, not just one of them, all of them. I salute the Hospice for employing a fantastic group who work so well together"

A patient

The In-Patient Unit is a Consultant led Specialist Palliative Care unit with 15 beds for adult patients who suffer from progressive life limiting conditions and live within the five localities of Aneurin Bevan University Health Board (ABUHB). The service is free for patients and families who fulfil the criteria for admission, which include short term care

for the management of complex symptoms, assessment, emotional or psychological distress, rehabilitation following treatment and care at the end of life. The In-Patient Unit does not provide long term nursing care. Holistic care is co-ordinated by a multi-professional team, with a mix of skills that encompass the physical, spiritual, psychological and social requirements of patients and families. All admissions to the In-patient Hospice are decided by the ABUHB medical team.

The Family Support Team

The Family Support Team are part of the multi-professional team supporting patients and their families with a wide range of social, financial, practical and emotional needs. The team includes:

- Social Workers;
- Welfare Rights Advisors;
- Carer Support;
- Bereavement Support;
- The Unicorn Service supporting children, young people and their families.

Social workers work across the community and in patient services supporting patients, families and carers with a wide range of issues.

Welfare Rights Advisors ensure that our patients and families have support to navigate the welfare reforms, access their full entitlements and have fewer money worries.

The Bereavement Service provides support to anyone coping with the loss of a patient of the Hospice.

"T. just listened which really helped me as I am not good at talking about feelings, she was so nice and made me feel at ease. I found her easy to chat to."

A bereaved relative

Complementary Therapy

The Complementary Therapy Team at St David's Hospice is made up of experienced therapists. Complementary therapies are offered in conjunction with conventional medical treatment and are offered primarily for the relief of stress and anxiety but can also assist in relieving physical symptoms such as pain, insomnia, nausea and muscle tension. In general, complementary therapies can be used to induce a feeling of well-being and of 'letting go' and are also aimed at giving the patient a 'treat' rather than a treatment.

Therapies include massage, aromatherapy, reflexology and Reiki and are provided at patient's homes or within the Day Hospice or In-Patient Unit setting.

Chaplaincy Service

The Hospice has been providing a chaplaincy service since June 2019. The volunteer spiritual care team remain very dedicated and are much appreciated by parents and families alike.

Occupational Therapy

Historically this service was purchased from ABUHB but now the Hospice employees the OT directly. The service is provided primarily in the In Patient Hospice but the OT also provides community and Day Hospice session. This has been a positive development.

Education

The Education Department works closely with local Universities through endorsements of specific courses and mentoring of student nurses. A wide range of teaching strategies are used to improve the knowledge and skills of staff to care for people, their families and carers facing a progressive life-threatening illness which is no longer curable. Regular courses are provided for nursing and residential homes in palliative care.

Public benefit

Our charitable services are provided without charge to all members of the public with a life threatening illness who are referred by a health care professional and who live in Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys.

The Trustees are of the opinion that they have complied with their duties to have due regard for the guidance on public benefit. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Hospice's aims and objectives and in planning our future activities.

Statement of purpose

St. David's Hospice Care aims to:

- provide a comprehensive range of holistic hospice and palliative care services within the unitary authorities of

Caerphilly, Monmouthshire, Newport, Torfaen and in South & Mid Powys;

- ensure all staff are appropriately trained and encouraged to participate in continued professional development;
- respect the dignity and privacy of service users at all times and respect the individuals' rights and choice in their care;
- receive referrals of patients who have a diagnosis of a life-threatening illness (either cancer or non-cancer of patients aged 17 years and over);
- promote and disseminate current research and good practice to the wider healthcare community;
- work within the requirements of the Care Standards Act 2000, the Nurses Agencies (Wales) Regulations 2003, the Domiciliary Care Agencies (Wales) Regulations 2004 and the National Minimum Standards for Independent Health Care Services in Wales 2011;
- support the need of patients' carers and families during the patients' illness and into bereavement;
- provide personal care to young people and adults (aged 17 years and over) within an agreed criteria;
- provide respite care through Day Hospice, Hospice at Home, in-patient care and carer support.

Strategic report

The strategic report required under company law comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods* below.

Key performance indicators

The Hospice uses a range of performance measures to monitor its performance. The key measures related to its charitable work are given in the achievements and performance section starting on page 5. The key financial performance indicators, including the Hospice's reserves, are disclosed in the financial review starting on page 7.

Achievements and performance

In last year's financial statements we set out the following priorities for the forthcoming year:

Priority	Outcome
Stabilise income and expenditure by accessing all Government help available	This was fully achieved.
Plan for an increase demand on our clinical services due to COVID-19	This was fully achieved.
Develop an emergency budget for the year and implement monthly forecasting	This was fully achieved.
Keep our staff and volunteers safe	This was fully achieved.
Keep our patients safe	This was fully achieved.

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Community Clinical Nurse Specialists

	2021	2020
Number of patients	3,455	3,371
Average caseload	1,305	1,203
New referrals	2,143	2,296
Discharges	231	254
Deaths	1,734	1,720
Deaths at home	1,291	1,192
% died at home	75%	69%

"The CNS's knowledge, support and compassion were absolutely unbelievable. Nothing was any trouble for the CNS and we truly admire her as a person and within her role at St. David's."

A St David's patient

- The five teams work through Caerphilly, Monmouthshire, Newport, Torfaen and South & Mid Powys. Each Clinical Nurse Specialist (CNS) is assigned to one or more GP surgeries. The CNS team cared for 3,455 patients which is an increase on previous year (2020 – 3,371).
- Overall referrals rose to 1,305 from 1,203 in 2020.
- We aim to ensure across the service that at least 60% of patients die in their usual place of residence (excluding Hospice at Home). In 2020 we achieved this with 1,291 of 1,734 (2020 – 1,192 of 1,720).

Hospice at Home

	2021	2020
Average monthly caseload	84	48
New referrals	737	715
Hours of care	48,137	46,738

"The lady that came was a pleasure to have in our home. The night she came to care for my mum I slept for the first time in two weeks, thanks to her care of my mother that night"

The relative of a patient

- The highly valued team support offered by the Hospice at Home remains at the core of what the Hospice aims to achieve, ensuring patients have *real* choice about where to receive their end of life care.
- There has been a 3.0% increase in the number of hours provided compared to last year (2020 – 6.0% increase), with a total number of hours of care provided of 48,137 (2020 – 46,738).
- We continue to offer a flexible bespoke service which is tailored to each individual patient and their family.

- Our Hospice at Home service is registered with Care Inspectorate Wales. Our latest inspection can be requested directly from Care Inspectorate Wales.

Day Hospice

	2021	2020
Average monthly caseload		126
New referrals		344
Attendances		3,366

- The day Hospices have been closed throughout the year.

Complementary Therapy

	2021	2020
Average monthly community caseload	41	67
Treatments given	461	1,556
New referrals	81	416

The community caseload does not include Day Hospice and IPU patients.

- COVID-19 has meant there have been limitations on the service provided this year.

Family Support Team

	2021	2020
Social Work		
Average monthly caseload	54	55
New referrals	144	204
Visits	546	321
Welfare Rights		
Average monthly caseload	110	272
New referrals	583	734
Visits	2	484
Adult bereavement service		
Average monthly caseload	58	92
New referrals	186	186
Sessions	710	1,340
Children's bereavement service (Unicorn)		
Average monthly caseload	143	142
New referrals (families)	236	275
Sessions	1,344	1,203

- Welfare rights referrals have decreased from 734 in 2020 to 583 in 2021.
- Referrals to the Unicorn Service fell in the year (from 275 to 236).

