ST GEMMA'S HOSPICE

England & Wales · Charity number 1015941

Details

Other names	ST GEMMA'S
Status	Registered
Legal form	Charitable company
Company number	02773867
Registered	1992-12-23
Register	View on the Charity Commission register

Contact

Address	St. Gemmas Hospice 329 Harrogate Road Moortown Leeds LS17 6QD
Phone	01132185500
Email	hello@st-gemma.co.uk
Website	www.st-gemma.co.uk

Activities

Objects: THE CHARITY'S OBJECTS ARE RESTRICTED SPECIFICALLY, IN EACH CASE, ONLY FOR THE PUBLIC BENEFIT TO: - THE PALLIATIVE CARE, TREATMENT OR RELIEF OF PEOPLE WITH ACTIVE, PROGRESSIVE AND ADVANCED ILLNESS WITHOUT REGARD TO THEIR MEANS, FAITH, RACE, GENDER, OR ANY OF THEIR OTHER PROTECTED CHARACTERISTICS AS DEFINED IN THE EQUALITY ACT, AT ST GEMMA'S HOSPICE IN LEEDS AND/OR SUCH OTHER PLACES AS THE CHARITY THINKS FIT INCLUDING IN THE WIDER COMMUNITY; AND- THE RELIEF OF THOSE WHO HAVE EXPERIENCED LOSS AND BEREAVEMENT, IN PARTICULAR FAMILIES, FRIENDS AND CARERS, THROUGH THE PROVISION OF COUNSELLING, ADVICE AND SUPPORT; AND - THE PROVISION OF EDUCATION AND TRAINING FOR PROFESSIONALS AND VOLUNTEERS ENGAGED IN PALLIATIVE CARE, IN ACCORDANCE WITH THE TEACHINGS IN THE CATECHISM OF THE ROMAN CATHOLIC CHURCH AND PRONOUNCEMENTS OF THE HOLY SEE FROM TIME TO TIME ON THE SANCTITY OF HUMAN LIFE.

Activities: The palliative care, treatment or relief of people with active,progressive and advanced illness without regard to their means, culture, faith or belief .The relief of those who have experienced loss and

Downloaded from opencharities.uk/ew/1015941

bereavement through the provision of counselling, advice and support. The provision of education and training for professionals and volunteers engaged in palliative care.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Leeds City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£15,672,484	£16,249,176	£14,295,986	250
2024-03-31	£13,986,626	£14,821,265	£14,861,720	299
2023-03-31	£15,059,298	£13,518,881	£15,239,002	301
2022-03-31	£13,419,643	£12,386,630	£14,163,966	281
2021-03-31	£11,485,382	£11,589,696	£12,886,778	278

Downloaded from opencharities.uk/ew/1015941

Trustees

Name	Role	Appointed
Bassem Keir		2023-09-01
Brigid Sara Stephanie Reid		2022-07-01
Dr Jonathan Miles Smith		2020-01-21
Eileen Burns		2022-07-01
Jacqueline Ann Murphy		2022-07-01
Kim Gay		2021-09-23
Kim Halliday		2024-06-01
Lisa Marie Hollidge		2023-09-01
Lucy Ziegler		2024-06-01
Mukesh Parekh		2023-09-01
Rev Joseph Cortis		2026-02-09
Roxanna Kerruish		2024-06-01
Sarah Wilkinson		2025-09-01
Sister Susan Irwin		2024-11-14

Downloaded from opencharities.uk/ew/1015941

ST GEMMA'S HOSPICE

England & Wales - Charity number 1015941

Accounts

St Gemma's Hospice

Trustees Report and Financial Statements

For the year ended 31st March 2025

St. Gemma's Hospice

Contents

Reference and Administrative Information

Leadership Team	4
Board of Trustees	5
Vision, Values and Strategy	6
Statement from the Chair of the Board of Trustees and the Chief Executive	7 - 9
Bobbie's Story	10
Charitable Objects	11
2024/25 in Numbers	12 - 13
The Year Under Review	14 - 18
Looking Ahead	19 - 20
Financial Review	21 - 24
Structure, Governance and Management	25 - 29

Independent Auditor's Report 30 - 33

Consolidated Statement of Financial Activities 34 - 35

Balance Sheets	36
Consolidated Cash Flow Statement	37

Statement of Accounting Policies 38

Notes to the Group Financial Statements 42

Reference and Administrative Information

Charity Name
St Gemma's Hospice

Charity Registration Number
1015941

Company Registration Number
02773867

Registered Office
329 Harrogate Road
Moortown
Leeds
LS17 6QD

Bankers
HSBC Bank plc
33 Park Row
Leeds
LS1 1LD

Investment Advisers
Rathbones
2 Gresham Street
London
EC2V 7QN

Auditor
Saffery LLP
10 Wellington Place
Leeds
LS1 4AP

Patrons
The Right Rev Marcus Stock,
Catholic Bishop of Leeds
The Right Rev Nick Baines,
Anglican Bishop of Leeds
HM Lord-Lieutenant for West Yorkshire,
Ed Anderson
The Earl and Countess of Harewood
Professor Gerald Richards
Tom Riordan CBE
Arif Ahmad
Zulfi Hussain MBE
Marilyn Stowe
Henry Cohen

Hospice Leadership Team

Dr Laura Squire
Chief Executive
from February 2025

Dr Mike Stockton
Consultant in
Palliative Care and
Chief Medical Officer

Heather McClelland
Chief Nurse

Kate Goldring
Chief Enterprise and
Communications Officer

Lauren Baldwin
Chief People Officer
from July 2025

Phil Oldfield
Chief Operating Officer
from August 2025

Kerry Jackson
Chief Executive
until December 2024

Jason Kirk
Chief Operating Officer
until March 2025

Michelle Dinsdale
Interim Director
of Corporate Services
from February to July 2025

Board of Trustees

Lisa Hollidge
Member of the Finance and
Investment Committee until July 2025
Chair of the Board of Trustees
from July 2025

Dr Jonathan Smith
Deputy Chair of the Board
Chair of the Corporate Governance
Committee

Kim Gay
Chair of the Finance and
Investment Committee
Member of the Corporate
Governance Committee

Jacqueline Murphy
Chair of the Clinical and Academic
Governance Committee
Member of the Corporate
Governance Committee

Hilary Barrett
Member of the Finance and
Investment Committee

Dr Eileen Burns
Member of the Clinical and Academic
Governance Committee

Kim Halliday
Member of the Finance and
Investment Committee

Bassem Keir
Member of the Finance and
Investment Committee

Anna Kerruish
Member of the Finance and
Investment Committee

Reverend Barry Miller
Spiritual Care Champion
Member of the Clinical and Academic
Governance Committee

Mukesh Parekh
Member of the Finance and Investment
and Corporate Governance Committees

Brigid Reid
Member of the Clinical and Academic
Governance Committee

Sarah Wilkinson
Equality, Diversity and Inclusion
Champion
Member of the Corporate Governance
Committee

Dr Lucy Ziegler
University of Leeds Representative
Member of the Clinical and Academic
Governance Committee

Sister Susan Irwin
Representative of the Sisters of
the Cross and Passion Charitable
Incorporated Organisation

Philomena Corrigan
Chair of the Board of Trustees
until July 2025

Our Vision, Purpose and Values

Our Vision

The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Our Purpose

St Gemma's Hospice acknowledges the value of life and the importance of dignity in death. We provide and promote the highest quality palliative and end of life care, education and research

Our Values

Caring
Treating each person with kindness, empathy, compassion and respect

Aspiring
Continually learning and developing; striving for excellence in everything we do

Professional
Delivering high standards through team work, a skilled workforce and good governance

Our Strategy 2018-2028

Our strategy was launched in 2018 outlining our 10-year ambitions. While much of the strategy continues to guide our work, the external environment has changed significantly. Through the next year this will be supported by a set of strategic goals, in the context of the local and national health and care system, to clarify our future direction.

Impact
St Gemma's University Teaching Hospice will improve care for patients and families through research, education and translating evidence into practice

Connect
St Gemma's Hospice will work in partnership with others to provide the standard of care we would want for our own families

Extend
St Gemma's Hospice will develop palliative and end of life care services in Leeds to meet the needs of more people in the future

Our Foundations:

Scope
The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Quality
Continuous improvement is sought across all areas of the Hospice

Sustainability
Our Hospice services, estate and workforce are financially viable and fit for the future

Statement from the Chair of the Board of Trustees and the Chief Executive

St Gemma's Hospice is a local, independent charity that provides free, specialist palliative care to people with life-limiting illnesses, helping them live as well as possible for as long as possible, and supporting them to die with dignity and comfort. Our care extends to families and carers, offering emotional, practical, and bereavement support. 2024/25 was our 47th year of providing these services to the people of Leeds.

Hospice care is holistic. It addresses not just physical symptoms, but also emotional, spiritual, and social needs. Our multi-disciplinary team of doctors, nurses, therapists, social workers, spiritual care and support staff enables patients to access our care at home, or at the Hospice through both our In-patient and Outpatient services.

St Gemma's provides care for patients with a wide range of conditions, including cancer, motor neurone disease, heart failure, and advanced respiratory or kidney disease. 37% of our patients had a non-cancer diagnosis in 2024/25, maintaining the level of the previous year.

We are seeing a continued increase in demand for our services. In 2024/25 we had 535 admissions to our 22-bed In-Patient Unit, up 6% on the previous year and 9% on 2022/23. Unique patient referrals reached 1,490, nearly 8% more than in 2023/24. Our Community Team made 19,420 contacts with patients and families in their homes, care homes, or temporary accommodation, also up on the previous year. For the first time this year, we are reporting on our inclusion service, which in 2024/25 has delivered 1,446 contacts supporting people who are homeless and vulnerably housed at the end of their lives.

Outpatient services continue to play a vital role including a 29% increase in Complementary Therapy referrals this year. In 2024/25, 2,170 contacts were made through clinics, drop-in sessions, group activities, and symptom management groups with excellent feedback on reducing isolation and improving wellbeing. Meanwhile, our Family Support Team worked with 2,337 adults and children, offering counselling, bereavement support, and practical advice. This is a temporary reduction on 2023/24 reflecting staff transitions, but we have recently increased our Bereavement Café frequency to ensure we remain responsive to community needs.

In July 2025 we published our Quality Account setting out progress made against our plans in 2024/25 and our quality improvement priorities for the coming year. In 2024/25 we delivered a fully embedded mortality review, developed a toolkit to improve staff confidence and capability in supporting people with dementia at end of life, improved our recognition and response to patients at risk of pressure ulcers and further improved the safety culture in our In-Patient Unit.

St Gemma's was rated Outstanding by the CQC following their inspection in 2021. Feedback from patients and families who experience our care continues to be excellent, all a reflection of our skilled and hardworking team of staff. That team is augmented by a growing and dedicated team of volunteers, 759 by the end of the year, working across all aspects of St Gemma's from the shops, to our gardens and our wards. St Gemma's Board has asked for assurance that we are aligned with the new CQC assessment framework introduced since 2021. We are working through a series of self-assessments to give that assurance, the first of which, against the Well-Led pillar of the framework, was provided to the Board in March 2025.

Two of the 10 recommendations of the first report of the Commission on Palliative and End of Life Care, brought to parliament in May 2025, concerned education and research; building confidence across the wider workforce, ensuring more staff are equipped to communicate with skill and kind honesty, and to recognise palliative care needs and assess problems, and funding research to improve care. St Gemma's is a centre of both research and learning, through our partnership with the University of Leeds and as the UK's first University Teaching Hospice. In 2024/25 we hosted 184 student placements for doctors, nurses, allied health professionals and social workers, and course attendance was up to a record 1,439. The University research team had a strong year, securing £3.3m in funding across more than 20 projects and achieving publications in 22 peer-reviewed journals, allowing it to continue its influence on national policy on palliative care.

St Gemma's Hospice provides services free of charge to patients, families, friends and carers. Total income in 2024/25 was £15.6m, the highest ever recorded, enabling us to close the year with a small surplus against a forecast deficit. NHS provision for palliative care is a statutory requirement of the Health and Care Act 2022 and our NHS core grant of £4.6m represented 30% of that total income. Most of our income is generated through donations, legacies, fundraising initiatives and our chain of charity shops.

We continue to work as part of the West Yorkshire Hospice Collaborative to secure more sustainable NHS funding for core and specialist clinical resources in our region. This is particularly important given the predictions for rising numbers of deaths in the UK over the next two decades, but we expect to always need to rely on the generous support of our local community to provide the support to patients and families that make up St Gemma's care.

We also continue to review all our services on an ongoing basis to ensure we are operating as efficiently and as sustainably as possible. For example, in 2024/25 we installed a 60kW solar system across our roof which is delivering significant savings of up to £5,000 per month. These panels are offsetting approximately 20% of our monthly energy costs.

Kerry Jackson stepped down from her role as Chief Executive (CEO) in December 2024, after giving outstanding leadership to the Hospice through 14 years. Jason Kirk, Chief Operating Officer for 11 years of dedicated service, also stepped down in March 2025.

Interim arrangements were put in place with Mike Stockton, St Gemma's Chief Medical Officer, taking on the role of Interim CEO and Michelle Dinsdale stepping up as Interim Director of Corporate Services. Laura Squire was appointed as the new Chief Executive from February 2025.

Since the year end, in July, Lauren Baldwin joined the St Gemma's Executive team, as the Hospice's first Chief People Officer and in August the team was completed with the appointment of Phil Oldfield as the new Chief Operating Officer.

We continue to be able to draw on the skills and experience of our very engaged Board of Trustees. After five years of dedicated service, Philomena Corrigan stepped down as Chair of the Board in July 2025. Philomena joined St Gemma's as a Trustee in 2020 and became Chair in 2022. We are incredibly grateful to her for everything she has contributed. In line with our governance process, the Chair is selected from within the existing Board. Following a Trustee panel, Lisa Hollidge was appointed as the new Chair of the Board of Trustees, effective from 15 July. In August 2025, we were also pleased to welcome Sarah Wilkinson as a new Trustee. Sarah has an extensive background in HR and, together with Lauren on the Executive, will strengthen the Hospice leadership focus on people.

Laura Squire
Chief Executive

Lisa Hollidge
Chair of the Board

Bobbie's Story

"The best care you can get"

Bobbie is a former professional carer who has faced a challenging health journey. Diagnosed with stage-four cancer in 2021, Bobbie has overcome significant setbacks, including being admitted to intensive care with sepsis. Despite these challenges, she was determined to remain at home, supported by visits from carers and the St Gemma's community team.

We first met Bobbie in 2022 when one of our community nurses visited her for the first time to help with symptom control following her treatment for sepsis.

When her health stabilised, Bobbie began attending St Gemma's Outpatients for physiotherapy, occupational therapy, and wellbeing classes, including Tai Chi and Zumba, which has greatly improved her quality of life. For over two years now, Bobbie has enjoyed and benefited from her visits to St Gemma's.

Bobbie shares her heartfelt gratitude for the support and care she has received:

"When I was diagnosed, I asked myself, 'Why? Why me?' But now I feel blessed - I'm here with my family, my children, and my grandchildren. I haven't yet got to where I want to be, but with help and encouragement from St Gemma's, I know I will."

"St Gemma's is like a second home to me. The staff and volunteers have been incredible. They provide me with moral support and ensure my wellbeing is always monitored. The care here is the best you can get.

The wellbeing classes have been a lifeline. I was introduced to Tai Chi and Zumba, and they've done wonders not just for my physical health but also for my emotional wellbeing. It's such a comfort to be part of a community where everyone understands and supports one another."

Bobbie also shared with us how St Gemma's care has had a really positive impact on her whole family, with staff going above and beyond with their advice and support.

"St Gemma's has also been a great support to my family, which means so much to us. As a former carer, I truly value the dedication and compassion that make this personalised care possible. I've defied doctors' expectations and am now enjoying some of the best days of my life with those who have helped me so much".

Charitable Objects

St Gemma's Hospice is a registered charity. Our objects are:

- The palliative care, treatment, or relief of people with active, progressive and advanced illness without regard to their means, faith, race, gender, or any of their other protected characteristics as defined in the Equality Act, at St Gemma's Hospice in Leeds and/or such other places as the Charity thinks fit including in the wider community
- The relief of those who have experienced loss and bereavement, in particular families, friends and carers, through the provision of counselling, advice and support
- The provision of education and training for professionals and volunteers engaged in palliative care.

All in accordance with the teachings in the catechism of the Roman Catholic Church and pronouncements of the Holy See from time to time on the sanctity of human life.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Hospice and in planning future activities which are set out in this report.

Our services are open to patients 18 and over. We provide care to people with a range of diagnoses including cancer, neurological conditions, and end stage respiratory and heart disease. We also provide support to families and carers including children and young people.

The Hospice team provides specialist palliative care, where the patient has unresolved needs that exceed the expertise of the referring team, and end of life care. Care is provided by our specialist team of doctors, nurses, social workers, therapists, counsellors, and spiritual care workers and by our team of vital support staff and volunteers. Much of our care is provided in people's own homes and care homes, with care also offered in our In-Patient Unit and Outpatient Services in Moortown.

St Gemma's care is individual and holistic, seeking to alleviate symptoms such as pain and breathlessness as well as supporting people's emotional and spiritual wellbeing. We recognise the unique physical, emotional, social, and spiritual needs of each person and place a high value on respect, choice and empowerment.

Our services are provided free of charge to patients and those close to them. We receive a proportion of our funding from the NHS, with the remainder coming from the local community, which generously funds us through donations, fundraising and gifts in wills and continues to give thousands of volunteer hours every year.

2024/25 in Numbers

Admissions to In-Patient Unit

2023/24	2024/25
503	535

Average In-Patient Unit Length of Stay (days)

2023/24	2024/25
11.9	11.2

Volunteer Numbers

2023/24	2024/25
749	759

Outpatient Group Contacts

2023/24	2024/25
2,258	2,170

Community Nursing and Medical Contacts

2023/24	2024/25
18,742	19,420

Cancer: Non-Cancer Patient Referrals

2023/24	2024/25
63% : 37%	63% : 37%

Instagram followers

2023/24	2024/25
-	3,034

Facebook followers

2023/24	2024/25
18,900	19,262

Shops

2023/24	2024/25
25	26

Retail Customers

2023/24	2024/25
697,463	774,596

Retail Items Sold

2023/24	2024/25
1,432,327	1,620,423

New Patient Referrals

2023/24	2024/25
1,382	1,490

External Healthcare Professionals Trained

2023/24	2024/25
1,013	1,439

Student Placements

2023/24	2024/25
174	184

Website visitors

2023/24	2024/25
150,000	126,489

Total Income

2023/24	2024/25
£13,986,626	£15,672,484

NHS Core Grant

2023/24	2024/25
30.8%	29.6%

Average Number of Staff

2023/24	2024/25
299	306

The Year under Review

Ensuring Quality of Care

St Gemma's aim is to deliver the highest quality care for patients and support for families. We are committed to continuous learning by monitoring performance, looking for any gaps in practice and identifying ways to improve care. Patient and service user feedback continues to be excellent, reflecting the "Outstanding" rating received from the Care Quality Commission in our most recent inspection (2021).

Over the past two years, new patient referrals have increased to 1,490, marking a 9% rise and demonstrating the growing reach of our services. The proportion of non-cancer diagnoses has remained steady at 37%, underscoring our ongoing commitment to providing inclusive care for a diverse patient population. Admissions to the In-Patient Unit rose to 535, while the average length of stay decreased to 11.2 days. This reduction reflects more efficient care transitions and improved patient flow through the service.

Outpatient group contacts remained robust at 2,170, with participants providing excellent feedback on the positive impact of these sessions in reducing isolation and enhancing wellbeing. Bereavement support services experienced a temporary decline to 2,337 contacts, attributed to staffing transitions. However, the recent growth in attendance at bereavement cafés indicates a responsive adaptation to evolving community needs.

As a University Teaching Hospice, we have significantly expanded our educational outreach. The number of external professionals and student placements rose to 184, reinforcing our vital role in shaping the current and future workforce in palliative and end of life care.

Clinical Quality Improvements

Effective and safe patient care is central to everything we do at St Gemma's. We monitor care quality and safety using a range of measures and continually seek to improve against the latest research evidence and best practice guidance. The measures include patient outcome metrics, patient and family feedback, complaints, service performance and clinical incident reviews. Our key performance indicators for 2024/25 do not give rise to any significant areas of concern.

The St Gemma's Quality Account sets out our priorities for clinical improvement each year. The priorities for 2024/25 were:

- Introducing the NHS Patient Safety Incident Response Framework (PSIRF) – we planned to align the Hospice's incident management and quality improvement programme with the NHS PSIRF to enhance safety, patient and family engagement and learning. This project remains a priority into 2025/26 to revise and implement incident response processes Hospice-wide.
- IPU Improvement Academy Project – the goal of this project was to improve safety and culture on the In-Patient Unit (IPU) using Quality Improvement (QI) methods. Patient feedback was excellent and shared with teams. Staff feedback highlighted areas for improvement, leading to earlier rota publication and a staffing review. A new QI group was formed, trained, and set priorities for 2025/26.
- Medical Devices Pressure Ulcer Project – this project aimed to reduce the number of pressure ulcers caused by medical devices. Early improvements in practice and training led to better risk prevention. The project was suspended due to a drop in incidents and pending further need assessment.
- Community Dementia Project – we aimed to improve end of life care for patients with dementia/cognitive impairment through the development of a staff toolkit. A co-produced toolkit was launched with the St Gemma's community team and shared citywide via the Leeds Palliative Care Network. Training events are planned, with a full evaluation set for 2025/26.
- Introduction of Mortality Reviews – the purpose of this project was to implement a standard, multi-professional approach to reviewing deaths in the Hospice and identify learning to inform quality and safety improvement plans within the PSIRF. In partnership with Sue Ryder Wheatfields and Manorlands Hospices, and the NHS Improvement Academy, a standardised clinical review process was embedded into governance. Key staff were trained in Structured Judgement Reviews, with insights captured in a learning log to inform service development and education. Examples of excellent care are helping to foster a culture of safety, learning, and reflection.

Patient and Family Experience of Care

Understanding the experiences of patients, service users, and their loved ones is essential to evaluating the quality of our clinical services. Their feedback helps us identify what matters most to those we care for, supports continuous improvement, and allows us to recognise and celebrate outstanding care, often highlighting individual staff members or entire teams.

In 2024/25, we introduced a new feedback platform, I Want Great Care, offering surveys in both paper and online formats. These are accessible via a direct link on the Hospice website and are available in easy-read and translated versions to ensure inclusivity.

Feedback was gathered through various methods:

- Ongoing: From bereaved families following In-Patient Unit and bereavement care.
- Periodic: From specific services such as community nursing and therapy teams.
- Event-based: From participants at events and training sessions, including Growing Around Grief and Young People's Service activities.

Over the year, we received 239 survey responses and more than 300 positive comments, providing valuable insights to shape and enhance our services.

All feedback is reviewed by the relevant Head of Department to ensure they recognise the volume of positive comments, understand what matters most to patients and families, and identify any areas for improvement. Any complaints received are thoroughly investigated, with learning shared across the appropriate teams.

300+ Positive Comments

Patient & Family Survey

Governance of feedback processes is led by the Chief Nurse, with quarterly reports submitted to internal quality groups for oversight and action.

We also contribute to wider city initiatives, including Healthwatch Leeds's How Does It Feel for Me? programme and the Leeds Palliative Care Network's work on gathering feedback from minority ethnic communities.

Bereavement Support Feedback

Eighteen individuals who accessed bereavement counselling provided feedback, with an average experience score of 4.9 out of 5. Respondents consistently reported high confidence in their counsellor (5.0), felt listened to (4.94), and were treated with dignity and respect (5.0).

Some suggested a need for more sessions and greater continuity, while also acknowledging service pressures.

Additional feedback is gathered from Bereavement Cafés and the Growing Around Grief course and is reviewed by the Patient Experience Group. Efforts are underway to improve formal feedback collection from children and young people, as no responses were received this year despite regular informal praise from families.

Developing the Academic Unit of Palliative Care

St Gemma's, in partnership with the University of Leeds, continues to grow the Academic Unit of Palliative Care (AUPC) as a centre of excellence in education, research, and evidence-based practice. This year, the Education Team trained 1,439 health and social care professionals across the UK through a mix of established, funded, and bespoke programmes. Internal staff development was also supported through apprenticeships, including two Trainee Nursing Associates.

Innovative teaching methods were piloted, including a Virtual Clinical Experience, which is currently being evaluated for wider use.

The research team secured £3.3m in funding across 20+ projects, with further bids submitted to major funders. The team expanded with new clinical academics and PhD students, and published over 33 peer-reviewed papers. Notable achievements included national policy contributions, international awards, and presentations at leading conferences.

The Evidence-Based Practice group continues to embed a culture of reflection and improvement across clinical teams, ensuring care is informed by the latest evidence and best practice.

Culture & Engagement

Our work culture is underpinned by our Values (see page 6), which guide our everyday decisions and behaviours, and remain a true reflection of our collective identity at St Gemma's. This results in an environment that is welcoming, innovative, and focussed on providing a quality experience for all those who come into contact with St Gemma's.

We place great importance on maintaining an environment that enables our people to deliver their best work and enjoy being part of the team. Key to this is listening to our people, and taking meaningful action in response to suggestions for improvements. We provide multiple ways for people to share feedback, whether through our monthly 'Live Question Time' with our CEO, via our Speak Up champions or our employee-led 'Engage' committee forum, and of course through our Staff Survey, which we conduct every two years with Birdsong Charity Consulting, thereby allowing us to benchmark ourselves against 31 other hospices in the UK.

The Staff Survey we conducted in 2024 achieved a response rate of 71%, and the results were overwhelmingly positive, particularly in relation to care quality, staff experience, and leadership. Our overall engagement score was 84%, exceeding the hospice sector benchmark of 81%, and corresponding with our low levels of attrition.

99% of staff were happy with standard of care provided

97% felt proud to work at St Gemma's

94% understood the organisation's goals

95% enjoyed their work

82% would recommend St Gemma's as a place to work

While these results were encouraging, we know that maintaining engagement levels requires ongoing, focussed effort, and we have sought meaningful ways to achieve this. For example, in response to feedback that our people can occasionally feel overwhelmed by the pressures of their work, we have enhanced the support we provide by raising greater awareness of our Health Assured programme, which promotes mental wellbeing and includes counselling support, and ensuring regular 'Reflective Discussions' for patient-facing teams with our trained therapists.

Our Volunteers

We are deeply grateful to our volunteers for the vital support they provide to St Gemma's and our community. With over 750 volunteers supporting our teams and fundraising efforts, we could not achieve all that we do without them. This year, we have invested in our Volunteer Services Team to boost our volunteer coordination and engagement, resulting in the launch of a series of recognition events to show our appreciation for our volunteers, outreach events to attract new volunteers, engagement initiatives such as Hospice tours for our Retail volunteers, and an increase in the number of our Corporate Partners. Further plans are in motion to ensure we can sustainably attract and engage volunteers going forward, despite the UK's decline in volunteer participants.

We extend our heartfelt thanks to all our volunteers for their unwavering support, generosity, and dedication.

Ensuring Equity, Diversity and Inclusion

The Hospice's Involve Group brings together all aspects of patient and public involvement, with a strong focus on diversity, inclusivity, accessibility, and engagement. Reporting to the Board via the Equality, Diversity and Inclusion (EDI) Champion at the Clinical and Academic Governance Committee, the group plays a key role in shaping inclusive practice.

In 2024/25, the scope of the Involve Group was refined to reduce overlap with staff culture and engagement initiatives. Key achievements during the year included:

- Upgraded signage to improve accessibility and inclusion across Hospice facilities.
- Implementation of the Accessible Information Standard within clinical records.
- Targeted engagement with the Pakistani community to improve access to services.
- Celebrations of cultural and religious diversity, including events for Christmas, Diwali, Ramadan (community iftar), and an Ethiopian coffee ceremony.
- Launch of the I Want Great Care patient experience platform.
- Development of a database to track community engagement across income generation, volunteering, and outreach services.

Ethnicity data highlighted a gap in service access for people of Pakistani origin in Leeds. In response, project leads are working closely with local community groups to better understand needs and improve referral pathways into Hospice care.

The Inclusion Service continues to make a significant impact, particularly for people who are homeless or vulnerably housed at the end of life. Over the past two years, outcomes for this group have included:

- An 85% reduction in Emergency Department attendances.
- Over 90% reduction in hospital bed days.
- 100% of patients given the opportunity to discuss their end of life care wishes.
- 80% of patients achieving their preferred place of death.

Although the population served by this service is small, the outcomes demonstrate the powerful impact of dedicated, inclusive care. The Hospice is actively working with commissioners to secure ongoing funding for this vital service.

To further strengthen community presence and awareness, the Hospice launched a new website this year, designed with accessibility and user experience in mind. This supports our ongoing efforts to help more people understand who we are, the support we offer, how to access our services, and why continued funding is essential.

Driving Sustainability

The Hospice is committed to reducing its environmental impact and working towards greater sustainability in how we operate. During the year we continued to review our energy use, waste management and procurement with the aim of reducing carbon emissions and improving efficiency. Investment has been made in energy-efficient lighting and heating systems across our sites, alongside measures to reduce single-use plastics and improve recycling. Our retail network also plays a vital role in sustainability by extending the life of donated goods and reducing waste.

This year, we have taken an important step forward in our commitment to environmental responsibility with the establishment of the Environmental Sustainability Group. Bringing together representatives from every department, this group has played a central role in creating our new Environmental Policy and Green Plan – a clear roadmap to achieving net zero by 2040, in line with NHS targets. In support of this ambition, we have installed a 60kW solar energy system with a pay-back of less than two years.

Our sustainability work has also been reflected in "The Cabin" – our new net carbon zero building. Featuring air source heating and solar panels that supply surplus energy to the main hospice, this innovative development has been recognised with the prestigious Yorkshire RIBA Award.

Our commitment extends beyond buildings to our gardens and grounds, which this year received the Yorkshire in Bloom 'Best in Category' award. We have begun growing fruit and vegetables onsite for our kitchens, reducing food miles and providing fresh, seasonal produce for patients and staff. Planting schemes now focus on climate-resilient species such as lavender and salvias, while water conservation has been supported by the installation of water butts. Looking ahead, spring 2026 will see the introduction of beehives, producing our own "St Gemma's Honey."

Reducing waste and improving recycling remain key priorities. We have introduced new recycling points across the Hospice in line with the latest food waste regulations and removed individual office bins to encourage responsible waste separation. Together, these initiatives reflect our determination to lead by example, embedding environmental sustainability into every aspect of hospice life.

Looking ahead, the Hospice will further develop its sustainability plan, ensuring that environmental considerations are embedded into estates and IT planning, supply chain management, and day-to-day operations. The Trustees believe that this approach supports our responsibility as a charity, aligns with NHS commitments on climate change, and helps to safeguard resources for future generations.

Looking Ahead

The St Gemma's Hospice strategy was launched in 2018 to chart the course of the Hospice for 10 years. Whilst the strategy continues to guide how we work, through our Vision, Values and Behaviours, the external environment has changed significantly since 2018. We have come through a pandemic and looking ahead, demand for Palliative and End of Life Care (PEoLC) is forecast to grow significantly. In parallel, the 10-year Health Plan puts a stronger focus on community care and digital enablers and requires significant reductions in staffing of Integrated Care Boards (ICB), the bodies that commission NHS services including PEoLC. The Board has agreed that in the light of this, there is a need to define some clearer strategic goals for St Gemma's for the next three to five years, work that can begin now the Hospice Executive Team is again, complete.

Quality

Our clinical quality improvement priorities, as outlined in our Quality Account published in July 2025 are:

- Finalising implementation of the NHS Patient Safety Incident Response Framework
- Reablement Project – a two-year project aiming to support patients on the In-Patient Unit (IPU) likely to return home to support timely discharge
- IPU Improvement Academy Project – using Quality Improvement methodology to enhance staff health and wellbeing with a view to improving clinical effectiveness.

People and Culture

People are at the heart of St Gemma's charitable objects and purpose, meaning it is vital that we are able to respond to the existing and evolving needs of the communities we support. Key to this is ensuring our employees and volunteers have the skills, knowledge and behaviours required to deliver the standard of service that our communities have come to know and expect from everyone at St Gemma's.

As we look to the future, a key focus for our People and Culture strategy will be to ensure we can reflect and respond to the changing demographics and needs of our communities over time.

This will include consideration for our talent pipeline, by aligning our provision for continual development and progression to our current and future skills requirements, and by offering clarity around our performance expectations and behavioural standards at every level of the organisation, in alignment with our strategic goals.

We know that our employees are highly engaged and share a sense of pride to work for St Gemma's (see page 16). Our aim is to maintain an inclusive culture and work environment that ensures our people continue to feel engaged, connected, well-led and supported to deliver their best work. This will involve us continuing to listen to the needs of our employees and volunteers, and responding to their feedback with meaningful and impactful initiatives. The wellbeing, fair treatment and job satisfaction of our people will remain core focus areas for our plans going forward.

Finance

- Without money there is no care – good financial controls and efficient use of our resources will continue to be a priority in the coming year.
- We continue to maximise income from non-NHS sources. In 2025/26 this includes working with Leeds Beckett University to develop our retail strategy as well as a project to explore commercial opportunities beyond our shops which could generate further income to support and complement our charitable services.
- 30% of our income comes from the NHS. Along with other hospices in West Yorkshire we are working to influence locally, regionally and nationally to agree a basis for a multi-year commitment to give us all more certainty.

Relationships and Partnerships

St Gemma's aims to deliver integrated care informed by research and evidence in practice. Working closely with other health and care providers and NHS commissioners will continue to be a priority in 2025/26, particularly through the changes in the ICB, establishment of provider partnerships, and embedding of the Neighbourhood Health model. St Gemma's does this through active membership of a range of clinical and leadership networks and groups including the Leeds Palliative Care Network, the Leeds End of Life Population Board, West Yorkshire Hospice Collaborative, Leeds Partnership Leadership Team (where we represent hospices) and the Leeds Academic HealthCare Partnership, which brings together leaders of academic organisations across the city.

Maintaining our profile nationally is particularly important as developments continue around the Terminally Ill Adults (Assisted Dying) Bill and as the 10-Year Health Plan is implemented. This is an opportunity to raise the profile of Palliative and End Life Care (PEoLC) and the services organisations like St Gemma's can provide, to give dignity and comfort at end of life. We continue to track national developments and seek to influence where we can, including as members of Hospice UK who represent independent hospices in key national forums. Key developments include those in national guidelines on the funding of PEoLC, the National Audit Office Investigation into the financial sustainability of England's Adult Hospices and the recommendations of the Commission on PEoLC.

Hospice Infrastructure

In 2024/25, we signed a 299 year lease for our Moortown site with the Sisters of the Cross and Passion, giving us welcome security for the future. The current buildings have been developed piecemeal over a number of years and despite being well-maintained, they have significant limitations. These include a largely disused convent building, a lack of flow between Outpatient and In-Patient services and patients being cared for on two floors. Now the lease has been settled, in 2025/26 we will progress the work on our site, a programme which is likely to take several years and require significant consultation with stakeholders.

Financial Review

Year on Year Review

During the year the Hospice achieved stronger financial performance, with greater income generation supported by growth in fundraising, retail activity, and legacy receipts. At the same time, careful cost control and efficiency measures allowed resources to be directed where they are most needed – into patient care and family support.

The Trustees are mindful, however, of the wider economic environment. Rising costs of living and ongoing pressures on household incomes may limit the capacity of donors to give, while increased costs of goods, energy and staffing have all impacted the Hospice during 2024/25. These challenges are not unique, but are felt across the wider charity and hospice sector.

The Hospice therefore continues to plan prudently, diversify income streams, and hold reserves in line with policy to safeguard long-term sustainability. The Trustees remain confident that, with continued community support and sound financial management, the Hospice is well placed to navigate these challenging economic times and deliver high-quality care for the years ahead.

We continue to be in a position of strength with adequate levels of general reserves to support our response to this unique financial challenge. This is considered in our review of reserve utilisation, principal risks and going concern (pages 23-29).

During the year, Hospice UK, supported by the government, distributed £100m in capital grants to hospices across England as part of broader efforts to modernise facilities and support the NHS's strategic aim to improve hospice infrastructure and end of life care. St Gemma's Hospice was successful in securing total grant income of £226,376 to support investment in digital transformation and key building programmes.

The statement of financial activities shows net expenditure for the year of £576,692 (2024: net expenditure £834,639) prior to any gains or losses on investments. Total income for the year was £15,672,484 (2024: £13,986,626) representing an increase of £1,685,858 (12.1%).

Strong trading in our shops including online sales (£348,009 higher than 2024), Hospice UK grant £226,376, additional grant from West Yorkshire Integrated Care Board (ICB) £279,000 and investment income returns of £401,179 contributed to our highest income generation on record.

West Yorkshire ICB grant of £4,356,316 (2024: £4,313,568) represents an increase of £42,748 (1.0%). This increase reflects an inflationary uplift minus an efficiency savings reduction.

Shop income of £4,708,996 (2024: £4,360,987) which includes income from the subsidiary company, represents an increase of 8% across our 26 charity shops. Our investment in new retail units and continuing strong demand in existing shops continue to drive income growth.

The net income from shops (including trading subsidiary) was £988,236 (2024: £1,087,821) representing a decrease of £99,585 (9.2%). This is due to rising operational costs including pay awards and energy costs.

Income from donations, trust grants, lottery and fundraising events was £3,365,750 (2024: £2,590,601) an overall increase of £775,149 (29.9%). This reflects an increase in fundraising £86,222 (12.1%), lottery £29,826 (7.5%) and trust grants of £110,302 (88.7%) and a significant increase in donations of £548,799 (40.6%). This increase was in part due to the success of the Precious Time appeal which generated over £300,000.

Total expenditure of £16,249,176 (2024: £14,821,265) rose by £1,427,911 which represents an increase of 9.6%. This is due to the impact of the annual pay award, rising operational costs of delivery, investment in our IT infrastructure and additional costs associated with investment in our retail and income generation activities. We continue to review our costs and effectively manage resources.

The investment portfolio generated a modest gain of £10,958 (2024: Gain £457,357). The investment portfolio is managed for long-term growth in both its capital value and the level of income it can generate. For the year to March 2025 the portfolio's total return was 5.6% (2024: 4.15%) compared to a benchmark of 5.03% (2024: 7.51%).