"The service offered a safe place for my child to talk and discuss the bereavement. He was able to talk to someone who could give him age appropriate answers and clarity. Help him understand emotions and that it is ok to cry and be sad sometimes. "

A parent whose child had used the Unicorn service

In-Patient Unit

	2021	2020
Referrals	249	217
Admissions	191	204
Discharges	57	59
Deaths	113	112
Average length stay in days	17	15
Average bed occupancy	52%	56%

"I don't think there is any way the Hospice could improve. They even let my dogs in to visit me."

An In-Patient Unit patient

- The number of referrals to the Hospice In-Patient Unit has increased from 217 to 249.
 - The bed occupancy decreased because a COVID-19 outbreak within the staff group took hold and we were unable to admit patients for seven weeks.
 - The In-Patient Unit is regulated by Healthcare Inspectorate Wales and was inspected in December 2018; a copy of the report can be found at the Healthcare Inspectorate Wales website at www.hiww.org.uk. Highlights of what we do well included:
 - person centred care;
 - patient and carer involvement in care planning;
 - family support;
 - multidisciplinary working;
 - well maintained and welcoming environment;
 - clinical auditing.
- The report recommended improvements in some areas of record keeping, updating of care plans and one area of staff training. All these recommendations have now been implemented.

There was no inspection during the year.

"It's a very relaxed environment. The staff are wonderful – they take time to explain things and go the extra mile."

An In-Patient Unit patient

Education

The Education team were unable to operate their normal programme of courses during the year.

Out of hours – on call

This 24-hour a day advice line provides invaluable support to patients, families and healthcare professionals. The demand for this service has remained similar to previous years. A total of 1,742 calls were made in the year (2020 – 2,052).

Clinical risk management

- The team managers complete quality and patient safety reports monthly and these are assessed and actioned at a monthly Quality and Assurance meeting.
- Senior clinical managers meet weekly to discuss and action any issues arising.
- Policies and procedures are updated regularly.
- The Trustee clinical governance sub-group meets four times a year.
- A monthly SMT meeting for the In-Patient Unit is held with representatives from ABUHB.
- Risk assessments are completed for every patient and their family.

Compliments and complaints

Although the Hospice aims to provide the very best care to our patients and families there are rare occasions where we do not meet the standard we would expect. As a hospice we take every complaint or concern very seriously and aim to learn from these occasions. A copy of our complaints policy can be obtained from the Hospice.

We receive many compliments and always take the opportunity to learn from these situations and share good practice.

Financial review

Overall the Hospice's income increased from £8,951,000 to £9,037,000. The Hospice's total expenditure decreased by £952,000 to £7,419,000. The Hospice's spending on charitable activities decreased by £308,000 from £4,935,000 to £4,627,000.

The financial impact of COVID-19

The pandemic had a substantial impact on the traditional income streams of the hospice. The hospice has been reliant on substantial government support from various sources to replace this lost income which has enabled it to continue to deliver its services.

The hospice is also very grateful for the public's response to our donation appeal during the year. The financial response to the COVID-19 pandemic is set out on page 2.

Legacy income

The Hospice has recognised legacy income of £718,000. This represents a decrease of £254,000 compared to 2019/20. It compares to an average per year over the five years to 31 March 2021 of £822,000.

Funding sources

The Hospice receives funding to provide its services from a variety of sources. The Hospice received the following from

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the Welsh Government and NHS Health Boards under long term agreements:

	Income £000		% of the expenditure on charitable activities	
	2021	2020	2021	2020
NHS service level agreements	1,770	1,719	38%	35%
Welsh Government	23	25	0%	1%
	1,793	1,744	38%	36%

The Hospice receives additional NHS funding for individual continuing health care packages. .

	Income £000		% of the expenditure on charitable activities	
	2021	2020	2021	2020
Care packages	436	368	9%	7%

The Hospice augments this public funding with donations, legacies and grants from trusts. In addition the Hospice operates three core fundraising activities:

- running a network of charity shops;
- organising fundraising events;
- and operating a lottery.

As set out on page 2 the hospices ability to raise funds from its charity shops and fundraising events was severely restricted in the year.

Charity shops (retail trading)

The Hospice operates 38 (2020 – 36) charity shops. The shops primarily sell second hand goods donated by members of the public. In addition new goods are sold by the Hospice's trading subsidiary within the shops. The sale of new goods represented 6% (2020 – 6%) of retail trading income.

Due to shops being closed for substantial periods of the year retail trading suffered a deficit, after allocation of support costs, of £912,000 (2020 - £713,000 surplus). This deficit does not include income from the Job Retention Scheme or Business Rates related grants.

Fundraising

The fundraising department incorporates both the work associated with appealing for donations and the subsequent administration together with the work associated with organising fundraising events. The net surplus from all fundraising, after the allocation of support costs, was £1,762,000 (2020 - £1,980,000). This represents an increased surplus margin of 86% (2020 - 80%).

Lottery

The Hospice operates a weekly lottery draw. Most members play every week. Twice a year extra prizes are awarded for the draw. On these weeks additional tickets are sold more widely to the general public.

The net surplus from the lottery after the allocation of support costs was £120,000 (2020 - £145,000). This represents a surplus margin of 36% (2019 - 38%).

During the year door to door ticket sales were suspended for significant periods of the year.

VAT

The Hospice continues to benefit from the VAT refund scheme for palliative care charities which means it has been able to reclaim the VAT on its non-business activities. The additional VAT that the Hospice would not otherwise have been able to recover was £94,000 (2020 - £115,000). The Hospice continues to suffer irrecoverable VAT on some of its expenditure notably expenditure on its lottery and on most fundraising events. The total irrecoverable VAT suffered was £11,000 (2020 - £34,000).

Investment policy

The Trustees reviewed and approved the investment policy on 5 March 2020.

Purpose of the Hospice's investment

The Hospice's investment policy is closely aligned with its reserves policy which sets out that free reserves are primarily held to cover an unexpected reduction in income over the forthcoming twelve months. As such the Hospice's policy is to keep most surplus cash on deposit with UK based institutions. The terms of deposits may range from instant access to twelve months term deposits to ensure the funds are available if required without loss of capital or interest.

However in order to mitigate the risk of a real term loss in the value of reserves due to inflation the Hospice will invest a limited proportion of reserves in asset classes other than cash (the investment portfolio).

The Hospice calculates a risk based, free reserves requirement every year as set out in the reserves policy. This sets out the level of free reserves that the Hospice will seek to hold. The Hospice will retain at least 100% of the free reserves requirement as cash on deposit. Any additional funds may be invested in the portfolios at the discretion of the Senior Management Team.

The level of funds invested in the portfolio will be reported to the Governance Committee as part of the routine management accounts reporting.

Investment Manager

The investment portfolio will be managed on a discretionary basis which means the buy and sell decisions will be made by an Investment Manager subject to the conditions and ethical considerations set out in this policy. The Investment Manager will be appointed by the Governance Committee.

The Governance committee may select one or more Investment Managers to manage the portfolio.

The Governance Committee will review the appointment of the Investment Managers at least every five years. This review may include a formal tender for the role at the discretion of the committee.

Objectives of the investment portfolio

Funds in the investment portfolio will be invested to produce the best financial return with an acceptable level of risk.

In the short term, income from the investment portfolio will not be used to fund charitable activities. The investment objective is therefore to increase the overall total return of the fund. Since the expectation is that any income from the investment portfolio will be reinvested in the portfolio, the Hospice does not have a preference for either income or capital growth.

To meet its objectives the Hospice investment portfolio can be invested widely according to the general power of investment and should be diversified by asset class, and by security. Asset classes could include cash, bonds, equities, commodities and any other assets that are deemed suitable for the Hospice. The weighting of the classes of assets will be at the discretion of the Investment Manager subject to the conditions of this policy.

It is anticipated that investments will primarily be in UK based assets.

Risk

Giving due consideration to the proportion of the overall free reserves the investment portfolio represents, the low risk to which the rest of the free reserves are subject and the acceptance of risk identified following the analysis undertaken the risk level has been set as medium high.

A medium high risk level means that a large proportion of the investment portfolio may be held in equity investments. A broader range of equity markets and sectors is likely to be used. However fixed interest and non-equity investments may form part of the portfolio.

Time horizon

The Hospice is expected to exist in perpetuity therefore the Hospice can adopt a long term investment time horizon. For the purpose of this policy, the anticipated investment time horizon is over ten years.

Reporting and monitoring

The Investment Managers will be required to produce a valuation and performance report every month.

The Investment Managers will present a performance report at least once a year.

The Governance Committee have responsibility for agreeing the investment objectives and monitoring the investment assets. The committee will meet at least once a year to review the portfolio, including an analysis of return, risk and asset allocation and to review this policy.

Benchmarking

Performance of the investment portfolio will be monitored against the FTSE UK Private Investor Balanced index.

Restricted funds

The investment portfolio will not include any restricted funds of the Hospice.

Ethical investment policy

The Hospice will not invest in companies that produce more than 5% of their revenues from the production and distribution of tobacco and alcohol products. This is in line with the overall objectives of the Hospice.

Principal risks and uncertainties

COVID-19

The global pandemic continues to represent a very significant risk to the hospice's ability to deliver its services effectively. The UK vaccine rollout appears to be effectively controlling the worst aspects of the pandemic and governments internationally and at all levels in the UK have demonstrated an unparalleled commitment to tackling the pandemic. However there remain risks at the wider level such as impacts on the national economy as well as localised risks such as infections within the staff group. These risks may continue for some years.

Financial risks

The Trustees identify the financial risks facing the Hospice as part of the review of the reserves policy. The risk based policy identifies over 20 potential risks to the Hospice's income and expenditure. These may be general, covering a broad class of income or expenditure, or may identify a more specific risk. The principal risks by value are:

- a general risk of over estimation of charity shop sales due to unforeseen external market conditions;
- a risk of an unforeseen reduction of the quality and quantity of stock donations to our shops;
- a general risk of spending over budget within retail shops due to necessary but unbudgeted costs;
- a risk of increased demand to the Hospice At Home service leading to unbudgeted additional costs.

The Hospice primarily mitigates these risks by a regular review of the reserves policy which is aligned closely with the risks identified. Action is taken to ensure reserves remain sufficient. Regular management accounts and other management information is prepared monthly and reviewed by management and Trustees to monitor whether, in light of any risks occurring, any mitigating action is necessary.

Non-financial risks

The Hospice also faces non-financial risks. These may ultimately have a financial impact but would principally affect the services we provide in other ways. The principal non-financial risks are:

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- the risk of reputational damage that negatively affects engagement with the Hospice by the public, the NHS and other bodies caused by:
 - a clinical error or omission leading to the mistreatment of a patient;
 - injury or other harm coming to a patient or other member of the public, such as through abuse, by staff, volunteers or members of the public;
 - injury or other harm coming to a member of staff through a failure in their duty of care by management;
 - injury or other harm coming to a participant at a fundraising event.
- The risk to the Hospice caused by the loss of senior staff.

The Hospice's strategy for mitigating the impact of reputational risk is primarily to ensure appropriate clinical governance is in place to monitor and improve our service. The Hospice follows best practice for protecting vulnerable adults and others. Monitoring of staff and public health and safety is core to governance at all levels and is supported by a qualified Health and Safety Officer.

Plans are in place in the case of the loss of a senior member of staff. The Hospice has a strong senior team who would provide proficient management in the short term.

Reserves policy

The Trustees have determined that the Hospice maintains reserves:

- to ensure the continuity of service in the event of an unexpected reduction in income whilst alternative funding is sought or expenditure on services is modified;
- to provide funds to replace fixed assets without having to finance the purchase;
- to provide working capital so that the Hospice can manage settling its liabilities when they become due efficiently.

As a mature organisation with a variety of established income streams and predictable, well-planned expenditure the Trustees consider it most appropriate for the Hospice to operate a reserves policy centred on an analysis of the potential risks to the amounts of those income streams and of the potential risks of over-expenditure. In order to quantify the reserves required, the following steps were undertaken as part of the annual budgeting process:

- the expected income for the forthcoming year was identified and classified;
- the potential risks of each class of income were identified;
- the potential proportion of each class of income that was at risk of not being received was estimated and multiplied by the total expected income for that class of income to provide the value of income at risk for that class of income;
- a similar exercise was undertaken to identify and quantify the risk of over-expenditure for the different classes of expenditure;
- all the individual amounts were added together to give a basic risk reserve requirement;

- a general provision of 5% of the basic risk requirement was then added to the total to give the total risk reserve requirement;
- finally, the reserves required for future fixed asset purchases were added to give the overall total reserves requirement.

It is the opinion of the Trustees that the total reserves requirement need only cover a 12 month period since this would provide sufficient time to reduce expenditure or seek alternative sources of income.

The Trustees have included an additional £860,000 (2020 - £980,000) in the reserves requirement to cover expected loss of income due to the COVID-19 pandemic.

From this exercise the Trustees have determined that the Hospice requires reserves of £2,591,000 (2020 - £2,882,000). The following table compares reserves required by the policy and reserves held. In accordance with Charities SORP (FRS 102) paragraph 1.48, reserves held are considered after making allowance for

- restricted funds;
- any fund that can only be realised by disposing of tangible fixed assets;
- and any designated funds that have been established.

	2021 £000	2020 £000
Total funds	14,435	12,715
Less restricted funds	(48)	(43)
Less fixed assets held in unrestricted funds	(8,632)	(8,905)
Total reserves before designation of funds	5,755	3,767
Designated funds	-	-
Undesignated reserves	5,755	3,767
Reserves required by the policy	2,591	2,882
Undesignated reserves above policy	3,164	885

The Hospice holds £3,164,000 (2020 - £885,000) of undesignated reserves above the policy.

There remains considerable uncertainty around the length of time the COVID-19 pandemic may have an impact. Therefore it would be imprudent to consider significant utilisation of reserves held above the policy at this time.

The Trustees are mindful that the last two years have been exceptional in terms of legacy income and therefore it is appropriate that at this point undesignated reserves are in excess of the policy. It is expected that legacy income will not remain at this level in forthcoming years and will continue to be volatile.

Plans for future periods

Our key priorities for the forthcoming year are to:

- Consolidate and review lessons learnt from the COVID-19 pandemic – Review all infection control procedures and St David's Hospice Care responses to the pandemic;
- Work to re-open all clinical services to a pre-pandemic service delivery level as Welsh Government guidance allows;
- Review and develop retail operation to ensure it is fit for purpose for the next 10 years;
- Continue to evaluate the occupancy of the In-Patient Hospice and take all opportunities to increase access to patients and families;
- Develop our work on widening access to under-represented groups including the travelling community, BAME communities, Eastern Europeans, the homeless, asylum seekers, the LGBT+ community and people with learning difficulties;
- Develop our Clinical Nurse Specialist workforce to meet the changing demand for our expertise and skills;
- Develop our Hospice at Home team to offer increased domiciliary care.