The 12 months to 31 March 2025 saw broadly positive returns across most asset classes albeit equity returns varied from region to region. The US equity market continued to perform well, helped by the ongoing strength of its technology sector and from companies exposed to the artificial intelligence investment theme which has continued to run. Global growth expectations have slowed however, as governments face ballooning deficits, particularly in the US. President Trump's stance on tariffs also unsettled global markets in the first few months of 2025, increasing market volatility short term. Inflation fell over the 12 month period but remains above central bank target rates which has resulted in cuts to interest rates being slower than investors had anticipated. Asset classes like UK commercial property and infrastructure benefited from the backdrop of falling inflation over the period though whilst gold continued to perform well given the increased geopolitical risks.

Total Return (%)	One Year	3 Years	5 Years
Portfolio	1.8	6.9	44.0
Benchmark	5.0	19.4	59.4
CPI +3% Objective	5.6	26.8	44.7
ARC Charity Steady Growth*	2.7	7.8	42.1

*ARC Steady Growth Charity Index represents charity portfolios that exhibit between 60%-80% of the volatility of the UK equity market, which is comparable with this portfolio.

At year end the investment portfolio was valued at £6,650,974 (2024: £6,674,068) with investment management fees of £28,301 (2024: £32,597). Overall investment income was £401,179 (2024: £313,834) with the investment portfolio contributing dividend payments of £138,118 (2024: £157,967). Companies continued to retain funds rather than making dividend distributions to shareholders and this trend is expected to continue in 2025/26. We generated £263,061 (2024: £155,867) from bank interest on approved short and medium-term deposits. We have seen a £107,194 increase in bank interest earned through the proactive investment of our surplus cash balances in higher rate deposit accounts.

The investment portfolio is managed by external fund managers (Rathbones) and performance is monitored by the Finance and Investment Committee with an independent review every three years. All investment decisions are made in accordance with the approved investment policy. A range of benchmarks are used to assess investment performance including a bespoke benchmark, agreed with the external fund managers, that reflects the Trustees' wish for good returns balanced with the need to manage risk. At the year end the portfolio was invested in a mixture of equities (77%), fixed interest (10%), property (3%), cash deposits (1%) and alternative assets (9%).

St Gemma's Hospice Services Ltd (trading subsidiary) continued to sell bought in goods and receives a lottery licence fee. During 2024/25 there was limited room hire income of £833. The company made a net surplus of £23,929 (2024: £3,127) in the year which will be transferred to the Hospice under Gift Aid.

Reserves

The Board of Trustees operates a risk based approach to determine the levels of reserves needed to cover key financial risks and support the long-term strategy and five-year plan. The Board has agreed a minimum general reserve fund of £3.7m as adequate to cover those assessed financial risks. This includes a £3.3m provision to support costs and liabilities associated with reorganising the Hospice in response to a significant reduction in income. This minimum reserve level is considered by the Board alongside the five-year financial plan and capital investment requirements on an annual basis.

The general reserves are drawn from unrestricted funds, excluding funds designated for future expenditure and those funds already invested in fixed assets. The unrestricted general reserve is currently £8,485,413 (2024: £8,806,124). The decrease of £320,711 is due to the creation of a Leadership and Management Development fund (£200,000) and support for the capital investment programme that underpins the replacement of Hospice fixed assets. Total designated reserves 31 March 2025 were £5,695,703 (2024: £5,921,053) of which £2,432,663 (2024: £2,551,764) has been invested in fixed assets. The designated reserves, excluding fixed assets, are £3,263,040 (2024: £3,369,289). We hold appropriate designated reserves to support the delivery of St Gemma's Hospice Strategy 2018-2028. These reserves can be designated, re-designated or released at the discretion of the Board.

Current designated reserves include:

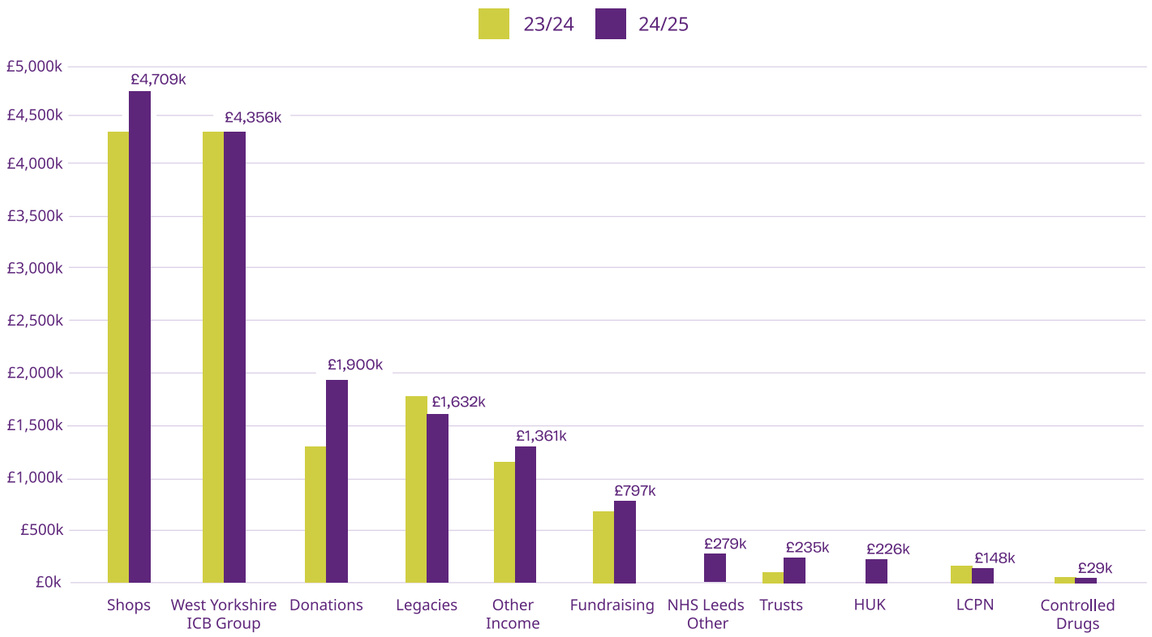
- Research facilitator £52,934 (2024: £52,934). We were successful in attracting funding from NIHR to further embed and develop our research portfolio in the Hospice.
- Service transformation fund of £116,346 (2024 : £154,306) is designated to support ongoing service development needs of the Hospice.
- Digital development reserve of £290,876 (2024: £464,664). This fund supports investment in IT infrastructure.
- AUPC strategy reserve of £500,000 (2024: £500,000). This reserve supports the delivery of the AUPC strategy.
- Buildings upgrade reserve of £2,102,884 (2024: £2,197,385). This reserve recognises the future needs of an ageing estate and upgrade of the site and buildings.
- Leadership and development reserve of £200,000 (2024:£Nil). This newly created reserve supports investment in our leadership and management development programmes to create a sustainable leadership model for the future and continued support for organisational and cultural development.

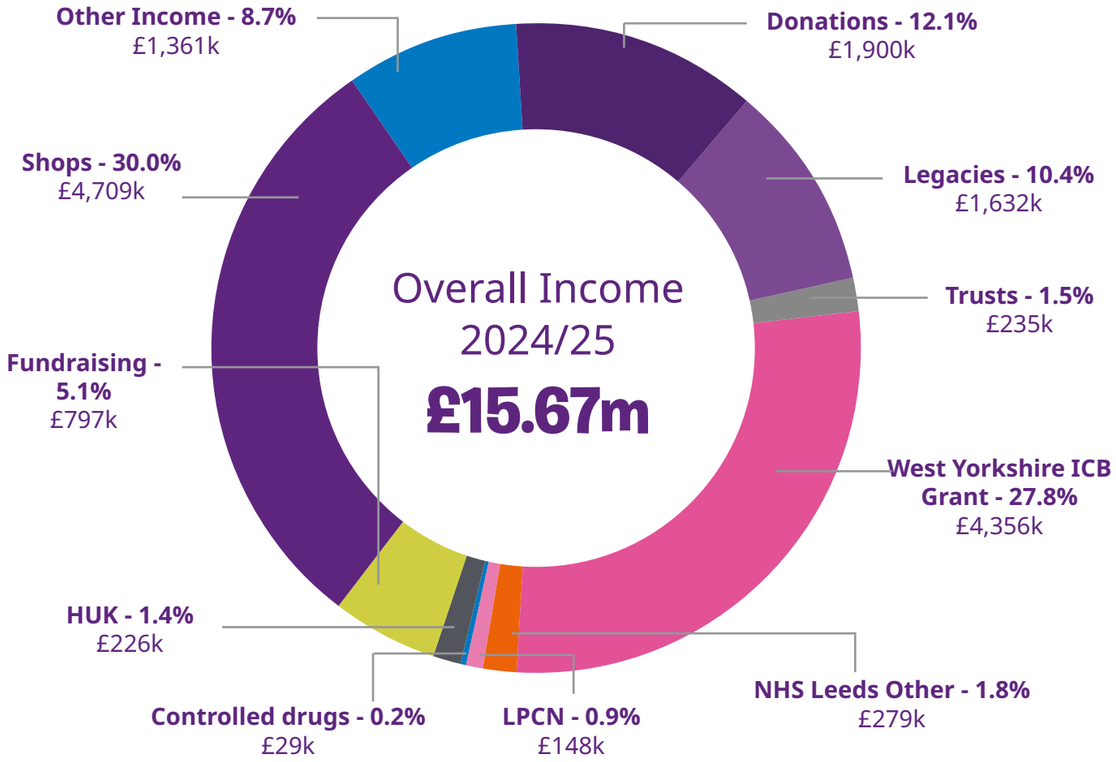
See notes 16 and 17 of the financial statements for further information on reserve utilisation.

Fixed Assets and Investments

The movements in fixed assets and investments during the period are set out in notes 10 and 11 to the financial statements. The Board of Trustees has the power to invest the charity's money in the manner they consider most beneficial for the purposes of St Gemma's Hospice.

Income Chart Comparison 2023/24 - 2024/25





Structure, Governance and Management

St Gemma's Hospice was founded in 1978 by the Sisters of the Cross and Passion who retain control of the company. The members of the company all belong to this congregation. The Hospice is a charitable company limited by guarantee and a registered charity.

The directors of the company are also charity Trustees for the purposes of charity law and known as the Board of Trustees. Trustee Indemnity Insurance is provided for their benefit.

The Trustees have complied with the duty (set out in section 4 of the Charities Act 2011) to have due regard to public benefit guidance published by the Charity Commission. This report indicates how our activities have delivered public benefit.

The Board of Trustees includes one representative of the Sisters of the Cross and Passion with a deputy if required. The remaining members have been recruited for their experience and skills in relevant areas including medicine and nursing, finance, HR and commerce. The Trustees who served during the year are set out on page 5.

The Board of Trustees, chaired by Lisa Hollidge, is responsible for overseeing the Hospice's strategy and performance. Board powers are detailed in the Articles of Association. Full Board meetings are held at least four times a year to review performance and agree any major changes to the strategy or financial plans. These meetings are supported by two focused strategy and development sessions a year.

The total number of Trustees serving during the year was in accordance with the governing document. The Board values the continued support and wise counsel provided by the Sisters through this constitutional arrangement.

The Trustees undertook a review of the Board sub-committee structure to ensure that it continues to support strong governance, effective oversight and the principles of a well-led charity. This considered the terms of reference of each committee, in the context of the evolving needs of the organisation and the expectations of the Charity Governance Code.

As a result, certain areas of responsibility were realigned between committees. Trustee membership of the committees was refreshed to ensure an appropriate mix of skills, experience and diversity, with induction and training for new members. The Board believes these changes strengthen accountability and provide the robust strategic leadership needed to deliver the Hospice's charitable purpose sustainably into the future.

Each of the three sub-committees meets quarterly to provide oversight and assurance across core areas of the Hospice's operations.

- **Clinical and Academic Governance Committee**

This committee ensures the quality, safety, and effectiveness of care, aligning clinical practice with regulatory standards. It also oversees education and research to promote continuous improvement and excellence in palliative and end of life care.

- **Corporate Governance Committee**

Focused on governance and sustainability, this committee reviews policies and legal compliance. It oversees People and Culture, IT, Estates and Facilities, ensuring a supportive workplace and resilient infrastructure. The Remuneration and Nominations Committees meet as required with a subset of the committee members.

- **Finance and Investment Committee**

This committee manages financial strategy and performance, ensuring responsible use of resources. It reviews budgets, investments and financial risks, providing assurance that the Hospice's finances are sustainable and aligned with its charitable mission.

Scheme of Delegation

The Trustees have adopted a clear scheme of delegation for effective and accountable decision-making. Strategic responsibility and assurance of the overall direction, governance and oversight of the charity rests with the Board of Trustees. Day-to-day management and decision-making is delegated to the Chief Executive and Executive team, set out on page 4.

The scheme of delegation defines the levels of authority for financial, operational and clinical decisions, ensuring that matters of strategic significance or higher financial value are considered by the Board, while enabling Executive decisions to be taken at the appropriate level in a timely manner. This structure is supported by the sub-committees.

The Trustees review the scheme of delegation regularly to ensure that it remains fit for purpose, reflecting best practice and strong internal controls. The Hospice therefore benefits from professional management expertise, while retaining oversight and accountability in line with the Charity Commission's guidance and the Charity Governance Code.

Senior Staff Pay

The Trustees are responsible for setting the pay and remuneration of the Chief Executive and the Executive team. Pay levels are reviewed annually through the Remuneration Committee to ensure they are fair, transparent and aligned with the Hospice's charitable objectives and financial circumstances.

In determining appropriate levels of senior pay, Trustees take into account:

- The specialist knowledge and skills required to lead a complex health and social care organisation
- The need to attract and retain qualified and experienced staff in a competitive Leeds marketplace
- External benchmarking against pay in comparable hospices, healthcare charities and NHS organisations, using sector data and market surveys
- The Hospice's overall financial position, including affordability, sustainability and value for money for donors and funders.

All decisions on senior pay are made in line with the Charity Commission's expectations on openness and accountability. No member of staff is present when decisions are made about their own remuneration. The Hospice also directly employs four medical consultants on NHS equivalent contracts, in line with national agreements.

Risk Management and Principal Risks

The Trustees maintain a comprehensive risk register which is regularly updated by the Executive team and reviewed by the sub-committees and Board. Risks are assessed according to likelihood and potential impact, with mitigating actions identified and monitored. The most significant risks relevant for this report at year-end were as follows:

- Hospice sustainability: There is a risk that the changing external environment impacting both revenues and our cost base results in financial deficit positions, which would threaten our ability to fund current service delivery and future ambitions. Mitigations include the maintenance of strong reserves, committee scrutiny of budget setting and performance reporting, in-year reforecasting and trend analysis to allow for timely corrective action and scenario planning to stress test finances for the future.
- Reduction in NHS income: Forecasts indicate that whilst funding for NHS will continue to rise over the next five year period it will not be sufficient to cover inflationary pressures and increasing demand for services. These pressures could lead to a reduction in funding. We continue to negotiate at all levels and to demonstrate that funding St Gemma's is an effective and efficient way for the ICB to discharge its legal obligation to provide palliative and end of life care services.
- Lack of strategic direction: A lack of clear strategic direction impacts effective prioritisation, which could lead to leadership and staff becoming overwhelmed, missed opportunities, an inability to respond to system and demographic change and the disengagement of large donors/supporters. This is being mitigated by strategic goal-setting, Key Performance Indicators (KPIs) to track progress, a prioritised business plan and regular reviews to enable course correction.
- Information technology and cyber security: Increasing reliance on digital systems for patient records, fundraising, and financial management exposes the Hospice to risks of cyber-attack, data loss and system failure. Alongside ongoing monitoring, current plans include replacing existing infrastructure, followed by a prioritised plan of works to implement more modern, secure cloud-based systems for future resilience.

The Trustees are satisfied that appropriate systems of internal control are in place. These provide a reasonable, though not absolute, level of assurance that risks are being managed to enable the Hospice to continue providing the very best care for patients and families.

Information Governance

The Trustees are committed to maintaining the highest standards of governance in information management and the wider stewardship of the charity. This is essential to protect patient confidentiality, maintain public trust and ensure long-term sustainability.

In relation to information governance, the Hospice complies with the requirements of the UK General Data Protection Regulation and the Data Protection Act 2018. We are registered with the Information Commissioner's Office and complete the NHS Data Security and Protection Toolkit annually. This provides external assurance that we meet the National Data Guardian's Data Security Standards, including secure handling of patient records, staff training in data protection, and appropriate cyber security measures. Regular audits and mandatory staff training ensure that data protection and confidentiality are embedded in everyday practice.

Trustees Fundraising Statement

Income Generation at St Gemma's is conducted by a team of fundraisers and retail staff directly employed by the charity and led by the Chief Enterprise and Communications Officer. The Hospice also generates Lottery income through an external partner (Local Hospice Lottery Limited) and their team of directly employed lottery fundraisers. There have been no failures to comply with the standards set by these organisations and St Gemma's is fully committed to the delivery of high quality, engaging and compliant fundraising activity.

The Trustees of the Hospice monitor the activities of the Income Generation team via quarterly meetings of the Finance and Investment Committee, supported by regular meetings of the Income Review Group. The Chair of the Committee also meets monthly with the Chief Operating Officer and Chief Enterprise and Communications Officer. Policies to protect vulnerable individuals are in place and all fundraisers are aware of their responsibilities in this area. During 2024/25 there were no complaints (2023/24: Six) relating to the Hospice's fundraising activities and no complaints (2023/24: None) relating to the chain of charity shops.

Trustees Responsibility Statement

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and 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 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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. In so far as the Trustees are aware:

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

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

Going Concern

The Trustees have reviewed the Hospice's financial position, forecasts and budgets for the next 12 months and have considered the key risks and uncertainties that could affect its ability to continue as a going concern. This review has taken account of the Hospice's dependency on voluntary income and statutory funding through contracts with the Hospice UK/NHS and West Yorkshire ICB, together with the potential impact of wider economic pressures on donations, retail income and legacy receipts. The Trustees have also assessed capital investment needs, particularly in relation to maintaining and improving clinical facilities, digital infrastructure and retail operations, to ensure services remain sustainable and resilient.

Detailed cash flow projections and five-year budget forecasts, including downside sensitivity analyses, have been prepared and reviewed by the Board. These demonstrate that, with effective management of resources, continued support from donors and constructive partnership with commissioners, the Hospice has adequate financial resources to meet its obligations as they fall due. Reserves are held in line with the Reserves Policy to support the longer term capital investment plan and provide a buffer against income volatility and unexpected expenditure.

The Trustees are satisfied that the Hospice has appropriate financial planning, governance and risk management processes in place to support long-term sustainability. Accordingly, the Trustees have a reasonable expectation that the Hospice has adequate resources to continue in operational existence for the foreseeable future, and for this reason continue to adopt the going concern basis in preparing the annual report and financial statements. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor: Saffery LLP have expressed their willingness to continue as auditor for the next financial year.

The Trustees' Report, including the Strategic Report, was approved by the Board, and signed on its behalf by:

Lisa Hollidge
Chair of the Board of Trustees
Date: 14th October 2025

Independent Auditor's Report to the members of St Gemma's Hospice

Opinion

We have audited the financial statements of St Gemma's Hospice (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the group statement of financial activities, the group and parent charitable company balance sheets, the group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company 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 financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 28, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate. Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales and the Care Quality Commission.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Saffery LLP

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP
Chartered Accountants
Saffery LLP
10 Wellington Place
Leeds
LS1 4AP
Statutory Auditors
Date: 23 October 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities (Including consolidated income and expenditure account) For the year ended 31 March 2025

Income From:	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Donations, legacies and trusts	**2**	**3,667,401**	**-**	**99,149**	**3,766,550**	**3,272,558**
Other trading activities:	3					
Sale of donated goods		4,648,832	-	-	4,648,832	4,309,544
Fundraising events		797,209	-	-	797,209	710,987
Lottery		428,861	-	-	428,861	399,035
Commercial trading operations		65,998	-	-	65,998	57,374
		5,940,900	**-**	**-**	**5,940,900**	**5,476,940**
Charitable activities – Provision of Hospice Services:						
Grant Income from WYICB	4	4,356,316	-	-	4,356,316	4,313,568
Additional WYICB grant income		279,000	-	-	279,000	-
LPCN income		148,124	-	-	148,124	165,017
Controlled drugs income		29,198	-	-	29,198	30,950
Hospice UK grant		-	-	226,376	226,376	-
Education and research		243,729	-	-	243,729	159,579
Bistro		94,611	-	-	94,611	83,518
Other		186,501	-	-	186,501	170,662
		5,337,479	**-**	**226,376**	**5,563,855**	**4,923,294**
Investments	5	401,179	-	-	401,179	313,834
Total income		**15,346,959**	**-**	**325,525**	**15,672,484**	**13,986,626**
EXPENDITURE ON						
Raising funds:						
Cost of selling donated goods		3,592,731	85,960	-	3,678,691	3,218,919
Costs of raising income from donations, legacies, trusts and fundraising events		1,719,387	54,028	-	1,773,415	1,698,067
Investment management fees		28,301	-	-	28,301	32,597
Commercial trading operations		42,069	-	-	42,069	54,247
		5,382,488	**139,988**	**-**	**5,522,476**	**5,003,830**
Charitable activities – Provision of Hospice Services		9,956,985	705,824	63,891	10,726,700	9,817,435
Total Expenditure	**6**	**15,339,473**	**845,812**	**63,891**	**16,249,176**	**14,821,265**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Net income/(expenditure) before investment (losses)/ gains	**8**	**7,486**	**(845,812)**	**261,634**	**(576,692)**	**(834,639)**
Net (losses)/gains on investments	11	10,958	-	-	10,958	457,357
Net income/(expenditure)		**18,444**	**(845,812)**	**261,634**	**(565,734)**	**(377,282)**
Transfer between funds	16/17	(339,155)	620,462	(281,307)	-	-
Net movement in funds		**(320,711)**	**(225,350)**	**(19,673)**	**(565,734)**	**(377,282)**
Reconciliation Of Funds:						
Total funds brought forward		8,806,124	5,921,053	134,543	14,861,720	15,239,002
Net movement in funds for the year		(320,711)	(225,350)	(19,673)	(565,734)	(377,282)
Total funds carried forward	**16/17**	**8,485,413**	**5,695,703**	**114,870**	**14,295,986**	**14,861,720**

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derive from continuing activities.

See note 15 for comparative Consolidated Statement of Financial Activities analysed by funds.

The accounting policies and notes on pages 38 to 55 form part of these accounts.

Balance Sheets
As at March 31 2025

Fixed Assets	Notes	Group		Charity	
		2025 £	2024 £	2025 £	2024 £
Tangible assets	10	2,432,663	2,551,764	2,432,663	2,551,764
Investments	11	6,650,975	6,674,068	6,650,977	6,674,070
		9,083,638	**9,225,832**	**9,083,640**	**9,225,834**
Current Assets					
Stocks		17,661	10,941	-	-
Debtors	12	835,676	708,580	850,286	705,118
Current asset investments		3,000,000	3,500,000	3,000,000	3,500,000
Cash at bank and in hand		2,254,541	2,591,404	2,249,372	2,588,505
		6,107,878	**6,810,925**	**6,099,658**	**6,793,623**
Creditors - amounts falling due within one year	13	(895,530)	(1,175,037)	(887,312)	(1,157,737)
Net current assets		5,212,348	5,635,888	5,212,346	5,635,886
Net assets		**14,295,986**	**14,861,720**	**14,295,986**	**14,861,720**
Represented by: **Funds**					
Unrestricted funds:					
Designated fund	16	5,695,703	5,921,053	5,695,703	5,921,053
General fund	16	8,485,413	8,806,124	8,485,413	8,806,124
Restricted funds	17	114,870	134,543	114,870	134,543
Total Funds		**14,295,986**	**14,861,720**	**14,295,986**	**14,861,720**

The financial statements were approved and authorised for issue by the Board of Trustees and signed on its behalf by:

Date
14th October 2025

Signature

Lisa Hollidge

Chair of the Board of Trustees

Company Number: 02773867

The notes on pages 38 to 55 form part of these accounts

Consolidated Cash Flow Statement
For year ended 31 March 2025

	Notes	Group 2025 £	Group 2024 £
Net cash / (used in) operating activities	**19**	**(629,885)**	**25,766**
Cash flows from investing activities			
Dividends and interest received		401,179	313,834
Purchase of tangible fixed assets		(642,208)	(723,105)
Loss on disposal of fixed assets		-	4,788
Purchase of investments		(1,470,527)	(5,059,731)
Proceeds on sale of investments		1,480,787	4,977,985
Movement on cash held by Investment Managers		23,791	113,752
Net cash (outflow) / inflow from investing activities		**(206,978)**	**(372,477)**
Change in cash and cash equivalents during the year		**(836,863)**	**(346,711)**
Cash and cash equivalents at the beginning of the year		**6,091,404**	**6,438,115**
Total cash and cash equivalents at the end of the year		**5,254,541**	**6,091,404**
Reconciliation to balance sheet:			
Cash at bank and in hand		2,254,541	2,591,404
Current asset investments		3,000,000	3,500,000
Balance at 31 March		**5,254,541**	**6,091,404**

The notes on pages 38 to 55 form part of these financial statements.

Statement of accounting policies
For year ended 31 March 2025

Company and charitable status

St Gemma's Hospice, meets the definition of a public benefit entity under FRS 102, is incorporated in England and Wales as a charitable company limited by guarantee not having a share capital. The Sisters of the Cross and Passion are the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of investments which have been included at market value. The financial statements have been prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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 and the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements comprise St Gemma's Hospice and its wholly owned subsidiary undertaking, St Gemma's Hospice Services Limited. The summarised profit and loss account for the subsidiary is shown in note 1. The results of the subsidiary are consolidated on a line-by-line basis.

Preparation of the financial statements – going concern basis

The principal risks facing the charity are discussed in the Trustees' report. Trustees have considered budget plans and a revised five-year financial outlook in considering the sustainability of the Hospice. The Trustees have also reviewed the cash position of the charity and cash forecasts at the date of signing the financial statements and are satisfied that the charity will be able to meet all of its financial commitments for at least twelve months from the date of signing.

As a consequence, the Trustees believe that the charity is well placed to manage its financial risks successfully. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Income

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

Income received by way of donations, fundraising events, trading, legacies, and West Yorkshire Integrated Care Board (WY ICB) receipts are credited in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT. Lottery income is from Local Hospice Lottery and the joint lottery with Sue Ryder Wheatfields Hospice and is included net after associated expenditure.

For legacies, entitlement is taken as the earlier of the date when all the following conditions are met: the charity is aware that probate has been granted, a copy of the will has been received to confirm entitlement, there is sufficient information to value the estate, a copy of the estate accounts are received and approved and the estimated value of the benefit exceeds £10,000. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed where material.

Income tax recoverable on income received and bank interest received are included in these accounts on the accruals basis. Dividend income from investment funds is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of dividends paid or payable.

Deferred income includes amounts received in respect of grants received for work to be carried out in the next financial year.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The full value of the freehold peppercorn rent is not valued due to the prohibitive cost of doing so. Income from goods donated for sale in the charity's shops is recognised at point of sale. As a result of the high volume of low value donated goods received by the charity, the cost of recognising these items at their value on receipt would outweigh the benefit of recognising them in the financial statements.

All income arises in the United Kingdom. In accordance with Charities SORP (FRS 102), the value of volunteer time is not recognised in the financial statements. Please refer to the Trustees' Annual Report for more information.

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 under the following activity headings.

Costs of raising funds include the costs incurred in generating voluntary income, fundraising trading costs, including the costs of running the charity shops, and investment management costs. Charitable expenditure has been analysed by activity, these costs enable the Hospice to meet its charitable aims and objectives.

Support costs cover functions that support the Hospice's work but do not directly engage in charitable activities. This includes back-office, finance, personnel, payroll, and governance expenses. Governance costs are linked to the charity's governance arrangements, including compliance, trustee meetings, and legal advice. These costs are divided between fundraising and charitable activities. The bases on which support costs have been allocated are set out in note 7.

Expenditure is included in the Statement of Financial Activities inclusive of any VAT which cannot be recovered.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in the furtherance of the general objectives of the charity. Designated funds are amounts that have been put aside at the discretion of the Board of Trustees. Restricted funds are funds subject to specific conditions imposed by donors. Where restricted funds are received for the purchase of fixed assets then the funds are transferred to designated funds once the purchase has been made. See notes 16 and 17 for further information on funds and funds utilisation.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation.

Tangible fixed assets individually costing more than £1,000 are capitalised and included in the accounts at cost. Provision is made for depreciation on all tangible assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Improvements to leasehold property costs	5% per annum on a straight line basis
Fixtures and fittings	10% per annum on a straight line basis
Motor vehicles	25% per annum on reducing balance basis
Computer Equipment	25% per annum on a straight line basis

Investments

Listed investments are included in the financial statements at market value. Investment in subsidiary is recognised at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Stock

Stock of purchased goods is valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

Employee benefits

The Hospice operates two pension schemes. A defined benefit scheme with the National Health Service Superannuation Scheme is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service Pension agencies. In addition, there is a Group Personal Pension Scheme administered by Standard Life which is available to all other employees. Contributions to both Schemes are charged directly to the Statement of Financial Activities. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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.

Current asset investments include short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity held for working capital.

Taxation

The Hospice is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Hospice is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising. Given this, no tax charge arises on the charity.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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.

Legacies

Legacies are recognised as income when probate has been granted, the charity has established its entitlement to the funds and sufficient information is available to allow the measure of entitlement, and it is probable that funds are receivable.

Notes to the group financial statements
For year ended 31 March 2025

1. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned subsidiary, St Gemma's Hospice Services Limited which is incorporated in the UK and registered in England and Wales No. 03739423. The company undertakes trading activities including the sale of bought in goods and the provision of room hire within the St Gemma's Academic Unit of Palliative Care. A summary of its trading results for the period is shown below. The company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

Profit and Loss Account	2025 £	2024 £
Turnover	65,998	57,374
Cost of Sales	(21,398)	(26,173)
Gross Profit	44,600	31,201
Administrative expenses	(2,684)	(2,624)
Management charge	(17,987)	(25,450)
Operating profit	23,929	3,127
Charitable donation to St Gemma's Hospice	(23,929)	(3,127)
Retained in subsidiary	-	-
Aggregate Capital and reserves	2	2

2. INCOME FROM DONATIONS, LEGACIES AND TRUSTS

	2025 Unrestricted Funds £	2025 Restricted Funds £	2025 Total £
Donations	1,873,530	26,500	1,900,030
Legacies	1,631,871	-	1,631,871
Grants and Trusts	162,000	72,649	234,649
	3,667,401	**99,149**	**3,766,550**
2024 Comparative	**2024 Unrestricted Funds £**	**2024 Restricted Funds £**	**2024 Total £**
Donations	1,313,581	37,650	1,351,231
Legacies	1,796,980	-	1,796,980
Grants and Trusts	53,866	70,481	124,347
	3,164,427	**108,131**	**3,272,558**

At 31 March 2025 there were legacies totalling £1,319,329 (2024: £1,019,172) that had been notified as receivable to the charity but have not been included in the financial statements as their value cannot be reliably quantified.

Included in donations is gift aid received or receivable of £253,967 (2024: £173,023).

3. INCOME FROM OTHER TRADING ACTIVITIES

	2025 £	2024 £
Sale of donated goods	4,648,832	4,309,544
Fundraising events	797,209	710,987
Lottery	428,861	399,035
Income from wholly owned subsidiary:		
Room hire	833	930
Sale of purchased goods	60,164	51,443
Lottery License fee	5,001	5,001
	5,940,900	**5,476,940**

The sales of donated and purchased goods in 2025 includes donations under retail gift aid of £899,633 (2024: £784,734 and the associated gift aid of £222,209 (2024: £193,829).
St Gemma's Hospice had 26 shops at the year end (2024: 25).

4. INCOME FROM CHARITABLE ACTIVITIES

	2025 Unrestricted Funds £	2025 Restricted Funds £	2025 Total £
Provision of Hospice services			
Grant income from WY ICB	4,356,316	-	4,356,316
Additional WYICB grant income	279,000	-	279,000
LPCN income	148,124	-	148,124
Controlled drugs income	29,198	-	29,198
Hospice UK Grant	-	226,376	226,376
Education and research	243,729	-	243,729
Bistro	94,611	-	94,611
Other	186,501	-	186,501
	5,337,479	**226,376**	**5,563,855**

2024 Comparatives	2024 Unrestricted Funds £	2024 Restricted Funds £	2024 Total £
Provision of Hospice services			
Grant income from WY ICB	4,313,568	-	4,313,568
LPCN income	165,017	-	165,017
Controlled drugs income	30,950	-	30,950
Education and research	159,579	-	159,579
Bistro	83,518	-	83,518
Other	170,662	-	170,662
	4,923,294	**-**	**4,923,294**

5. INVESTMENT INCOME

	2025 £	2024 £
Listed securities	138,118	157,967
Bank and other interest	263,061	155,867
Total	**401,179**	**313,834**

6. ANALYSIS OF EXPENDITURE

Expenditure on raising funds	2025 Direct Costs £	2025 Support Costs £	2025 Total £
Costs of selling donated goods	3,368,362	310,329	3,678,691
Cost of raising income from donations, legacies, trusts and fundraising events	1,523,656	249,759	1,773,415
Investment management fees	28,301	-	28,301
Cost of wholly owned subsidiary:			
Purchased goods	42,069	-	42,069
	4,962,388	**560,088**	**5,522,476**

Expenditure on charitable activities Provision of Hospice services			
In-Patient Care	6,110,952	638,999	6,749,951
Community Care	1,848,205	168,453	2,016,658
Outpatients	572,175	107,123	679,298
Bereavement Support	410,240	42,288	452,528
Education and research	748,361	79,904	828,265
	9,689,933	1,036,767	10,726,700
Total expenditure	**14,652,321**	**1,596,855**	**16,249,176**

2024 Comparatives			
Expenditure on raising funds	**2024 Direct Costs £**	**2024 Support Costs £**	**2024 Total £**
Costs of selling donated goods	2,931,437	287,482	3,218,919
Cost of raising income from donations, legacies, trusts and fundraising events	1,431,737	266,330	1,698,067
Investment management fees	32,597	-	32,597
Cost of wholly owned subsidiary:			
Purchased goods	54,247	-	54,247
	4,450,018	**553,812**	**5,003,830**

Expenditure on charitable activities Provision of hospice services			
Inpatient Care	5,595,038	657,423	6,252,461
Community Care	1,731,364	160,752	1,892,116
Outpatients	515,629	109,988	625,617
Bereavement Support	263,410	40,516	303,926
Education and research	667,765	75,550	743,315
	8,773,206	**1,044,229**	**9,817,435**
Total expenditure	**13,223,224**	**1,598,041**	**14,821,265**

7. ANALYSIS OF SUPPORT COSTS

2025	Raising Funds £	InPatient Care £	Community Care £	Outpatients £	Bereavement Support £	Education & Research £	Total £
Governance	36,840	42,031	11,080	7,046	2,782	5,256	105,035
Finance	69,838	79,677	21,005	13,357	5,273	9,963	199,113
IT	103,653	118,257	31,174	19,825	7,826	14,787	295,522
HR	27,703	31,606	8,332	5,299	2,092	3,952	78,984
Admin	91,723	104,646	27,587	17,543	6,925	13,086	261,510
Estates and Facilities	199,537	227,650	60,013	38,163	15,065	28,467	568,895
Depreciation	30,794	35,132	9,262	5,890	2,325	4,393	87,796
Total	**560,088**	**638,999**	**168,453**	**107,123**	**42,288**	**79,904**	**1,596,855**
2024	**Raising Funds £**	**Inpatient Care £**	**Community Care £**	**Outpatients £**	**Bereavement Support £**	**Education & Research £**	**Total £**
Governance	36,938	43,849	10,722	7,336	2,702	5,039	106,586
Finance	64,310	76,341	18,667	12,772	4,705	8,773	185,568
IT	86,432	102,603	25,088	17,166	6,323	11,791	249,403
HR	21,966	26,075	6,376	4,362	1,607	2,997	63,383
Admin	94,232	111,861	27,352	18,715	6,894	12,855	271,909
Estates and Facilities	220,957	262,296	64,136	43,882	16,165	30,142	637,578
Depreciation	28,977	34,398	8,411	5,755	2,120	3,953	83,614
Total	**553,812**	**657,423**	**160,752**	**109,988**	**40,516**	**75,550**	**1,598,041**

The allocation is based upon the headcount in these areas, adjusted for those costs which were only incurred on the Hospice site, being IT, Finance and administration together with a proportion of building and maintenance costs.

8. NET INCOME/ (EXPENDITURE) FOR THE YEAR

This is stated after charging:	2025 £	2024 £
Auditor's Remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	18,650	17,745
- Fees payable to the charity's auditor for other services to the group:		
Taxation services	1,995	1,900
- The audit of the charity's subsidiary	3,900	3,730
Depreciation:		
- on owned fixed assets	401,656	363,714
- on leased fixed assets	359,653	359,756
Rental of land and buildings under operating leases	**611,716**	**522,360**
Hire of equipment under operating leases	**12,271**	**13,746**

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY

Aggregate remuneration comprised:	2025 £	2024 £
Wages and salaries	9,748,584	9,199,405
Social security costs	921,519	848,114
Other pension costs	794,863	738,304
	11,464,966	**10,785,823**

During the year, two ex-gratia payments were made totalling £35,674 (2024: £64,506).
The overall average and whole time equivalent (WTE) employees during the period was as follows:

	2025		2024	
	No.	WTE	No.	WTE
Provision of Hospice Services	166	133	167	133
Raising funds	92	75	85	71
Support functions	48	42	47	42
	306	**250**	**299**	**246**

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2025 No.	2024 No.
£60,000 - £70,000	4	1
£70,001 - £80,000	2	1
£80,001 - £90,000	2	2
£90,001 - £100,000	1	1
£100,001 - £110,000	-	2
£120,001 - £130,000	1	-
£150,001 - £160,000	1	1
£170,001 - £180,000	1	-

The key management personnel of the parent Charity, listed on page 4, are the same as the Group. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Group for the year totalled £666k (2024: £717k).

As shown above, St Gemma's Hospice has employed twelve individuals who earned over £60,000. Four of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership team (HLT) and Senior Leadership team (SLT), responsible for running the Hospice. The Chief Executive is not the highest paid employee.

No trustees received remuneration during the current or prior year. No travel or subsistence expenses were paid to trustees during the current or prior year.