Structure, governance and management

Governing document

St David's Foundation Hospice Care is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

The Hospice was incorporated on 24th March 1992 and its Memorandum and Articles of Association were altered by Special Resolutions passed on 9th January 1995, 29th March 2001, 26th May 2005 and 27th September 2007.

*Wonderful with my first husband
and wonderful again after 17
years.*

A patient

Operating name

The Hospice operates under the name "St David's Hospice Care".

Directors and Trustees

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Recruitment and appointment of Trustees

The Chair, Board and Chief Executive review the Board performance yearly through an appraisal system. During this process it is identified if there are any skills or experience gaps on the Board. If and when a vacancy becomes available the Board will look to recruit a member to the Board with the necessary knowledge and experience. Appointments are made via an application and interview process. References are obtained and an enhanced DBS check completed.

Anyone co-opted onto the Board during the year is formally elected at the AGM as set out in the Articles of Association.

Trustee induction and training

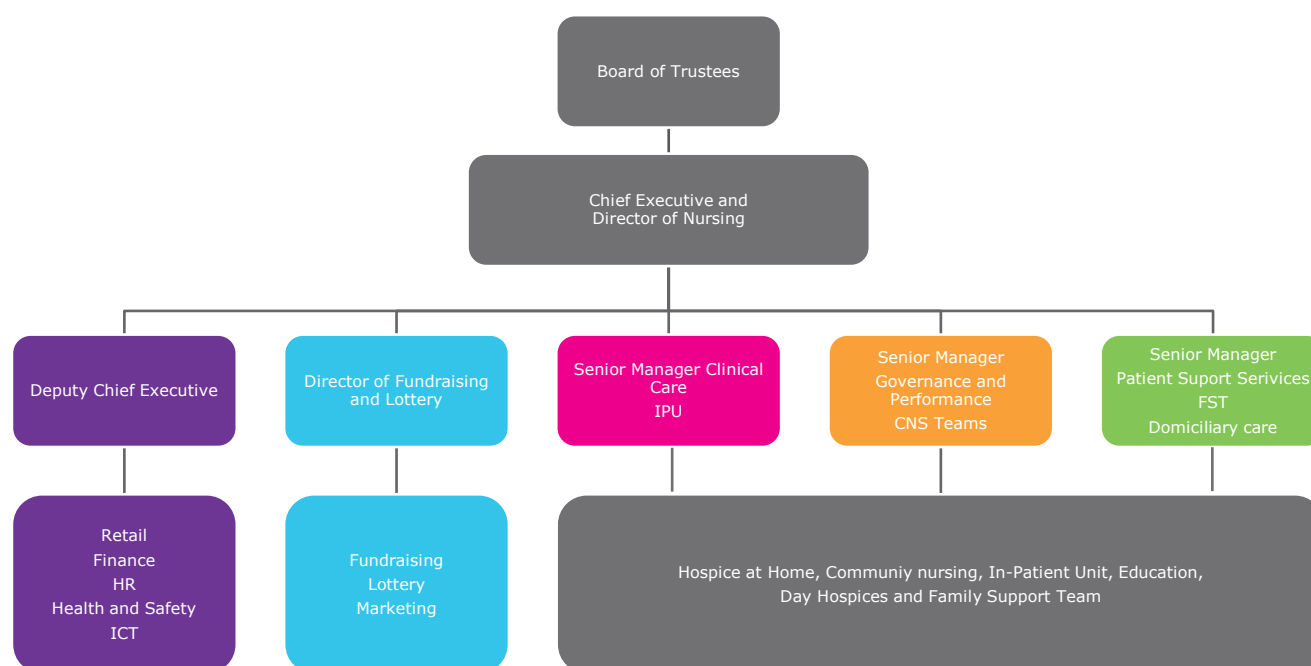
The Hospice ensures each Trustee has a comprehensive induction when appointed. Trustees are provided with various Charity Commission documents and guidelines to support them in their role. An annual appraisal system for Trustees highlights any training needs.

Organisation

The Board of Trustees are voluntary members, who meet six times per year and administer the Hospice. The following sub-groups advise the Board: Governance Committee; Retail; Clinical; safeguarding and Income Generation. The remit of the Governance Committee includes Finance, Health & Safety, the reporting of Clinical Incidents and Risk Management. Health & Safety matters are discussed by an employee Health & Safety Committee in the first instance and issues are forwarded to the Governance Committee. The Governance Committee report back to the Board of the Trustees on a bi-monthly basis.

The Trustees appoint a Chief Executive to take overall responsibility for the management of the Hospice by providing professional leadership through the development of strategic plans agreed with the Board of Trustees. The Chief Executive is supported by other members of the Senior Management Team, who prepare reports for the bi-monthly meetings of the Board of Trustees. The key management personnel comprise the Board of Trustees and the members of the Senior Management Team. The structure of the key management team is set out in the chart below.

The subsidiary company has two directors who are the Chair and Chief Executive of the Hospice.



The key management personnel

Pay policy for key management personnel

The Trustees consider the key management personnel of the Hospice to be the Board of Trustees and the Senior Management Team.

All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 29 and 30 of the accounts.

The pay of the Senior Management Team is benchmarked against similar roles in the NHS or other comparable organisations. There is an emphasis on ensuring value for money for the Hospice whilst enabling the recruitment and retention of staff with appropriate skills and experience.

For the Chief Executive / Director of Nursing this exercise may be undertaken by the Chair or an external consultant. Any increases are related to performance and approved by the Board of Trustees.

For other members of the Senior Management Team, benchmarking is undertaken informally by the Chief Executive / Director of Nursing.

The remuneration paid to key management personnel is set out in note 28.

Disabled employees

The Hospice gives full consideration to applications for employment from disabled persons where the candidate's

particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Volunteers

The Hospice benefits greatly from the support of general volunteers who contribute throughout the organisation supporting both our charitable work and our fundraising activities. Roles include assisting in charity shops, marshalling at fundraising events, volunteering on reception and in our Day Hospices.

Special acknowledgements

The Board wishes to record its appreciation for the generosity of the many supporters of St David's for their donations and bequests and to the hundreds of volunteers who give so willingly of their time and expertise. Thanks are also expressed to the President, Vice-Presidents and Patrons who serve in an honorary capacity.

The Board also wishes to acknowledge the tremendous dedication of the clinical, fundraising, retail and administrative staff to fulfilling the objectives of the Hospice. The continued increase in the level and quality of the service is a tribute to their commitment and loyalty.

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Reference and administrative details

Charity number: 1010576
 Company number: 2700097
 Registered Office: St David's Hospice Care, Blackett Avenue, Newport, NP20 6NH

President: Brigadier Robert Aiken CBE, Lord Lieutenant of Gwent

Vice-Presidents:	Mr I. S. Burge	Mr J. Capel
	Mrs G. A. Goodacre	Mr W. Jenkyn-Jones
	Dr R. Lurvey MBE	Mr R. Noble OBE
	Prof W. B. Peeling CBE	Mrs P. A. White MBE

Patrons: Baron Touhig of Islwyn and Glansychan
 Mr J. Over QPM, CPM, DL
 Mrs S. Lloyd
 Mr R. O'Shea
 Mr A. Jones

Key Management Personnel: Trustees

Chair: Mr M. Davies OBE CStJ
 Vice-Chair: Mr J. O. Thompson
 Treasurer: Mrs M. Van de Weyer

Trustees:	Dr R. C. G. Bracchi	Dame R. Butler DBE
	Mrs J. E. Child	Mrs P. J. Davies (resigned 7 July 2020)
	Mr J. L. M. Felvus	Dr C. C. Gaffney
	Rev E. Hills	Mr M. Hine
	Dr J. W. Holland	

Key Management Personnel: Senior Management Team

Chief Executive:	Mrs K.E. Saysell MBE
Deputy Chief Executive	Mr A. Hadley
Director of Fundraising and Lottery:	Mr K. Broome
Senior Manager Governance and Performance:	Ms K. Hughes
Senior Manager Clinical Care:	Ms S. Thomas
Senior Manager Patient Support Services:	Ms G. Tanner

Advisors

Auditors:	Advantage Accountancy & Advisory Ltd, Carlyle House, 5-7 Cathedral Road, Cardiff, CF11 9HA
Bankers:	National Westminster Bank plc, High Street, Newport, NP20 1GG
Solicitors:	Robert Davies Partnership LLP, Wentwood House, Langstone Business Village, Newport, NP18 2HJ
	Temple Bright LLP, 29 Great George Street, Bristol, BS1 5QT
Investment Managers:	Charles Stanley & Co. Ltd, 7/8 Park Place Cardiff CF10 3DP
	Brewin Dolphin, 2nd Floor, 5 Callaghan Square, Cardiff, CF10 5BT

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also directors of St David's Foundation Hospice Care for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements the Trustees are required to:

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

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

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Senior Management Team and the Board of Trustees. The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- A strategic plan and annual budget approved by the Trustees;
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- Delegation of day to day management authority and segregation of duties;
- Identification and management of risks.

Statement of disclosure to our auditors

So far as the Trustees are aware, there is no relevant audit information of which the Hospice's auditors are unaware, and they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Hospice's auditors are aware of that information.

In approving this Trustees' Report, the Trustees are also approving the Strategic Report (which comprises the three sections *Achievements and performance*, *Financial review* and *Plans for future periods*) in their capacity as company directors.

Approved by the Board of Trustees on 30 September 2021.



Mrs K.E. Saysell
Company Secretary
Registered Office
St David's Hospice Care
Blackett Avenue
Newport
NP20 6NH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of St David's Foundation Hospice Care for the year ended 31 March 2021 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheet, the Group Statement of Cashflows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Group's and 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise

explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' 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 within the Trustees' 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.

Responsibility of Trustees

As explained more fully in the Trustees' Responsibilities Statement [set out on page 14], the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST DAVID'S FOUNDATION HOSPICE CARE

YEAR ENDED 31 MARCH 2021

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 is detailed below:
- We obtained understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which they operate. We determined that the following laws and regulations were most significant: The Companies Act 2006 and UK corporate taxation laws.
- We obtained an understanding of how the charitable company is complying with the legal and regulatory frameworks by making enquiries with management. We corroborated our inquiries through our review of board papers, minutes and legal correspondence.
- We assessed the susceptibility of the charitable company's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential override of controls or other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with relevant laws and regulations.

A further description of our responsibilities available on the Financial Reporting Council's website at:

<http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance Chapter 3 of Part 16 of the Companies Act 2006 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen John Bickerton (Senior Statutory Auditor)
For and on behalf of Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants & Statutory Auditors

Carlyle House
5-7 Cathedral Road
Cardiff
CF11 9HA

Date:

7/10/21

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including Income & Expenditure Account)

YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
	Note						
Income							
Donations and legacies	3	1,877	59	1,936	1,963	88	2,051
Charitable activities	4	3,529	-	3,529	2,145	-	2,145
Other trading activities	5	1,823	-	1,823	4,216	1	4,217
Investments	6	28	-	28	31	-	31
Other	7	1,721	-	1,721	507	-	507
Total Income		8,978	59	9,037	8,862	89	8,951
Expenditure							
Raising funds	9	2,792	-	2,792	3,436	-	3,436
Charitable activities	11	4,579	48	4,627	4,873	62	4,935
Total expenditure		7,371	48	7,419	8,309	62	8,371
Net gains / (losses) on investments	15	102	-	102	(77)	-	(77)
Net income		1,709	11	1,720	476	27	503
Transfers between funds	22	6	(6)	-	19	(19)	-
Net movement in funds		1,715	5	1,720	495	8	503
Reconciliation of funds:							
Total funds brought forward	22	12,672	43	12,715	12,177	35	12,212
Total funds carried forward		14,387	48	14,435	12,672	43	12,715

BALANCE SHEETS

YEAR ENDED 31 MARCH 2021

		Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
	Note				
FIXED ASSETS					
Tangible assets	14	8,632	8,905	8,776	9,050
Investments	15	610	497	610	497
		9,242	9,402	9,386	9,547
CURRENT ASSETS					
Stock and work in progress	17	47	41	2	1
Debtors	18	2,376	1,473	2,419	1,565
Cash at bank and in hand	19	3,355	2,442	3,354	2,440
		5,778	3,956	5,775	4,006
LIABILITIES					
Creditors: Amounts falling due within one year	20	525	564	523	614
NET CURRENT ASSETS		5,253	3,392	5,252	3,392
TOTAL ASSETS LESS CURRENT LIABILITIES		14,495	12,794	14,638	12,939
Creditors: Amounts falling due after more than one year	21	60	79	60	79
TOTAL NET ASSETS		14,435	12,715	14,578	12,860
THE FUNDS OF THE CHARITY					
Restricted income funds	22	48	43	48	43
Unrestricted income funds	22	14,387	12,672	14,530	12,817
TOTAL CHARITY FUNDS		14,435	12,715	14,578	12,860

Signed and authorised for issue on behalf of the Board of Trustees



Mr M Davies OBE CStJ

Approved and authorised for issue by the Board on 30 September 2021.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	A	961	320
Cash flows from investing activities			
Dividends, interest and rents from investments		28	31
Purchase of property, plant and equipment		(43)	(231)
Purchase of investments		(11)	(260)
Net cash used in investing activities		(26)	(460)
Cash flows from financing activities			
Repayment of finance leases		(18)	(22)
Finance lease interest paid		(4)	(7)
Cash inflows from new finance lease		-	113
Net cash used in financing activities		(22)	84
Change in cash and cash equivalents in the reporting period		913	(56)
Cash and cash equivalents at the beginning of the reporting period		2,442	2,498
Cash and cash equivalents at the end of the reporting period	B	3,355	2,442

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**A Reconciliation of net income to net cash flow from operating activities**

	2021 £000	2020 £000
Net income for the reporting period (as per the Statement of Financial Activities)	1,720	503
Adjustments for:		
Depreciation charges	316	298
(Gains)/losses on investments	(102)	77
Dividends, interest and rents from investments	(28)	(31)
Interest payable	4	7
Profit on the disposal of fixed assets	-	6
Increase in stocks	(6)	(7)
(Increase) in debtors	(903)	(473)
(Decrease) in creditors	(40)	(60)
Net cash provided by operating activities	961	320

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2021

B Analysis of cash and cash equivalents

	2021	2020
	£000	£000
Cash in hand	1,353	942
Notice deposits (less than 3 months)	2,002	1,500
Total cash and cash equivalents	3,355	2,442

1. Accounting policies

Basis of Accounts 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) (effective 1 January 2019) - (Charities SORP (FRS 102) – second edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

All financial information is rounded to the nearest £1000 except for the Trustees' expenses set out in note 29 and the subsidiary undertaking table in note 15.