10. TANGIBLE FIXED ASSETS

Charity and Group Cost:	Improvements to Leasehold Property £	Computer Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
1 April 2024	6,903,054	1,002,969	4,521,246	49,732	12,477,001
Additions	75,439	205,181	361,588	-	642,208
Transfers	-	-	-	-	-
Disposals	-	(19,190)	-	-	(19,190)
31 March 2025	**6,978,493**	**1,188,960**	**4,882,834**	**49,732**	**13,100,019**
Depreciation:					
1 April 2024	5,916,172	828,437	3,140,826	39,802	9,925,237
Charge for the year	359,653	121,550	277,624	2,482	761,309
Transfers	-	-	-	-	-
Disposals	-	(19,190)	-	-	(19,190)
31 March 2025	**6,275,825**	**930,797**	**3,418,450**	**42,284**	**10,667,356**
Net book value:					
31 March 2025	**702,668**	**258,163**	**1,464,384**	**7,448**	**2,432,663**
31 March 2024	**986,882**	**174,532**	**1,380,420**	**9,930**	**2,551,764**

All tangible fixed assets are used for or to support charitable purposes.

11. FIXED ASSET INVESTMENTS

Charity	Cost Unlisted £	Valuation Listed £	Total £
Cost / market value at 1 April 2024	2	6,674,068	6,674,070
Additions	-	1,470,527	1,470,527
Disposal proceeds	-	(1,480,787)	(1,480,787)
Unrealised gains	-	5,763	5,763
Realised loss	-	5,195	5,195
Decrease in cash deposits	-	(23,791)	(23,791)
Cost / market value at 31 March 2025	**2**	**6,650,975**	**6,650,977**
Group		**Valuation Listed £**	**Total £**
Market value at 1 April 2024		6,674,068	6,674,068
Additions		1,470,527	1,470,527
Disposal proceeds		(1,480,787)	(1,480,787)
Unrealised gains		5,763	5,763
Realised loss		5,195	5,195
Decrease in cash deposits		(23,791)	(23,791)
Market value at 31 March 2025		**6,650,975**	**6,650,975**

The unlisted investment represents an investment in a subsidiary undertaking:

Name of Subsidiary	Class of Shares Held	Percentage of Shares Held
St Gemma's Hospice Services Limited	Ordinary	100%

St Gemma's Hospice also holds a minority share in an unlisted investment, Hospice Quality Partnership, which was acquired for £10.

Listed Investments

The historic cost of listed fixed asset investments at 31 March 2025 was £5,984,607 (2024: £5,963,434). The investments are managed by an external fund manager. The funds can be analysed as follows:

	2025 £	2024 £
Fixed interest	689,055	696,494
UK Equities	639,801	657,978
Overseas equities	4,488,617	4,495,086
Property	181,011	177,112
Alternative Assets	615,565	586,978
Cash deposits	36,926	60,420
	6,650,975	**6,674,068**

12. DEBTORS

	Group		Charity	
Amounts falling due within one year:	**2025 £**	**2024 £**	**2025 £**	**2024 £**
Trade debtors	6,756	12,215	-	-
Amounts due from subsidiary undertaking	-	-	21,366	8,753
Income tax recoverable	51,463	69,414	51,463	69,414
Other debtors	571,976	402,770	571,976	402,770
Prepayments	205,481	224,181	205,481	224,181
	835,676	**708,580**	**850,286**	**705,118**

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	8,220	17,301	-	-
Other creditors	577,520	652,341	577,522	652,342
Accruals and deferred income	309,790	505,395	309,790	505,395
	895,530	**1,175,037**	**887,312**	**1,157,737**

Included in Other Creditors is £185,880 (2024: £226,059) received by St Gemma's in the role of host of the Leeds Palliative Care Network, which involves collaborative working with other palliative and end of life care providers in Leeds.

14. DEFERRED INCOME

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Brought forward	207,138	1,297,766	207,138	1,297,766
Deferred income	44,834	188,251	44,834	188,251
Release in year	(181,035)	(1,278,879)	(181,035)	(1,278,879)
Carried forward	**70,937**	**207,138**	**70,937**	**207,138**

The deferred income figure includes £9,773 (2024: £18,886) for monies received to support our Academic Unit of Palliative Care in the delivery of the CNS ECHO project, £36,223 (2024: £30,146) is included for the Research Practitioner. In addition, £7,112 (2024: £17,884) has been received in advance for training courses delivered by the Academic Unit of Palliative Care. £16,330 (2024: £134,707) has been received for the provision of an Inclusion Service. £1,500 (2024: £5,515) has been received for the Winter Ball.

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Income from	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 March 2024 Total Funds £
Donations, legacies and trusts	2	3,164,427	-	108,131	3,272,558
Other trading activities					
Sale of donated goods		4,309,544	-	-	4,309,544
Fundraising		710,987	-	-	710,987
Lottery		399,035	-	-	399,035
Commercial trading operations		57,374	-	-	57,374
	3	**5,476,940**	**-**	**-**	**5,476,940**
Charitable activities – Provision of Hospice Services:					
Grant income from WYICB		4,313,568	-	-	4,313,568
LPCN income		165,017	-	-	165,017
Controlled drugs income		30,950	-	-	30,950
Education and research		159,579	-	-	159,579
Bistro		83,518	-	-	83,518
Other		170,662	-	-	170,662
	4	**4,923,294**	**-**	**-**	**4,923,294**
Investments Income	5	313,834	-	-	313,834
Total income		**13,878,495**	**-**	**108,131**	**13,986,626**
Expenditure on					
Raising funds					
Cost of selling donated goods		3,138,629	80,290	-	3,218,919
Cost of raising income from donations, legacies, trusts and fundraising events		1,646,613	51,454	-	1,698,067
Investment management fees		32,597	-	-	32,597
Commercial trading operations		54,247	-	-	54,247
		4,872,086	**131,744**	**-**	**5,003,830**
Charitable activities - Provision of Hospice Services		9,104,638	630,445	82,352	9,817,435
Total expenditure	**6**	**13,976,724**	**762,189**	**82,352**	**14,821,265**
Net income/(expenditure) before investment gains	8	(98,229)	(762,189)	25,779	(834,639)
Net (losses)/gains on investments	11	457,357	-	-	457,357
Net income /(expenditure)		359,128	(762,189)	25,779	(377,282)
Transfer between funds	16/17	(2,768,954)	2,793,867	(24,913)	-
Net movement in funds		(2,409,826)	2,031,678	866	(377,282)
Reconciliation of funds:					
Total funds brought forward		**11,215,950**	**3,889,375**	**133,677**	**15,239,002**
Net movement in funds for the year		**(2,409,826)**	**2,031,678**	**866**	**(377,282)**
Total funds carried forward	**16/17**	**8,806,124**	**5,921,053**	**134,543**	**14,861,720**

16. UNRESTRICTED FUNDS

Charity and Group	1 April 2024 £	Income & gain on investment £	Expenditure £	Transfers £	31 March 2025 £
Designated Funds					
Research facilitator	52,934	-	-	-	52,934
Service Transformation fund	154,306	-	(37,960)	-	116,346
Digital Development Reserve	464,664	-	(65,733)	(108,055)	290,876
AUPC Strategy Reserve	500,000	-	-	-	500,000
Buildings Upgrade Reserve	2,197,385	-	-	(94,501)	2,102,884
Leadership and Development Reserve	-	-	-	200,000	200,000
Fixed assets	2,551,764	-	(742,119)	623,018	2,432,663
	5,921,053	**-**	**(845,812)**	**620,462**	**5,695,703**
General Fund	**8,806,124**	**15,357,917**	**(15,339,473)**	**(339,155)**	**8,485,413**
Total unrestricted funds	**14,727,177**	**15,357,917**	**(16,185,285)**	**281,307**	**14,181,116**

The fixed asset fund represents reserves invested in fixed assets and each year a transfer is made equivalent to the value of additions in the year. The relevant expenditure is related to depreciation.

A Leadership and Development Reserve has been created to support delivery of the Hospice strategic objectives over the next 3 years and the reorganisation of the Hospice Leadership Team.

The Digital Development Reserve supports the continued upgrade programme of IT and telephony infrastructure and to enhance IT skills across the Hospice.

The Academic Unit of Palliative Care (AUPC) Strategy Reserve will support the commercialisation of the AUPC; and the Buildings Upgrade Reserve will support the initial site development requirements of the current facilities. In 2023/24 we appointed a Research Practitioner, funded by the National Institute for Health Research to further embed and develop our research portfolio in the Hospice.

The Service Transformation fund is designated to support the ongoing service development needs of the Hospice.

YEAR ENDED MARCH 2024 COMPARATIVES

Charity and Group	1 April 2023 £	Income & gain on investment £	Expenditure £	Transfers £	31 March 2024 £
Designated Funds					
Research facilitator	52,934	-	-	-	52,934
Maintenance and gardens	262,356	-	-	(189,168)	73,188
Building Development Reserve	214,174	-	-	(89,977)	124,197
Service Transformation fund	201,311	-	(77,614)	-	123,697
Digital Development Reserve	571,074	-	(34,988)	(71,422)	464,664
COVID Response Reserve	30,609	-	-	-	30,609
AUPC Strategy Reserve	-	-	-	500,000	500,000
Buildings Upgrade Reserve	-		-	2,000,000	2,000,000
Fixed assets	2,556,917		(649,587)	644,434	2,551,764
	3,889,375	**-**	**(762,189)**	**2,793,867**	**5,921,053**
General Fund	**11,215,950**	**14,335,852**	**(13,976,724)**	**(2,768,954)**	**8,806,124**
Total unrestricted funds	**15,105,325**	**14,335,852**	**(14,738,913)**	**24,913**	**14,727,177**

17. RESTRICTED FUNDS

Charity and Group	1 April 2024 £	Income £	Expenditure £	Transfers £	31 March 2025 £
City wide education programme	10,550	-	-	- -	10,550
Postage costs – restricted donation	29,625	-	(15,661)	-	13,964
Training and Education	63,162	-	(2,247)	-	60,915
Hospice UK Grant Funding	-	226,376	-	(226,376)	-
Restricted Trust Income	13,857	72,649	(15,568)	(54,931)	16,007
Sundry restricted donations	4,150	26,500	(17,967)	-	12,683
Mental Health Clinical Nurse Specialist	13,199	-	(12,448)	-	751
Balance	**134,543**	**325,525**	**(63,891)**	**(281,307)**	**114,870**

The Citywide education programme was set up to improve the provision of palliative care across the city.

The competency framework for nursing staff was funded by West Yorkshire (WY) ICB. Health Education England provided funding to support the End of Life Care Outcomes project being undertaken within the Academic Unit of Palliative Care.

The Mental Health Clinical Nurse Specialist is funded by WY ICB.

Within restricted funds, the transfers reflect expenditure as directed by the fund terms. These transfers form part of the capital additions for the year.

Within the Restricted Trust income is a grant for £22,167 from Leeds City Council. This was received to facilitate the installation of zonal values which have contributed towards the Hospice's environmental sustainability agenda enabling us to better control heat within the Hospice.

Hospice UK provided £226,376 of capital grant funding as part of the £100 million funding boost to support charitable hospices to improve or maintain their physical estate.

YEAR ENDED 31 MARCH 2024 COMPARATIVES

Charity and Group	1 April 2023 £	Income £	Expenditure £	Transfers £	31 March 2024 £
City wide education programme	10,550	-	-	-	10,550
Postage costs – restricted donation	20,873	25,000	(16,248)	-	29,625
Training and Education	63,162	-	-	-	63,162
Restricted Trust Income	20,714	70,481	(56,425)	(20,913)	13,857
Sundry restricted donations	-	12,650	(4,500)	(4,000)	4,150
Mental Health Clinical Nurse Specialist	18,378	-	(5,179)	-	13,199
Balance	**133,677**	**108,131**	**(82,352)**	**(24,913)**	**134,543**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2025 £
Tangible assets	-	2,432,663	-	2,432,663
Investments	6,650,977	-	-	6,650,977
Current assets	2,721,748	3,263,040	114,870	6,099,658
Current liabilities	(887,312)	-	-	(887,312)
Total net assets	**8,485,413**	**5,695,703**	**114,870**	**14,295,986**
Group	**Unrestricted Fund £**	**Designated Fund £**	**Restricted Funds £**	**Total 2025 £**
Tangible assets	-	2,432,663	-	2,432,663
Investments	6,650,975	-	-	6,650,975
Current assets	2,729,968	3,263,040	114,870	6,107,878
Current liabilities	(895,530)	-	-	(895,530)
Total net assets	**8,485,413**	**5,695,703**	**114,870**	**14,295,986**

2024 Comparatives				
Charity	**Unrestricted Fund £**	**Designated Fund £**	**Restricted Funds £**	**Total 2024 £**
Tangible assets	-	2,551,764	-	2,551,764
Investments	6,674,070	-	-	6,674,070
Current assets	3,289,791	3,369,289	134,543	6,793,623
Current liabilities	(1,157,737)	-	-	(1,157,737)
Total net assets	**8,806,124**	**5,921,053**	**134,543**	**14,861,720**
Group	**Unrestricted Fund £**	**Designated Fund £**	**Restricted Funds £**	**Total 2024 £**
Tangible assets	-	2,551,764	-	2,551,764
Investments	6,674,068	-	-	6,674,068
Current assets	3,307,093	3,369,289	134,543	6,810,925
Current liabilities	(1,175,037)	-	-	(1,175,037)
Total net assets	**8,806,124**	**5,921,053**	**134,543**	**14,861,720**

19. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of net incoming resources to net cashflow from operating activities	2025 £	2024 £
Net income for the reporting period	(565,734)	(377,282)
Investment income	(401,179)	(313,834)
Depreciation	761,309	723,470
Losses/(gains) on investments	(10,958)	(457,357)
(Increase)/decrease in stock	(6,720)	3,329
(Increase)/decrease in debtors	(127,096)	1,502,740
Increase/(decrease) in creditors	(279,507)	(1,055,300)
Net cash inflow and outflow from operating activities	**(629,885)**	**25,766**

20. FINANCIAL COMMITMENTS

At the balance sheet date the total future minimum lease payments under non-cancellable operating leases:

	Land & Buildings		Other	
	2025 £	2024 £	2025 £	2024 £
Within one year	449,917	417,458	14,632	12,271
Between one and five years	818,042	958,417	22,200	18,233
	1,267,959	**1,375,875**	**36,832**	**30,504**

21. PENSION COMMITMENTS

The Hospice contributes to two pension schemes. A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies. Contributions to this scheme are paid in respect of current service, and there is no liability to the Hospice in respect of past service. In addition, there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life, which is available to all employees.

The charge to the Statement of Financial Activities of £794,863 (2024: £738,304) represents contributions to the funds during the period. Contributions payable to the schemes at the year end date totalling £nil (2024: £43,452) are included in creditors.

22. RELATED PARTIES

Control

Throughout the period, St Gemma's Hospice was ultimately controlled by the Congregation of the Sisters of the Cross and Passion of our Lord Jesus Christ. The members of the company all belong to this Congregation.

Transactions

The Congregation retains freehold title to the Hospice which is let to the company on a long term lease for peppercorn rent.

Trustee donations

The aggregate amount of cash donations received from Trustees during the year was £1,655 (2024: £5,195).

23. JOINT ARRANGEMENT

St Gemma's Hospice has an arrangement with Sue Ryder Wheatfields to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries.

The income received during the year from this lottery was £70,286 (2024: £76,144) and is included in note 3.

St Gemma's Hospice is a local, independent charity, providing expert medical and nursing care to thousands of local people every year – all free of charge to patients and their families.

If you would like more information about our work, please contact us:

St Gemma's Hospice
329 Harrogate Road
Moortown
Leeds, LS17 6QD

www.st-gemma.co.uk
hello@st-gemma.co.uk
Reception: 0113 218 5500

www.facebook.com/st.g.hospice
www.linkedin.com/company/st-gemma-s-hospice
www.instagram.com/stgemmashospice

St. Gemma's Hospice

Registered Charity No. 1015941

ST GEMMA'S HOSPICE

England & Wales - Charity number 1015941

Accounts

Report and Financial Statements

For the year ended 31st March 2024

St. Gemma's Hospice
Always caring

Company Registration No: 02773867
Charity Registration No: 1015941

Contents

Reference and administrative information	**3**
Leadership Team	4
Board of Trustees	5
Vision, values and strategy	6
Statement from the Chair of the Board of Trustees and the Chief Executive	7-9
Strategic Highlights	10-11
Patient Story	12
Strategic Report	13
The Year Under Review	14-20
Looking Ahead	21
Financial Review	22-25
Structure, Governance and Management	26-29
Independent auditor's report	**30-33**
Consolidated statement of financial activities	**34-35**
Balance Sheets	36
Consolidated cash flow statement	37
Statement of accounting policies	**38-41**
Notes to the group financial statements	**42-55**

Reference and **Administrative Information**

Charity Name
St Gemma's Hospice

Charity Registration Number
1015941

Company Registration Number
02773867

Registered Office
329 Harrogate Road
Moortown
Leeds
LS17 6QD

Patrons
The Right Rev Marcus Stock, Catholic Bishop of Leeds
The Right Rev Nick Baines, Anglican Bishop of Leeds
HM Lord-Lieutenant for West Yorkshire, Ed Anderson
The Earl and Countess of Harewood
Professor Gerald Richards
Tom Riordan CBE
Arif Ahmad
Zulfi Hussain MBE
Marilyn Stowe
Henry Cohen

Bankers
HSBC Bank plc
33 Park Row
Leeds
LS1 1LD

Investment Advisers
Rathbones
2 Gresham Street
London
EC2V 7QN

Auditor
Saffery LLP
10 Wellington Place
Leeds
LS1 4AP

Hospice **Leadership Team**

Kerry Jackson OBE
Chief Executive

Jason Kirk
Chief Operating Officer
and Company Secretary

Dr Mike Stockton
Consultant in Palliative Medicine
and Chief Medical Officer

Kate Goldring
Director of Income
Generation

Heather McClelland
Chief Nurse

Board of Trustees

Philomena Corrigan
Chair of the Board of Trustees

Dr Jonathan Smith
Deputy Chair of the Board
Chair of the Corporate Governance Committee from March 2024

Kim Gay
Chair of the Finance and Business Committee from June 2024
Member of the Corporate Governance Committee from June 2024

Jacqueline Murphy
Chair of the Clinical and Academic Governance Committee
Member of the Corporate Governance Committee

Hilary Barrett
Member of the Finance and Business Committee

Dr Eileen Burns
Member of the Clinical and Academic Governance Committee

Kim Halliday
Member of the Finance and Business Committee from June 2024

Lisa Hollidge
Member of the Finance and Business Committee from September 2023

Anna Kerruish
Member of the Finance and Business Committee from June 2024

Bassem Keir
Member of the Finance and Business Committee from September 2023

Reverend Barry Miller
Spiritual Care Champion
Member of the Clinical and Academic Governance Committee

Mukesh Parekh
Member of the Finance and Business Committee from September 2023

Brigid Reid
Member of the Clinical and Academic Governance Committee

Lucy Ziegler
University of Leeds Representative
Member of the Clinical and Academic Governance Committee from June 2024

Sr Anne Hammersley CP
Representative of the Sisters of the Cross and Passion Charitable Incorporated Organisation
Until July 2024

Professor Sir Alex Markham
University of Leeds Representative
Member of the Clinical and Academic Governance Committee
Retired March 2024

Angus Martin
Chair of the Finance and Business
Member of the Corporate Governance Committee.
Retired March 2024

Dr Mohammed Sattar
Member of the Clinical and Academic Governance Committee
Resigned October 2023

Chris Schofield
Chair of the Corporate Governance Committee
Resigned September 2023

Vision, Values and Strategy

Our Vision:

The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Our Purpose:

St Gemma's Hospice acknowledges the value of life and the importance of dignity in death. We provide and promote the highest quality palliative and end of life care, education and research

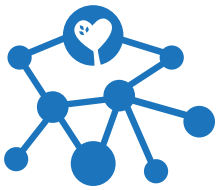
Our Values:

Caring
Treating each person with kindness, empathy, compassion and respect

Aspiring
Continually learning and developing; striving for excellence in everything we do

Professional
Delivering high standards through team work, a skilled workforce and good governance

Our Strategy 2018 - 2028:



Impact

St Gemma's University Teaching Hospice will improve care for patients and familes through research, education and translating evidence into practice

Connect

St Gemma's Hospice will work in partnership with others to provide the standard of care we would want for our own familes

Extend

St Gemma's Hospice will develop palliative and end of life care services in Leeds to meet the needs of more people in the future

Our Foundations:

Quality
Continuous improvement is sought across all areas of the Hospice

Sustainability
Our Hospice services, estate and workforce are financially viable and fit for the future

Scope
The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Statement from the Chair of the Board of Trustees and the Chief Executive

During 2023/24 St Gemma's Hospice delivered high quality, holistic, evidence-based care to local people facing a terminal illness. We supported their families, carers and loved ones, including the provision of bereavement counselling and support. We improved care for those approaching the end of life through integrated research, teaching and translating evidence into clinical practice.

Patients access St Gemma's services in many ways, often accessing more than one service over time, including In-Patient care, specialist palliative care at home or support as an Outpatient. This care is provided by our multi-disciplinary team including doctors, nurses, therapists, social workers, spiritual care staff and support staff.

Unique first referrals increased slightly in 2023/24, with increased In-Patient admissions and a rise in the proportion of patients with a diagnosis other than cancer. Our Community medical and nursing staff increased face to face contacts by 9% compared with last year, whilst telephone contacts fell. This reflects the increasingly complex needs of patients and families and the challenges within the wider health and care system.

Outpatient Group activity levels more than doubled with the introduction of a range of activities and groups suitable for people with different needs and interests.

During the year we opened The Cabin in the Hospice gardens, providing a purpose-built therapeutic environment for children and young people to access bereavement support. Our adult bereavement service developed a new citywide support programme, Growing around Grief, providing six weeks of structured group sessions.

Feedback from patients and families about their experience of St Gemma's services continued to be excellent, reflecting the hard work, dedication and compassion of our staff and volunteers. We maintained safe, effective, responsive, caring, and well-led services, supporting our Outstanding rating from the Care Quality Commission.

Our quality improvement priorities, as outlined in our published Quality Account, made good progress in 2023/24. This included enhancing safety and access to In-Patient care for patients with a tracheostomy or laryngectomy. Partnership working, through which we seek to ensure improved patient and family outcomes and greater integration of care, included active engagement in the Leeds Palliative Care Network, the Leeds End of Life Population Board, and the West Yorkshire Hospice Collaborative.

Through the Academic Unit of Palliative Care (AUPC), working in partnership with the University of Leeds, we continued to consolidate our position as a centre of excellence. Over 1,000 external healthcare professionals received training from St Gemma's Academic Unit of Palliative Care, and we hosted 174 students on placement. The Board of Trustees approved our new AUPC Strategy, with ambitious but realistic goals.

The University of Leeds research team has been selected as one of three national centres in the first Policy Research Unit for palliative and end of life care, and we have appointed a Research Practitioner based at the Hospice.

Our commitment to wellbeing and engagement for our dedicated 300 staff and 700 volunteers is supported by effective communications, staff and volunteer engagement groups, Wellbeing Champions, staff supervision, survey feedback, and celebration and recognition events.

Understanding and responding to the needs of our local community has resulted in the continuation of our work with partners in the city to improve care for the homeless and vulnerably housed and to contribute to the Dying Well in Seacroft project. We have also commenced an engagement project with local Pakistani communities to understand their needs and enhance referrals into Hospice services.

All our services are provided free of charge to patients and those close to them, thanks to the sustained and generous support of donors and our local community, as well as funding support from the NHS. During this year we have worked closely with the West Yorkshire Hospice Collaborative and the West Yorkshire Integrated Care Board as we seek to secure more sustainable NHS funding for all hospices in our region.

Despite a difficult financial environment including wage inflation, significant operational cost increases and the impact of the cost of living on our income generation activities, we continue to be in a strong financial position and remain confident about our long term financial sustainability.

Our total income in 2023/24 of £14m was £1.1m below 2022/23. The most significant movement was the fall in legacy income of £1.3m. Legacy income in 2022/23 was exceptionally high and our legacy receipts in 2023/24 were above budget and above the long term averages.

Our Chief Executive has made the difficult decision to step down from her role at the end of the calendar year. The recruitment process for her successor has begun.

We are delighted that Philomena Corrigan continues as Chair of the Board and we welcome our new Trustees: Kim Halliday, Anna Kerruish and Lucy Ziegler. We give grateful thanks to those Trustees who have retired from the Board for their contribution to St Gemma's: Chris Schofield, Dr Mohammed Sattar, Angus Martin and Professor Sir Alex Markham. As outgoing Chair of the Finance and Business Committee, Angus Martin was on our Board for 10 years in total, extending his term of office to provide additional support during a time of transition on the Board. Our thanks also go to Clare Russell, Director of Transformation and Culture, who resigned during the year.

In addition, we recognise the dedication, skill and kindness of Sister Anne Hammersley. Sister Anne died peacefully in the care of St Gemma's in July 2024. We are grateful to her as one of our founding Sisters and as a Board member, and we will miss her greatly.

Kerry Jackson
Chief Executive

Philomena Corrigan
Chair of the Board

Strategic Highlights

Volunteer Numbers

2022/23 **724**

2023/24 **749**

External Healthcare Professionals Trained

2022/23 **1,054**

2023/24 **1,013**

Inclusive Top 50 Companies

2022/23 **31st**

2023/24 **23rd**

New Patient Referrals

2022/23 **1,365**

2023/24 **1,382**

Cancer: Non-Cancer Patient Referrals

2022/23 **66%: 34%**

2023/24 **63%:37%**

Admissions to In-Patient Unit

2022/23 **492**

2023/24 **503**

Sho

2022/23 **24 Shops**

Ret Custo

2022/23 **663,195**

Ret Items

2022/23 **1,372,003**

Ave In-Patier of Stay

2022/23 **12.2**

Average H

2022/23 **301**

ops

2023/24
25 Shops

tail omers

2023/24
697,463

tail s Sold

2023/24
1,432,327

rage nt Length y (days)

2023/24
11.9

lead Count

2023/24
299

Out-Patient Group Contacts

2022/23 **918**
2023/24 **2,258**

Community Nursing and Medical Contacts

2022/23 **19,842**
2023/24 **18,742**

Student Placements

2022/23 **128**
2023/24 **174**

NHS Core Grant

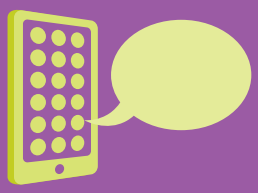
2022/23 **28.4%**
2023/24 **30.8%**

X (Formerly Twitter) Followers

2022/23 **8,098**
2023/24 **8,100**

Facebook Followers

2022/23 **18,200**
2023/24 **18,900**



Website Visits

2022/23 **148,000**
2023/24 **150,000**

Total Income

2022/23 **£15,059,298**

2023/24 **£13,986,626**

Patient Story

Liz worked at St Gemma's Hospice before being diagnosed with leukemia in 2020. She underwent years of treatment, including chemotherapy and a stem cell transplant, which required her to spend extended periods in isolation in hospital. In early 2024, Liz was referred to St Gemma's community team for support at home.

When Liz's health and mobility deteriorated, she was admitted to St Gemma's In-Patient Unit.

Liz said: "I feel like I have come full circle. I worked here and now I'm here for care and support. They aren't just supporting me - they are looking after my mum and dad, my brother, my husband and my beautiful sons with compassion, understanding and genuine kindness.

"It's not just the clinical teams, it's the whole team. We have been able to enjoy time in the beautiful gardens, we have sat in the Hospice Bistro and had amazing family Sunday roasts. The chef even baked me my favourite cake, which was just so thoughtful. I had a very challenging day recently and needed to go outside for some fresh air and to rebalance.

"When I returned to my room, my bed had been changed with beautiful fresh bedding and the team had left me this gorgeous knitted heart on my pillow, saying 'from us to you.' These small acts of kindness go such a long way.

"I don't think you really truly appreciate what hospice care is about until you need it. It is above and beyond. I am being embraced, loved and incredibly cared for by my new 'family' here at the Hospice, helping me have more quality time with my life and my own gorgeous family."

After several weeks at the Hospice, Liz died peacefully, surrounded by her family. She was 42 years old.

Her husband Colin reflected:

> **"Unless you require the services of somewhere like St Gemma's, you won't necessarily appreciate the amazing work they do. I didn't until we needed them and we are so thankful for their tireless efforts. It has made a huge impact and difference to us all."**

Strategic Report

St Gemma's Hospice is a registered charity.

Our objects are:

- The palliative care, treatment, or relief of people with active, progressive and advanced illness without regard to their means, faith, race, gender, or any of their other protected characteristics as defined in the Equality Act, at St Gemma's Hospice in Leeds and/or such other places as the Charity thinks fit including in the wider community
- The relief of those who have experienced loss and bereavement, in particular families, friends and carers, through the provision of counselling, advice and support
- The provision of education and training for professionals and volunteers engaged in palliative care

All in accordance with the teachings in the catechism of the Roman Catholic Church and pronouncements of the Holy See from time to time on the sanctity of human life.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Hospice and in planning future activities which are set out in this report.

Our services are open to patients 18 and over. We provide care to people with a range of diagnoses including cancer, neurological conditions, and end stage respiratory and heart disease. We also provide support to families and carers including children and young people.

The Hospice team provides specialist palliative care, where the patient has unresolved needs that exceed the expertise of the referring team, and end of life care. Care is provided by our specialist team of doctors, nurses, social workers, therapists, counsellors, and spiritual care workers and by our team of vital support staff and volunteers. Much of our care is provided in people's own homes and care homes, with care also offered in our In-Patient Unit and Outpatient and Day Services in Moortown.

St Gemma's care is individual and holistic, seeking to alleviate symptoms such as pain and breathlessness as well as supporting people's emotional and spiritual wellbeing. We recognise the unique physical, emotional, social, and spiritual needs of each person and place a high value on respect, choice and empowerment.

Our services are provided free of charge to patients and those close to them. We receive a proportion of our funding from the NHS, with the remainder coming from the local community, which generously funds us through donations, fundraising and gifts in wills and continues to give thousands of volunteer hours every year.

The Year Under Review

Ensuring Quality of Care

St Gemma's aim is to deliver the highest quality care for patients and support for families. We are committed to continuous learning by monitoring performance, looking for any gaps in practice and identifying ways to improve care. Patient and service user feedback continues to be excellent, reflecting the "Outstanding" rating received from the Care Quality Commission in our most recent inspection (2021). During 2023/24 we delivered a robust programme of engagement, collecting feedback across different services and events. Patients and families are often eager to praise the whole team, recognising that every member of the St Gemma's team supports the provision of patient and family care.

We have seen a small increase in overall activity levels in 2023/24 compared to 2022/23. Face to face community nursing assessments and consultations increased by 9% while telephone contacts fell, reflecting the need for more in person contacts arising from increasingly complex patient needs. Outpatient attendances more than doubled as we continued to embed and develop our revised service offer.

The proportion of patients with a non-cancer diagnosis has again increased, reflecting our commitment to providing effective specialist multi-disciplinary care for patients with non-malignant disease. Our services for the homeless and vulnerably housed have increased in activity and impact and we have begun focused improvement work with our local Pakistani community as part of a broader programme to reduce health inequalities.

Bereavement activity continues to thrive, with a regular Growing around Grief course open to people across the city, the Young People's Service offering citywide support and The Cabin as a bespoke therapeutic environment for children and young people on the Hospice grounds.

Strategy Review

Our Hospice Strategy runs from 2018 to 2028. Based on our strategy review in 2022 we developed a two-year Business Plan for 2023 to 2025. This included key projects and initiatives to enhance our services and to improve some of our business and technology infrastructure. Many of these projects were progressed successfully through the year.

In addition, following several structured workshops, we revised our Academic Unit of Palliative Care strategy to drive changes for the future, and have already begun work on some key education programmes in particular.

We have amended our Hospice Business Plan for the period 2024 to 2026, as well as agreeing a more outcomes-based approach to service developments and other transformational change programmes. This is outlined in the Looking Ahead section, page 21.

Clinical Quality Improvements

Effective and safe patient care is central to everything we do at St Gemma's. We monitor care quality and safety using a range of measures and continually seek to improve against the latest research evidence and best practice guidance. The measures include patient outcome metrics, patient and family feedback, complaints, service performance and clinical incident reviews. Our key performance indicators for 2023/24 do not give rise to any significant areas of concern.

We continue to work closely with other health and care providers and with NHS commissioners, to ensure that services are provided in an integrated way to meet patients' needs and improve outcomes. St Gemma's is an active member of the Leeds Palliative Care Network, the Leeds End of Life Population Board and the West Yorkshire Hospice Collaborative.

The St Gemma's Quality Account sets out our priorities for clinical improvement each year.

The priorities for 2023/24 were:

- Introducing the NHS Patient Safety Incident Response Framework (PSIRF) - we planned to align our incident assurance with the new NHS Framework to ensure consistency and enhance safety. Initial work to establish a working group and review all incidents to identify themes and improvement was completed and the work will extend into 2024/25 as the national programme evolves.
- Improving Community Triage – with the NHS Improvement Academy and building on work from 2022/23, a new model of triage was created that reduced repeated assessment and improved caseload management with no impact on timeliness of patient contact.
- Enhancing Tracheostomy and Laryngectomy Care – aiming to develop and maintain staff skill and confidence for a complex group of patients, this work established evidence-based guidance and a training package for all staff.
- Improving the Safety Huddle – this work aimed to review the daily safety huddle on the In-Patient unit to improve the quality of information shared, and subsequently to improve patient safety. Some changes were made to the attendance and standard information shared but the overall project was affected by leadership changes. Attendance has improved and the impact of the huddles will continue to be monitored.

Hospice Workforce and Culture

Our team of Wellbeing Champions has delivered a number of initiatives supported by our volunteers, staff and external organisations. These included offers such as a pizza van with salad bar, colour analysis sessions, painting class, retail therapy, complementary therapies amongst other initiatives. The Wellbeing Champions group has plans in place for our 2024 wellbeing week, scheduled for October and followed by a staff celebration event.

In May 2023 we held our Staff Awards night in recognition of staff performance throughout the year. This was a successful night supporting our top performers and teams across the Hospice. We are continuing with our quarterly 'Gem of St Gemma's' awards where staff can nominate colleagues for special recognition.

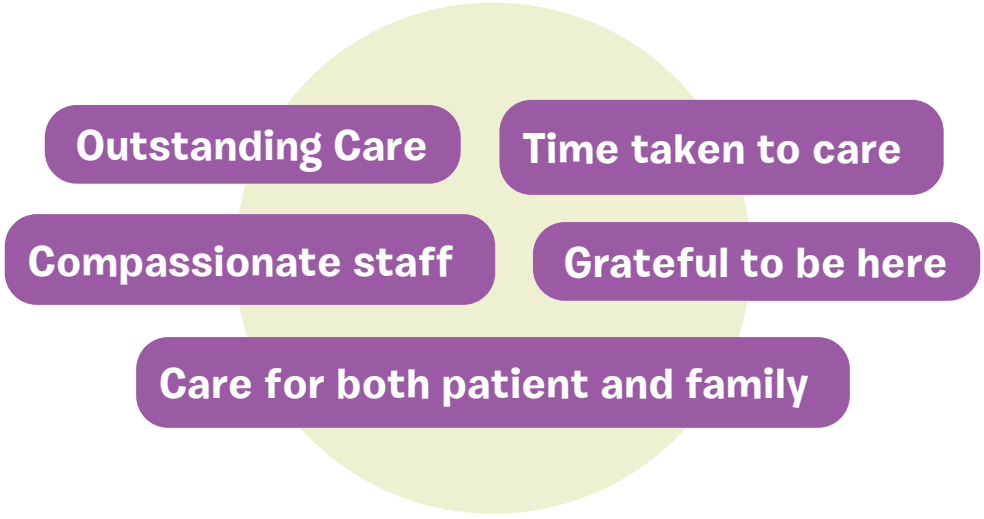
We decided to change our staff survey provider from the Times Top 100 Best Companies to Birdsong. We ran the survey during June and July 2024. The Breeze employee assistance package was available to staff during 2023/24, offering a range of benefits including a confidential helpline.

We greatly value our volunteer workforce as an integral part of the Hospice and have 749 registered volunteers supporting all teams. A staggering 76% of volunteers (573) work in our retail operation and provide the backbone to this vital source of income generation. In 2023/24 we undertook a volunteer survey. The feedback was very positive, with respondents reporting that they feel welcomed, valued and respected by the Hospice.

Patient and Family Experience of Care

During 2023/24 the Hospice delivered a robust programme of engagement with all those who use our services. We use the information to understand what is important to patients and families and continuously improve our services. It also enables us to recognise and celebrate outstanding care and many of the comments name individual members of staff or whole teams. Across the year we collected feedback in different ways, including the Bereaved Carers Survey and surveys on specific service areas.

The questions in each survey vary. Over 200 positive comments were submitted as part of this feedback programme with consistent themes:



Feedback from patients and families is also given directly to Hospice staff and posted on the Hospice website. All feedback is reviewed by the relevant Head of Department, so that they appreciate the extensive body of supportive comments, understand what matters to people, identify any recommendation for change and can share across the services. The governance and reporting mechanism for all feedback is overseen by the Chief Nurse.

Detailed quarterly reports are presented to the Hospice Involve Group, Quality Assurance Group and the Clinical and Academic Governance Committee. In 2024/25 the Hospice will be using a new platform, ‘I Want Great Care’, to analyse and report all our feedback. The platform takes feedback in electronic or paper format and provides access to questionnaires in easy-read and translated formats.

Throughout the year we conducted the Bereaved Carers Survey for all families of patients who died on the In-Patient Unit (IPU).

Across the year St Gemma's received 154 responses, accounting for 41% of all IPU deaths, which is a significant increase on the previous year. Key findings include:

Everyone who responded **100%** across the year was satisfied or highly satisfied with all key aspects of care, including 'personal care', their 'ability to raise questions', 'privacy & dignity' and the 'professionalism of staff'.

Over **99%** were satisfied with their pain and other symptom management.

Although a smaller number of carers responded to the question on spiritual/ emotional care, **96%** were satisfied with their relative's care.

97% of respondents felt their relative died in the right place.

We also undertake surveys to generate feedback about individual services. In 2023/24 service specific surveys were undertaken in Community services for the Clinical Nurse Specialist (CNS) team and for Outpatients, and in Bereavement Services, both adult and young people's, generating responses from 137 service users in total.

A small number of questions were asked across all surveys, with consistent responses:

100% of respondents felt 'listened to' and 'respected'.

100% felt able to ask questions.

100%

All those who responded to the Community CNS survey were confident in the nurse's ability and were happy to see them again. This quote is typical of the many comments made:

"I would not have survived the last 9 months caring for my relative who has complex problems, without St Gemma's nursing service and the wonderful support."