Group financial statements

The financial statements consolidate the results of the Hospice and its wholly owned subsidiary St David's Trading Limited on a line by line basis. A separate *Statement of financial activities and income and expenditure account* for the Hospice has not been presented because the Hospice has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

Income arises when an event (such as a financial transaction) results in either an increase in the Hospice's assets or a reduction in its liabilities. Income is recognised by the Hospice when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Hospice.
- Probable – it is more likely than not that the economic benefits associated with the event will flow to the Hospice.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Legacies

Entitlement to legacy income is deemed to occur when either the Hospice is aware probate has been granted, the estate has been finalised and the Hospice has been notified by the executor that a distribution will be made or when a distribution is received from the estate if that is earlier.

Where legacies have been notified to the Hospice or the Hospice 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. This most commonly occurs when the Hospice has been notified of residuary legacy but it is unable to reliably measure the amount of the income.

Grants

Grants are recognised when the Hospice has entitlement to the funds. This includes grants received for the purpose of purchasing fixed assets. When a grant cannot be claimed until certain expenditure has been defrayed entitlement is not deemed to have passed to the Hospice until the expenditure has been so defrayed.

Fundraising events

Fundraising income from the sale of entry fees for events is included in income when received even if this is before the event. The likelihood of cancellation of the event is remote so it is more likely than not that the economic benefit will flow to the Hospice.

Donations that are closely associated with fundraising events such as sponsorship of event participants by their friends and family are included in fundraising within other trading activities.

Retail

The Hospice receives a high volume of donations of low value second hand goods for resale in its network of charity shops. The Trustees consider it would be impracticable to recognise the income when the Hospice becomes entitled to the economic benefit of the donated goods since the cost of doing so would outweigh the benefits. Therefore in accordance with FRS102 paragraph 34B.4 the income is recognised in the period in which the donated goods are sold.

The Hospice operates a retail gift aid scheme. Under the scheme the legal form of the transaction is that the Hospice operates as an agent on behalf of the donor. Once the goods have been sold on behalf of the donor, the donor offers to donate the proceeds of the sale to the Hospice. This allows the Hospice to claim gift aid on the cash donation. However the substance of the transaction is such that the donor is donating the goods to the Hospice and is therefore treated as such.

NOTES TO THE FINANCIAL STATEMENTSYEAR ENDED 31 MARCH 2021

Lottery

Lottery tickets sold in advance are deferred and included in the period in which the draw takes place.

Expenditure

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

Irrecoverable VAT

The Hospice suffers from irrecoverable VAT due to the fact that it makes exempt supplies and therefore not all input VAT is recoverable. This is written off to the Statement of Financial Activities in the period in which it arises. Under sections 33C and 33D of the VAT Act 1994 the Hospice can recover the VAT on its non-business transactions.

Support costs

Support costs are those costs that whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. These costs include Governance, Finance, Human resources, ICT and Health and Safety as well as corporate costs including the costs of employing the Chief Executive, financing costs, insurance and legal and professional fees.

Where these costs are directly attributable to specific activities they have been included in those cost categories. Where these costs are attributable to more than one activity they are apportioned across cost categories on the basis of direct staff hours. The Trustees consider this to be the most equitable method of splitting expenditure attributable to more than one activity.

Pensions

Details of the pension schemes including the accounting policies adopted can be found in note 26.

Termination payments

Termination payments are payable when employment is terminated by the Hospice before the normal retirement date or end of employment contract. Termination payments are recognised when the Hospice can no longer withdraw the offer of the benefits.

Fixed assets***Intangible fixed assets***

Negative goodwill arising from business acquisitions is capitalised and amortised over 2 years.

Tangible fixed assets

Tangible fixed assets are recorded at cost, or in cases where fixed assets have been donated to the Hospice, at valuation at time of acquisition. Fixed assets with an initial cost of less than £1,000 are not capitalised but are included in full in expenditure in the year of acquisition. Depreciation is charged to write off the cost of fixed assets over their estimated useful lives at the following annual rates:

Freehold buildings	2% Straight Line
Leasehold buildings	Life of Lease Straight Line (current leasehold buildings have a 99 year lease)
Fixtures, fittings and equipment	20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	20% Straight Line

Computer equipment is included within fixtures, fittings and equipment in note 14.

Investments***Investment properties***

Investment properties are included in the balance sheet at fair value. The Hospice arranges a full professional valuation by an independent valuer every five years. In the intervening years the Hospice management obtain advice from an independent valuer to ensure the asset is held at fair value. The next full professional independent five year valuation will be at 31 March 2023.

Listed investments

Listed investments held are shown at fair value which is their market value.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Donations of low value second hand goods that remain unsold at the balance sheet date are not included in stock since they are recognised when sold as set out above.

Funds structure

The Hospice's funds are split into restricted funds and unrestricted funds.

Restricted funds

These are funds that can only be used for a particular restricted purposes within the objects of the Hospice.

Restrictions arise when they are specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds

These funds are available for the general purposes of the Hospice, to be used in accordance with the charitable objects at the discretion of the Trustees. From time to time the Trustees may allocate part of the unrestricted funds to be used for particular purposes within the Hospice's objects. Such sums are described as 'designated funds'.

2. Auditor's remuneration

The net income for the year is stated after charging:

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Statutory audit fees	8	-	8	7	-	7
Other services	-	-	-	1	-	1

3. Donations and legacies

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Legacies	718	-	718	972	-	972
In memory	353	2	355	348	3	351
Individuals	600	1	601	310	-	310
Corporate, clubs and societies	16	-	16	48	4	52
Trusts and foundations	65	56	121	37	68	105
Community fundraising	102	-	102	223	13	236
Welsh Government	23	-	23	25	-	25
	1,877	59	1,936	1,963	88	2,051

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

4. Income from charitable activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Service level agreements	1,770	-	1,770	1,719	-	1,719
Covid-19 emergency funding	1,288	-	1,288	-	-	-
Continuing health care	436	-	436	368	-	368
Other charitable activities	35	-	35	58	-	58
	3,529	-	3,529	2,145	-	2,145

5. Income from other trading activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Retail trading	1,374	-	1,374	3,400	-	3,400
Fundraising	113	-	113	436	1	437
Lottery	336	-	336	380	-	380
	1,823	-	1,823	4,216	1	4,217

6. Income from investments

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Interest received	13	-	13	17	-	17
Rent from investment property	4	-	4	4	-	4
Dividend income	11	-	11	10	-	10
	28	-	28	31	-	31

7. Other income

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Job Retention Scheme	648	-	648	30	-	30
Retail Business grants	597	-	597	475	-	475
Insurance Claim	470	-	470	-	-	-
Other	6	-	6	2	-	2
	1,721	-	1,721	507	-	507

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

8. Support costs

The Hospice allocates its support costs as shown in the table below in accordance with the basis of allocation set out in the accounting policies.

	Governance £000	Corporate £000	Finance £000	HR £000	Health and Safety £000	ICT £000	Total £000
Raising funds							
Retail trading	17	64	43	26	15	12	177
Fundraising	2	6	4	2	1	1	16
Lottery	1	3	2	1	1	-	8
Investment management	-	-	-	-	-	-	-
Charitable activities							
Community Nursing	6	21	14	8	5	3	57
Hospice At Home	9	34	23	13	8	5	92
Day Hospice	2	6	4	3	2	1	18
In-Patient Unit	8	29	20	11	7	5	80
Education	-	1	1	-	-	-	2
Family Support Team	2	7	5	3	2	1	20
Complementary Therapy	-	1	1	1	-	-	3
Clinical Governance	-	-	-	-	-	-	-
Chaplaincy	-	1	1	-	-	-	2
Occupational Therapy	-	-	-	-	-	-	-
	47	173	118	68	41	28	475

9. Expenditure on raising funds by cost type

	Direct costs 2021 £000	Support costs 2021 £000	Total costs 2021 £000	Direct costs 2020 £000	Support costs 2020 £000	Total costs 2020 £000
Retail trading	2,109	177	2,286	2,504	183	2,687
Fundraising	271	16	287	488	20	508
Lottery	208	8	216	227	8	235
Investment management	3	-	3	6	-	6
	2,591	201	2,792	3,225	211	3,436

10. Expenditure on raising funds by fund

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total costs 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total costs 2020 £000
Retail trading	2,286	-	2,286	2,687	-	2,687
Fundraising	287	-	287	508	-	508
Lottery	216	-	216	235	-	235
Investment management	3	-	3	6	-	6
	2,792	-	2,792	3,436	-	3,436

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

11. Expenditure on charitable activities by cost type

	Direct costs 2021 £000	Support costs 2021 £000	Total costs 2021 £000	Direct costs 2020 £000	Support costs 2020 £000	Total costs 2020 £000
Community Nursing	1,007	57	1,064	1,089	58	1,147
Hospice At Home	1,200	92	1,292	1,176	88	1,264
Day Hospice	305	18	323	443	23	466
In-Patient Unit	1,437	80	1,517	1,518	84	1,602
Education	71	2	73	75	2	77
Family Support Team	221	20	241	237	18	255
Complementary Therapy	35	3	38	50	4	54
Clinical Governance	18	-	18	17	-	17
Chaplaincy	39	2	41	33	2	35
Occupational Therapy	20	-	20	18	-	18
	4,353	274	4,627	4,656	279	4,935

12. Expenditure on charitable activities by fund

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total costs 2021 £000	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total costs 2020 £000
Community Nursing	1,064	-	1,064	1,147	-	1,147
Hospice At Home	1,287	5	1,292	1,260	4	1,264
Day Hospice	322	1	323	442	24	466
In-Patient Unit	1,513	4	1,517	1,602	-	1,602
Education	73	-	73	77	-	77
Family Support Team	203	38	241	221	34	255
Complementary Therapy	38	-	38	54	-	54
Clinical Governance	18	-	18	17	-	17
Chaplaincy	41	-	41	35	-	35
Occupational Therapy	20	-	20	18	-	18
	4,579	48	4,627	4,873	62	4,935

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

13. Intangible fixed assets

	Negative goodwill £000
Asset cost	
Brought forward	(278)
Additions	-
Carried forward	(278)
Accumulated amortisation	
Brought forward	(278)
Carried forward	(278)
Net book value	
Carried forward	-
Brought forward	-

Negative goodwill arose following the acquisition of St Anne's In-Patient Unit in June 2013.

14. Tangible fixed assets**Group**

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,635	213	1,829	10,902
Additions	-	-	17	38	55
Disposals	-	(12)	(22)	-	(34)
Carried forward	225	8,623	208	1,867	10,923
Accumulated depreciation					
Brought forward	41	443	167	1,346	1,997
Disposals	-	-	(22)	-	(22)
Charge for the year	4	90	21	201	316
Carried forward	45	533	166	1,547	2,291
Net book value					
Carried forward	180	8,090	42	320	8,632
Brought forward	184	8,192	46	483	8,905

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Company

	Freehold land and buildings £000	Leasehold land and buildings £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Asset cost					
Brought forward	225	8,788	213	1,829	11,055
Additions	-	-	17	38	55
Disposals	-	(12)	(22)	-	(34)
Carried forward	225	8,776	208	1,867	11,076
Accumulated depreciation					
Brought forward	41	451	167	1346	2,005
Disposals	-	-	(22)	-	(22)
Charge for the year	4	91	21	201	317
Carried forward	45	542	166	1,547	2,300
Net book value					
Carried forward	180	8,234	42	320	8,776
Brought forward	184	8,337	46	483	9,050

The fixed assets of the Hospice includes £59,000 (2020 - £60,000) under Leasehold land and buildings which relate to depreciated, capitalised cost of services provided to the Hospice by its subsidiary for the construction of the Blackett Avenue site. In the year depreciation of £1,000 (2019 - £1,000) has been charged against this asset.

The fixed assets of the Hospice also includes £84,000 (2020 - £85,000) under Leasehold land and buildings which relate to capitalised cost of services provided to the Hospice by its subsidiary for the construction of the In-Patient Unit. In the year depreciation of £1,000 (2019 - £1,000) has been charged against this asset.

Included in Fixtures, fittings and equipment are assets that were acquired under finance leases with a net book value of £74,000 (2020 - £97,000).

15. Investments**Group and company**

	Property £000	Listed £000	Total £000
Fair value brought forward	65	432	497
Additions	-	11	11
Gains / (Losses)	-	102	102
Fair value carried forward	65	545	610

The Hospice's Investment Property was revalued to £65,000 at 31 March 2018. The valuation was undertaken by independent RICS Registered Valuers, Linnells Property Consultants. Linnells Property Consultants have confirmed that there has been no significant change in the market value of the property and £65,000 reflects fair value at 31 March 2021.

Listed investments comprise two investment portfolios managed by two independent investment managers and listed investments held outside the investment portfolios. Cash held from time to time within the investment portfolios as part of normal trading within the portfolios is included in listed investments. The asset classes held in listed investments at 31 March 2021 are shown below:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

	Portfolio 1	Portfolio 2	Other listed	2021 £000	2020 £000
Fixed income - UK	12	21	-	33	31
Fixed income - International	22	18	-	40	24
Equity - UK	75	-	-	75	48
Equity - International	-	-	1	1	1
Equity funds - UK	-	72	-	72	78
Equity funds - International	98	131	-	229	150
Property funds	17	6	-	23	15
Absolute return funds	6	14	-	20	23
Infrastructure funds	12	8	-	20	16
Alternative structured investments	6	-	-	6	4
Mixed investment	9	-	-	9	8
Cash	10	7	-	17	34
Total investment	267	277	1	545	432

The Hospice owns the entire ordinary share capital in its subsidiary undertaking St David's Trading Limited (company number 05734138). This unlisted investment cannot be measured reliably at fair value so has been measured at cost.

Subsidiary undertaking
£

Group

Cost brought forward and carried forward	-
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Charity

Cost brought forward and carried forward	1
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16. Subsidiary company

St David's Trading Limited, the Hospice's wholly owned subsidiary undertakes two core activities: the sale of new, bought in goods within the Hospice's network of charity shops and the development of a new In-Patient Unit. The development of the new In-Patient Unit is now complete. Profits in St David's Trading Limited are remitted to the Hospice by way of a gift aid payment. At 31 March 2021 St David's Trading Limited had assets of £46,000 (2020 - £109,000) and liabilities of £46,000 (2020 - £109,000). Its funds at the end of the reporting period were therefore £nil (2020 - £nil). The turnover during the year was £71,000 (2020 - £199,000) and expenditure was £71,000 (2020 - £199,000).