The Outpatient survey formed part of the evaluation of the services following their re-introduction after the pandemic. It is clear from the comments that the service is valued and an integral part of St Gemma's overall service offer:

> "Yes, it's a place to come where I feel safe and meet friends. The nurses are amazing and I can't fault them, they can't do enough for me."

Across the Bereavement Services, 100% of respondents said they would recommend the service to others.

The Bereavement Surveys are sent out to clients when they are discharged and across both 2022/23 and 2023/24 the response rates for both adult and young people's surveys have been low. The service leads are currently reviewing how feedback is generated and if there are other ways to understand the impact of the services.

Securing our Financial Future

During 2023/24 we received core grant income from NHS Leeds of £4.31m (2022/23: £4.28m). This represented an increase of £34k, reflecting a marginal cost of living increase. We are working with the West Yorkshire Hospice Collaborative and the West Yorkshire Integrated Care Board (ICB) to secure increased NHS funding for the future. As a leadership team we are fully engaged with the new structures, including the ICB and the Leeds End of Life Board, responding to changing reporting requirements and presenting our case for funding, outlining the positive impact and outcomes of our services.

The remainder of our income in 2023/24 was generated through the local community. Although COVID restrictions were lifted, there was still some concern amongst the public early in the year and it is clear that the landscape for fundraising and mass participation events has changed. As businesses continue to operate flexible working practices, they have less ability to raise charitable funds through on-site office activity, which in turn has reduced corporate sector income.

Despite these challenges, we were able to generate £14m in total during the financial year, including our NHS income. The results were driven by a number of factors, including the excellent services delivered by our clinical and support teams, increased activity and focus on the income generation team, investments made in specific areas and a record-breaking year in retail.

All of this was underpinned by the sustained and generous support of donors and communities in Leeds. We are extremely grateful to all those who make donations, take part in fundraising events, leave a gift in their Will, donate their time through volunteering, or help the Hospice in any way. It would simply not be possible to raise the money needed for patient and family care without this support. The strength of our income generation activities comes in part from the breadth of our portfolio. During the year we continued to invest and capitalise on opportunities for income and plan for future financial sustainability.

We are ever conscious of the external environment including the cost of living crisis, other socio-economic challenges, changing demographics and the health needs of the population. We regularly review all our services to ensure that we are responsive to those changing needs, operating as efficiently as possible and spending wisely in delivering our care.

Developing the Academic Unit of Palliative Care

The Academic Unit of Palliative Care (AUPC) has continued to grow, develop and consolidate its position as a centre of excellence for improving care of those approaching the end of life through integrated research, teaching and translating evidence into clinical practice.

The Senior Academic Leadership Team developed and is now implementing a refreshed AUPC strategy for the period 2024-2028. This strategy dovetails with the overall Hospice Strategy 2018-28 and its pillars of Impact, Connect and Extend.

The 15 strong research team, based at the University of Leeds, leads a large portfolio of research that aims to improve the assessment and management of pain, increase access to palliative care, improve identification and management of symptoms towards the end of life and reduce inequalities in palliative care delivery locally and globally.

The AUPC at the University of Leeds has secured funding along with Kings College London and the Wolfson Centre (Hull York Medical School) to establish the first UK Policy Research Unit for Palliative and End of Life Care.

Sarah Mitchell (Associate Professor) has been appointed National Clinical Director for Palliative and End of Life Care for a three year term. She has also secured funding to establish a Leeds Deepend Research Alliance. The Deepend Alliance will build research capacity and capability with GP surgeries providing care for under-served communities with multiple health needs throughout Leeds.

In 2023/24 we appointed a Research Practitioner, funded by the National Institute for Health Research, to further embed and develop our research portfolio in the Hospice.

The Education team has continued to deliver a comprehensive programme of high-quality education and has trained a total of 1,013 external health and social care professionals as well as St Gemma's staff. This has been a period of developing and embedding new programmes and reviewing and updating existing programmes. It has also been a time to review the learning and teaching objectives in line with the overall AUPC Strategy, with some exciting new developments in the future particularly in expanding the communication skills training.

We continue to deliver clinical placements and have seen an increase in the demand for elective placements from across the country and internationally. We hosted 174 people on placement compared to 128 in the previous year.

The Evidence Based Practice group promotes a culture of effective decision-making, based on the best available evidence and clinical debate. The group has overseen a broad range of clinical and national audits this year and updated clinical guidance against emerging evidence. The audits include Equitable Care for All Ethnicities, Pressure Ulcers and Care after Death. Each audit generates a report highlighting good practice, future learning needs and recommendations.

The monthly community Journal Club encourages St Gemma's staff to scrutinise evidence, share knowledge and continually challenge practice. There is a bi-monthly Book Club for all Hospice staff, with each book chosen to explore topics of relevance to the Hospice, such as bereavement, family dynamics and emotional wellbeing, to prompt reflection and fresh insights.

The team has replaced 'Practice Enquiry' with a new monthly meeting for all Hospice staff called 'Lunch and Learn', where each month a different department discusses a topic and how evidence in this area is used to improve quality and standards. This is open to all clinical and non-clinical staff with a view to ensuring best practice is being used across all departments at St Gemma's Hospice.

Ensuring Equality, Diversity and Inclusion

St Gemma's depends on engagement with its workforce and community to deliver high quality palliative and end of life care that meets the needs of that community and to build a strong sustainable future.

The Hospice relies on community support. We are proactive in planning, evaluating services and engaging with the city. The Hospice's Involve Group promotes diversity, inclusivity and engagement.

Focusing on the five themes of workforce, service user experience, community engagement and accessibility, governance and communications, some of the achievements of Involve in 2023/24 were:

- Agreement on a two-year workplan
- Changes to the Hospice toilet facilities to improve accessibility and inclusion
- Participation in the Pride parade in Leeds
- Multicultural and LGBTQ staff networks continuing to meet regularly creating safe spaces to share experiences, learn from one another and influence Hospice practice
- Project scoping to implement the Accessible Information Standard
- Initiating work on a combined workforce, clinical services and income generation model for community engagement
- Oversight of Patient Experience programme

St Gemma's has commenced an engagement project with our local Pakistani communities. In its early stages, the project aims to work with local groups to understand the need for and enhance referrals into Hospice services. As part of this work, we brought together local groups and leaders for a Community Iftar, to break fast during Ramadan in March 2024.

We continued work on the Dying Well in Seacroft project, with input from local people and from health and care providers, seeking to understand how to improve care in a particular geographic location with high levels of deprivation.

Our Inclusion service, improving care for homeless and vulnerably housed people at the end of life, is entirely dependent on hearing the voices of this group of people, and, with other homelessness services, building care around their needs. Our Nurse Consultant Lead for the service is working with the West Yorkshire ICB to provide advice and support to other palliative care providers in the region.

Driving Sustainability

We are committed to being environmentally sustainable and continue to develop plans that have a positive impact on the environment and our local community.

During 2023/24, we completed an independent energy assessment of our buildings, providing a framework and supporting action plan to reduce our carbon emissions. These energy saving initiatives support the government regulated Energy Savings Opportunity Scheme (ESOS) assessments that will be undertaken during 2024/25.

We continue with our programme to replace older, energy inefficient lighting (e.g. fluorescent lights) with light emitting diode (LED) lights. We have now upgraded 80% of the lights on our main site and will complete this project in 2024/25. The lighting in many of our shops has also been upgraded during the year.

In June 2023 we completed The Cabin, a unique and sustainable structure that was influenced by our young people. This Cabin offers a confidential safe space and social area for one on one and group activities. The Cabin was awarded the best healthcare project at the Structural Timber Awards in October 2023.

Our gardens continue to create a unique haven for patients and their visitors and gain many prestigious awards. In 2023 we were awarded Yorkshire in Bloom Gold and joint best in category, reflecting the diversity of our gardens. We have re-landscaped parts of the garden, introduced wildflower meadows and created new habitats to encourage wildlife and increase the ecological and biodiversity of the site.

Looking Ahead

St Gemma's Hospice Strategy 2018 to 2028 provides a framework for the long-term development of St Gemma's services under three pillars of Impact, Connect and Extend. These pillars are supported by our foundation priorities which focus on clarity of scope, quality of services and sustainability of our Hospice. The Hospice Strategy is consistent with the palliative care strategy for Leeds and West Yorkshire and considers the needs and wishes of patients, families and staff, likely future changes in need as well as national guidance and best practice.

Strategic Priorities

Our priorities include improvements to services, systems and infrastructure. To ensure adequate time to implement, embed and evaluate these significant pieces of work, our business plans now span at least two years. We have revised the original business plan with some new and some ongoing pieces of work. Other projects have been completed.

Examples of projects and programmes on the business plan 2024 to 2026 are:

- Review and scope the potential further expansion of our Adult Bereavement Services
- Deliver key elements of our Strategy for the Academic Unit of Palliative Care
- Secure additional NHS funding, working with the West Yorkshire Hospice Collaborative and the West Yorkshire Integrated Care Board (ICB)
- Improve supporter experience processes
- Implement a brand refresh and new website
- Improve network and telephony infrastructure
- Plan for digital transformation and improved data management

A robust and structured project management methodology supports this work, leading to greater consistency, transparency, and an increased focus on project outcomes and prioritisation.

Clinical Quality Improvement Priorities

For 2024/25 we have agreed the following five improvement priorities, as outlined in our recently published Quality Account 2023/24:

- Introducing the NHS Patient Safety Incident Response Framework
- IPU Improvement Academy Project
- Medical Devices Pressure Ulcer Project
- Community Dementia Project
- Introduction of Mortality Reviews

The team will report on progress against these priorities on a quarterly basis to the Clinical and Academic Governance Committee.

Hospice Workforce and Culture

Our workforce remains St Gemma's most important asset. We will continue to create a culture where wellbeing is a high priority, where staff and volunteers thrive and where there are opportunities for training and development. Our activities continue to be driven by staff, including our Wellbeing Champions. In 2024/25 we will review our staff engagement group to make sure it meets the needs of the Hospice team.

We will be offering staff a new employee assistance package in 2024/25, provided by Health Assured. We will consider carefully the findings of our 2024 staff survey to identify areas for potential improvement to staff experiences of St Gemma's.

Investment is planned in 2024/25 to secure the future of volunteering at St Gemma's, aiming to create more opportunities to recruit and retain volunteers.

Financial Review

Year on Year Income Review

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006 and the Charities Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102).

The statement of financial activities shows net expenditure for the year of £834,639 (2023: net income £1,540,417) prior to any gains or losses on investments. Total income for the year was £13,986,626 (2023: £15,059,298) representing a decrease of £1,072,672 (7.1%) as legacies returned to an average level. Strong trading in our shops including online sales (£264,720 higher than 2023) and investment income returns (£118,798 more than 2023) contribute to our highest income generation, excluding legacies, on record.

Despite the fear of a recession the UK economy grew in the last quarter of 2023/24 financial year faster than the end of 2021 and the end of COVID positively impacted our financial results. However, a challenge remained with rising wage inflation, significant operational cost increases (e.g. utilities) and cost of living crisis impacting our income generating activities which influences our longer-term financial sustainability. We continue to be in a position of strength with adequate levels of general reserves to support our response to this unique financial challenge. This is considered in our review of reserve utilisation, principal risks and going concern (pages 25-29).

West Yorkshire Integrated Care Board (ICB) grant of £4,313,568 (2023: £4,279,346) represents an increase of £34,222 (0.8%). This increase reflects an inflationary uplift minus an efficiency savings reduction.

Shop income of £4,360,987 (2023: £4,096,267) which includes income from the subsidiary company, represents an increase of 6.5% across our 25 charity shops. Our investment in new retail units and continuing strong demand in existing shops continue to drive income growth. The net income from shops was £1,087,821 (2023: £1,336,023) representing a decrease of £248,202 (18.6%).

Income from donations, trust grants, lottery and fundraising events was £2,590,601 (2023: £2,517,202) an increase of £73,399 (2.9%). This reflects an increase in Fundraising £104,270 (17.2%), Lottery £51,286 (14.5%) and Trust Grants of £2,936 (2.4%) offset by a reduction in Donations of £85,093 (5.9%). This reduction is partly due to lower general donations being assigned to other categories due to improved internal processes and in funeral donations reducing, possibly in response to the cost of living crisis.

Total expenditure of £14,821,265 (2023: £13,518,881) increased by £1,302,384 which represents an increase of 9.6%. This increase is due to the annual pay award (including one-off payments) and additional costs associated with investment in our retail and income generation activities. We continue to control expenditure and drive improvements to support our long-term financial plan.

The investment portfolio generated a gain of £457,357 (2023: loss £465,381). The investment portfolio is managed for long-term growth in both its capital value and the level of income it can generate. For the year to March 2024 the portfolio's total return was 4.15% (2023: -4.5%) compared to a benchmark of 7.51% (2023: -1.5%).

The 12 months to 31 March 2024 saw strong returns from global equity markets as investors reacted positively to inflation continuing to fall and the prospect of impending interest rate cuts. However, much of the equity market return was dominated by a small number of large technology companies that benefitted from investor enthusiasm on artificial intelligence. More diversified investors consequently struggled to keep pace with the market return given this narrow market leadership. Other asset class returns were more muted for the period with bond markets and

infrastructure assets continuing to struggle in the face of high interest rates but Gold delivered a strong return as an asset class, helped by central bank buying and increased geo-political risks.

Total Return (%)	One Year	3 Years	5 Years
Portfolio	10.0	11.6	30
Benchmark	15.3	25.4	37.6
CPI +3% Objective	6.2	32.2	43.3
ARC Charity Steady Growth*	9.4	11.5	27.4

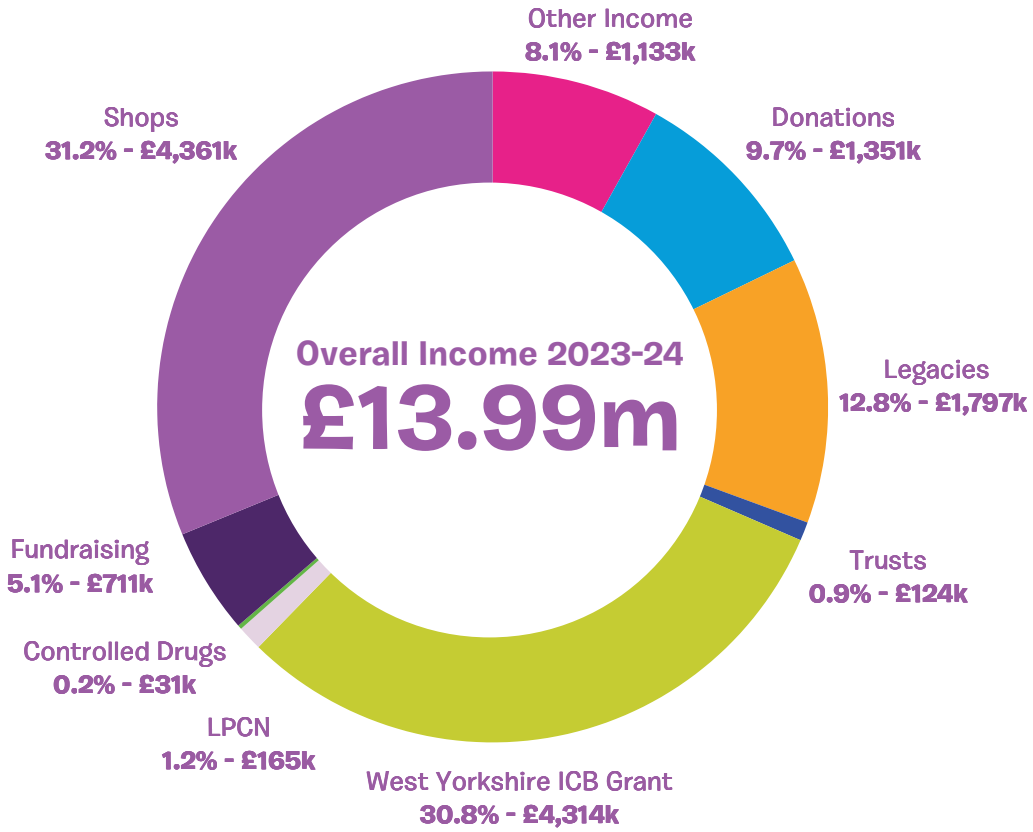
*ARC Steady Growth Charity Index represents charity portfolios that exhibit between 60%-80% of the volatility of the UK equity market, which is comparable with this portfolio

At year end the investment portfolio was valued at £6,674,068 (2023: £6,248,717) with investment management fees of £32,597 (2023: £31,390). Overall investment income was £313,834 (2023: £195,036) with the investment portfolio contributing dividend payments of £157,967 (2023: £171,673). Companies continued to retain funds rather than making dividend distributions to shareholders and this trend is expected to continue 2024/25. We generated £155,867 (2023: £23,363) from bank interest on approved short and medium-term deposits. We have seen a £132,504 increase in bank interest earned through the proactive investment of our surplus cash balances in higher rate deposit accounts.

The investment portfolio is managed by external fund managers (Rathbones) and performance is monitored by the Finance and Business Committee with an independent review every 3 years. All investment decisions are made in accordance with the approved investment policy. This policy sets out the investment powers, objectives, risk profile, the types of investment and the benchmarks used for performance monitoring. A range of benchmarks are used to assess investment performance including a bespoke benchmark, agreed with the external fund managers, that reflects the Trustees' wish for good returns balanced with the need to manage risk. At the year end the portfolio was invested in a mixture of equities (77%), fixed interest (10%), property (3%), cash deposits (1%) and alternative assets (9%).

Income Chart Comparison 2022/23 - 2023/24

St Gemma's Hospice Services Ltd (trading subsidiary) continued to sell bought in goods and receive a lottery licence fee. During 2023/24 there was limited room hire income of £930. The company made a net surplus of £3,127 (2023: £10,579) in the year which will be transferred to the Hospice under Gift Aid.



Reserves

The Board of Trustees operates a risk based approach to determine the levels of reserves needed to cover key financial risks and support the long-term strategy and five-year plan. The Board has agreed a minimum general reserve fund of £3.7m as adequate to cover those assessed financial risks. This includes a £3.3m provision to support costs and liabilities associated with reorganising the Hospice in response to a significant reduction in income. This minimum reserve level is considered by the Board alongside the five-year financial plan and capital investment requirements on an annual basis.

The general reserves are drawn from unrestricted funds, excluding funds designated for future expenditure and those funds already invested in fixed assets. The unrestricted general reserve is currently £8,806,124 (2023: £11,215,950). The decrease of £2,409,826 is due to the creation of a Buildings Upgrade Reserve (£2,000,000) and AUPC Strategy Reserve (£500,000) in Designated Reserves to support delivery of the Hospice Strategy.

Total designated reserves 31 March 2024 were £5,921,053 (2023: £3,889,375) of which £2,551,764 (2023: £2,556,917) has been invested in fixed assets. The designated reserves, excluding fixed assets, are £3,369,289 (2023: £1,332,458). We hold appropriate designated reserves to support the delivery of St Gemma's Hospice Strategy 2018-2028. These reserves can be designated, re-designated or released at the discretion of the Board. Current designated reserves include:

- Research facilitator £52,934 (2023: £52,934). In 2023/24 we appointed a Research Facilitator, funded by the National Institute for Health Research to further embed and develop our research portfolio in the Hospice.
- Maintenance and gardens reserve of £73,188 (2023: £262,356). This fund ensures we can resource the asset replacement needs of the estate.
- Buildings development reserve of £124,197 (2023: £214,174). This fund recognises the investment needs of the Convent.
- Service transformation fund of £123,697 (2023 : £201,311) is designated to support ongoing service development needs of the Hospice.
- Digital development reserve of £464,664 (2023: £571,074). This fund supports investment in IT infrastructure.
- COVID response reserve of £30,609 (2023: £30,609). This fund supports a COVID-19 secure environment and allows us to respond to any unexpected demands post pandemic.
- AUPC strategy reserve of £500,000 (2023: Nil). This is a newly created reserve to support the delivery of the AUPC strategy.
- Buildings upgrade reserve of £2,000,000 (2023: Nil). This newly created reserve recognises the future needs of an ageing estate and upgrade of the site and buildings.

See notes 16 and 17 of the financial statements for further information on reserve utilisation.

Fixed Assets and Investments

The movements in fixed assets and investments during the period are set out in notes 10 and 11 to the financial statements. The Board of Trustees has the power to invest the charity's money in the manner they consider most beneficial for the purposes of St Gemma's Hospice.

Structure, Governance and Management

St Gemma's Hospice was founded in 1978 by the Sisters of the Cross and Passion who retain ultimate control of the company. The members of the company all belong to this congregation. The Hospice is a charitable company limited by guarantee and a registered charity.

The directors of the company are also charity Trustees for the purposes of charity law and are known as the Board of Trustees. Trustee Indemnity Insurance is provided for the benefit of the Trustees.

The Trustees have complied with the duty (set out in section 4 of the Charities Act 2011) to have due regard to public benefit guidance published by the Charity Commission. This report indicates how our activities have delivered public benefit.

The Board of Trustees includes one representative of the Sisters of the Cross and Passion with a deputy if required. The remaining members of the Board of Trustees have been recruited for their experience and skills in relevant areas including medicine and nursing, finance, legal and commerce. The Trustees who served during the year are set out on page 5.

The Board is supported by three Committees that meet on a quarterly basis:

Clinical and Academic Governance Committee

This Committee has delegated responsibility for oversight of clinical and academic governance, strategy, and delivery.

Corporate Governance Committee

This Committee has delegated responsibility for oversight of Hospice corporate governance arrangements, risk management, culture (including equality, diversity, and inclusion) and compliance with the Charity Governance Code. The Committee is also responsible for Board succession planning, and recruitment of Trustees and the Hospice Leadership Team.

Finance and Business Committee

This Committee has delegated responsibility for oversight of the financial strategy, annual budget, income generation and longer-term financial planning. The Committee is also responsible for overseeing the investment of Hospice funds and recommending the appointment of an investment manager to the Board.

The Board of Trustees is responsible for overseeing the Hospice's strategy and performance. It is chaired by Philomena Corrigan. The Board powers are detailed in the Articles of Association.

Full meetings of the Board of Trustees are held at least four times a year to review the performance of the Hospice and to agree any major changes to the strategy or financial plans. These meetings are supported by two focused strategy and development sessions a year.

During the year, the Hospice had more than the maximum number of Trustees as recommended in the Charity Governance Code. The total number of Trustees serving during the year was in accordance with the governing document. The Board values the continued support and wise counsel provided by the Sisters through this Constitutional arrangement.

Scheme of Delegation

The Board has approved a scheme of delegation under which the majority of operational management and decision making is delegated to the Chief Executive. The Chief Executive has a key role in the management and monitoring of service delivery, patient satisfaction, financial performance, the assessment and control of risk, and the prioritisation and allocation of resources.

The Hospice Leadership Team (HLT) reports to the Board and its Committees, leading on strategy development, overseeing the provision of Hospice services, and managing risk. The HLT is supported by Heads of Department, closely managing day to day service provision.

The HLT comprises the Chief Executive, Kerry Jackson; Chief Nurse, Heather McClelland; Chief Medical Officer and Consultant in Palliative Care, Dr Mike Stockton; Director of Income Generation, Kate Goldring; Chief Operating Officer, Jason Kirk. The Chief Executive and HLT are not members of the Board and have no beneficial interest in the company.

Senior Staff Pay

The pay of the senior staff is reviewed by the Board of Trustees, through its Remuneration Committee. The levels of remuneration paid to senior employees are carefully considered compared to other roles in the market and are benchmarked, as required, against other local hospices and national charities. The Hospice directly employs four medical consultants on NHS equivalent contracts, in line with national agreements.

The levels paid are those necessary to ensure a well-run, effective organisation in line with regulatory requirements. Competitive salaries help the Hospice to attract, recruit and retain the best possible calibre of staff, in a competitive environment.

Risk Management and Principal Risks

The Board has overall responsibility for establishing and maintaining the whole system of internal control and the management of risk, including reviewing the effectiveness of internal controls. The Board has adopted a risk based approach to establishing and maintaining internal controls, which are embedded within day to day management and governance processes.

The Board of Trustees assesses and reviews the management of the major risks to which the charity and its subsidiary company, St Gemma's Hospice Services Limited, are exposed, including financial, clinical, and business risks. The risk register is developed by the HLT and is scrutinised by the relevant Committees and Board on a quarterly basis.

The key risks facing the Hospice are:

- The achievement of income targets and controlling expenditure to support financial sustainability. This remains a key risk due to the current economic environment and the future impact on key income streams and expenditure plans. We have a well diversified income portfolio and have an appropriate level of free reserves to withstand short term funding fluctuations. We have strong financial governance arrangements to oversee and scrutinise financial performance. If we identify any longer term trend of reduced income or rising expenditure levels, our reserves will enable us to respond to these challenges and make any necessary changes to ensure continuity of service provision.
- The risk that changes in the health and social care environment will adversely impact our NHS grant funding. The level of government funding has given rise to pressure on the finances of the West Yorkshire Integrated Care Board (ICB) which is driving cost reductions across the region and directly impacting our statutory funding. We received a modest uplift to our core NHS grant 2023/24 (0.8%). We are, however, actively negotiating with the West Yorkshire ICB, together with the West Yorkshire Hospice Collaborative, to secure additional NHS funding to support our future sustainability. The Hospice Leadership Team continues to develop sustainable relationships and partnerships with health and care professionals and organisations across the healthcare system, demonstrating the impact of the care that we deliver. We take every opportunity to ensure that we have effective representation and continue to advocate for the needs of people facing the end of life.
- The risk of IT system failure or a cyber event, a risk shared in the health and social care and other sectors. This reflects ongoing IT infrastructure changes including the upgrade of our wireless systems, retail operational support transitioned to cloud services, the upgrade of firewalls and equipment and a new telephone system, all of which impact our IT security arrangements.

Information Governance

We comply with the Charity Governance Code, review Information Commissioner's Office (ICO) guidance and submit the NHS Data Security and Protection Toolkit (DSPT) which enables us to measure and publish performance against the National Data Guardian's ten data security standards.

Trustees Fundraising Statement

Income Generation at St Gemma's is conducted by a team of fundraisers and retail staff directly employed by the charity and led by the Director of Income Generation. The Hospice also generates Lottery income through an external partner (Local Hospice Lottery Limited) and their team of directly employed lottery fundraisers. There have been no failures to comply with the standards set by these organisations and St Gemma's is fully committed to the delivery of high quality, engaging and compliant fundraising activity.

The Trustees of the Hospice monitor the activities of the Income Generation team via quarterly meetings of the Finance and Business Committee, supported by regular meetings of the Income Review Group. The Chair of the Committee also meets monthly with the Chief Operating Officer and Director of Income Generation. Policies to protect vulnerable individuals are in place and all fundraisers are aware of their responsibilities in this area. During 2023/24 there were six complaints (2022/23: Two) relating to the Hospice's fundraising activities and no complaints (2022/23: None) relating to the chain of charity shops. The complaints highlighted opportunities for process improvements which are being implemented.

Trustees Responsibility Statement

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

Company law mandates Trustees to prepare financial statements annually that accurately

represent the financial status of the charitable company and group, including incoming resources, resource allocation, income, and expenditures. The Trustees must ensure these statements comply with legal requirements.

- select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charities SORP (FRS 102); make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the
- charitable company will continue in business.

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

In so far as the Trustees are aware:

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

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

Going Concern

As part of our annual financial planning arrangements, the Board approved budget plans for 2024/25 and a supporting five-year financial outlook in considering the sustainability of the Hospice. This included a review of cashflows, capital investment needs and minimum level of general reserves. We have recorded a deficit of £377.3k this financial year but retain a strong asset base and general reserves of £8.8m to support the Hospice and ensure financial sustainability. Our cash flow forecasts and supporting management accounts all project sufficient liquid balance of funds to support sustainability.

The Board is satisfied that the charity has a reasonable expectation of continuing in operational existence for the foreseeable future and so has continued to adopt the going concern basis in preparing the financial statements. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor:
Saffery LLP have expressed their willingness to continue as auditor for the next financial year.

The Trustees' Report, including the Strategic Report, was approved by the Board, and signed on its behalf by:

Philomena Corrigan
Chair of the Board of Trustees

Date
17 October 2024.

Signature

Independent Auditor's Report to the **Members of St Gemma's Hospice**

Opinion

We have audited the financial statements of St Gemma's Hospice (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the group statement of financial activities, the group and parent charitable company balance sheets, the group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2024 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 financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 28-29, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities: We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further, the parent charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements; through a significant fine, litigation, prosecution or restrictions on the parent charitable company's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission ('CQC') covering the provision of health and social care in England.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities, including the CQC, to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-

compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Use of our report

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

Sally Appleton (Senior Statutory Auditor) for and on behalf of Saffery LLP

Chartered Accountants Statutory Auditors

Saffery LLP
10 Wellington Place
Leeds
LS1 4AP

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date
31 October 2024.

Signature

Consolidated statement of financial activities (Including consolidated income and expenditure account)

For the year ended 31 March 2024

Income From:	Notes	Unrestricted Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Donations, legacies, grants and trusts	**2**	**3,164,427**	**-**	**108,131**	**3,272,558**	**4,666,842**
Other trading activities:	3					
Sale of donated goods		4,309,544	-	-	4,309,544	4,050,961
Fundraising		710,987	-	-	710,987	606,717
Lottery		399,035	-	-	399,035	348,911
Commercial trading		57,374	-	-	57,374	49,953
		5,476,940	-	-	**5,476,940**	**5,056,542**
Charitable activities - Provision of Hospice Services						
Grant Income from WYICB	4	4,313,568	-	-	4,313,568	4,279,346
Additional WY ICB income		-	-	-	-	272,452
LPCN income		165,017	-	-	165,017	182,499
Controlled drugs income		30,950	-	-	30,950	66,788
Other grants		-	-	-	-	27,535
Education and research		159,579	-	-	159,579	146,322
Bistro		83,518	-	-	83,518	71,912
Other		170,662	-	-	170,662	94,024
		4,923,294	**-**	**-**	**4,923,294**	**5,140,878**
Investments	**5**	**313,834**	**-**	**-**	**313,834**	**195,036**
Total income		**13,878,495**	**-**	**108,131**	**13,986,626**	**15,059,298**
Expenditure On:						
Raising funds						
Cost of selling donated goods		3,138,629	80,290	-	3,218,919	2,720,870
Costs of raising income from donations, legacies, trusts and fundraising		1,646,613	51,454	-	1,698,067	1,598,550
Investment management fees		32,597	-	-	32,597	31,390
Commercial trading operations		54,247	-	-	54,247	39,374
		4,872,086	**131,744**	**-**	**5,003,830**	**4,390,184**
Charitable activities - Provision of Hospice Services		9,104,638	630,445	82,352	9,817,435	9,128,697
Total expenditure	6	**13,976,724**	**762,189**	**82,352**	**14,821,265**	**13,518,881**

	Notes	Unrestricted Funds 2024 £	Designated Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Net income/(expenditure) before investment (losses)/ gains	**8**	**(98,229)**	**(762,189)**	**25,779**	**(834,639)**	**1,540,417**
Net (losses)/gains on investments	11	457,357	-	-	457,357	(465,381)
Net income/(expenditure)		**359,128**	**(762,189)**	**25,779**	**(377,282)**	**1,075,036**
Transfer between funds	16/17	(2,768,954)	2,793,867	(24,913)	-	-
Net movement in funds		**(2,409,826)**	**2,031,678**	**866**	**(377,282)**	**1,075,036**
Reconciliation Of Funds:						
Total funds brought forward		11,215,950	3,889,375	133,677	15,239,002	14,163,966
Net movement in funds for the year		(2,409,826)	2,031,678	866	(377,282)	1,075,036
Total funds carried forward	16/17	**8,806,124**	**5,921,053**	**134,543**	**14,861,720**	**15,239,002**

There were no other recognised gains or losses other than those listed above and the net income for the year.

All income and expenditure derive from continuing activities.

See note 15 for comparative Consolidated Statement of Financial Activities analysed by funds.

The accounting policies and notes on pages 38 to 55 form part of these accounts.

Balance Sheets
As at 31 March 2024

Fixed Assets	Notes	Group		Charity	
		2024 £	2023 £	2024 £	2023 £
Tangible assets	10	2,551,764	2,556,917	2,551,764	2,556,917
Investments	11	6,674,068	6,248,717	6,674,070	6,248,719
		9,225,832	**8,805,634**	**9,225,834**	**8,805,636**
Current Assets					
Stocks		10,941	14,270	-	-
Debtors	12	708,580	2,211,320	705,118	2,225,350
Current asset investments		3,500,000	2,531,416	3,500,000	2,531,416
Cash at bank and in hand		2,591,404	3,906,699	2,588,505	3,887,743
		6,810,925	**8,663,705**	**6,793,623**	**8,644,509**
Creditors - amounts falling due within one year	13	(1,175,037)	(2,230,337)	(1,157,737)	(2,211,143)
Net current assets		5,635,888	6,433,368	5,635,886	6,433,366
Net assets		**14,861,720**	**15,239,002**	**14,861,720**	**15,239,002**
Represented by funds					
Designated funds	16	5,921,053	3,889,375	5,921,053	3,889,375
General fund	16	8,806,124	11,215,950	8,806,124	11,215,950
Restricted funds	17	134,543	133,677	134,543	133,677
Total Funds		**14,861,720**	**15,239,002**	**14,861,720**	**15,239,002**

The financial statements were approved and authorised for issue by the Board of Trustees and signed on its behalf by:

Date
17 October 2024.

Signature

Philomena Corrigan

Chair of the Board of Trustees

Company Number: 02773867

The notes on pages 38 to 55 form part of these accounts

Consolidated cash flow statement
For year ended 31 March 2024

	Notes	Group 2024 £	Group 2023 £
Net cash provided by operating activities	19	**25,766**	**2,030,216**
Cash flows from investing activities			
Dividends and interest received		313,834	195,036
Purchase of tangible fixed assets		(723,105)	(644,866)
Loss on disposal of fixed assets		4,788	-
Purchase of investments		(5,059,731)	(1,583,281)
Proceeds on sale of investments		4,977,985	1,609,777
Movement on cash held by Investment Managers		113,752	5,479
Net cash outflow/inflow from investing activities		**(372,477)**	**(417,855)**
Change in cash and cash equivalents during the year		**(346,711)**	**1,612,361**
Cash and cash equivalents at the beginning of the year		**6,438,115**	**4,825,754**
Total cash and cash equivalents at the end of the year		**6,091,404**	**6,438,115**
Reconciliation to balance sheet:			
Cash at bank and in hand		2,591,404	3,906,699
Current asset investments		3,500,000	2,531,416
Balance at 31 March		**6,091,404**	**6,438,115**

The notes on pages 38 to 55 form part of these financial statements.

Statement of accounting policies
For year ended 31 March 2024

Company and charitable status

St Gemma's Hospice, meets the definition of a public benefit entity under FRS 102, is incorporated in England and Wales as a charitable company limited by guarantee not having a share capital. The Sisters of the Cross and Passion are the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of investments which have been included at market value. The financial statements have been prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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 and the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements comprise St Gemma's Hospice and its wholly owned subsidiary undertaking, St Gemma's Hospice Services Limited. The summarised profit and loss account for the subsidiary is shown in note 1. The results of the subsidiary are consolidated on a line-by-line basis.

Preparation of the financial statements – going concern basis

The principal risks facing the charity are discussed in the Trustees' report. Trustees have considered budget plans and a revised five-year financial outlook in considering the sustainability of the Hospice. The Trustees have also reviewed the cash position of the charity and cash forecasts at the date of signing the financial statements and are satisfied that the charity will be able to meet all of its financial commitments for at least twelve months from the date of signing.

As a consequence, the Trustees believe that the charity is well placed to manage its financial risks successfully. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Income

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

Income received by way of donations, fundraising events, trading, legacies, and West Yorkshire Integrated Care Board (WY ICB) receipts are credited in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT. Lottery income is from Local Hospice Lottery and the joint lottery with Sue Ryder Wheatfields Hospice and is included net after associated expenditure.

For legacies, entitlement is taken as the earlier of the date when all the following conditions are met: the charity is aware that probate has been granted, a copy of the will has been received to confirm entitlement, there is sufficient information to value the estate, a copy of the estate accounts are received and approved and the estimated value of the benefit exceeds £10,000. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed where material.

Income tax recoverable on income received and bank interest received are included in these accounts on the accruals basis. Dividend income from investment funds is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of dividends paid or payable.

Deferred income includes amounts received in respect of grants received for work to be carried out in the next financial year.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The full value of the freehold peppercorn rent is not valued due to the prohibitive cost of doing so. Income from goods donated for sale in the charity's shops is recognised at point of sale. As a result of the high volume of low value donated goods received by the charity, the cost of recognising these items at their value on receipt would outweigh the benefit of recognising them in the financial statements.

All income arises in the United Kingdom. In accordance with Charities SORP FRS102), the value of volunteer time is not recognised in the financial statements. Please refer to the Trustees' Annual Report for more information.

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 under the following activity headings.

Costs of raising funds include the costs incurred in generating voluntary income, fundraising trading costs, including the costs of running the charity shops, and investment management costs. Charitable expenditure has been analysed by activity, these costs enable the Hospice to meet its charitable aims and objectives.

Support costs cover functions that support the Hospice's work but do not directly engage in charitable activities. This includes back-office, finance, personnel, payroll, and governance expenses. Governance costs are linked to the charity's governance arrangements, including compliance, trustee meetings, and legal advice. These costs are divided between fundraising and charitable activities. The bases on which support costs have been allocated are set out in note 7.

Expenditure is included in the Statement of Financial Activities inclusive of any VAT which cannot be recovered.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in the furtherance of the general objectives of the charity. Designated funds are amounts that have been put aside at the discretion of the Board of Trustees. Restricted funds are funds subject to specific conditions imposed by donors. Where restricted funds are received for the purchase of fixed assets then the funds are transferred to designated funds once the purchase has been made. See notes 16 and 17 for further information on funds and funds utilisation.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation. Assets under construction are not depreciated until the asset is completed and brought into use or similar

Tangible fixed assets individually costing more than £1,000 are capitalised and included in the accounts at cost. Provision is made for depreciation on all tangible assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Improvements to leasehold property costs	5% per annum on a straight line basis
Fixtures and fittings	10% per annum on a straight line basis
Motor vehicles	25% per annum on reducing balance basis
Computer Equipment	25% per annum on a straight line basis

Investments

Listed investments are included in the financial statements at market value. Investment in subsidiary is recognised at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Stock

Stock of purchased goods is valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

Employee benefits

The Hospice operates two pension schemes. A defined benefit scheme with the National Health Service Superannuation Scheme is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service Pension agencies. In addition, there is a Group Personal Pension Scheme administered by Standard Life which is available to all other employees. Contributions to both Schemes are charged directly to the Statement of Financial Activities. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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.

Current asset investments include short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity held for working capital.

Taxation

The Hospice is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Hospice is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising. Given this, no tax charge arises on the charity.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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.

Legacies

Legacies are recognised as income when probate has been granted, the charity has established its entitlement to the funds and sufficient information is available to allow the measure of entitlement, and it is probable that funds are receivable.

Notes to the Group Financial Statements
For year ended 31 March 2024

1. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned subsidiary, St Gemma's Hospice Services Limited which is incorporated in the UK and registered in England and Wales No 03739423. The company undertakes trading activities including the sale of bought in goods and the provision of room hire within the St Gemma's Academic Unit of Palliative Care. A summary of its trading results for the period is shown below. The company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

Profit and Loss Account	2024 £	2023 £
Turnover	57,374	49,953
Cost of Sales	(26,173)	(17,281)
Gross Profit	31,201	32,672
Administrative expenses	(2,624)	(846)
Management charge	(25,450)	(21,247)
Operating profit	3,127	10,579
Charitable donation to St Gemma's Hospice	(3,127)	(10,579)
Retained in subsidiary	-	-
Aggregate Capital and reserves	2	2

2. INCOME FROM DONATIONS, LEGACIES AND TRUSTS

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £
Donations	1,313,581	37,650	1,351,231
Legacies	1,796,980	-	1,796,980
Grants and Trusts	53,866	70,481	124,347
	3,164,427	**108,131**	**3,272,558**
2023 Comparative	**Unrestricted Funds 2023 £**	**Restricted Funds 2023 £**	**Total 2023 £**
Donations	1,302,475	133,849	1,436,324
Legacies	3,104,107	5,000	3,109,107
Grants and Trusts	11,040	110,371	121,411
	4,417,622	**249,220**	**4,666,842**

At 31 March 2024 there were legacies totalling £1,019,172 (2023: £1,410,319) that had been notified as receivable to the charity but have not been included in the financial statements as they did not comply with the recognition requirements of the accounting policy. A legacy of £180,000 has not been recognised within the accounts as it did not comply with the full recognition requirements for the asset.

Included in donations is gift aid received or receivable of £173,023 (2023: £174,832).

3. INCOME FROM FROM OTHER TRADING ACTIVITIES

	2024 £	2023 £
Sale of donated goods	4,309,544	4,050,961
Fundraising	710,987	606,717
Lottery	399,035	348,911
Income from wholly owned subsidiary:		
Room hire	930	808
Sale of purchased goods	51,443	45,306
Lottery License fee	5,001	3,839
	5,476,940	5,056,542

The sales of donated and purchased goods in 2024 includes donations under retail gift aid of £784,734 (2023: £730,089) and the associated gift aid of £193,829 (2023: £183,332). St Gemma's Hospice had 25 shops at the year end (2023: 24).

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £
Provision of hospice services			
Grant income from WY ICB	4,313,568	-	4,313,568
LPCN income	165,017	-	165,017
Controlled drugs income	30,950	-	30,950
Education and research	159,579	-	159,579
Bistro	83,518	-	83,518
Other	170,662	-	170,662
	4,923,294	-	4,923,294
2023 Comparatives	**Unrestricted Funds 2023 £**	**Restricted Funds 2023 £**	**Total 2023 £**
Provision of hospice services			
Grant income from WY ICB	4,279,346	-	4,279,346
Additional WY ICB Income	272,452	-	272,452
LPCN income	182,499	-	182,499
Controlled drugs income	66,788	-	66,788
Covid 19 grant income from NHSE	-	27,535	27,535
Education and research	146,322	-	146,322
Bistro	71,912	-	71,912
Other	94,024	-	94,024
	5,113,343	27,535	5,140,878

5. INVESTMENT INCOME

All investment income for 2024 and 2023 was unrestricted.

	2024 £	2023 £
Listed securities	157,967	171,673
Bank and other interest	155,867	23,363
Total	313,834	195,036

6. ANALYSIS OF EXPENDITURE

Expenditure on raising funds	Direct Costs 2024 £	Support Costs 2024 £	Total 2024 £
Costs of selling donated goods	2,931,437	287,482	3,218,919
Cost of raising income from donations, legacies, trusts and fundraising	1,431,737	266,330	1,698,067
Investment management fees	32,597	-	32,597
Cost of wholly owned subsidiary:			
Purchased goods	54,247	-	54,247
	4,450,018	553,812	5,003,830

Expenditure on charitable activities Provision of hospice services			
In-Patient Care	5,595,038	657,423	6,252,461
Community Care	1,731,364	160,752	1,892,116
Out-Patients	515,629	109,988	625,617
Bereavement Support	263,410	40,516	303,926
Education and research	667,765	75,550	743,315
	8,773,206	1,044,229	9,817,435
Total expenditure	13,223,224	1,598,041	14,821,265

2023 Comparatives			
Expenditure on raising funds	**Direct Costs 2023 £**	**Support Costs 2023 £**	**Total 2023 £**
Costs of selling donated goods	2,459,677	261,193	2,720,870
Cost of raising income from donations, legacies, trusts and fundraising	1,353,352	245,198	1,598,550
Investment management fees	31,390	-	31,390
Cost of wholly owned subsidiary:			
Purchased goods	39,374	-	39,374
	3,883,793	506,391	4,390,184
Expenditure on charitable activities Provision of hospice services			
In-Patient Care	5,257,315	618,715	5,876,030
Community Care	1,497,380	144,499	1,641,879
Out-Patients	512,982	84,727	597,709
Bereavement Support	259,232	35,425	294,657
Education and research	648,303	70,119	718,422
	8,175,212	953,485	9,128,697
Total expenditure	12,059,005	1,459,876	13,518,881

7. ANALYSIS OF SUPPORT COSTS

2024	Raising Funds	In-Patient Care	Community Care	Outpatients	Bereavement Support	Education & Research	Total
Governance	36,938	43,849	10,722	7,336	2,702	5,039	106,586
Finance	64,310	76,341	18,667	12,772	4,705	8,773	185,568
IT	86,432	102,603	25,088	17,166	6,323	11,791	249,403
HR	21,966	26,075	6,376	4,362	1,607	2,997	63,383
Admin	94,232	111,861	27,352	18,715	6,894	12,855	271,909
Estates and Facilities	220,957	262,296	64,136	43,882	16,165	30,142	637,578
Depreciation	28,977	34,398	8,411	5,755	2,120	3,953	83,614
Total	553,812	657,423	160,752	109,988	40,516	75,550	1,598,041
2023	**Raising Funds**	**In-Patient Care**	**Community Care**	**Outpatients**	**Bereavement Support**	**Education & Research**	**Total**
Governance	35,436	43,296	10,112	5,929	2,479	4,907	102,159
Finance	75,301	92,003	21,487	12,599	5,268	10,426	217,084
IT	87,426	106,819	24,947	14,628	6,116	12,106	252,042
HR	14,454	17,660	4,124	2,418	1,011	2,002	41,669
Admin	127,550	155,841	36,396	21,341	8,923	17,661	367,712
Estates and Facilities	139,953	170,997	39,936	23,416	9,790	19,379	403,471
Depreciation	26,271	32,099	7,497	4,396	1,838	3,638	75,739
Total	506,391	618,715	144,499	84,727	35,425	70,119	1,459,876

The allocation is based upon the headcount in these areas, adjusted for those costs which were only incurred on the Hospice site, being IT, Finance and administration together with a proportion of building and maintenance costs.

8. NET INCOME/ (EXPENDITURE) FOR THE YEAR

This is stated after charging:	2024 £	2023 £
Auditor's Remuneration:		
Fees payable to the charity's auditor for the audit of the charity's annual financial statements	17,745	16,900
Fees payable to the charity's auditor for other services to the group:	-	-
Taxation services	1,900	1,950
The audit of the charity's subsidiary	3,730	3,550
Reporting to group auditor	-	1,100
Depreciation:		
On owned fixed assets	363,714	301,348
On leased fixed assets	359,756	350,440
Rental of land and buildings under operating leases	**522,360**	**509,590**
Hire of equipment under operating leases	**13,746**	**9,701**

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY

Aggregate remuneration comprised:	2024 £	2023 £
Wages and salaries	9,199,405	8,439,019
Social security costs	848,114	817,994
Other pension costs	738,304	671,232
	10,785,823	9,928,245

During the year, three ex-gratia payments were made totalling £64,506 (2023: £nil).
The overall average and whole time equivalent (WTE) employees during the period was as follows:

	2024 No.	2024 WTE	2023 No.	2023 WTE
Provision of Hospice Services	167	133	170	135
Raising funds	85	71	84	70
Support functions	47	42	47	42
	299	246	301	247

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2024 No.	2023 No.
£60,000 - £70,000	1	-
£70,001 - £80,000	1	2
£80,001 - £90,000	2	2
£90,001 - £100,000	1	1
£100,001 - £110,000	2	2
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-

The key management personnel of the parent Charity, listed on page 4, are the same as the Group. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Group for the year totalled £717k (2023: £724k).

As shown above, St Gemma's Hospice has employed eight individuals who earned over £60,000. Four of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership team (HLT), responsible for running the Hospice. The Chief Executive is not the highest paid employee.

No trustees received remuneration during the current or prior year. No travel or subsistence expenses were paid to trustees during the current or prior year.

10. TANGIBLE FIXED ASSETS

Charity and Group Cost:	Improvements to Leasehold Property £	Computer Equipment £	Fixtures and Fittings £	Assets Under Construction £	Motor Vehicles £	Total £
1 April 2023	6,670,892	893,006	4,006,886	212,051	49,732	11,832,567
Additions	15,202	122,195	577,802	7,906	-	723,105
Transfers	219,957	-	-	(219,957)	-	-
Disposals	(2,997)	(12,232)	(63,442)	-	-	(78,671)
31 March 2024	6,903,054	1,002,969	4,521,246	-	49,732	12,477,001
Depreciation:						
1 April 2023	5,557,765	733,442	2,947,951	-	36,492	9,275,650
Charge for the year	359,756	107,227	253,177	-	3,310	723,470
Transfers	-	-	-	-	-	-
Disposals	(1,349)	(12,232)	(60,302)	-	-	(73,883)
31 March 2024	5,916,172	828,437	3,140,826	-	39,802	9,925,237
Net book value:						
31 March 2024	986,882	174,532	1,380,420	-	9,930	2,551,764
31 March 2023	1,113,127	159,564	1,058,935	212,051	13,240	2,556,917

All tangible fixed assets are used for or to support charitable purposes.

11. FIXED ASSET INVESTMENTS

Charity	Cost Unlisted £	Listed 2024 £	Total 2024 £
Cost / market value at 1 April	2	6,248,717	6,248,719
Additions	-	5,059,731	5,059,731
Disposal proceeds	-	(4,977,985)	(4,977,985)
Unrealised gains	-	495,849	495,849
Realised loss	-	(38,492)	(38,492)
Decrease in cash deposits	-	(113,752)	(113,752)
Cost / market value at 31 March 2024	2	6,674,068	6,674,070
The charity holds a £2 investment in the subsidiary.			
Group		**Listed Valuation £**	
		2024 £	**2023 £**
Market value at 1 April	-	6,248,717	6,746,073
Additions	-	5,059,731	1,583,281
Disposal proceeds	-	(4,977,985)	(1,609,777)
Unrealised gains	-	495,849	(318,888)
Realised loss	-	(38,492)	(146,493)
Decrease in cash deposits	-	(113,752)	(5,479)
Market value at 31 March	-	6,674,068	6,248,717

The unlisted investment represents an investment in a subsidiary undertaking:

Name of Subsidiary	Class of Shares Held	Percentage of Shares Held
St Gemma's Hospice Services Limited	Ordinary	100%

St Gemma's Hospice also holds a minority share in an unlisted investment, Hospice Quality Partnership, which was acquired for £10.

Listed Investments

The historic cost of listed fixed asset investments at 31 March 2024 was £5,963,434 (2023: £5,209,889). The investments are managed by an external fund manager. The funds can be analysed as follows:

	2024 £	2023 £
Fixed interest	696,494	686,345
UK Equities	657,978	2,212,330
Overseas equities	4,495,086	2,467,295
Property	177,112	187,613
Alternative Assets	586,978	520,964
Cash deposits	60,420	174,170
	6,674,068	6,248,717

12. DEBTORS

	Group		Charity	
Amounts falling due within one year:	2024 £	2023 £	2024 £	2023 £
Trade debtors	12,215	18,732	-	-
Amounts due from subsidiary undertaking	-	-	8,753	32,762
Income tax recoverable	69,414	92,676	69,414	92,676
Other debtors	402,770	1,931,339	402,770	1,931,339
Prepayments	224,181	168,573	224,181	168,573
	708,580	2,211,320	705,118	2,225,350

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade creditors	17,301	19,196	-	-
Other creditors	652,341	688,781	652,342	688,783
Accruals and deferred income	505,395	1,522,360	505,395	1,522,360
	1,175,037	2,230,337	1,157,737	2,211,143

Included in Other Creditors is £226,059 (2023: £284,849) received by St Gemma's in the role of host of the Leeds Palliative Care Network, which involves collaborative working with other palliative and end of life care providers in Leeds.

14. DEFERRED INCOME

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Brought forward	1,297,766	91,053	1,297,766	91,053
Deferred income	188,251	1,287,166	188,251	1,287,166
Release in year	(1,278,879)	(80,453)	(1,278,879)	(80,453)
Carried forward	207,138	1,297,766	207,138	1,297,766

The deferred income figure includes £18,886 (2023: £20,475) for monies received to support our Academic Unit of Palliative Care in the delivery of the CNS ECHO project. £nil (2023: £1,126,107) has been received from West Yorkshire ICB for care of patients. In addition, £17,884 (2023: £32,484) has been received in advance for training courses delivered by the Academic Unit of Palliative Care. £134,707 (2023: £118,699) has been received for the provision of an Inclusion Service. £5,515 (2023: £nil) has been received for the Winter Ball 2024.

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Income from	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 March 2023 Total Funds £
Donations, legacies and trusts	2	4,417,622	-	249,220	4,666,842
Other trading activities					
Sale of donated goods		4,050,961	-	-	4,050,961
Fundraising		606,717	-	-	606,717
Lottery		348,911	-	-	348,911
Commercial trading operations		49,953	-	-	49,953
	3	**5,056,542**	**-**	**-**	**5,056,542**
Charitable activities – Provision of Hospice Services:					
WY ICB Funding		4,279,346	-	-	4,279,346
Additional WY ICB income		272,452	-	-	272,452
LPCN income		182,499	-	-	182,499
Controlled drugs income		66,788	-	-	66,788
Other grants		-	-	27,535	27,535
Education and research		146,322	-	-	146,322
Bistro		71,912	-	-	71,912
Other		94,024	-	-	94,024
	4	**5,113,343**	**-**	**27,535**	**5,140,878**
Investments Income	5	195,036	-	-	195,036
Total income		**14,782,543**	**-**	**276,755**	**15,059,298**
Expenditure on					
Raising funds					
Cost of selling donated goods		2,651,691	69,179	-	2,720,870
Cost of raising income from donations, legacies, trusts and fundraising		1,551,942	46,608	-	1,598,550
Investment management fees		31,390	-	-	31,390
Commercial trading operations		39,374	-	-	39,374
		4,274,397	**115,787**	**-**	**4,390,184**
Charitable activities - Provision of Hospice Services		8,338,285	605,495	184,917	9,128,697
Total expenditure	**6**	**12,612,682**	**721,282**	**184,917**	**13,518,881**
Net income/(expenditure) before investment (losses)/gains	**8**	**2,169,861**	**(721,282)**	**91,838**	**1,540,417**
Net (losses)/gains on investments	11	(465,381)	-	-	(465,381)
Net income /(expenditure)		**1,704,480**	**(721,282)**	**91,838**	**1,075,036**
Transfer between funds	16/17	(735,289)	961,667	(226,378)	-
Net movement in funds		**969,191**	**240,385**	**(134,540)**	**1,075,036**
Reconciliation of funds:					
Total funds brought forward		10,246,759	3,648,990	268,217	14,163,966
Net movement in funds for the year		969,191	240,385	(134,540)	1,075,036
Total funds carried forward	**16/17**	**11,215,950**	**3,889,375**	**133,677**	**15,239,002**

16. UNRESTRICTED FUNDS

Charity and Group	1 April 2023 £	Income & net gain on investments £	Expenditure/ Gains £	Transfers £	31 March 2024 £
Designated Funds					
Research facilitator	52,934	-	-	-	52,934
Maintenance and gardens	262,356	-	-	(189,168)	73,188
Buildings Development	214,174	-	-	(89,977)	124,197
Service Transformation	201,311	-	(77,614)	-	123,697
Digital Development	571,074	-	(34,988)	(71,422)	464,664
COVID Response	30,609	-	-	-	30,609
AUPC Strategy	-	-	-	500,000	500,000
Buildings Upgrade	-	-	-	2,000,000	2,000,000
Fixed assets	2,556,917	-	(649,587)	644,434	2,551,764
	3,889,375	-	(762,189)	2,793,867	5,921,053
General Fund	**11,215,950**	**14,335,852**	**(13,976,724)**	**(2,768,954)**	**8,806,124**
Total unrestricted funds	**15,105,325**	**14,335,852**	**(14,738,913)**	**24,913**	**14,727,177**

The maintenance and Gardens fund is for ongoing building maintenance work to ensure that the Hospice is kept to the highest possible standard. The fixed asset fund represents reserves invested in fixed assets and each year a transfer is made equivalent to the value of additions in the year.

In 2023/24 we appointed a Research Practitioner, funded by the National Institute for Health Research to further embed and develop our research portfolio in the Hospice. The Digital Development Reserve and COVID Response Reserve were created in 2021 to support the Transformation Programme. An additional £500,000 was added to allow for the continued upgrade programme of IT and telephony infrastructure and to enhance IT skills across the Hospice in 2023.

The Buildings Development Reserve represents a commitment from the Sisters of the Cross and Passion to transform and integrate the convent into the current estate. Two new reserves were created in 2024: The AUPC Strategy Reserve will support the commercialisation of the AUPC; and the Buildings Upgrade Reserve will support the initial site development requirements of the current facilities. The Service Transformation fund is designated to support ongoing service development needs of the Hospice.

The transfers represent expenditure on capital items within the different designated funds.

YEAR ENDED MARCH 2023 COMPARATIVES

Charity and Group	1 April 2022 £	Income & net gain on investments £	Expenditure/ Gains £	Transfers £	31 March 2023 £
Designated Funds					
Research Facilitator	-	-	-	52,934	52,934
Maintenance	312,836	-	-	(50,480)	262,356
Buildings Development	304,641	-	-	(90,467)	214,174
Service Transformation	257,175	-	(55,864)	-	201,311
Digital Development	171,558	-	(5,298)	404,814	571,074
COVID Response	38,941	-	(8,332)	-	30,609
Fixed assets	2,563,839	-	(651,788)	644,866	2,556,917
	3,648,990	-	(721,282)	961,667	3,889,375
General Fund	**10,246,759**	**14,317,162**	**(12,612,682)**	**(735,289)**	**11,215,950**
Total unrestricted funds	**13,895,749**	**14,317,162**	**(13,333,964)**	**226,378**	**15,105,325**

17. RESTRICTED FUNDS

Charity and Group	1 April 2023 £	Income £	Expenditure £	Transfers £	31 March 2024 £
City wide education programme	10,550	-	-	-	10,550
Postage costs – restricted donation	20,873	25,000	(16,248)	-	29,625
Training and Education	63,162	-	-	-	63,162
Restricted Trust Income	20,714	70,481	(56,425)	(20,913)	13,857
Sundry restricted donations	-	12,650	(4,500)	(4,000)	4,150
Mental Health Clinical Nurse Specialist	18,378	-	(5,179)	-	13,199
Total Restricted Funds	**133,677**	**108,131**	**(82,352)**	**(24,913)**	**134,543**

The Citywide education programme was set up to improve the provision of palliative care across the city.

The competency framework for nursing staff was funded by WY ICB. Health Education England provided funding to support the End-of-Life Care Outcomes project being undertaken within the Academic Unit of Palliative Care.

The Mental Health Clinical Nurse Specialist is funded by West Yorkshire ICB.

The transfers represent expenditure on capital items within the different restricted funds.

YEAR ENDED MARCH 2023 COMPARATIVES

Charity and Group	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
NHSE Covid funding	-	27,535	(27,535)	-	-
Restricted legacy – Dales ward	-	5,000	(5,000)	-	-
City wide education programme	10,667	-	(117)	-	10,550
Dedicated space Young People's service-WY ICB	57,357	-	-	(57,357)	-
Dedicated space Young People's service-donation	41,000	50,000	-	(91,000)	-
Postage costs – restricted donation	16,181	25,000	(20,308)	-	20,873
Training and Education	63,162	52,934	(52,934)	-	63,162
Restricted Trust Income	58,723	110,371	(70,359)	(78,021)	20,714
Sundry restricted donations	225	5,915	(6,140)	-	-
Mental Health Clinical Nurse Specialist	20,902	-	(2,524)	-	18,378
Total Restricted Funds	**268,217**	**276,755**	**(184,917)**	**(226,378)**	**133,677**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 Total £
Tangible assets	-	2,551,764	-	2,551,764
Investments	6,674,070	-	-	6,674,070
Current assets	3,289,791	3,369,289	134,543	6,793,623
Current liabilities	(1,157,737)	-	-	(1,157,737)
Total net assets	8,806,124	5,921,053	134,543	14,861,720
Group	**Unrestricted Funds £**	**Designated Funds £**	**Restricted Funds £**	**2024 Total £**
Tangible assets	-	2,551,764	-	2,551,764
Investments	6,674,068	-	-	6,674,068
Current assets	3,307,093	3,369,289	134,543	6,810,925
Current liabilities	(1,175,037)	-	-	(1,175,037)
Total net assets	8,806,124	5,921,053	134,543	14,861,720

2023 Comparatives

Charity	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total £
Tangible assets	-	2,556,917	-	2,556,917
Investments	6,248,719	-	-	6,248,719
Current assets	7,178,374	1,332,458	133,677	8,644,509
Current liabilities	(2,211,143)	-	-	(2,211,143)
Total net assets	11,215,950	3,889,375	133,677	15,239,002
Group	**Unrestricted Funds £**	**Designated Funds £**	**Restricted Funds £**	**2023 Total £**
Tangible assets	-	2,556,917	-	2,556,917
Investments	6,248,717	-	-	6,248,717
Current assets	7,197,574	1,332,458	133,677	8,663,705
Current liabilities	(2,230,337)	-	-	(2,230,337)
Total net assets	11,215,950	3,889,375	133,677	15,239,002

19. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of net incoming resources to net cashflow from operating activities	2024 £	2023 £
Net income/(Net deficit) for the reporting period	(377,282)	1,075,036
Investment income	(313,834)	(195,036)
Depreciation	723,470	651,788
Losses/(gains) on investments	(457,357)	465,381
Decrease in stock	3,329	1,482
(Increase)/decrease in debtors	1,502,740	(891,681)
Increase/(decrease) in creditors	(1,055,300)	923,246
Net cash inflow from operating activities	25,766	2,030,216

20. FINANCIAL COMMITMENTS

At the balance sheet date the total future minimum lease payments under non-cancellable operating leases:

	Land & Buildings		Other	
	2024 £	2023 £	2024 £	2023 £
Within one year	417,458	416,318	12,271	9,401
Between one and five years	958,417	831,042	18,233	19,461
	1,375,875	1,247,360	30,504	28,862

21. PENSION COMMITMENTS

The Hospice contributes to two pension schemes. A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies. Contributions to this scheme are paid in respect of current service, and there is no liability to the Hospice in respect of past service. In addition, there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life, which is available to all employees.

The charge to the Statement of Financial Activities of £738,304 (2023: £671,232) represents contributions to the funds during the period. Contributions payable to the schemes at the year end date totalling £43,452 (2023: £40,862) are included in creditors.

22. RELATED PARTIES

Control

Throughout the period, St Gemma's Hospice was ultimately controlled by the Congregation of the Sisters of the Cross and Passion of our Lord Jesus Christ. The members of the company all belong to this congregation.

Transactions

The Congregation retains freehold title to the Hospice which is let to the company on a long term lease for peppercorn rent.

Trustee donations

The aggregate amount of cash donations received from Trustees during the year was £5,195 (2023: £25).

Trustee relationships

Schofield Sweeney has provided legal advice in relation to the Hospice's lease arrangements. Chris Schofield (Trustee – resigned 30th September 2023) is Chairman of Schofield Sweeney.

23. JOINT ARRANGEMENT

St Gemma's Hospice has an arrangement with Sue Ryder Wheatfields to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries.

The income received during the year from this lottery was £76,144 (2023: £81,752) and is included in note 3.

St Gemma's Hospice is a local, independent charity, providing expert medical and nursing care to thousands of local people every year – all free of charge to patients and their families. If you would like more information about our work, please contact us:

St Gemma's Hospice
329 Harrogate Road
Moortown
Leeds, LS17 6QD

www.twitter.com/stgemmashospice
www.facebook.com/st.g.hospice
www.linkedin.com/company/st-gemma-s-hospice

Website: www.st-gemma.co.uk
Email: hello@st-gemma.co.uk
Reception: 0113 218 5500

Company Registration No: 02773867
Charity Registration No: 1015941

St. Gemma's Hospice
Always caring

Registered Charity No. 1015941

ST GEMMA'S HOSPICE

England & Wales - Charity number 1015941

Accounts

Report and Financial Statements

For the year ended 31 March 2023

Company Registration No: 02773867 Charity Registration No: 1015941

Contents

Reference and administrative information	3
Leadership Team	4
Board of Trustees	5
Trustees' Report	6
Statement from the Chair of the Board of Trustees and the Chief Executive	7
Strategic Highlights	8-9
Patient Story	10
Strategic Report	11
The Year Under Review	12-16
Looking Ahead	17
Financial Review	18-21
Structure, Governance and Management	22-24
Independent auditor's report	25-27
Trustees' Responsibilities Statement	28
Consolidated statement of financial activities	29
Balance Sheets	30
Consolidated cash flow statement	31
Statement of accounting policies	32-35
Notes to the group financial statements	36-47

Reference and administrative information

Charity Name
St Gemma's Hospice

Charity Registration Number
1015941

Company Registration Number
02773867

Registered Office
329 Harrogate Road
Moortown
Leeds
LS17 6QD

Patrons
The Right Rev Marcus Stock,
Catholic Bishop of Leeds
The Right Rev Nick Baines,
Anglican Bishop of Leeds
The Earl and Countess of Harewood
Professor Gerald Richards
Tom Riordan CBE
Arif Ahmad
Zulfi Hussain MBE
Ed Anderson,
HM Lord-Lieutenant for West Yorkshire
Marilyn Stowe
Henry Cohen

Bankers
HSBC Bank plc
33 Park Row
Leeds
LS1 1LD

Investment Advisers
Investec
2 Gresham Street
London
EC2V 7QN
Change of Name to Rathbones on
21 September 2023

Auditor
Saffery LLP
Mitre House
North Park Road
Harrogate
HG1 5RX

Hospice Leadership Team

Kerry Jackson
Chief Executive

Jason Kirk
Chief Operating Officer and Company Secretary

Dr Mike Stockton
Consultant in Palliative Medicine and Chief Medical Officer

Clare Russell
Director of Transformation and Culture

Kate Goldring
Director of Income Generation

Heather McClelland
Chief Nurse

Board of Trustees

Philomena Corrigan

Chair of the Board of Trustees from January 2023
Chair of the Clinical and Academic Governance Committee to January 2023

Dr Peter Belfield

Chair of the Board
Retired 31 December 2022

Dr Jonathan Smith

Deputy Chair of the Board from January 2023
Member of the Corporate Governance Committee

Sue Ansbro

Deputy Chair of the Board to January 2023
Chair of the Corporate Governance Committee to January 2023
Member of the Finance and Business Committee
Retired July 2023

Angus Martin

Chair of the Finance and Business Committee
Member of the Corporate Governance Committee

Chris Schofield

Chair of the Corporate Governance Committee from January 2023
Member of the Finance and Business Committee to January 2023

Jacqueline Murphy

Chair of the Clinical and Academic Governance Committee from December 2022
Member of the Corporate Governance Committee from December 2022

Sr Anne Hammersley CP

Representative of the Sisters of the Cross and Passion Charitable Incorporated Organisation

Professor Sir Alex Markham

University of Leeds Representative
Member of the Clinical and Academic Governance Committee

Reverend Barry Miller

Spiritual Care Champion
Member of the Clinical and Academic Governance Committee

Bassem Keir

Member of the Finance and Business Committee from September 2023

Brigid Reid

Member of the Clinical and Academic Governance Committee

Dr Eileen Burns

Member of the Clinical and Academic Governance Committee

Hilary Barrett

Member of the Finance and Business Committee

Kim Gay

Chair Elect of the Finance and Business Committee

Lisa Hollidge

Member of the Finance and Business Committee from September 2023

Dr Mohammed Sattar

Diversity Champion
Member of the Corporate Governance Committee

Mukesh Parekh

Member of the Finance and Business Committee from September 2023

Will Lifford

Member of the Finance and Business Committee
Resigned February 2023

Trustees' Report

Our Vision:

The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Our Purpose:

St Gemma's Hospice acknowledges the value of life and the importance of dignity in death. We provide and promote the highest quality palliative and end of life care, education and research

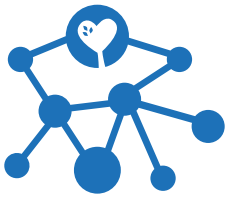
Our Values:

Caring
Treating each person with kindness, empathy, compassion and respect

Aspiring
Continually learning and developing; striving for excellence in everything we do

Professional
Delivering high standards through team work, a skilled workforce and good governance

Our Strategy 2018 - 2028:



Impact

St Gemma's University Teaching Hospice will improve care for patients and familes through research, education and translating evidence into practice

Connect

St Gemma's Hospice will work in partnership with others to provide the standard of care we would want for our own familes

Extend

St Gemma's Hospice will develop palliative and end of life care services in Leeds to meet the needs of more people in the future

Our Foundations:

Quality
Continuous improvement is sought across all areas of the Hospice

Sustainability
Our Hospice services, estate and workforce are financially viable and fit for the future

Scope
The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Statement from the Chair of the Board of Trustees and the Chief Executive

Welcome to the St Gemma's Hospice Report and Financial Statements for the year to 31 March 2023.

In 2022/23 St Gemma's Hospice continued to focus on the delivery of high quality, evidence based and holistic care for patients; support for families including bereavement counselling; and leading the provision of palliative care education and research.

The impact of the COVID-19 pandemic finally abated during 2022/23 and we were able to return St Gemma's to a more normal operating environment. This included the re-introduction of unrestricted patient visiting, increased on-site education provision, and welcoming back more volunteers and visitors from our local community.

Our referral levels remained stable compared with prior years, with 1,365 unique patient referrals to In-Patient, Community and Out-Patient services. In-Patient admissions increased to pre-pandemic levels following a challenging year for staffing in 2021/22. We have continued to widen access to our services, through increased referrals for the homeless and vulnerably housed, direct admissions from hospital Emergency Departments, expanded In-Patient admission criteria and further developing care pathways for patients with a diagnosis other than cancer. Bereavement activity increased significantly as we widened our offer to meet high need in the community.

Feedback from patients and families about their experience of St Gemma's services continued to be excellent, reflecting the hard work, dedication and compassion of our staff and volunteers. We maintained safe, effective, responsive, caring, and well-led services, supporting our Outstanding rating from the Care Quality Commission.

Our quality improvement priorities, as outlined in our published Quality Account, made good progress in 2022/23. Partnership working, seeking to ensure improved patient and family outcomes and greater integration of care, included active engagement in the Leeds Palliative Care Network, the End of Life Population Board, and the West Yorkshire Hospice Collaborative.

Through the work of the Academic Unit of Palliative Care (AUPC) and a partnership with the University of Leeds, we continued to improve palliative and end of life care through evidence and learning. In the 10th anniversary year of the AUPC we provided placements for 128 students; delivered training to over 1,000 external professionals in areas such as communication skills, advance care planning and bereavement and loss; and the 15-strong University team led a £4m research portfolio.

Our staff forum, Engage, supported the training of Wellbeing Champions across the Hospice, and drove a programme to support the mental and physical wellbeing of staff. This included the celebration of staff contributions through quarterly and annual awards together with a wide range of wellbeing initiatives ranging from staff supervision to Cake Wednesday. We were again ranked as a Two Star organisation in the Sunday Times Best Companies Survey in 2022, 16th in the Best Charity Organisations to Work for. We undertook our first Volunteer Survey to engage more fully with our 700 volunteers.

All our services are provided free of charge to patients and those close to them, thanks to the sustained and generous support of donors and our local community, as well as funding support from the NHS. We again saw very strong results from our retail chain and legacies. Although we know we face challenges in particular income generation areas and a difficult overall economic environment, we are in a strong financial position as we move into the 2023/24 financial year.

We are enormously grateful to the Sisters of the Cross and Passion and to our Board of Trustees for their support, guidance, and commitment throughout the year. We have seen a number of changes in our Trustee body and have robust Board succession planning in place.

We are delighted that Philomena Corrigan has become Chair of the Board and we welcome our new Trustees: Lisa Hollidge, Bassem Keir and Mukesh Parekh. We give grateful thanks to those Trustees who have retired from the Board for their contribution to St Gemma's: Dr Peter Belfield, Will Lifford and Sue Ansbro.

Philomena Corrigan
Chair of the Board

Kerry Jackson
Chief Executive

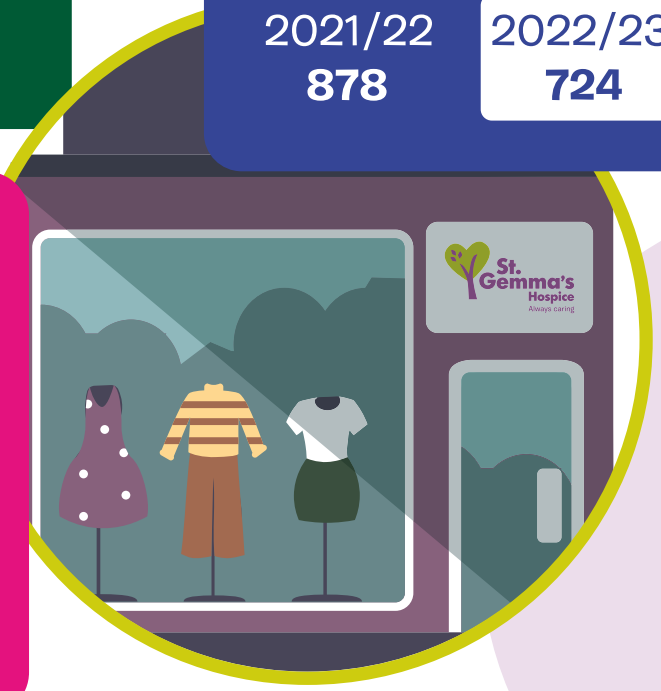
Strategic Highlights

Shops

2021/22	2022/23
24 Shops	24 Shops

Volunteer Numbers

2021/22	2022/23
878	724



Retail Customers

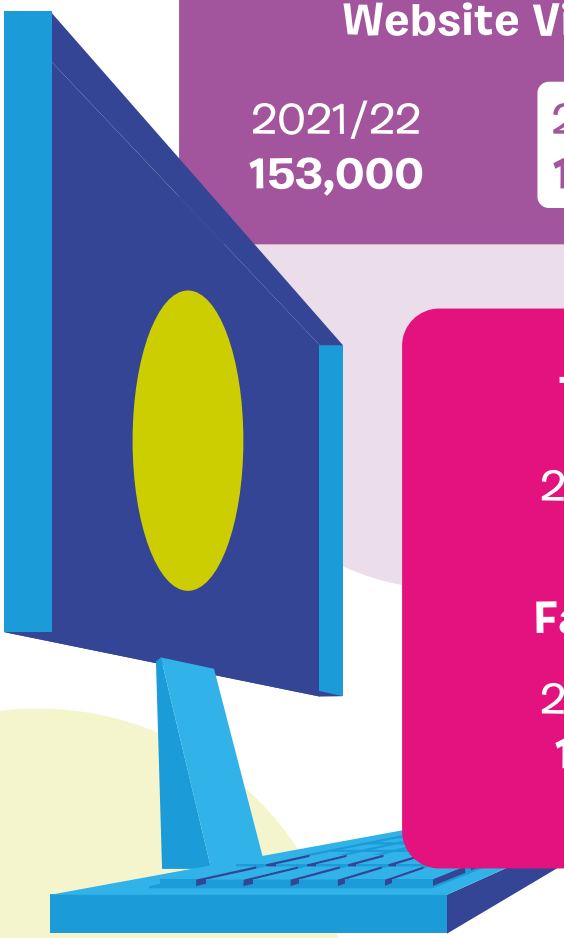
2021/22	2022/23
571,816	663,195

Retail Items Sold

2021/22	2022/23
1,219,224	1,372,003

Website Visits

2021/22	2022/23
153,000	148,000



Twitter Followers

2021/22	2022/23
8,118	8,098

Facebook Followers

2021/22	2022/23
17,839	18,200

Admiss In-Patie

2021/22
416

Out-Patie Group Cont

2022/23
918

*Out-Patient Group contacts included in Community c

External He Professional

2021/22
988

Studer

2021/22
125

w Patient Referrals

1/22
30

2022/23
1,365

ancer: Non-Cancer Patient Referrals

21/22
:31%

2022/23
66%:34%

ions to ent Unit

2022/23
492

Average In-Patient Length of Stay (days)

2021/22
12.5

2022/23
12.2

Community Nursing and Medical Contacts

2021/22
21,448

2022/23
19,842

ent acts*

3

s previously ontacts

Staff Members

2021/22
281

2022/23
301

Inclusive Top 50 Companies

2021/22
37th

2022/23
31st

NHS Core Grant

2021/22
29%

2022/23
30%

ealthcare ls Trained

2022/23
1,054

Total Income

2021/22
£13,419,643

2022/23
£15,059,298

nt Placements

2022/23
128

Patient Story

It was our privilege to help this special couple celebrate their wedding at the Hospice recently. The bride **Lisa**, who was being cared for on the St Gemma's In-Patient Unit married **Andy** in a beautiful service with family and friends. The newlyweds said:

"We had a wonderful day and we are so grateful to everyone who made this possible."