17. Stock

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Stock	47	41	2	1
	47	41	2	1

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

18. Debtors

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Trade debtors	873	399	873	399
Amounts owed by group undertakings	-	-	6	-
Prepayments and accrued income	1,448	999	1,486	1,091
Other debtors	55	75	54	75
	2,376	1,473	2,419	1,565

19. Cash at bank and in hand

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Cash and bank balances	1,353	942	1,352	940
Cash on short term deposit	2,002	1,500	2,002	1,500
	3,355	2,442	3,354	2,440

20. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Trade creditors	77	87	77	87
Amounts owed to group undertakings	-	-	-	56
Accruals and deferred income	297	304	295	302
Taxation and social security	84	93	84	93
Obligations under finance leases	19	18	19	18
Pension liability	43	46	43	46
Other creditors	5	16	5	12
	525	564	523	614

21. Creditors: Amounts falling due after one year

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Obligations under finance leases	60	79	60	79
	60	79	60	79

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

22. Movement in funds

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 March 2021 £000
UNRESTRICTED FUNDS						
General fund	12,672	8,978	(7,371)	102	6	14,387
Total unrestricted funds	12,672	8,978	(7,371)	102	6	14,387
RESTRICTED FUNDS						
Blackett Avenue Day Hospice						
General	-	1	(1)	-	-	-
Children in Need 2019	10	28	(34)	-	-	4
Hoist	1	-	-	-	-	1
Hospice at Home (Monmouthshire)	2	3	(5)	-	-	-
In-patient unit general	-	1	(1)	-	-	-
IPU Family refreshments	1	-	-	-	-	1
IPU new build	1	-	-	-	(1)	-
Panteg garden furniture	1	-	-	-	-	1
Patient vehicle	2	-	-	-	(2)	-
Refurbishment of Day Hospice	7	-	-	-	-	7
Scrubs for CNSs	-	3	(3)	-	-	-
Social worker fund	2	-	-	-	-	2
Spiritual Room Furniture	-	3	-	-	(3)	-
Trevor Gray Education Centre	9	-	-	-	-	9
Unicorn Project	2	-	-	-	-	2
Welfare Rights Advisor salary	-	19	(3)	-	-	16
Other restricted funds	5	1	(1)	-	-	5
Total restricted funds	43	59	(48)	-	(6)	48
Total funds	12,715	9,037	(7,419)	102	-	14,435

During the year the balance of certain restricted funds were transferred to unrestricted funds. The original use of these funds was restricted to the purchase of fixed assets. Since the assets are held for a general and not a restricted purpose the balance has been transferred to unrestricted funds in accordance with Charities SORP (FRS 102) paragraph 2.26.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Name of Fund	Description, nature and purpose of the fund
Unrestricted funds	
General fund	The undesignated unrestricted funds of the Hospice.
Restricted funds	
Blackett Avenue Day Hospice General	Funded from various sources to support our work in the Blackett Avenue Day Hospice.
Children in Need 2019	Funded by BBC Children in Need to fund our Unicorn Project, our Children and young people's service.
Hoist	Provided by Welsh Church Fund to fund a hoist.
Hospice at Home (Monmouthshire)	Funded by the Deymel Charitable Trust and Rathbones to support our Hospice at Home work in Monmouthshire.
In-patient unit general	Funded from various sources to support our work in the In-patient Unit.
IPU Family refreshments	Support from a private donation to provide refreshments for relatives visiting patients in our IPU.
IPU new build	Funded from various sources to support the costs of the new IPU.
Panteg garden furniture	To fund the re-development of the garden at Panteg.
Patient vehicle	Provided by Caldicot Methodist Church and MonMotors Limited to purchase a vehicle for transporting patients.
Refurbishment of Day Hospice	Provided by Plutus Health to fund the refurbishment of our Day Hospice.
Scrubs for CNSs	Provided by Gwent Association of Voluntary Organisations and Torfaen Voluntary Alliance to provide additional scrubs for Clinical Nurse Specialists.
Social worker fund	This fund received from various sources is used to support patients who are facing financial hardship.
Spiritual Room Furniture	Provided by E Lewis for furniture for the Spiritual Room.
Trevor Gray Education Centre	Provided to fund an e-learning suite and staff training.
Unicorn Project	Fund to support the Unicorn project. Provided by various funders.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Name of Fund	Description, nature and purpose of the fund
Welfare Rights Advisor salary	Provided by the Moondance Foundation towards the salary of A Welfare Rights Advisor.
Other restricted funds	Other restricted funds with balances less than £500.

23. Analysis of group net assets between funds

	Investments £000	Tangible fixed assets £000	Other net assets £000	Total £000
Restricted income funds	-	-	48	48
Unrestricted income funds	610	8,632	5,145	14,387
	610	8,632	5,193	14,435

24. Commitments

The group and company's future minimum operating and finance lease payments are as follows:

	Finance leases		Operating leases	
	2021 £000	2020 £000	2021 £000	2020 £000
Not later than one year	22	22	456	460
later than one year but not later than five years	64	86	706	834
later than five years	-	-	-	4
	86	108	1,162	1,298

The net book value of fixed assets held under finance lease are given in note 14.

25. Staff costs

	Total 2021 £000	Total 2020 £000
Wages and salaries	4,585	4,760
Social security costs	363	370
Pension costs	313	323
	5,261	5,453

Included in Wages and salaries are termination payments of £18,000 (2020 – £6,000).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

The number of employees, whose total employee benefits (excluding employer pension costs) for the reporting period, fell within each banding of £10,000 from £60,000 were as follows:

	2021	2020
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

26. Pensions

The Hospice contributed to two pension schemes in the financial year: the Royal London scheme and the NHS pension scheme.

Royal London scheme

The Hospice operates a defined contribution pension scheme for its employees, where all the assets are held in a separately administered fund, which is outside the control of the Hospice. At the year-end there were 155 (2020 - 167) employees who were members of the scheme. Employer contributions charged against income in the year were £127,000 (2020 - £131,000). Outstanding contributions (both employer and employee) at the balance sheet date were £17,000 (2020 - £19,000).

Employees who are enrolled into a pension under "automatic enrolment" are enrolled into this scheme.

NHS scheme

Staff transferring from the NHS may continue to contribute to the NHS scheme. The scheme is a multi-employer, unfunded defined benefit scheme but the Hospice is unable to identify its share of the underlying assets and liabilities of the Plan on a consistent and reasonable basis and therefore, as permitted by FRS 102 para 28.11, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the Hospice's contributions payable to the Plan in respect of the accounting period. The employee contribution percentage rates under this scheme vary depending on pensionable earnings. At the year end there were 39 (2020 - 41) who were members of the scheme. Employer contributions charged against income in the year were £186,000 (2020 - £191,000). Outstanding contributions (both employer and employee) at the balance sheet date were £26,000 (2020 - £27,000).

27. Staff numbers

The average number of staff employed by the Hospice during the year was 258 (2020 - 252). Some of the Hospice's employees do not undertake work every month. The average number of staff paid each month was 235 (2020 - 242).

28. Key management personnel

The key management personnel comprise the Trustees and the Senior Management Team as set out on page 13. None of the Trustees were paid any remuneration or received any other benefits from an employment with the Hospice or its subsidiary. Trustees' expenses are set out in note 29. The total employee benefits paid to the key management personnel was £370,000 (2020 - £382,000).

29. Trustees' expenses

No Trustee claimed expenses in the previous two years.

30. Related party transactions

There were no related party transactions in the previous two years.

31. Non adjusting events after the financial period

Both during and after the year-end the worldwide economy has been affected by the COVID-19 virus outbreak and resulting lockdowns. This has affected the ability of the organisation to trade freely, particularly within our network of charity shops. However, the charity has managed the impact of the pandemic and has also received support from local and national governments. The Trustees believe that at the date of signing the financial statements, the Hospice had adequate cash reserves to meet its liabilities as when they fall due. Therefore, it is considered appropriate to prepare the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

32. Legal status of the Hospice

St David's Foundation Hospice Care is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word "limited" and is a registered charity. The liability of each member in the event of a winding-up is limited to £1.

33. Taxation

The company has obtained charitable status under Section 505(1a) and (1c) Income and Corporation Taxes Act 1988 and has only undertaken primary purpose activities during the year and is therefore exempt from Corporation Tax.