Dr Hannah Zacharias said:

"Well done and thank you to the whole team for making this possible. Everyone pulled together and worked true magic in a small amount of time. We helped create lovely memories for this family during an otherwise really difficult time and they were all completely blown away by the love and effort."

Strategic Report

St Gemma's Hospice is a registered charity.

Our objects are:

- The palliative care, treatment, or relief of people with active, progressive and advanced illness without regard to their means, faith, race, gender, or any of their other protected characteristics as defined in the Equality Act, at St Gemma's Hospice in Leeds and/or such other places as the Charity thinks fit including in the wider community
- The relief of those who have experienced loss and bereavement, in particular families, friends and carers, through the provision of counselling, advice and support
- The provision of education and training for professionals and volunteers engaged in palliative care

All in accordance with the teachings in the catechism of the Roman Catholic Church and pronouncements of the Holy See from time to time on the sanctity of human life.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Hospice and in planning future activities which are set out in this report.

Our services are open to patients over the age of 18. We provide care to people with a range of diagnoses including cancer, neurological conditions, and end stage respiratory and heart disease. We also provide support to families and carers including children and young people.

The Hospice team provides specialist palliative care, where the patient has unresolved needs that exceed the expertise of the referring team, and end of life care. Care is provided by our specialist team of doctors, nurses, social workers, therapists, counsellors, and spiritual care workers and by our team of vital support staff and volunteers. Much of our care is provided in people's own homes and care homes, with care also offered in our In-Patient Unit and Out-Patient and Day Services in Moortown.

St Gemma's care is individual and holistic, seeking to alleviate symptoms such as pain and breathlessness as well as supporting people's emotional and spiritual wellbeing. We recognise the unique physical, emotional, social, and spiritual needs of each person and place a high value on respect, choice and empowerment.

Our services are provided free of charge to patients and those close to them. We receive a proportion of our funding from the NHS, with the remainder coming from the local community, which generously funds us through donations, fundraising and gifts in wills and continues to give thousands of volunteer hours every year.

The Year Under Review

Ensuring Quality of Care

We retain our focus on providing the highest quality care for patients and support for families. Feedback continues to be excellent, reflecting the Outstanding rating received from the Care Quality Commission in our most recent inspection. We have further expanded our surveys and feedback mechanisms this year. Patients and families are often eager to praise the whole team, recognising that every member of the St Gemma's team supports the provision of patient and family care.

The number of new referrals to Hospice services is consistent with previous (non-pandemic) years. There has been a continuing increase in the proportion of patients we care for with non-cancer diagnoses, reflecting our commitment to widening access to people with a range of conditions.

Much of our activity is stable compared with prior years. In-Patient admissions have increased to pre-pandemic levels following a challenging year in 2021/22 with high staff absences related to COVID-19 as well as recruitment challenges, both of which are now improved. The number of community contacts by medical and nursing staff is comparable with 2021/22 including all telephone and face-to-face consultations with patients, relatives and carers. We are delighted that in 2022/23 we were able to re-establish in person Out-Patient group activities. These have been shaped by our service users and we have seen a positive response in terms of attendance and feedback.

Bereavement activity has significantly increased over the last year, through recruitment of additional volunteers and student counsellors and provision of different service offers.

The following strategic priorities for 2022/23 were in line with our ten-year Hospice Strategy.

Strategy Review

Our Hospice Strategy runs from 2018 to 2028. During 2022/23 we undertook a review of progress made after five years. Working with a consultant, we ran a series of internal workshops and took feedback from external stakeholders to consider how we continue to translate our vision and strategy into operational reality, with a particular focus on In-Patient and Community Services.

In addition, we conducted structured workshops to review our Academic Unit of Palliative Care strategy and determine what changes are needed for the future.

As a result of this work, we have identified a number of priorities for our Hospice Business Plan for the period 2023 to 2025, as well as agreeing a more outcomes-based approach to service developments and other transformational change programmes. This is outlined in the Looking Ahead section, page 17.

Clinical Quality Improvements

Effective and safe patient care is central to everything we do at St Gemma's. We monitor care quality and safety using a range of measures and continually seek to improve against the latest research evidence and best practice guidance. The measures include patient outcome metrics, patient and family feedback, complaints, service evaluation and audits, clinical incident reviews, staff surveys and views, and the findings from national and local studies. Our key performance indicators for 2022/23 do not give rise to any significant areas of concern.

We continue to work closely with other health and care providers and with NHS commissioners, to ensure that services are provided in an integrated way to meet patients' needs and improve outcomes. St Gemma's is an active member of the Leeds Palliative Care Network (LPCN), the Leeds End of Life Population Board and the West Yorkshire Hospice Collaborative.

The St Gemma's Quality Account sets out our priorities for clinical improvement each year. The priorities for 2022/23 were:

- Improving Discharge Planning. Following the appointment of a Patient Transfer Nurse, we have made significant progress, including improved information-sharing within our teams and with patients and carers. Our Discharge Focus Group continues to meet, review and develop practice.

- Implementing a Virtual Ward to enhance support for patients with complex needs in their homes. After a trial period, St Gemma's identified no additional benefits for our patient group from the model and therefore made a decision not to continue it. Our wider strategic review showed us that the area of greatest need would be met by developing a consultant-led, multi-disciplinary rapid response service for patients with specialist palliative care needs, who develop an urgent and severe palliative care problem in the community. Work on this rapid response model is underway.

- Improving Mental Health Services. A Hospice-wide working group developed a comprehensive plan for improving psychological and emotional care for patients. It also defined an ambitious training programme to support this improvement. Although the implementation phase has been delayed given competing priorities, work now forms part of the Business Plan 2023-25.

- Introduction of Quality Improvement (QI) Methodology. QI is a framework used to systematically improve care, achieve predictable results and improve outcomes for patients and organisations. We have begun a Community Services project with a focus on our triage service (prioritising our response to patients based on the urgency of need) and are making good progress

Hospice Workforce and Culture

The Hospice Engage group allows employees across the organisation to contribute to, and improve, staff engagement and Hospice culture. Engage plays a key role in developing the staff wellbeing offer and supporting the organisation of events.

Throughout 2022/23 staff wellbeing continued to be a high priority. We embedded Wellbeing Champions across the workforce structure to design and drive a programme to support mental and physical wellbeing.

Some of the key elements of the programme were to:

- Work in partnership with external experts 'We Are Wellbeing'

- Prioritise improvements in workforce support and supervision

- Hold several workforce wellbeing events with activities ranging from mindfulness and yoga to Salsa dancing and pizza, all of which were really well received by staff.

In 2022 we introduced "Gem of St Gemma's" quarterly awards and an annual Staff Awards Evening. These initiatives provide staff with the opportunity to nominate their colleagues in recognition of exceptional contribution and demonstration of Hospice values and behaviours.

We were pleased to be able to re-introduce some activities put on hold during the pandemic, such as a Choir and a monthly Cake Wednesday to bring different groups in the Hospice together.

We again participated in The Sunday Times Best Companies Survey in 2022. Feedback from the survey demonstrated that staff view the Hospice as a supportive environment, providing outstanding care provision with a highly skilled team. Staff highlighted that the Hospice has a culture of strong teamwork, is proactive and champions workplace wellbeing.

Areas for improvement were identified, some addressed through a pay increase and better maternity/paternity benefits. Comments regarding opportunities for progression and development are being addressed through new posts within community nursing and a training programme for managers.

We greatly value our volunteer workforce as an integral part of the Hospice and have 724 registered volunteers supporting all teams. We were delighted this year to welcome many of our volunteers back after the pandemic. Activity continued across all clinical, non-clinical and income generation services, including corporate volunteer support from 37 companies and 500 people.

The 2021 to 2024 Volunteer Plan has driven work to ensure the foundations of our volunteering service are robust. This year we have successfully introduced improvements in data management and how we identify volunteering opportunities. We have surveyed volunteers to understand their reasons for volunteering with us, what works well and what could be improved. From this we plan to create a forum to help develop our future volunteer workforce.

Patient and Family Experience of Care

Throughout 2022/23 we conducted a survey of bereaved carers for families of patients who died on St Gemma's In-Patient Unit. We received 91 responses and heard the following:

100% felt that their relative died in the right place.

98% were satisfied with the pain relief provided.

100% were satisfied with the management of other symptoms.

99% were satisfied that their relative was cared for with dignity.

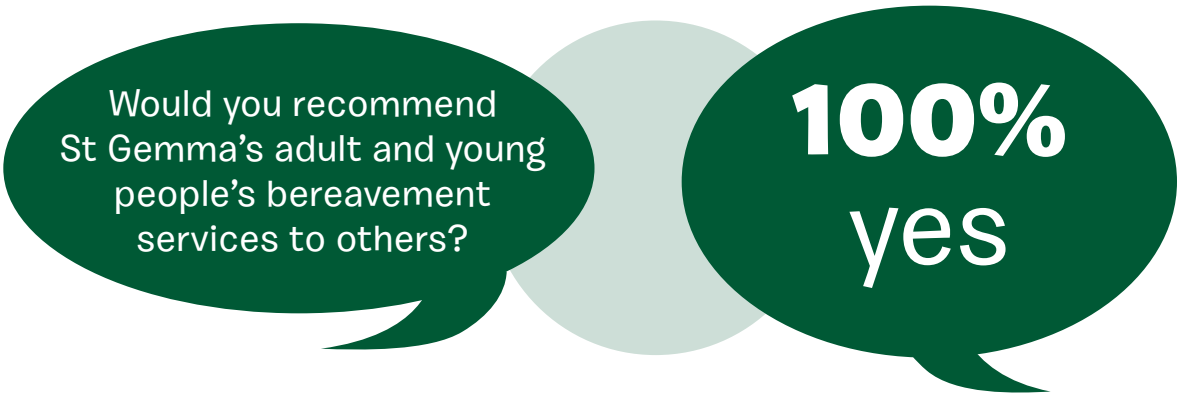
> **"The exceptional care was always extended to family members whenever we visited."**

> **"It was immensely helpful to get the involvement of the community team. They really understood and take time to care. I felt much more relaxed with them being available on standby."**

> **"The care given to my mother was excellent. She was well cared for. The staff are very caring and have time to stop and talk to you when you need them. Everything was explained, I see no need for improvement."**

We also surveyed patients and families who were receiving care from our Community Clinical Nurse Specialist service. Of the 71 responses received, 100% felt satisfied or very satisfied with the overall service provided. All patients and families responded that they felt that they were or their relative was treated with respect, that nurses were helpful in assessing their problems, and that they felt listened to and involved in decisions about care.

Regular experience surveys are conducted for all clinical and bereavement services, with very positive feedback and comments. In July to September 2022, we introduced surveys for our Adult and Young People's Bereavement Services. 100% of the 29 respondents told us that they would recommend our services to others. Work is underway to increase response rates from these more recent surveys.



Any comments providing opportunities for improvement are captured as part of our feedback to allow us to respond to any emerging and recurrent themes. There are no areas of concern.

Securing our Financial Future

During 2022/23 we received core grant income from NHS Leeds of £4.3m (2021/22: £3.9m). This represented an increase of £0.4m, reflecting a cost of living increase and agreed additional funding. We also received one-off (non-recurrent) funding of £272k from the West Yorkshire Integrated Care Board (ICB) as part of a £1.8m NHS distribution to West Yorkshire hospices.

We are working with the West Yorkshire ICB to secure future NHS funding for the future. As a leadership team we are fully engaged with the new structures, including the ICB and the Leeds End of Life Population Board, responding to changing reporting requirements and presenting our case for funding, outlining the positive impact and outcomes of our services.

The remainder of our income in 2022/23 was generated through the local community. Although COVID-19 restrictions were lifted, there was still some concern amongst the public early in the year and it is clear that the landscape for fundraising and mass participation events has changed. As businesses continue to operate flexible working practices, they have less ability to raise charitable funds through on-site office activity, which in turn has reduced corporate sector income.

Despite these challenges, we were able to generate £15.1m in total during the financial year, including our NHS income. The results were driven by a number of factors, including the excellent services delivered by our clinical and support teams, increased activity and focus in the income generation team, investments made in specific areas and a record-breaking year in retail and legacies.

All of this was underpinned by the sustained and generous support of donors and communities in Leeds. We are extremely grateful to all those who make donations, take part in fundraising events, leave a gift in their Will, donate their time through volunteering, or help the Hospice in any way. It would simply not be possible to raise the money needed for patient and family care without this support. The strength of our income generation activities comes in part from the breadth of our portfolio. During the year we continued to invest to capitalise on opportunities for income and plan for future financial sustainability.

We are ever conscious of the external environment including the cost of living crisis, other socio-economic challenges, changing demographics and the health needs of the population. We regularly review all our services to ensure that we are responsive to those changing needs, operating as efficiently as possible and spending wisely in delivering our care.

Developing the Academic Unit of Palliative Care

The Academic Unit of Palliative Care (AUPC) consists of three areas: Research, Learning and Teaching, and Evidence into Practice. The AUPC has continued to develop over the last year and consolidated its position as a leading centre nationally in palliative care. The AUPC strives to deliver the highest quality education and research and make sure this has an impact for patients and their families wherever they are cared for.

In 2022 we celebrated the AUPC's 10th anniversary, acknowledging St Gemma's long-standing commitment to teaching and research in collaboration with the University of Leeds. The research team, based at the University of Leeds, continues to thrive, with four new strategic senior appointments in the last year – a Professor of Palliative Care and three Associate Professors. The 15 strong team leads a £4 million portfolio of research. In 2022/23 the team published over 50 papers in peer reviewed journals.

We continue to see increasing demand for palliative and end of life care training, particularly in areas of Communication Skills, Advance Care Planning and Bereavement and Loss. Our well-established online learning platform has enabled us to expand our offer and increase our impact. Throughout the year we trained 1,054 external professionals, an increase on pre-pandemic numbers.

We provided placements for 128 students and have extended our comprehensive induction, which students have found extremely beneficial. In addition, we have increased our internal training programme, particularly for non-clinical staff in areas such as IT and project management skills.

Evidence Based Practice promotes a culture of effective decision-making, supporting clinicians to challenge practice, and to base new developments in practice on research and analysis. The cross-Hospice team conducts a broad range of clinical audits. Practice Enquiry sessions hold a monthly community Journal Club.

Ensuring Equality, Diversity and Inclusion

Our internal Involve Group is tasked with keeping equality, diversity and inclusion on the Hospice agenda. We are a founding member of the Leeds Palliative Care Network Equality, Diversity and Inclusion group, bringing together colleagues from across the health and care system to identify and reduce inequalities in palliative care. The scope of Involve is wide ranging, focusing on six themes: workforce, experience, community engagement, governance, accessibility and communications. Involve reports to the Board through the designated Diversity Champion at the Corporate Governance Committee.

One of our ongoing aims is to improve accessibility to our services. We routinely report the ethnicity of our patient population, benchmarked against citywide data. The ethnic mix of patients cared for by St Gemma's during the year showed greater diversity than our catchment population overall.

Throughout 2022/23 we have also continued to support groups who may find access to palliative and end of life care more difficult, including patients with learning difficulties, disabilities and those who are homeless or vulnerably housed.

Driving Sustainability

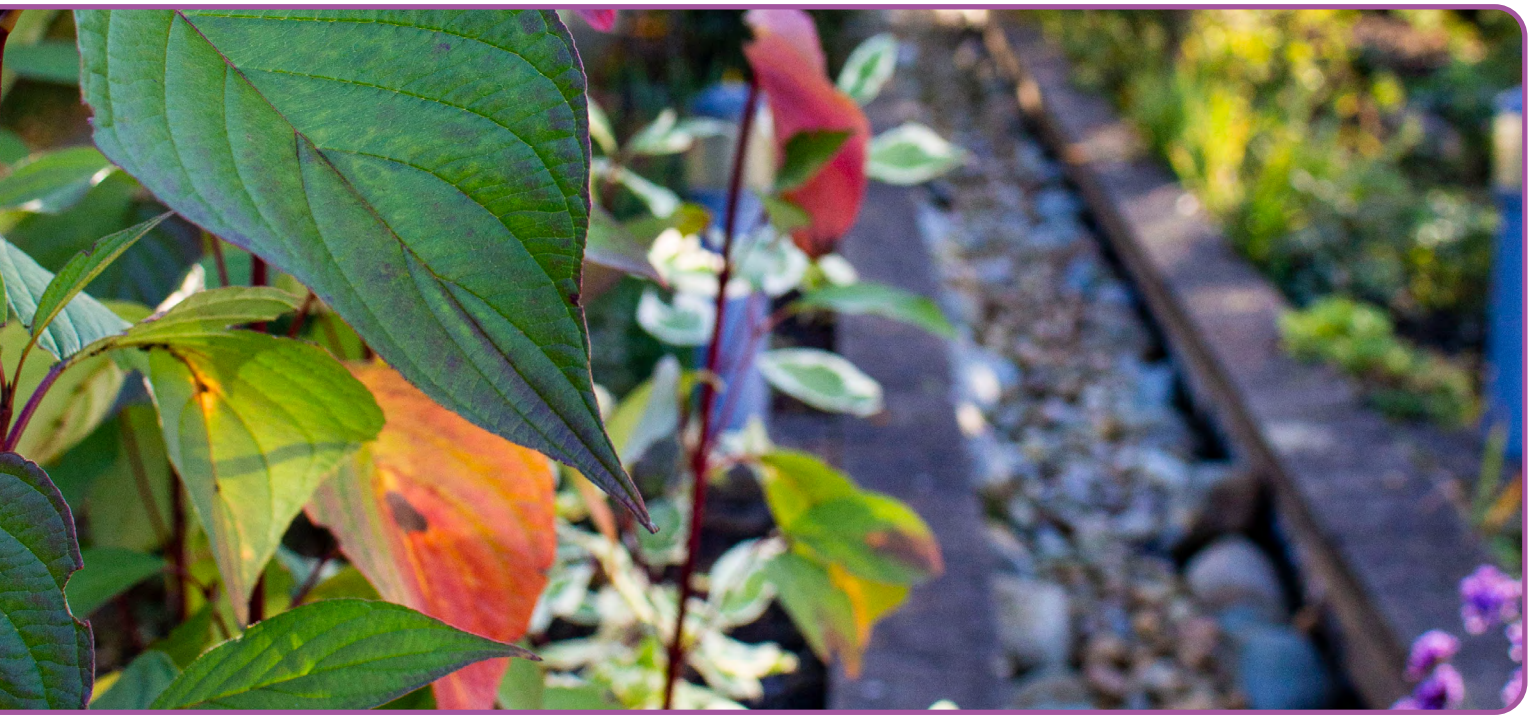
We are committed to being environmentally sustainable and continue to develop plans that have a positive impact on the environment and our local community. We are part of a project funded by West Yorkshire Health and Care Partnership to develop an environmental sustainability assessment framework that supports hospices across West Yorkshire.

In June 2023 we completed the Young People's Cabin, a unique and sustainable structure that was influenced by our young people. The new Cabin provides, for the city of Leeds, age-appropriate space for one-to-one and group activities, offering both a confidential safe space and an informal social area.

The Cabin is constructed with timber, one of the most sustainable low-carbon building materials. The building has high levels of thermal insulation. It is fully electric; heating and cooling is undertaken through an efficient air source heat pump. A 4 KW photovoltaic (PV) array on the roof generates sufficient power to meet the building's annual energy requirements. The space has already been shortlisted for the Leeds Architecture Awards 2023 and the Structural Timber Awards (Healthcare project of the year) 2023.

In 2022 we invested in five energy-efficient condensing boilers to our main site, replacing the old and inefficient atmospheric boilers. These new boilers not only reduce gas consumption but also significantly reduce our emissions and carbon footprint.

Our gardens continue to create a unique haven for patients and their visitors and gain many prestigious awards. In 2022, we were awarded Yorkshire in Bloom Gold, reflecting the diversity of our gardens which now include a sustainable vegetable section, wild-flower meadows, bug hotels and integral composting area.



Looking Ahead

St Gemma's Hospice Strategy 2018 to 2028 provides a framework for the long-term development of St Gemma's services under three pillars of Impact, Connect and Extend. These pillars are supported by our foundation priorities which focus on clarity of scope, quality of services and sustainability of our Hospice. The Hospice Strategy is consistent with the palliative care strategy for Leeds and considers the needs and wishes of patients, families and staff, likely future changes in need as well as national guidance and best practice.

Strategic Priorities

A full Strategy Review was undertaken during 2022, as outlined on page 12. Through this work a series of development priorities, over and above our ongoing operational delivery, were agreed by the Senior Leadership Team and the Board of Trustees. These include a combination of service improvement and foundational or infrastructure priorities.

To ensure adequate time to implement, embed and evaluate these significant pieces of work, we have developed a business plan spanning at least two years, from April 2023 to March 2025. Examples of projects and programmes include:

- Pilot and evaluate a Rapid Response model in Community Services
- Review and scope the potential further expansion of our Adult Bereavement Services
- Refresh our Strategy for the Academic Unit of Palliative Care
- Improve staff recruitment and induction processes
- Improve supporter experience and associated processes
- Improve network and telephony infrastructure
- Plan for digital transformation and improved data management.

The introduction of a more robust and structured project management methodology will support this work, for consistency, transparency, and an increased focus on project outcomes.

Clinical Quality Improvement Priorities

For 2023/24 we have agreed the following four improvement priorities, as outlined in our recently published Quality Account 2022/23:

- Introducing the NHS Patient Safety Incident Response Framework
- Improving Community Triage Processes (with NHS Improvement Academy)
- Enhancing Tracheostomy and Laryngectomy Care
- Improving the Safety Huddle

The team will report on progress against these priorities on a quarterly basis to the Clinical and Academic Governance Committee.

Hospice Workforce and Culture

Our workforce remains St Gemma's most important asset. We will continue to create a culture where wellbeing is a high priority, where staff and volunteers thrive and where there are opportunities for training and development.

Our activities continue to be driven by Engage, our employee engagement group, supported by our Wellbeing Champions.

Based on staff feedback and research, the team has now designed a more comprehensive and extended programme for 2023/24, including quarterly updates and evaluations, and a focused wellbeing week in October 2023.

Financial Review

Year on Year Income Review

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006 and the Charities Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102).

The statement of financial activities shows net income for the year of £1,540,417 (2022: £1,033,013) prior to any gains or losses on investments. Total income for the year was £15,059,298 (2022: £13,419,643) representing an increase of £1,639,655 (12.2%). Record legacy income of £3,109,107 (£758,397 higher than 2022), strong trading in our shops including online sales (£667,513 higher than 2022) and one-off funding from West Yorkshire Integrated Care Board of £272,452 all contribute to our highest income generation on record.

EU Exit January 2020, geo-political events since February 2022 and the post pandemic impact of COVID-19 all continue to influence the UK economy but have not adversely impacted our financial results 2022/23. These key events are leading to an unprecedented financial challenge with rising wage inflation, significant operational cost increases (e.g. utilities) and cost of living rises impacting our income generating activities which influences our longer-term financial sustainability. We continue to be in a position of strength with adequate levels of general reserves to support our response to this unique financial challenge. This is considered in our review of reserve utilisation, principal risks and going concern (pages 21-24).

NHS Leeds grant of £4,279,346 (2022: £3,918,743) represents an increase of £360,603 (9.2%). This increase reflects an inflationary uplift of 4.06% on the core grant and the final payment of £250,000 supporting the delivery of a revised service specification.

Shop income of £4,096,267 (2022: £3,428,754) represents an increase of 19.5% across our 24 charity shops. Our investment in larger retail units, strong demand in existing shops and the full year impact of our new Meanwood shop continue to drive income growth. The net income from shops was £1,336,023 (2022: £766,497) representing an increase of £569,526 (74.3%).

Income from donations, trust grants, lottery and fundraising events was £2,517,202 (2022: £2,545,353) a decrease of £28,151 (1.1%). This reflects growth in Donations £67,106 (4.9%), Fundraising £62,289 (11.4%), Lottery £36,432 (11.5%) offset by a reduction in Trust Grants of £193,978 (-61.5%). This reduction is due to one-off COVID-19 grants of £92,021 received only in 2022, and an end to the funding from Children in Need.

Total expenditure of £13,518,881 (2022: £12,386,630) increased by £1,132,251 which represents an increase of 9.1%. This increase is due to the annual pay award (including one-off payments) and costs associated with the additional income generated across the shops and income generation portfolio. We continue to control expenditure and drive improvements to support our long-term financial plan.

The investment portfolio generated a deficit of £465,381 (2022: surplus £244,175). The investment portfolio is managed for long-term growth in both its capital value and the level of income it can generate. For the year to March 2023 the portfolio's total return was -4.5% (2022: 6.2%) compared to a benchmark of -1.5% (2022: 10.3%).

The 12 months to 31 March 2023 were challenging for markets with interest rates in the UK rising from 0.75% to 4.25%. Rates were raised to dampen inflation which itself rose by just over 10% during this period. Bond markets reacted negatively to both the heightened inflation and the higher interest rates with the UK Government bond index (FT All Stocks) producing a total return of -16.3%. Whilst parts of the market such as oil stocks performed well, property was particularly weak, returning -14.7%. Growth stocks fared poorly as the rate at which their future cash flows were brought back to today's values suffered from using a higher discount rate, resulting in weak returns in both UK and Overseas equities.

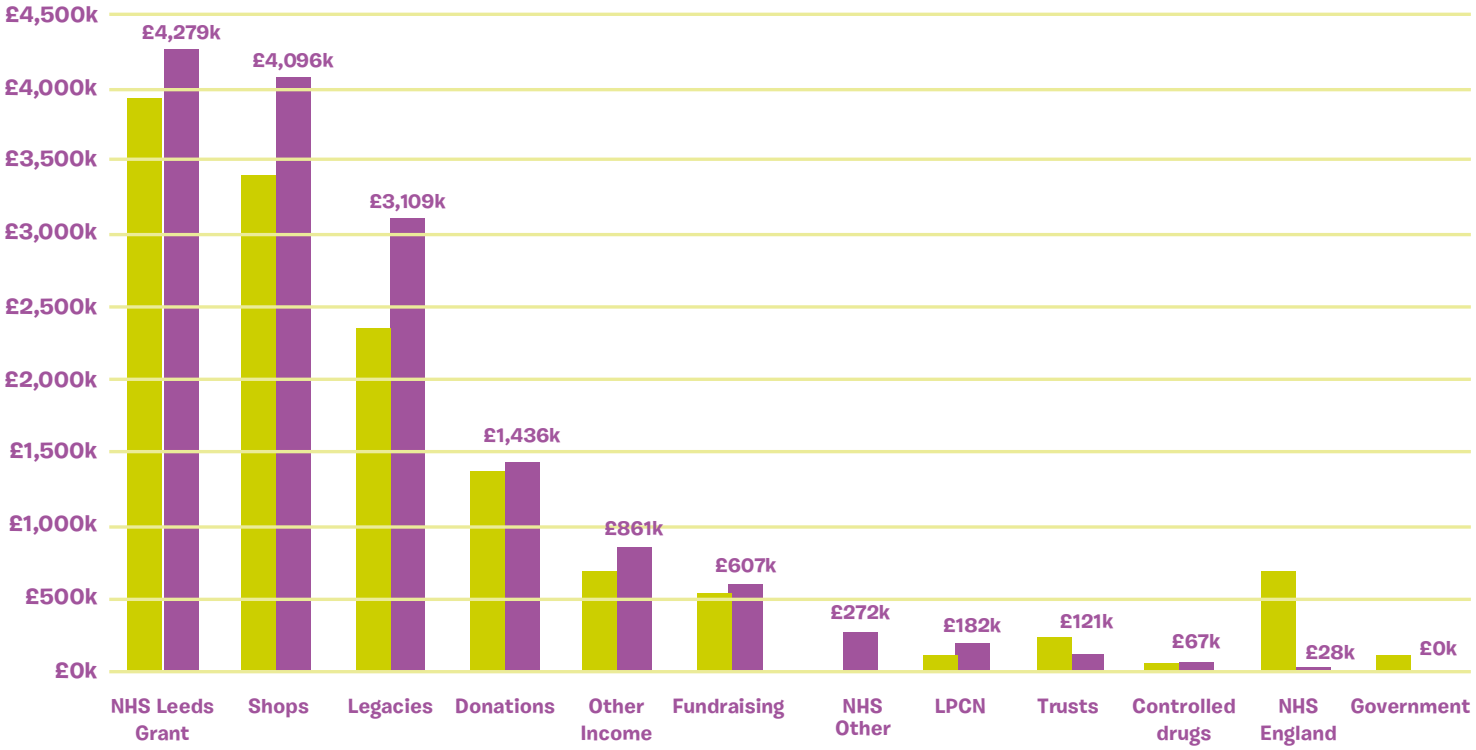
Total Return (%)	One Year	3 Years	5 Years
Portfolio	-4.5	28.6	28.3
Benchmark	-1.5	31.6	27.4
RPI +3 Objective*	17.0	36.9	52.4
FTSE 100	5.4	49.1	31.1
ARC**	-4.1	26.4	23.3

** ARC Steady Growth Index. This is a peer group comparison showing the performance of charities that have a similar risk profile.

At year end the investment portfolio was valued at £6,248,717 (2022: £6,746,073) with investment management fees of £31,390 (2022: £29,133). Overall investment income was £195,036 (2022: £165,221) of which the investment portfolio contributed dividend payments of £171,673 (2022: £160,771). The remaining £23,363 (2022: £4,450) was generated from bank interest on approved short and medium-term deposits. Government interest rate rises means banks are now offering higher deposit rates so there are opportunities to maximise income through the short-term investment of surplus cash balances. Companies are continuing to retain funds rather than making dividend distributions to shareholders and this trend is expected to continue during 2023/24 and impact our investment income

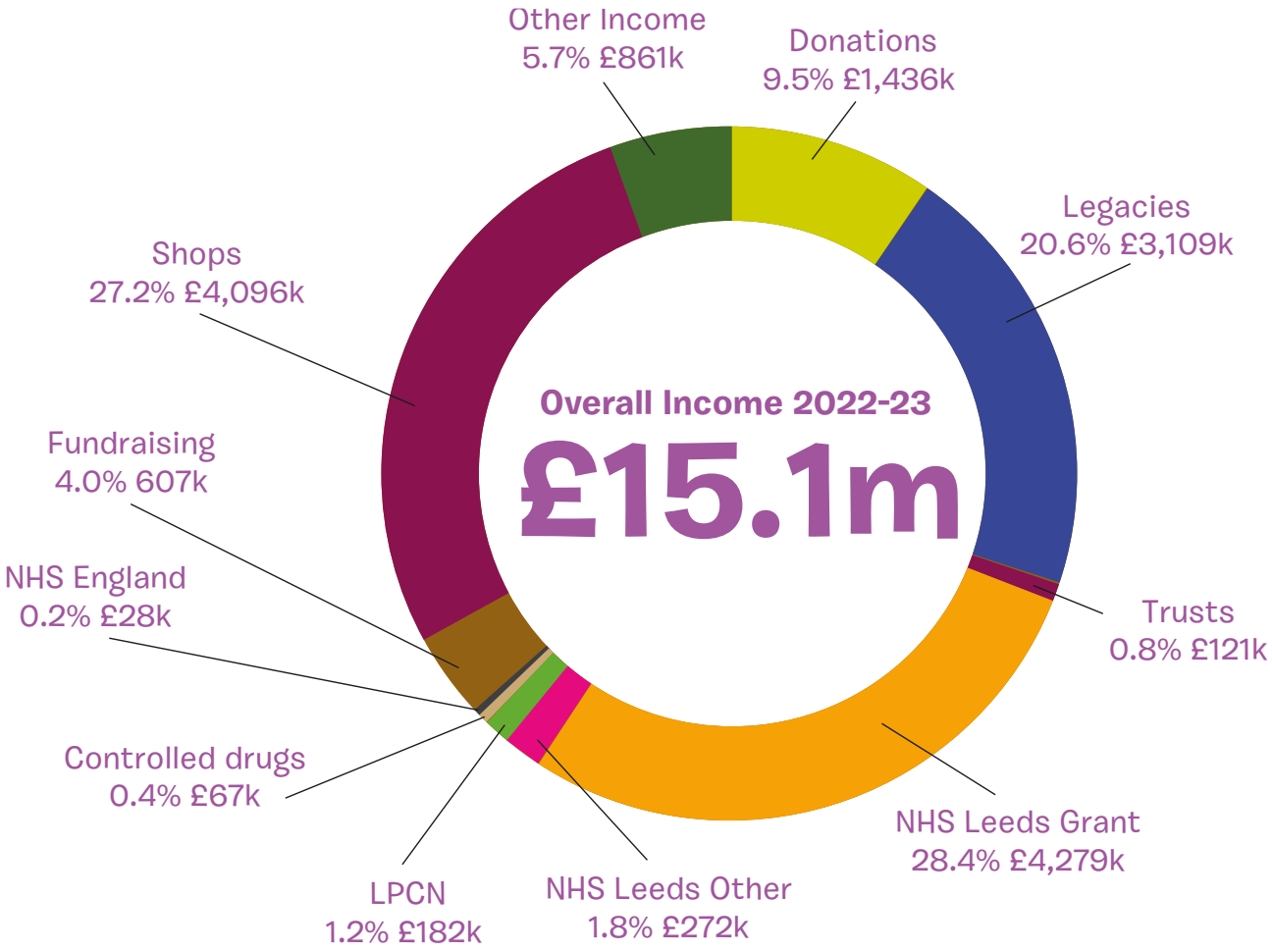
The investment portfolio is managed by external fund managers (Investec) and performance is monitored by the Finance and Business Committee with an independent review every 3 years (the last independent review was in October 2022). All investment decisions are made in accordance with the approved investment policy. This policy sets out the investment powers, objectives, risk profile, the types of investment and the benchmarks used for performance monitoring. A range of benchmarks are used to assess investment performance including a bespoke benchmark, agreed with the external fund managers, that reflects the Trustees' wish for good returns balanced with the need to manage risk. At the year end the portfolio was invested in a mixture of equities (75%), fixed interest (11%), property (3%), cash deposits (3%) and alternative assets (8%).

Income Chart Comparison 2021/2022 - 2022/23



St Gemma's Hospice Services Ltd (trading subsidiary) continued to sell bought in goods and receive a lottery license fee. During 2022/23 there was limited room hire income of £808. The company made a net surplus of £10,579 (2022: £9,570) in the year which will be transferred to the Hospice under Gift Aid.

Total Income 2022/23



Reserves

The Board of Trustees operates a risk-based approach to determine the levels of reserves needed to cover key financial risks and support the long-term strategy and five-year plan. The Board has agreed a minimum general reserve fund of £3m as adequate to cover those assessed financial risks. This includes a £2.5m provision to cover statutory or associated liabilities should we need to undertake a major restructure in response to a significant reduction in income and £500k to support an emergency response to an unplanned event. This minimum reserve level is considered by the Board alongside the five-year financial plan and capital investment requirements on an annual basis.

The general reserves are drawn from unrestricted funds, excluding funds designated for future expenditure and those funds already invested in fixed assets. The unrestricted general reserve is currently £11,215,950 (2022: £10,246,759). The increase of £969,191 is due to strong performance in retail and income generation and is after accounting for a £500,000 transfer into the digital development fund and investment loss of £465,381.

Total designated reserves 31 March 2023 were £3,889,375 (2022: £3,648,990) of which £2,556,917 (2022: £2,563,839) has been invested in fixed assets. The designated reserves, excluding fixed assets, are £1,332,458 (2022: £1,085,151). We hold appropriate designated reserves to support the delivery of St Gemma's Hospice Strategy 2018-2028. These reserves can be designated, re-designated or released at the discretion of the Board. Current designated reserves include:

- Maintenance and Gardens Reserve of £262,356 (2022: £312,836). This fund ensures we can resource the asset replacement needs of the estate.
- Building Development Reserve of £214,174 (2022: £304,641). This fund initially recognises the future needs of an ageing estate and upgrade of buildings and space.
- Service Transformation Reserve of £201,311 (2022: £257,175). This fund supports key programmes of work linked to culture and workforce wellbeing initiatives.
- Digital Development Reserve of £571,074 (2022: £171,558). This fund supports investment in the IT infrastructure and digitisation programmes. The Board approved an additional £500,000 to this key fund during 2022/23 to support key digital initiatives.
- COVID-19 Response Reserve of £30,609 (2022: £38,941). This fund supports a COVID-19 secure environment and allows us to respond to any unexpected demands post pandemic.

See notes 16 and 17 of the financial statements for further information on reserve utilisation.

Fixed Assets and Investments

The movements in fixed assets and investments during the period are set out in notes 10 and 11 to the financial statements. The Board of Trustees has the power to invest the charity's money in the manner they consider most beneficial for the purposes of St Gemma's Hospice.

Structure, Governance and Management

St Gemma's Hospice was founded in 1978 by the Sisters of the Cross and Passion who retain ultimate control of the company. The members of the company all belong to this congregation. The Hospice is a charitable company limited by guarantee and a registered charity.

The Sisters of the Cross and Passion created a Charitable Incorporated Organisation (CIO) in 2019. This change in structure led to a review of governing arrangements between the Sisters of the Cross and Passion and St Gemma's Hospice. In May 2022, new Articles of Association were approved that re-established the objects and powers of St Gemma's Hospice. These are listed on page 11.

The directors of the company are also charity Trustees for the purposes of charity law and are known as the Board of Trustees. Trustee Indemnity Insurance is provided for the benefit of the Trustees.

The Trustees have complied with the duty (set out in section 4 of the Charities Act 2006) to have due regard to public benefit guidance published by the Charity Commission. This report indicates how our activities have delivered public benefit.

The Board of Trustees includes one representative of the Sisters of the Cross and Passion with a deputy if required. The remaining members of the Board of Trustees have been recruited for their experience and skills in relevant areas including medicine and nursing, finance, legal and commerce. The Trustees who served during the year are set out on page 5.

The Board is supported by three Committees that meet on a quarterly basis:

Clinical and Academic Governance Committee

This Committee has delegated responsibility for oversight of clinical and academic governance, strategy, and delivery.

Corporate Governance Committee

This Committee has delegated responsibility for oversight of Hospice corporate governance arrangements, risk management, culture (including equality, diversity, and inclusion) and compliance with the Charity Governance Code. The Committee is also responsible for Board succession planning, recruitment of Trustees and the setting of Hospice Leadership Team salaries.

Finance and Business Committee

This Committee has delegated responsibility for oversight of the financial strategy, annual budget, income generation and longer-term financial planning. The Committee is also responsible for overseeing the investment of Hospice funds and recommending the appointment of an investment manager to the Board.

The Board of Trustees is responsible for overseeing the Hospice's strategy and performance. It is chaired by Philomena Corrigan. The Board powers are detailed in the Articles of Association.

Full meetings of the Board of Trustees are held at least four times a year to review the performance of the Hospice and to agree any major changes to the strategy or financial plans. These meetings are supported by two focused strategy and development sessions a year.

During the year, the Hospice had more than the maximum number of Trustees (12) as recommended in the Charity Governance Code (Section 5.6.2). This was to enable the managed transition of a number of known Trustee retirements and also to accommodate the representation of the Sisters of the Cross and Passion. The Board values the support and wise counsel provided by the Sisters through this Constitutional arrangement.

Scheme of Delegation

The Board has approved a scheme of delegation under which the majority of operational management and decision making is delegated to the Chief Executive. The Chief Executive has a key role in the management and monitoring of service delivery, patient satisfaction, financial performance, the assessment and control of risk, and the prioritisation and allocation of resources.

The Hospice Leadership Team (HLT) reports to the Board and its Committees, leading on strategy development, overseeing the provision of Hospice services, and managing risk. The HLT is supported by Heads of Department (collectively known as the Senior Leadership Team), closely managing day to day service provision.

The HLT comprises the Chief Executive, Kerry Jackson; Chief Nurse, Heather McClelland; Chief Medical Officer and Consultant in Palliative Care, Dr Mike Stockton; Director of Transformation and Culture, Clare Russell; Director of Income Generation, Kate Goldring; Chief Operating Officer, Jason Kirk. The Chief Executive and HLT are not members of the Board and have no beneficial interest in the company.

Senior Staff Pay

The pay of the senior staff is reviewed by the Board of Trustees, through its Remuneration Committee. The levels of remuneration paid to senior employees are carefully considered compared to other roles in the market and are benchmarked, as required, against other local hospices and national charites. The Hospice directly employs four medical consultants on NHS equivalent contracts, in line with national agreements.

The levels paid are those necessary to ensure a well-run, effective organisation in line with regulatory requirements. Competitive salaries help the Hospice to attract, recruit and retain the best possible calibre of staff, in a competitive environment.

Risk Management and Principal Risks

The Board has overall responsibility for establishing and maintaining the whole system of internal control and the management of risk, including reviewing the effectiveness of internal controls. The Board has adopted a risk-based approach to establishing and maintaining internal controls, which are embedded within day-to-day management and governance processes.

The Board of Trustees assesses and reviews the management of the major risks to which the charity and its subsidiary company, St Gemma's Hospice Services Limited, are exposed, including financial, clinical, and business risks. The risk register is developed by the HLT and is scrutinised by the relevant Committees and Board on a quarterly basis.

The key risks facing the Hospice are:

- The achievement of income targets and controlling expenditure to support financial sustainability. This remains a key risk due to the current economic environment and the future impact on key income streams and expenditure plans. We are facing an unprecedented financial challenge with soaring energy costs, rising pay inflation as we compete to attract and retain quality staff and cost of living rises directly impacting how supporters donate. We have a well-diversified income portfolio and have an appropriate level of reserves to withstand short- term funding fluctuations. We have robust financial governance arrangements to oversee and scrutinise financial performance. If we identify any longer-term trend of reduced income or rising expenditure levels, our reserves will ensure continuity of service provision. During 2023/24 the Board will consider in extremis scenarios and plans to support longer term financial sustainability.
- Inability to recruit and retain people with the skills we need across the organisation. We carry out workforce planning and monitor supply and demand carefully, introducing new roles and diversifying skills and competencies to make resources go further. We also consider our pay offer to attract and retain quality staff in a challenging and competitive Leeds marketplace. We have a strategy which supports effective recruitment, development, and retention. We also carry out employee satisfaction and wellbeing surveys across the year.
- The risk that changes in the health and social care environment will adversely impact our NHS grant funding. The level of government funding has given rise to pressure on the finances of the West Yorkshire Integrated Care Board which is already driving significant cost reductions across the region and directly impacting our statutory funding. We have received a modest uplift to our core NHS grant 2023/24, significantly less than the rising costs of delivering our services. Hospice Leadership Team members continue to develop sustainable relationships and partnerships with health and care professionals and organisations across the healthcare system, demonstrating the impact of the care that we deliver. We take every opportunity to ensure that we have effective representation and continue to advocate for the needs of people facing the end of life.

Information Governance

We comply with the Charity Governance Code, review Information Commissioner's Office (ICO) guidance and submit the NHS Data Security and Protection Toolkit (DSPT) which enables us to measure and publish performance against the National Data Guardian's ten data security standards.

Trustees Fundraising Statement

Income Generation at St Gemma's is conducted by a team of fundraisers and retail staff directly employed by the charity and led by the Director of Income Generation. The Hospice also generates Lottery income through an external partner (Local Hospice Lottery Limited) and their team of directly employed lottery fundraisers. There have been no failures to comply with the standards set by these organisations and St Gemma's is fully committed to the delivery of high quality, engaging and compliant fundraising activity.

The Trustees of the Hospice monitor the activities of the Income Generation team via quarterly meetings of the Finance and Business Committee, supported by regular meetings of the Income Review Group. The Chair of the Committee also meets monthly with the Chief Operating Officer and Director of Income Generation.

Policies to protect vulnerable individuals are in place and all fundraisers are aware of their responsibilities in this area. During 2022/23 there were two complaints (2021/22: None) relating to the Hospice's fundraising activities and no complaints (2021/22: None) relating to the chain of charity shops. The complaints highlighted opportunities for process improvements which are being implemented.

Going Concern

As part of our annual financial planning arrangements, the Board approved budget plans for 2023/24 and a supporting five-year financial outlook in considering the sustainability of the Hospice. This included a review of cashflows, capital investment needs and minimum level of general reserves. We have recorded a strong surplus in this financial year, have a strong asset base and general reserves of £11.2m to support the Hospice and ensuring financial sustainability. Our cash flow forecasts and supporting management accounts all project sufficient liquid balance of funds to support sustainability in a challenging economic environment.

The Board is satisfied that the charity has a reasonable expectation of continuing in operational existence for the foreseeable future and so has continued to adopt the going concern basis in preparing the financial statements.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor:

Saffery have expressed their willingness to continue as auditor for the next financial year.

The Trustees' Report, including the Strategic Report, was approved by the Board, and signed on its behalf by:

Philomena Corrigan
Chair of the Board of Trustees

Date
06/11/2023

Signature

Independent Auditor's Report
To The Members Of St Gemma's Hospice

Opinion

We have audited the financial statements of St Gemma's Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of financial activities, the group summary of income and expenditure accounts, the group and parent charitable company balance sheet, the group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company 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 financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

we are required to report that fact. We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 28, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further, the parent charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements;

through a significant fine, litigation, prosecution or restrictions on the parent charitable company's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission ('CQC') covering the provision of health and social care in England.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities, including the CQC, to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Sally Appleton (Senior Statutory Auditor) for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors

Saffery LLP
Mitre House

North Park Road
Harrogate
HG1 5RX

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date
13/11/2023

Signature
Saffery LLP

Trustees' Responsibilities Statement

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

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

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

Consolidated statement of financial activities
(Including consolidated income and expenditure account)
For the year ended 31 March 2023

Income From:	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Donations, legacies and general grants	2	4,417,622	-	249,220	4,666,842	4,035,317
Other trading activities:	3					
Sale of donated goods		4,050,961	-	-	4,050,961	3,380,441
Fundraising events		606,717	-	-	606,717	544,428
Lottery		348,911	-	-	348,911	313,817
Commercial trading operations		49,953	-	-	49,953	50,814
		5,056,542	-	-	**5,056,542**	**4,289,500**
Charitable activities - Provision of Hospice Services:						
NHS Leeds Funding	4	4,279,346	-	-	4,279,346	3,918,743
Additional NHS grant income		272,452	-	-	272,452	-
LPCN income		182,499	-	-	182,499	108,042
Controlled drugs income		66,788	-	-	66,788	27,478
Other grants		-	-	27,535	27,535	683,231
Education and research		146,322	-	-	146,322	142,855
Bistro		71,912	-	-	71,912	40,428
Other		94,024	-	-	94,024	8,828
		5,113,343	**-**	**27,535**	**5,140,878**	**4,929,605**
Investments	5	195,036	-	-	195,036	165,221
Total income		**14,782,543**	**-**	**276,755**	**15,059,298**	**13,419,643**
Expenditure On:						
Raising funds:						
Cost of selling donated goods		2,651,691	69,179	-	2,720,870	2,621,013
Costs of raising income from donations, legacies, trusts and fundraising events		1,551,942	46,608	-	1,598,550	1,363,528
Investment management fees		31,390	-	-	31,390	29,133
Commercial trading operations		39,374	-	-	39,374	41,244
		4,274,397	**115,787**	**-**	**4,390,184**	**4,054,918**
Charitable activities - Provision of Hospice Services		8,338,285	605,495	184,917	9,128,697	8,331,712
Total expenditure	6	**12,612,682**	**721,282**	**184,917**	**13,518,881**	**12,386,630**
Net income/(expenditure) before investment (losses)/gains	**8**	**2,169,861**	**(721,282)**	**91,838**	**1,540,417**	**1,033,013**
Net (losses)/gains on investments	11	(465,381)	-	-	(465,381)	244,175
Net income/(expenditure)		**1,704,480**	**(721,282)**	**91,838**	**1,075,036**	**1,277,188**
Transfer between funds	16/17	(735,289)	961,667	(226,378)	-	-
Net movement in funds		**969,191**	**240,385**	**(134,540)**	**1,075,036**	**1,277,188**
Reconciliation Of Funds:						
Total funds brought forward		10,246,759	3,648,990	268,217	14,163,966	12,886,778
Net movement in funds for the year		969,191	240,385	(134,540)	1,075,036	1,277,188
Total funds carried forward	17	**11,215,950**	**3,889,375**	**133,677**	**15,239,002**	**14,163,966**

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derive from continuing activities.

See note 15 for comparative Consolidated Statement of Financial Activities analysed by funds.

The accounting policies and notes on pages 36 to 47 form part of these accounts.

Balance Sheets

As at 31 March 2023

Fixed Assets	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Tangible assets	10	2,556,917	2,563,839	2,556,917	2,563,839
Investments	11	6,248,717	6,746,073	6,248,719	6,746,075
		8,805,634	**9,309,912**	**8,805,636**	**9,309,914**
Current Assets					
Stocks		14,270	15,752	-	-
Debtors	12	2,211,320	1,319,639	2,225,350	1,366,322
Current asset investments		2,531,416	2,026,457	2,531,416	2,026,457
Cash at bank and in hand		3,906,699	2,799,297	3,887,743	2,768,316
		8,663,705	**6,161,145**	**8,644,509**	**6,161,095**
Creditors - amounts falling due within one year	13	(2,230,337)	(1,307,091)	(2,211,143)	(1,307,043)
Net current assets		6,433,368	4,854,054	6,433,366	4,854,052
Creditors - amounts falling due after one year		-	-	-	-
Net assets		**15,239,002**	**14,163,966**	**15,239,002**	**14,163,966**
Represented by Income funds					
Designated fund	16	3,889,375	3,648,990	3,889,375	3,648,990
General fund	16	11,215,950	10,246,759	11,215,950	10,246,759
Restricted funds	17	133,677	268,217	133,677	268,217
Total Funds		**15,239,002**	**14,163,966**	**15,239,002**	**14,163,966**

The financial statements on pages 29 to 47 were approved and authorised for issue by the Board of Trustees on 2023 and signed on its behalf by:

Date
06/11/2023

Signature

Chair of the Board of Trustees

The notes on pages 36 to 47 form part of these accounts.

Consolidated cash flow statement

For year ended 31 March 2023

	Notes	Group 2023 £	Group 2022 £
Net cash provided by operating activities	19	**2,030,216**	**1,481,673**
Cash flows from investing activities			
Dividends and interest received		195,036	165,221
Purchase of tangible fixed assets		(644,866)	(391,150)
Loss on disposal of fixed assets		-	9,850
Purchase of investments		(1,583,281)	(1,193,086)
Proceeds on sale of investments		1,609,777	981,044
Movement on cash held by Investment Managers		5,479	246,337
Net cash outflow from investing activities		**(417,855)**	**(181,784)**
Change in cash and cash equivalents during the year		**1,612,361**	**1,299,889**
Cash and cash equivalents at the beginning of the year		**4,825,754**	**3,525,865**
Total cash and cash equivalents at the end of the year		**6,438,115**	**4,825,754**
Reconciliation to balance sheet:			
Cash at bank and in hand		3,906,699	2,799,297
Current asset investments		2,531,416	2,026,457
Balance at 31 March		**6,438,115**	**4,825,754**

The notes on pages 36 to 47 form part of these financial statements.

Statement of accounting policies

For year ended 31 March 2023

Company and charitable status

St Gemma's Hospice, a public benefit entity, is incorporated in England and Wales as a charitable company limited by guarantee not having a share capital. The Sisters of the Cross and Passion are the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of investments which have been included at market value. The financial statements have been prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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 2020 and the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement. The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements comprise St Gemma's Hospice and its wholly-owned subsidiary undertaking, St Gemma's Hospice Services Limited. The summarised profit and loss account for the subsidiary is shown in note 1. The results of the subsidiary are consolidated on a line by line basis.

Preparation of the financial statements – going concern basis

The principal risks facing the charity are discussed in the Trustees' report. Trustees have considered budget plans and a revised five year financial outlook in considering the sustainability of the Hospice. The Trustees have also reviewed the cash position of the charity and cash forecasts at the date of signing the financial statements and are satisfied that the charity will be able to meet all of its financial commitments for at least twelve months from the date of signing.

As a consequence, the Trustees believe that the charity is well placed to manage its financial risks successfully. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Income

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

Income received by way of donations, fundraising events, trading, legacies, and Leeds Clinical Commissioning Groups receipts are credited in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT. Lottery income is from Local Hospice Lottery and the joint lottery with Sue Ryder Wheatfields Hospice and is included net after associated expenditure.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed where material.

Income tax recoverable on income received and bank interest received are included in these accounts on the accruals basis. Deferred income includes amounts received in respect of grants received for work to be carried out in the next financial year.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The full value of the freehold peppercorn rent is not valued due to the prohibitive cost of doing so.

All income arises in the United Kingdom.

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 under the following activity headings as follows.

Costs of raising funds include the costs incurred in generating voluntary income, fundraising trading costs, including the costs of running the charity shops, and investment management costs. Charitable expenditure has been analysed by activity, these costs enable the Hospice to meet its charitable aims and objectives.

Support costs relate to those functions that assist the work of the Hospice but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll, and governance costs which support the charity's activities. Governance costs are associated with the governance arrangements of the charity. They include compliance with statutory and constitutional requirements, expenditure incurred on Board of Trustees meetings and legal advice for the Trustees. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

Expenditure is included in the Statement of Financial Activities inclusive of any VAT which cannot be recovered.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in the furtherance of the general objectives of the charity. Designated funds are amounts that have been put aside at the discretion of the Board of Trustees. Restricted funds are funds subject to specific conditions imposed by donors. Where restricted funds are received for the purchase of fixed assets then the funds are transferred to designated funds once the purchase has been made. See Notes 16 and 17 for further information on funds and funds utilisation.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation.

Tangible fixed assets individually costing more than £1,000 are capitalised and included in the accounts at cost. Provision is made for depreciation on all tangible assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Improvements to leasehold property costs	5% per annum on a straight line basis
Fixtures and fittings	10% per annum on a straight line basis
Motor vehicles	25% per annum on reducing balance basis
Computers	25% per annum on a straight line basis

Investments

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Current investments represent monies invested in short-term liquid money market instruments. In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Stock

Stock of purchased goods is valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

Employee benefits

The Hospice operates two pension schemes. A defined benefit scheme with the National Health Service Superannuation Scheme, is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service Pension agencies. In addition, there is a Group Personal Pension Scheme administered by Standard Life which is available to all other employees. Contributions to both Schemes are charged directly to the Statement of Financial Activities. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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. Current asset investments include short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities. The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

1. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned subsidiary, St Gemma's Hospice Services Limited which, is incorporated in the UK and registered in England. The company undertakes trading activities including the sale of bought in goods and the provision of room hire within the St Gemma's Academic Unit of Palliative Care. A summary of its trading results for the period is shown below. The company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

Profit and Loss Account	2023 £	2022 £
Turnover	49,953	50,814
Cost of Sales	(17,281)	(20,353)
Gross Profit	32,672	30,461
Administrative expenses	(846)	(691)
Management charge	(21,247)	(20,200)
Operating profit	10,579	9,570
Charitable donation to St Gemma's Hospice	(10,579)	(9,570)
Retained in subsidiary	-	-
Aggregate Capital and reserves	2	2

2. INCOME FROM DONATIONS, LEGACIES AND TRUSTS

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total £
Donations	1,302,475	133,849	1,436,324
Legacies	3,104,107	5,000	3,109,107
Trust and Grants	11,040	110,371	121,411
	4,417,622	249,220	4,666,842
2022 Comparative	**2022 Unrestricted Funds £**	**2022 Restricted Funds £**	**2022 Total £**
Donations	1,298,233	70,985	1,369,218
Legacies	2,309,603	41,107	2,350,710
Trust and Grants	142,278	173,111	315,389
	3,750,114	285,203	4,035,317

In 2023, grants include unrestricted government grants of £nil (2022: £80,003) relating to the COVID-19 retail grant scheme and restricted furlough income from the Coronavirus Job Retention Scheme which totalled £nil (2022: £12,018).

At 31 March 2023 there were legacies totalling £1,410,319 (2022: £1,666,682) that had been notified as receivable to the charity but not included in the financial statements as their value cannot be reliably quantified.

Included in donations is gift aid received or receivable of £174,832 (2022: £154,605).

3. INCOME FROM FROM OTHER TRADING ACTIVITIES

	2023 £	2022 £
Sale of donated goods	4,050,961	3,380,441
Fundraising	606,717	544,428
Lottery	348,911	313,817
Income from wholly owned subsidiary:		
Room hire	808	-
Sale of purchased goods	45,306	48,313
Lottery License fee	3,839	2,501
	5,056,542	4,289,500

The sales of donated and purchased goods in 2023 includes donations under retail gift aid of £730,089 (2022: £579,813) and the associated gift aid of £183,332 (2022: £142,214). St Gemma's Hospice had 24 shops at the year end (2022: 24).

4. INCOME FROM CHARITABLE ACTIVITIES

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total £
Provision of hospice services			
Grant income from NHS Leeds	4,279,346	-	4,279,346
Additional NHS Income	272,452	-	272,452
LPCN income	182,499	-	182,499
Controlled drugs income	66,788	-	66,788
COVID-19 grant income from NHSE	-	27,535	27,535
Education and research	146,322	-	146,322
Bistro	71,912	-	71,912
Other	94,024	-	94,024
	5,113,343	27,535	5,140,878

The NHSE awarded restricted funding towards the Hospice providing patient care to support the NHS COVID-19 response.

2022 Comparatives	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total £
Provision of hospice services			
Grant income from NHS Leeds	3,918,743	-	3,918,743
LPCN income	108,042	-	108,042
Controlled drugs income	27,478	-	27,478
Covid 19 grant income from NHSE	-	683,231	683,231
Education and research	142,855	-	142,855
Bistro	40,428	-	40,428
Other	8,828	-	8,828
	4,246,374	683,231	4,929,605

5. INVESTMENT INCOME

	2023 £	2022 £
Listed securities	171,673	160,771
Bank and other interest	23,363	4,450
Total	195,036	165,221

All investment income is unrestricted in both years.

6. ANALYSIS OF EXPENDITURE

Expenditure on raising funds	2023 Direct Costs £	2023 Support Costs £	2023 Total £
Costs of selling donated goods	2,459,677	261,193	2,720,870
Cost of raising income from donations, legacies, trusts and fundraising events	1,353,352	245,198	1,598,550
Investment management fees	31,390	-	31,390
Cost of wholly owned subsidiary:			
Purchased goods	39,374	-	39,374
	3,883,793	506,391	4,390,184
Expenditure on charitable activities			
Provision of hospice services			
In-Patient Care	5,257,315	618,715	5,876,030
Community Care	1,497,380	144,499	1,641,879
Out-Patients	512,982	84,727	597,709
Bereavement Support	259,232	35,425	294,657
Education and research	648,303	70,119	718,422
	8,175,212	953,485	9,128,697
Total expenditure	12,059,005	1,459,876	13,518,881
2022 Comparatives			
Expenditure on raising funds	**2022 Direct Costs £**	**2022 Support Costs £**	**2022 Total £**
Costs of selling donated goods	2,382,855	238,158	2,621,013
Cost of raising income from donations, legacies, trusts and fundraising events	1,188,984	174,544	1,363,528
Investment management fees	29,133	-	29,133
Cost of wholly owned subsidiary:			
Room Hire	-	-	-
Purchased goods	41,244	-	41,244
	3,642,216	412,702	4,054,918
Expenditure on charitable activities			
Provision of hospice services			
In-Patient Care	4,845,009	565,691	5,410,700
Community Care	1,471,484	138,794	1,610,278
Out-Patients	385,575	74,654	460,229
Bereavement Support	210,423	29,441	239,864
Education and research	543,347	67,294	610,641
	7,455,838	875,874	8,331,712
Total expenditure	11,098,054	1,288,576	12,386,630

7. ANALYSIS OF SUPPORT COSTS

2023	Raising Funds	In-Patient Care	Community Care	Out-Patients	Bereavement Support	Education & Research	Total
Governance	35,436	43,296	10,112	5,929	2,479	4,907	102,159
Finance	75,301	92,003	21,487	12,599	5,268	10,426	217,084
IT	87,426	106,819	24,947	14,628	6,116	12,106	252,042
HR	14,454	17,660	4,124	2,418	1,011	2,002	41,669
Admin	127,550	155,841	36,396	21,341	8,923	17,661	367,712
Estates and Facilities	139,953	170,997	39,936	23,416	9,790	19,379	403,471
Depreciation	26,271	32,099	7,497	4,396	1,838	3,638	75,739
Total	506,391	618,715	144,499	84,727	35,425	70,119	1,459,876
2022	**Raising Funds**	**In-Patient Care**	**Community Care**	**Out-Patients**	**Bereavement Support**	**Education & Research**	**Total**
Governance	34,232	46,920	11,514	6,192	2,442	5,583	106,883
Finance	53,780	73,716	18,086	9,728	3,837	8,769	167,916
IT	72,633	99,559	24,427	13,139	5,181	11,843	226,782
HR	31,038	42,544	10,438	5,614	2,214	5,061	96,909
Admin	74,656	102,332	25,107	13,505	5,326	12,173	233,099
Estates and Facilities	123,332	169,052	41,477	22,310	8,798	20,110	385,079
Depreciation	23,031	31,568	7,745	4,166	1,643	3,755	71,908
Total	412,702	565,691	138,794	74,654	29,441	67,294	1,288,576

The allocation is based upon the headcount in these areas, adjusted for those costs which were only incurred on the Hospice site, being IT, Finance and administration together with a proportion of building and maintenance costs.

8. NET INCOME/ (EXPENDITURE) FOR THE YEAR

This is stated after charging/(crediting):	2023 £	2022 £
Auditors' remuneration:		
Fees payable to the charity's auditor for the audit of the charity's annual financial statements	16,900	15,400
Fees payable to the charity's auditor for other services to the group taxation services:	1,950	1,900
the audit of the charity's subsidiary	3,550	3,100
reporting to group auditor	1,100	1,000
Depreciation:		
On owned fixed assets	301,348	283,758
On leased fixed assets	350,440	331,603
Rental of land and buildings under operating leases	509,590	485,740
Hire of equipment under operating leases	9,701	7,595

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY

Aggregate remuneration comprised:	2023 £	2022 £
Wages and salaries	8,439,019	7,867,801
Social security costs	817,994	705,447
Other pension costs	671,232	607,420
	9,928,245	9,180,668

During the year, no ex-gratia payments were made totalling £nil (2022: £31,590).

The overall average and whole time equivalent (WTE) employees during the period was as follows:

	2023 No.	2023 WTE	2022 No.	2022 WTE
Provision of Hospice Services	170	135	162	129
Raising funds	84	70	74	62
Support functions	47	42	45	40
	301	247	281	231

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2023 No.	2022 No.
£60,000 - £70,000	-	2
£70,001 - £80,000	2	2
£80,001 - £90,000	2	2
£90,001 - £100,000	1	1
£100,001 - £110,000	2	1
£140,001 - £150,000	1	1

The key management personnel of the parent Charity, listed on page 4, are the same of the Group. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Group for the year totalled £724K (2022: £685k). As shown above, St Gemma's Hospice has employed eight (2022: nine) employees who earned over £60,000.

Four of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership team (HLT), responsible for running the Hospice. The Chief Executive is not the highest paid employee.

No Trustee received remuneration during the current or prior year. No travel or subsistence expenses were paid to trustees during the current or prior year.

10. TANGIBLE FIXED ASSETS

Charity and Group Cost:	Improvements to Leasehold Property £	Computer Equipment £	Fixtures and Fittings £	Assets Under Construction £	Motor Vehicles £	Total £
1 April 2022	6,670,892	779,258	3,687,819	-	49,732	11,187,701
Additions	-	113,748	319,067	212,051	-	644,866
Disposals	-	-	-	-	-	-
31 March 2023	6,670,892	893,006	4,006,886	212,051	49,732	11,832,567
Depreciation:						
1 April 2022	5,207,325	637,447	2,747,011	-	32,079	8,623,862
Charge for the year	350,440	95,995	200,940	-	4,413	651,788
Disposals	-	-	-	-	-	-
31 March 2023	5,557,765	733,442	2,947,951	-	36,492	9,275,650
Net book value:						
31 March 2023	1,113,127	159,564	1,058,935	212,051	13,240	2,556,917
31 March 2022	1,463,567	141,811	940,808	-	17,653	2,563,839

All tangible fixed assets are used for or to support charitable purposes.

11. FIXED ASSET INVESTMENTS

Charity	Valuation Listed £	Valuation Listed in GB £	Total £
Cost / market value at 1 April 2022	2	6,746,073	6,746,075
Additions	-	1,583,281	1,583,281
Disposal proceeds	-	(1,609,777)	(1,609,777)
Unrealised losses	-	(318,888)	(318,888)
Realised loss	-	(146,493)	(146,493)
Decrease in cash deposits	-	(5,479)	(5,479)
Cost / market value at 31 March 2023	2	6,248,717	6,248,719
Group		**Valuation Listed £**	**Total £**
Market value at 1 April 2022	-	6,746,073	6,746,073
Additions	-	1,583,281	1,583,281
Disposal proceeds	-	(1,609,777)	(1,609,777)
Unrealised losses	-	(318,888)	(318,888)
Realised loss	-	(146,493)	(146,493)
Decrease in cash deposits	-	(5,479)	(5,479)
Market value at 31 March 2023	-	6,248,717	6,248,717

The unlisted investment represents an investment in a subsidiary undertaking:

Name of Subsidiary	Class of Shares Held	Percentage of Shares Held
St Gemma's Hospice Services Limited	Ordinary	100%

St Gemma's Hospice also holds a minority share in an unlisted investment, Hospice Quality Partnership, which was acquired for £10.

11. FIXED ASSET INVESTMENTS (CONTINUED)

Listed Investments

The historic cost of listed fixed asset investments at 31 March 2023 was £5,209,889 (2022: £4,877,580). The investments are managed by an external fund manager. The funds can be analysed as follows:

	2023 £	2022 £
Fixed interest	686,345	683,430
UK Equities	2,212,330	3,028,802
Overseas equities	2,467,295	2,147,316
Property	187,613	216,653
Alternative Assets	520,964	490,220
Cash deposits	174,170	179,652
	6,248,717	6,746,073

12. DEBTORS

	Group		Charity	
Amounts falling due within one year:	2023 £	2022 £	2023 £	2022 £
Trade debtors	18,732	1,157	-	-
Amounts due from subsidiary undertaking	-	-	32,762	47,840
Income tax recoverable	92,676	210,372	92,676	210,372
Other debtors	1,931,339	962,932	1,931,339	962,932
Prepayments	168,573	145,178	168,573	145,178
	2,211,320	1,319,639	2,225,350	1,366,322

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	19,196	50	-	-
Other creditors	688,781	828,869	688,783	828,871
Accruals and deferred income	1,522,360	478,172	1,522,360	478,172
	2,230,337	1,307,091	2,211,143	1,307,043

Included in Other Creditors is £284,849 (2022: £371,293) received by St Gemma's in the role of host of the Leeds Palliative Care Network, which involves collaborative working with other palliative and end of life care providers in Leeds.

14. DEFERRED INCOME

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Brought forward	91,053	6,512	91,053	6,512
Deferred income	1,287,166	84,541	1,287,166	84,541
Release in year	(80,453)	-	(80,453)	-
Carried forward	1,297,766	91,053	1,297,766	91,053

The deferred income figure includes £20,475 (2022: £21,290) for monies received to support our Academic Unit of Palliative Care in the delivery of the CNS ECHO project. £nil (2022: £29,772) has been received from the NHS Leeds for controlled drugs funding. £1,126,107 (2022: £nil) has been received from NHS West Yorkshire ICB for 2023/24 care of patients. In addition, £32,484 (2022: £39,991) has been received in advance for training courses delivered by the Academic Unit of Palliative Care. £118,699 (2022: £nil) has been received for the provision of an Inclusion Service.

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Income from	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 March 2022 Total Funds £
Donations,legacies and trusts	2	3,750,114	-	285,203	4,035,317
Other trading activities					
Sale of donated goods		3,380,441	-	-	3,380,441
Fundraising events		544,428	-	-	544,428
Lottery		313,817	-	-	313,817
Commercial trading operations		50,814	-	-	50,814
	3	4,289,500	-	-	4,289,500
Charitable activities – Provision of Hospice Services:					
NHS Leeds income		3,918,743	-	-	3,918,743
LPCN income		108,042	-	-	108,042
Controlled drugs income		27,478	-	-	27,478
Other grants		-	-	683,231	683,231
Education and research		142,855	-	-	142,855
Bistro		40,428	-	-	40,428
Other		8,828	-	-	8,828
	4	4,246,374	-	683,231	4,929,605
Investments	5	165,221	-	-	165,221
Total Income		12,451,209	-	968,434	13,419,643
Expenditure on					
Raising funds					
Cost of selling donated goods		2,558,797	62,216	-	2,621,013
Cost of raising income from donations, legacies, trusts and fundraising events		1,319,276	44,252	-	1,363,528
Investment management fees		29,133	-	-	29,133
Commercial trading operations		41,244	-	-	41,244
		3,948,450	106,468	-	4,054,918
Charitable activities - Provision of Hospice Services		6,790,419	631,287	910,006	8,331,712
Total expenditure	**6**	**10,738,869**	**737,755**	**910,006**	**12,386,630**
Net income/(expenditure) before investment gains	8	1,712,340	(737,755)	58,428	1,033,013
Net gains on investments	11	244,175	-	-	244,175
Net income/(expenditure)		1,956,515	(737,755)	58,428	1,277,188
Transfer between funds	16/17	(94,822)	107,607	(12,785)	-
Net movement in funds		**1,861,693**	**(630,148)**	**45,643**	**1,277,188**
Reconciliation of funds:					
Total funds brought forward as		8,385,066	4,279,138	222,574	12,886,778
Net movement in funds for the year		1,861,693	(630,148)	45,643	1,277,188
Total funds carried forward	17	10,246,759	3,648,990	268,217	14,163,966

16. UNRESTRICTED FUNDS

Charity and Group	1 April 2022 £	Income and net gain on investments £	Expenditure/ Gains £	Transfers £	31 March 2023 £
Designated Funds					
Research Facilitator Reserve	-	-	-	52,934	52,934
Maintenance and Gardens Reserve	312,836	-	-	(50,480)	262,356
Building Development Reserve	304,641	-	-	(90,467)	214,174
Service Transformation Reserve	257,175	-	(55,864)	-	201,311
Digital Development Reserve	171,558	-	(5,298)	404,814	571,074
COVID Response Reserve	38,941	-	(8,332)	-	30,609
Fixed assets	2,563,839	-	(651,788)	644,866	2,556,917
	3,648,990	-	(721,282)	961,667	3,889,375
General Fund	**10,246,759**	**14,317,162**	**(12,612,682)**	**(735,289)**	**11,215,950**
Total unrestricted funds	**13,895,749**	**14,317,162**	**(13,333,964)**	**226,378**	**15,105,325**

The Maintenance and Gardens fund is for ongoing building maintenance work to ensure that the Hospice is kept to the highest possible standard.
The fixed asset fund represents reserves invested in fixed assets and each year a transfer is made equivalent to the value of additions in the year.

An additional £500,000 was added to the Digital Development Reserve to allow for the continued upgrade programme of IT and telephony infrastructure and to enhance IT skills across the Hospice at year end.

The Transformation fund is designated to support ongoing service development needs of the Hospice.

YEAR ENDED MARCH 2022 COMPARATIVES

Charity and Group	1 April 2021 £	Income and net gain on investments £	Expenditure/ Gains £	Transfers £	31 March 2022 £
Designated Funds					
Maintenance and Gardens Reserve	418,627	-	-	(105,791)	312,836
Building Development Reserve	350,000	-	(5,995)	(39,364)	304,641
Service Transformation Reserve	362,611	-	(105,436)	-	257,175
Digital Development Reserve	250,000	-	(10,450)	(67,992)	171,558
COVID Response Reserve	100,000	-	(25,000)	(36,059)	38,941
Fixed assets	2,797,900	-	(590,874)	356,813	2,563,839
	4,279,138	-	(737,755)	107,607	3,648,990
General Fund	**8,385,066**	**12,695,384**	**(10,738,869)**	**(94,822)**	**10,246,759**
Total unrestricted funds	12,664,204	12,695,384	(11,476,624)	12,785	13,895,749

17. RESTRICTED FUNDS

Charity and Group	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
NHSE Covid funding	-	27,535	(27,535)	-	-
Restricted legacy – Dales ward	-	5,000	(5,000)	-	-
City wide education programme	10,667	-	(117)	-	10,550
Dedicated space Young People's service - NHS	57,357	-	-	(57,357)	-
Dedicated space Young People's Service - Donation	41,000	50,000	-	(91,000)	-
Postage costs – restricted donation	16,181	25,000	(20,308)	-	20,873
Training and Education	63,162	53,934	(52,934)	-	63,162
Restricted Trust Income	58,723	110,371	(70,359)	(78,021)	20,714
Sundry restricted donations	225	5,915	(6,140)	-	-
Mental Health Clinical Nurse Specialist	20,902	-	(2,524)	-	18,378
Total restricted funds	268,217	276,755	(184,917)	(226,378)	133,677

The Dedicated Space for the Young People's service has provided a building specifically for the needs of young persons within the Hospice bereavement setting.

The Citywide education programme was set up to improve the provision of palliative care across the city.

The Dedicated Space for Young People's Service is part funded by NHS Leeds.

The transfers represent expenditure on capital items within the different restricted funds.

YEAR ENDED MARCH 2022 COMPARATIVES

Charity and Group	1 April 2021 £	Income £	Expenditure £	Transfers £	31 March 2022 £
NHSE Covid funding	-	683,231	(683,231)	-	-
HMRC Job retention scheme	-	12,018	(12,018)	-	-
Children's bereavement service	-	41,462	(41,462)	-	-
Restricted legacy - Dales ward	-	41,107	(41,107)	-	-
City wide education programme	12,138	-	(1,471)	-	10,667
Dedicated space Young People's service - CCG	60,000	-	-	(2,643)	57,357
Dedicated space Young People's service-donation	-	41,000	-	-	41,000
Postage costs - restricted donation	-	25,000	(8,819)	-	16,181
Training and Education	65,000	-	(1,838)	-	63,162
Restricted Trust income	58,687	119,631	(109,453)	(10,142)	58,723
Sundry restricted donations	380	4,985	(5,140)	-	225
Mental Health Clinical Nurse Specialist	23,867	-	(2,965)	-	20,902
Patient & Family Engagement	2,502	-	(2,502)	-	-
Total restricted funds	222,574	968,434	(910,006)	(12,785)	268,217

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total £
Tangible assets	-	2,556,917	-	2,556,917
Investments	6,248,719	-	-	6,248,719
Current assets	7,178,374	1,332,458	133,677	8,644,509
Current liabilities	(2,211,143)	-	-	(2,211,143)
Total net assets	11,215,950	3,889,375	133,677	15,239,002
Group	**Unrestricted Funds £**	**Designated Funds £**	**Restricted Funds £**	**2023 Total £**
Tangible assets	-	2,556,917	-	2,556,917
Investments	6,248,717	-	-	6,248,717
Current assets	7,197,574	1,332,458	133,677	8,663,705
Current liabilities	(2,230,337)	-	-	(2,230,337)
Total net assets	11,215,950	3,889,375	133,677	15,239,002

2022 Comparatives

Charity	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total £
Tangible assets	-	2,563,839	-	2,563,839
Investments	6,746,075	-	-	6,746,075
Current assets	4,807,727	1,085,151	268,217	6,161,095
Current liabilities	(1,307,043)	-	-	(1,307,043)
Total net assets	10,246,759	3,648,990	268,217	14,163,966
Group	**Unrestricted Funds £**	**Designated Funds £**	**Restricted Funds £**	**2022 Total £**
Tangible assets	-	2,563,839	-	2,563,839
Investments	6,746,073	-	-	6,746,073
Current assets	4,807,777	1,085,151	268,217	6,161,145
Current liabilities	(1,307,091)	-	-	(1,307,091)
Total net assets	10,246,759	3,648,990	268,217	14,163,966

19. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of net incoming resources to net cashflow from operating activities	2023 £	2022 £
Net income for the reporting period	1,075,036	1,277,188
Investment income	(195,036)	(165,221)
Depreciation	651,788	615,361
Losses/(gains) on investments	465,381	(244,175)
Decrease in stock	1,482	2,474
Increase in debtors	(891,681)	(44,026)
Increase in creditors	923,246	440,072
Net cash inflow from operating activities	2,030,216	1,481,673

20. FINANCIAL COMMITMENTS

At the balance sheet date the total future minimum lease payments under non-cancellable operating leases:

	Land & Buildings		Other	
	2023 £	2022 £	2023 £	2022 £
Within one year	416,318	443,736	9,401	9,401
Between one and five years	831,042	965,346	19,461	26,141
	1,247,360	1,409,082	28,862	35,542

21. PENSION COMMITMENTS

The Hospice contributes to two pension schemes. A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies. Contributions to this scheme are paid in respect of current service, and there is no liability to the Hospice in respect of past service. In addition, there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life, which is available to all employees.

The charge to the Statement of Financial Activities of £671,232 (2022: £607,420) represents contributions to the funds during the period. Contributions payable to the schemes at the year end date totalling £40,862 (2022: £27,219) are included in creditors.

22. RELATED PARTIES

Control

Throughout the period, St Gemma's Hospice was ultimately controlled by the Congregation of the Sisters of the Cross and Passion of our Lord Jesus Christ. The members of the company all belong to this congregation.

Transactions

The Congregation retains freehold title to the Hospice which is let to the company on a long term lease for peppercorn rent.

Trustee donations

The aggregate amount of cash donations received from Trustees during the year was £25 (2022: £300).

Trustee relationships

Schofield Sweeney has provided legal advice in relation to our lease arrangements and governance. Chris Schofield (Trustee) is Chairman of Schofield Sweeney.

23. JOINT ARRANGEMENT

St Gemma's Hospice has an arrangement with Sue Ryder Wheatfields to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries.

The income received during the year from this lottery was £81,752 (2022: £86,086) and is included in note 3.

St Gemma's Hospice is a local, independent charity, providing expert medical and nursing care to thousands of local people every year – all free of charge to patients and their families. If you would like more information about our work, please contact us:

St Gemma's Hospice
329 Harrogate Road
Moortown
Leeds, LS17 6QD

www.twitter.com/stgemmashospice
www.facebook.com/st.g.hospice
www.linkedin.com/company/st.-gemma's-hospice

Website: www.st-gemma.co.uk
Email: postmaster@st-gemma.co.uk
Reception: 0113 218 5500

Company Registration No: 02773867
Charity Registration No: 1015941

St. Gemma's Hospice
Always caring

Registered Charity No. 1015941

ST GEMMA'S HOSPICE

England & Wales - Charity number 1015941

Accounts

Report & Financial Statements

For the year ended 31 March 2022

Company Registration No: 02773867 Charity Registration No: 1015941

Contents

Reference and administrative information 3

Hospice Leadership Team 4

Board of Trustees 5

Trustees' Report 6

Statement from the Chair and the Chief Executive 7-9

Highlights 10-11

Stategic Report 12

The Year Under Review 13-17

Looking Ahead 18

Financial Review 19-21

Structure, Governance and Management 22-24

Trustees' responsibilities statement 25

Independent auditor's report 26-28

Consolidated statement of financial activities 29

Balance Sheets 30

Consolidated cash flow statement 31

Statement of accounting policies 32-34

Notes to the group financial statements 35-47

Reference and administrative information

Charity Name
St Gemma's Hospice

Charity Registration Number
1015941

Company Registration Number
02773867

Registered Office
329 Harrogate Road
Moortown
Leeds
LS17 6QD

Patrons
The Right Rev Marcus Stock,
Catholic Bishop of Leeds

The Right Rev Nick Baines,
Anglican Bishop of Leeds

The Earl and Countess of Harewood

Professor Gerald Richards

Tom Riordan CBE

Arif Ahmad

Zulfi Hussain MBE

HM Lord-Lieutenant for West Yorkshire,
Ed Anderson

Marilyn Stowe

Henry Cohen

Bankers
HSBC Bank plc
33 Park Row
Leeds
LS1 1LD

Investment Advisers
Investec Wealth and Investment
2 Gresham Street
London
EC2V 7QN

Auditor
Saffery Champness LLP
Mitre House
North Park Road
Harrogate
HG1 5RX

Hospice Leadership Team

Kerry Jackson
Chief Executive

Jason Kirk
Chief Operating Officer & Company Secretary

Dr Mike Stockton
Consultant in Palliative Medicine & Chief Medical Officer

Clare Russell
Director of Transformation and Culture

Kate Goldring
Acting Director of Income Generation (replaced Mark Flannery, July 2022)

Heather McClelland
Chief Nurse

Board of Trustees

Dr Peter Belfield
Chair of the Board. Member of the Corporate Governance Committee

June Toovey
Deputy Chair of the Board. Chair of the Clinical and Academic Governance Committee to February 2021; Member of the Corporate Governance Committee Retired July 2022

Sue Ansbro
Deputy Chair of the Board. Chair of the Corporate Governance Committee; Member of the Finance and Business Committee

Kuldeep Bajwa
Member of the Clinical and Academic Governance Committee; Diversity Champion. Retired January 2022

Hilary Barrett
Member of the Finance and Business Committee

Dr Eileen Burns
Member of the Clinical and Academic Governance Committee. Appointed July 2022

Philomena Corrigan
Chair of the Clinical and Academic Governance Committee from March 2021; Member of the Corporate Governance Committee from March 2021; Chair Elect from April 2022

Sr Eileen Fucito CP
Retired July 2022

Kim Gay
Member of the the Finance and Business Committee. Appointed September 2021

Sr Carmel Gorman CP
Deputy Representative of the Sisters of the Cross and Passion Charitable Incorporated Organisation

Sr Anne Hammersley CP
Representative of the Sisters of the Cross and Passion Charitable Incorporated Organisation

Will Lifford
Member of the the Finance and Business Committee. Appointed September 2021

Professor Sir Alex Markham
Member of Clinical and Academic Governance Committee; University of Leeds Representative. Appointed May 2021

Angus Martin
Chair of the Finance and Business Committee; Member of the Corporate Governance Committee

Reverend Barry Miller
Member of the Clinical and Academic Governance Committee; Spiritual Care Champion

Jacqueline Murphy
Member of the Clinical and Academic Governance Committee. Appointed July 2022

Sr Therese O'Regan CP
Retired July 2022

Brigid Reid
Member of the Clinical and Academic Governance Committee. Appointed July 2022

Dr Mohammed Sattar
Member of the Clinical and Academic Governance Committee until September 2021; Member of the Corporate Governance Committee from December 2021; Diversity Champion

Chris Schofield
Member of the Finance and Business Committee

Dr Jonathan Smith
Member of the Clinical and Academic Governance Committee

Sr Savio Steed CP
Retired July 2022

Trustees' Report

Our Vision:

The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Our Purpose:

St Gemma's Hospice acknowledges the value of life and the importance of dignity in death. We provide and promote the highest quality palliative and end of life care, education and research

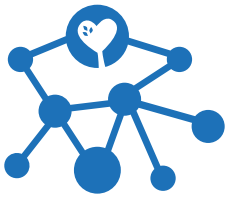
Our Values:

Caring
Treating each person with kindness, empathy, compassion and respect

Aspiring
Continually learning and developing; striving for excellence in everything we do

Professional
Delivering high standards through team work, a skilled workforce and good governance

Our Strategy 2018 - 2028:



Impact

St Gemma's University Teaching Hospice will improve care for patients and familes through research, education and translating evidence into practice

Connect

St Gemma's Hospice will work in partnership with others to provide the standard of care we would want for our own familes

Extend

St Gemma's Hospice will develop palliative and end of life care services in Leeds to meet the needs of more people in the future

Our Foundations:

Quality
Continuous improvement is sought across all areas of the Hospice

Sustainability
Our Hospice services, estate and workforce are financially viable and fit for the future

Scope
The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Statement from the Chair and the Chief Executive

Welcome to the St Gemma's Hospice Report and Financial Statements for the year to 31 March 2022.

Throughout the year St Gemma's has maintained a relentless focus on providing and promoting the highest quality palliative and end of life care for patients and their families. We have also continued to lead on education and research.

The second full year of operating during the COVID-19 pandemic brought significant challenges for the Hospice and indeed for the whole health and care system, due to ongoing pandemic restrictions and significant COVID-19 related workforce absences. Our patient referral numbers have now returned to pre-pandemic levels. Community care in people's homes has grown this year, which is partly a reflection of the fact that more people have chosen to die at home. In-Patient activity declined during the pandemic, as occurred in many hospices but this is improving as we move into 2022/23.

We were delighted that the Care Quality Commission again awarded St Gemma's an Outstanding rating in January 2022 after an inspection late in 2021. Our ability to retain this rating is a tribute to the hard work, dedication and compassion of our staff and volunteers.

Feedback from patients and families about St Gemma's care is excellent and our key clinical and operational performance indicators do not give rise to any concerns. Our quality improvement priorities have made good progress, particularly around single nurse administration of drugs on the In-Patient Unit, improving care of the deceased and widening access to services.

We have widened access through increased admissions out of normal working hours, direct admissions to the In-Patient Unit from the hospital Emergency Departments, and by increasing the proportion of non-cancer patients referred for care. Our work with city colleagues to support homeless and vulnerably housed people at the end of life resulted in our winning the Nursing Times Team of the Year Award.

The culture of our organisation and wellbeing of our staff and volunteers has been a key priority in another difficult year for many individuals and families. Our staff engagement group, Engage, has supported a range of initiatives including training for Wellbeing Champions, a wellbeing survey and a Staff Wellbeing week, all of which have been well received. We have also developed a 3-year plan to secure and support the future recruitment, retention and wellbeing of volunteers.

The work of the Academic Unit of Palliative Care (AUPC) supports education and training, both for our own staff and external professionals; we have expanded our education offer significantly over the course of the pandemic. Research and evidence based practice are also at the core of the Hospice quality improvement approach. The AUPC celebrates its 10th Anniversary this year and is being showcased as part of the University of Leeds 'Vice Chancellor's Collection', to celebrate research activity which represents the University's new vision.

We continue to work in partnership with other providers and commissioners of palliative and end of life care in Leeds, including the Leeds Palliative Care Network and the newly formed End of Life Population Health Board.

All our services are provided free of charge to patients, families, friends and carers. While 2021/22 was another challenging fundraising year, we again

received sustained and generous support from our donors and communities. This reflects the excellence of our clinical and support services provision, investment in key income lines, and the innovation and hard work of our fundraising teams.

Particularly strong results from our retail chain and legacy income as well as our core grant income and COVID-19 support funding from NHS England all contributed to an excellent financial result, significantly ahead of budget. We are in a strong position to move into the 2022/23 financial year, with good reserves and a sound financial plan.

We have worked effectively with the provincial

leadership team of the Sisters of the Cross and Passion who have encouraged and supported us throughout their term of office. In future years, in line with our new Articles, we will have reduced but significant representation from the Sisters of the Cross and Passion on our Board of Trustees.

Finally, we are very grateful to our Board of Trustees for their support and hard work throughout the year. We have a vibrant and effective Board of many talents and interests. As well as promoting our core values of compassionate end of life care with sound finances, there have been significant contributions on improving diversity and the importance of spiritual care.

The Board of Trustees and the Hospice Leadership Team would like to thank Dr Peter Belfield, the Hospice Chair, who will retire from the Board in December 2022 after almost 10 years of dedicated leadership. June Toovey, one of our Deputy Chairs, retired from the Board after completing nine years of excellent service. We are delighted to have appointed a Chair Elect, Philomena Corrigan. Since the year end, we also have welcomed three new Trustees to the Board: Dr Eileen Burns, Jacqueline Murphy and Brigid Reid.

Dr Peter Belfield
Chair of the Board

Kerry Jackson
Chief Executive

Wedding Memories with Mum, Alicia and Charlotte's Story

The team at St Gemma's were privileged to support a patient's daughter to have her wedding blessing at the Hospice so her mum could be part of her celebrations.

Patient Alicia, who was cared for on the Hospice's In-Patient Unit for two weeks before she sadly died this summer, was also able to spend the morning of her daughter Charlotte's wedding day helping her to get ready and seeing her in her wedding gown.

Charlotte told us: "St Gemma's Hospice cared for us all in my mum's final weeks. They threw me a wedding, let the three of us sleep in mum's room for almost two weeks, helped mum be part of my wedding day by helping me get ready there on the morning and have photos, all whilst making sure we were all supported and cared for.

They were incredible. Thank you to the whole team"

Highlights 2021/22

Shops

2020/21	2021/22
24 Shops	24 Shops

Retail Items Sold

2020/21	2021/22
435,528	1,219,224

Community Nursing and Medical Face-to-face Contacts

2020/21	2021/22
19,787	21,448

Cancer: Non Cancer Patient Referrals

2020/21	2021/22
71%:29%	69%:31%

Staff Members

2020/21	2021/22
278	281

Average In-Patient Length of Stay (days)

2020/21	2021/22
11	12.5

New Patient Referrals

2020/21	2021/22
1,236	1,330

Student Placements

2020/21	2021/22
98	125

Facebook Followers

2020/21	2021/22
17,906	17,839

Website Visits

2020/21	2021/22
148,000	153,000

Admissions to In-Patient Unit

2020/21	2021/22
508	416

Annual Income

2020/21	2021/22
£11,485,382	£13,419,643

Retail Customers

2020/21	2021/22
187,326	571,816

Volunteer Numbers

2020/21	2021/22
950	878

NHS Funding

2020/21	2021/22
32% Amount £3.7 M	30% Amount £4.1 M

External Healthcare Professionals Trained

2020/21	2021/22
1,445	988

Volunteer Hours

2020/21	2021/22
16,442	62,692

Twitter Followers

2020/21	2021/22
7,986	8,118

Inclusive Top 50 Companies

2020/21	2021/22
44th	37th

Strategic Report

St Gemma's Hospice is a registered charity.

Our objects are:

- The palliative care, treatment or relief of people with active, progressive and advanced illness without regard to their means, faith, race, gender, or any of their other protected characteristics as defined in the Equality Act, at St Gemma's Hospice in Leeds and/or such other places as the Charity thinks fit including in the wider community
- The relief of those who have experienced loss and bereavement, in particular families, friends and carers, through the provision of counselling, advice and support
- The provision of education and training for professionals and volunteers engaged in palliative care
- All in accordance with the teachings in the catechism of the Roman Catholic Church and pronouncements of the Holy See from time to time on the sanctity of human life.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Hospice and in planning future activities which are set out in this report.

Our services are open to patients over the age of 18. We provide care to people with a range of diagnoses including cancer, neurological conditions and end stage respiratory and heart disease. We also provide support to families and carers including children and young people.

The Hospice team provides specialist palliative care, where the patient has unresolved needs that exceed the expertise of the referring team, and end of life care. Care is provided by our specialist team of doctors, nurses, social workers, therapists, counsellors and spiritual care workers and by our team of vital support staff and volunteers. Much of our care is provided in people's own homes and care homes, with care also offered in our In-Patient Unit and Out-Patient and Day Services in Moortown.

St Gemma's care is individual and holistic, seeking to alleviate symptoms such as pain and breathlessness as well as supporting people's emotional and spiritual wellbeing. We recognise the unique physical, emotional, social and spiritual needs of each person and place a high value on respect, choice and empowerment.

Our services are provided free of charge to patients and those close to them. We receive a proportion of our funding from the NHS, with the remainder coming from the local community, which generously funds us through donations, fundraising and gifts in wills and continues to give thousands of volunteer hours every year.

Ensuring Quality of Care

In 2021/22 the Care Quality Commission formally inspected our services, for the first time since 2016.

We were again awarded the highest rating of Outstanding, which is a reflection of the commitment and compassion of our staff and volunteers, leadership at all levels and the ongoing support of our community and our NHS partners. We have successfully navigated all the challenges of another year of the COVID-19 pandemic and are delighted that by the time of writing this report we are eventually returning to a more normal operating environment, including unrestricted patient visiting.

Patient referral numbers have now returned to pre-pandemic levels. Community care activity for people at home and in care homes has increased again this year, not least due to growing numbers of people dying at home in Leeds. In-Patient Unit activity has, however, seen a decline as we have experienced significant staff absences due to sickness and self-isolation, as well as suffering from recruitment challenges in our clinical workforce, similarly to other healthcare organisations. This situation is improving as we move into the new reporting year 2022/23.

Feedback from patients and families about their experience of our services is excellent and we have further expanded our surveys and feedback mechanisms this year. Patients and families are often eager to praise the whole team, recognising that every member of the St Gemma's team supports the provision of patient and family care.

The strategic priorities set for 2021/22 were in line with our ten year Hospice Strategy:

Delivering Clinical Quality Improvements

Effective and safe patient care is central to everything we do at St Gemma's. We monitor the quality and safety of our care using a range of measures and continually seek to improve against the latest research evidence and best practice guidance. The measures include patient outcome metrics, patient and family feedback, complaints, service evaluation and audits, clinical incident reviews, staff surveys and views, and the findings from national and local studies. Our key performance indicators for 2021/22 do not give rise to any significant areas of concern.

Our work with other health and care providers in the city as part of the Leeds Palliative Care Network has made good progress in another difficult year. With the implementation of new NHS structures, an End of Life Population Health Board has been established, where health and care providers and commissioners have begun to work in a more integrated way to meet patients' needs and improve outcomes.

The St Gemma's Quality Account sets out our priorities for clinical improvement each year. The priorities for 2021/22 were:

- Implementation of single nurse administration of drugs (SNAD) on the In-Patient Unit. This has been successful and SNAD is now a core part of our delivery model, with particular benefits of releasing time for nursing staff.
- Improving care of the deceased and those bereaved. This priority, which focused on providing compassionate, coordinated and individualised care, has delivered on all its priority targets.
- Widening access for homeless and vulnerably housed people at the end of life. This priority has been delivered as a cross city project, led by St Gemma's. The award of the Nursing Times Team of the Year for this work reflects the immense difference that we are making for some of the poorest people in our society.
- We are committed to widening access to our services more generally. In addition to our work around homelessness we have increased the numbers of: patients admitted to the In-Patient Unit out of normal working hours; patients admitted to the In-Patient Unit from the hospital Emergency Departments; and those referred for care with a non-cancer diagnosis.
- Improving discharge planning. This priority has not made the progress we would have wished for due to staffing challenges in the main and therefore will continue as a priority in 2022/23.
- Implementing Electronic Prescribing for patients in the community. This project has been put on hold due to competing priorities for our clinical system provider.

Patient and Family Experience of Care

Throughout 2021/22 we conducted a bereaved carers' survey for families of patients who died in the In-Patient Unit. We received 68 responses and heard the following:

Question/Topic	Response	%
Relative died in the right place	Yes	100
Relief of pain	Very satisfied/satisfied	99
Relief of symptoms other than pain	Very satisfied/satisfied	100
Cared for with dignity	Very satisfied/satisfied	100
Respected wishes before and after death	Very satisfied/satisfied	93

> **The staff at all ranks and jobs could not have done or given any more help, support, and empathy to my husband and all our family.**

> **St Gemma's is a wonderful place. It's like home from home.**

> **The exceptional care was always extended to family members whenever we visited.**

During October 2021 we surveyed patients and families who were receiving care from our Community Clinical Nurse Specialist service. Of the 66 responses received, 100% felt satisfied or very satisfied with the overall service provided. All patients and families also responded that they were satisfied or very satisfied with key elements of the service, that they were or their relative was treated with respect, that nurses were helpful in assessing their problems, and that they felt listened to and involved in decisions about care.

We also undertook focused experience work with patients and families receiving services from our Social Work and Therapy (Physiotherapists and Occupational Therapists) teams. From 30 responses we found that 100% were satisfied or very satisfied with both services. All respondents felt that they were or their relative was treated with respect, that Social Workers or Therapists were helpful in assessing their problems, and that they felt listened to and involved in decisions about their care.

> **The support from the community nurses has been invaluable. They are extremely professional, kind, caring and knowledgeable.**

> **It was immensely helpful to get the involvement of the community team. They really understood and take time to care. I felt much more relaxed with them being available on standby.**

Securing our Financial Future

During 2021/22 we received grant income of £4.1m (2021: £3.7m) from NHS Leeds Clinical Commissioning Group (CCG). This represented an increase of £0.4m, reflecting a cost of living increase and agreed additional funding as part of a 3 year agreement.

> **The therapist has always shown care and respect. She listens and explains everything she is doing. I am involved in any decisions made.**

> **It has helped so much to know that there is someone who I can discuss my feelings, fears with for the future.**

> **I cannot fault anything. It is so well established with very clear understanding of needs. I cannot think of anything that could be improved. The way they have adapted to COVID-19 has been excellent.**

As NHS structures change we are working with the West Yorkshire Integrated Care Board (ICB) to secure funding for the future at similar levels. As a leadership team we are already fully engaged with the new structures – the ICB and the new End of Life Population Health Board for Leeds – to respond to changing reporting requirements and to effectively present our case for funding, outlining the positive impact and outcomes of our services.

COVID-19 funding support from the government continued during 2021/22. We were pleased to receive £683k to support the ongoing provision of services during the pandemic.

The remainder of our income in 2021/22 was generated through our work with, and support from, the local community. Although some COVID-19 restrictions were lifted during the year, there was understandable concern amongst the public and a reluctance to take part in fundraising and mass participation events. As businesses continued flexible working practices, their ability to raise charitable funds through on site office activity was limited, which in turn reduced income from the corporate sector.

Despite these challenges, we were able to generate £13.4m in total during the financial year, including our statutory income, which was 24% above budget. The results were driven by a number of factors, including the excellent services delivered by all our clinical and support teams, increased activity and focus in the income generation team, investments made in specific areas and a record breaking year in retail and legacies.

All of this was underpinned by the sustained and generous support of donors and communities in Leeds.

We are extremely grateful to all those who make donations, take part in fundraising events, leave a gift in their Will, donate their time through volunteering or help the Hospice in any way. It would simply not be possible to raise the money needed for patient and family care without this support.

The strength of our income generation activities comes in part from the breadth of our portfolio. During the year we continued to invest in order to capitalise on opportunities for income and to plan for future financial sustainability.

We are ever conscious of the external environment including socio-economic challenges, changing demographics and health needs of the population. We review all our services on an ongoing basis to ensure that we are responsive to those changing needs, operating as efficiently as possible and that we are spending wisely in delivering our care.

Developing the Academic Unit of Palliative Care

The Academic Unit of Palliative Care (AUPC) continues to develop, adapt and provide a high quality service in the three areas of Research, Learning and Teaching and Evidence Based Practice.
The long term future of the research work of the AUPC has been secured with the recent appointment by the University of Leeds of a new Professor of Palliative Care and three Associate Professors. We are very pleased with this development and that our collaboration with the University continues to grow.

Research fieldwork has been able to resume cautiously this year, both at St Gemma's Hospice and at other sites across primary and secondary care. The team published 45 papers in peer-reviewed journals and secured three National Institute of Health Research (NIHR) palliative care partnership grants. These grants are of great importance as they are part of a strategic investment by NIHR to increase research capacity in palliative care.

We are delighted that the AUPC has been showcased as part of the 'Vice Chancellor's Collection'. This is a high profile initiative to showcase and celebrate research activity which represents the University's new vision.

In the Learning and Teaching team we train our internal staff and external professionals. The demand for palliative and end of life care education remains high, particularly in communication skills, advance care planning, end of life care and bereavement and loss. We have continued remote provision of high quality education, enabling us to increase the audience and geographical areas we deliver to. Through the year we trained 988 external professionals, an increase on pre-pandemic numbers.

We have also been developing other education programmes in response to the needs of health and social care professionals in Leeds, the region, nationally and internationally, which will be implemented from April 2022 onwards. As hosts of the Education team within the Leeds Palliative Care Network, we are able to work together to develop

education provision to support the Leeds Palliative Care Strategy.

We provided placements for 125 students and have extended our comprehensive induction further, which the students have found extremely benefical and supportive. In addition, we have increased resource to extend our internal training programme, particularly for non-clinical staff in areas such as IT and project management skills.

Evidence Based Practice promotes a culture of effective decision-making, supporting clinicians to question and challenge practice, and to base new developments in practice on research and analysis. The cross-Hospice team conducts a broad range of clinical audits, and for each a report is written highlighting good practice, future learning needs and recommendations. The group has also reviewed emerging guidance to update clinical guidelines on topics such as Anxiety, Suicide and Self-harm Management and Catheter Care.

Our monthly Practice Enquiry sessions are a key way to share new practice and encourage critical thinking and clinical debate. A recent session, for example, covered Transgender Awareness within Palliative Care. In 2021/22 a Journal Club was started for all disciplines as a key way of keeping up to date with current research and provoking rich discussion.

Enhancing our Hospice Culture for Staff and Volunteers

During the year we placed a high priority on the engagement and wellbeing of our staff and volunteers, who have worked flexibly with resilience, compassion and generosity.

We relaunched and re-branded our Employee Engagement Group, now called Engage, to give employees the opportunity to contribute towards and improve staff engagement and Hospice culture. All teams are represented to ensure staff have a voice and can be heard. We endeavour at all times to provide employees with good working conditions, a healthy work-life balance and opportunities for development.

Activities undertaken during 2021/22 include:

- A wellbeing hub within the Hospice website, hosting resources and advice to support staff mental health and wellbeing
- In partnership with 'We Are Wellbeing', an employee wellbeing survey to identify key areas for future development
- A Staff Wellbeing Week in October 2021, comprising various virtual events, with excellent feedback on the different activities
- Training for 13 new Wellbeing Champions in March 2022.

Speak Up was launched as an initiative to encourage an open culture in which people feel confident to raise concerns. The newly developed policy sets out the support staff can expect when they raise a concern.

The Board of Trustees and the Hospice Leadership Team fully support this initiative and are committed to zero tolerance of retaliation against staff who speak up.

During 2021/22 the In-Patient Unit continued to deliver the culture improvement programme initially begun in 2020/21, with nine key areas of focused work.

Strong progress has been made in a number of areas, which is reported through our internal governance structures to give assurance of the improvements. The Unit now has an established and stable leadership team and nursing workforce, with a robust plan for further work.

Similar work was undertaken with the Kitchen and Bistro team within the Estates and Facilities department, in response to staff experience and feedback. This has focused on embedding Hospice values and behaviours, improving team resilience, team building and leadership coaching. This work has also resulted in a new improved leadership structure for the future.

We greatly value our volunteer workforce as an integral part of the Hospice and currently have 878 registered volunteers supporting all teams. While volunteering hours remained lower than pre-pandemic years due to continued changes and restrictions, we still saw a four-fold increase from last year to 62,692 hours. Volunteering activity continued across all clinical, non-clinical and income generation services including corporate volunteer support from 20 companies.

We are very proud of all our volunteers, many of whom have been with us for years, and some of whom are new to the Hospice since the pandemic. We were delighted to see two of our longest standing volunteers win national awards at the Hospice UK Conference in November 2021.

This year we developed a Volunteer Plan which sets the ambition and direction of volunteering within the Hospice 2021-2024. The plan ensures the foundations of volunteering are robust and recognises the need to transform, drive consistency and efficiency with an ambition to be a centre of excellence.

Ensuring Equality, Diversity and Inclusion

Our internal Involve Group is tasked with keeping equality, diversity and inclusion high on the Hospice agenda. The Hospice is a founding member of the Leeds Palliative Care Network Equality, Diversity & Inclusion group, bringing together colleagues from across the health and care system to identify and reduce inequalities in palliative care in Leeds. We have a Diversity Champion on our Board of Trustees who works closely with Involve to develop and monitor plans.

One of our ongoing aims is to improve accessibility to our services. We routinely report the ethnicity of our patient population, benchmarked against citywide data. The ethnic mix of patients cared for by St Gemma's during the year showed greater diversity than our catchment population overall.

Throughout 2021/22 we have also continued to support groups who may find access to palliative and end of life care more difficult, including patients with learning difficulties, disabilities and those who are homeless or vulnerably housed.

We usually attend community events to promote our services and engage with different audiences. This has been difficult over the past year, although we have still kept in contact through online channels. Now that pandemic restrictions are lifted, we look forward to closer collaboration once again with community representatives to understand how best to communicate and work with various groups with the aim of facilitating access to our services.

We are passionate about creating an inclusive workplace that promotes and values diversity in all of its forms. With this in mind we have a Multicultural Network where staff from many backgrounds come together to discuss issues impacting on them as individuals and employees, to celebrate diversity and to support new colleagues.

In 2022 we were placed 37th in the Inclusive Companies Top 50 Employers list (44th in 2021). This award recognises the efforts of organisations in moving towards a truly diverse workforce, and their commitment to equality and inclusion. We were proud to receive this position in our third year of participation, and are considering how we continue to develop in this area.

We remain a Disability Confident Employer and hold Leeds Commitment to Carers status.

Driving Sustainability

St Gemma's, along with The Kirkwood in Huddersfield, is currently part of West Yorkshire Integrated Care System (ICS) funded project to develop a sustainability assessment framework for the hospice sector. This framework will consider the climate emergency, the need both for biodiversity and to limit the use of natural resources. There is currently limited information and action addressing environmental sustainability within hospice care. However, the impacts can be significant and there is enthusiasm within the sector to take action. Once the framework is developed, the aim is that it can be used by any hospice to understand, calculate, improve and communicate their environmental sustainability value.

We are committed to being as sustainable as we can be and the outcome of the assessment will help us develop a plan to increase our positive impact on the environment and our local community. We are already doing some excellent work in this area, including investigating mechanisms to reduce our impact on the climate, creating a carbon neutral new building, reducing our overall energy use and exploring the potential for onsite renewable energy generation.

The assessment is also allowing us to understand the effect we can have through our retail operations, specifically in relation to diverting clothing and other goods from landfill.

Looking Ahead

The St Gemma's Hospice Strategy 2018 – 2028 provides a framework for the long term development of services under three pillars of Impact, Connect and Extend, built on the foundations of scope, quality and sustainability. The Hospice strategy is consistent with the palliative care strategy for Leeds and takes into account the needs and wishes of patients, families and staff, likely future changes in need as well as national guidance and best practice.

Strategy Review

We are now in the fifth year of our Hospice strategy. During 2022/23 we plan to undertake a full review of progress made to date and consider how we continue to translate our vision and strategy into operational reality, with a particular focus on In-Patient and Community Services.

In addition we will be conducting a series of structured workshops to review the strategy of our Academic Unit of Palliative Care and determine whether changes are needed for the future.

Clinical Quality Improvement Priorities

For 2022/23 we have retained our Discharge Planning priority and added three new priorities, as outlined in our recently published Quality Account 2021/22:

- Implementing a Virtual Ward
- Improving Mental Health Services
- Introduction of Quality Improvement Methodology.

Hospice Workforce and Culture

We intend to participate again in the Best Companies Survey, the results of which provide a reliable measure of staff satisfaction and valuable insight into how we can improve culture and staff wellbeing. We have already developed an extensive programme of events and activities for 2022/23, based on ideas and suggestions from Engage and on a full evaluation of all previous activities.

Our Wellbeing Week will run again in 2022, and we plan to re-introduce some of our Hospice-based activities, such as the St Gemma's Choir. Staff once again have more opportunities to connect with people from other areas of the Hospice through Coffee Mate catch-ups. We plan to re-introduce our monthly Cake Wednesdays, which also provide an opportunity to highlight and celebrate a specific theme of interest, for example a religious festival or a particular awareness campaign.

Our plans for 2022/23 include our first Staff Awards event, and opportunities throughout the year for staff to nominate colleagues with a new 'Gem of St Gemma's' award. These awards allow us to promote and celebrate behaviours which are in line with our values of caring, aspiring and professional.

Alongside our work on culture improvement, we are renewing our focus during 2022/23 on organisational development, including induction, education and training and staff retention. We are revisiting a management training programme, which was put on hold during the pandemic, and working with partners on a leadership development framework to equip managers and support succession planning.

Financial Review

Year on Year Income Review

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006 and the Charities Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102).

The statement of financial activities shows net income for the year of £1,033,013 (2021: net deficit £104,314) prior to any gains or losses on investments. Total income for the year was £13,419,643 (2021: £11,485,382) representing an increase of £1,934,261 (16.8%). This increase is a result of strong trading in our shops and an exceptional year for legacies which were £1,096,892 higher than 2021.

The pandemic brought unprecedented financial challenge in 2020/21 with significant loss of income in our shops and across our income generation portfolio through mandated Government lockdowns. Whilst the different variants of COVID-19 continued to impact during 2021/22, the year has been much more stable with key income lines performing above pre-pandemic levels.

Geo-political events from February 2022 and the impact of EU Exit continue to influence the UK economy but did not adversely affect our 2021/22 financial results. These significant events will influence our financial results in 2022/23 and beyond with rising cost and wage inflation all impacting financial sustainability. This is considered in our review of reserve utilisation, principal risks and going concern (pages 21-24).

We are grateful for the support of NHS Leeds Clinical Commissioning Group (£4m) and the financial support from NHS England received via Hospice UK (£683k) during 2021/22. This ensured Hospice capacity was maintained during the year and meant we did not cut or reduce vital services when needed most.

During 2021/22 we received Government support through the Coronavirus Job Retention Scheme of £12,018 (2021: £417,641) and Retail Support Grants totalling £80,003 (2021: £270,781). These support schemes have now ended.

Shop income of £3,428,754 (2021: £1,143,461) represents a year on year increase of £2,285,293 (200% increase) across our charity shops. Weekly retail sales income continues to grow and is perfoming above pre-pandemic trading levels. During the year we opened up the first St Gemma's superstore in Meanwood, Leeds. This location has expanded our reach into the local community and is trading well in a challenging market. The net income from shops was £828,713 (2021: deficit £956,619).

Income from donations, trusts, grants and fundraising events was £2,137,014 (2021: £2,134,884) a modest increase of £2,131 (0.1%). This reflects growth in donations £148,822, a reduction in trust grants of £240,358 (2021 included £200,000 on the closure of a charitable fund) and growth of £93,666 in events. The impact of the pandemic and global geo-political events will continue to influence our fundraising and events during 2022/23.

Total expenditure of £12,386,630 (2021: £11,589,696) increased by £796,934 which represents an increase of 6.9%. This increase is due to the annual pay award and costs associated with the additional income generated across the shops and income generation portfolio. We continue to control expenditure and drive improvements to support our long term financial plan.

The investment portfolio generated a surplus of £244,175 (2021: £1,246,821). The 12 months to 31 March 2022 saw the portfolio deliver a positive return as global equity markets pushed higher, buoyed by the continued economic recovery post COVID-19. Despite concerns over higher inflation and the war in Ukraine materialising towards the end of the period, they were not enough to derail the gains that had been made.

The investment portfolio is managed for long term growth in both its capital value and the level of income it can generate. For the year to March 2022 the portfolio's total return was 6.2% compared to a benchmark of 10.3%.

Total Return (%)	One Year	3 Years	5 Years
Portfolio	6.2	23.8	39.9
Benchmark	10.3	21.0	31.7
RPI +3 Objective*	12.0	23.6	38.6
FTSE 100	16.1	15.5	24.6
ARC**	7.1	22.4	31.5

**Asset Risk Consultants (produce peer group performance indices for charities)

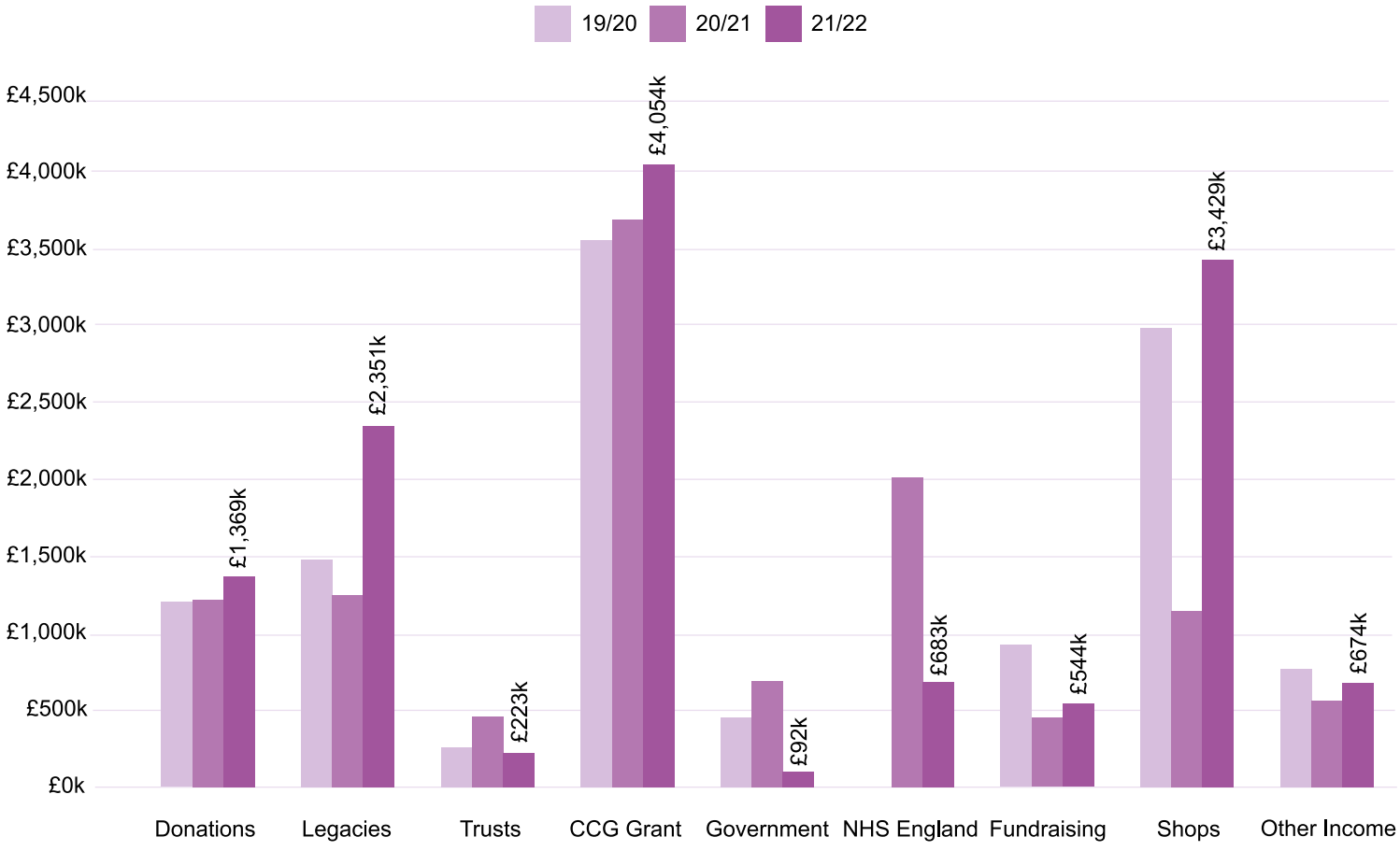
At year end the investment portfolio was valued at £6,746,073 (2021: £6,536,193) with investment management fees of £29,133 (2021: £27,282). Overall investment income was £165,221 (2021: £174,166) of which the investment portfolio contributed dividend payments of £160,771 (2021 £161,915). The remaining £4,450 (2021: £12,251) was generated from bank interest on approved short and medium term deposits. Banks continue to offer lower deposit rates and more companies are retaining funds rather than making dividend distributions to shareholders. These trends are expected to continue during 2022/23 and impact our investment income.

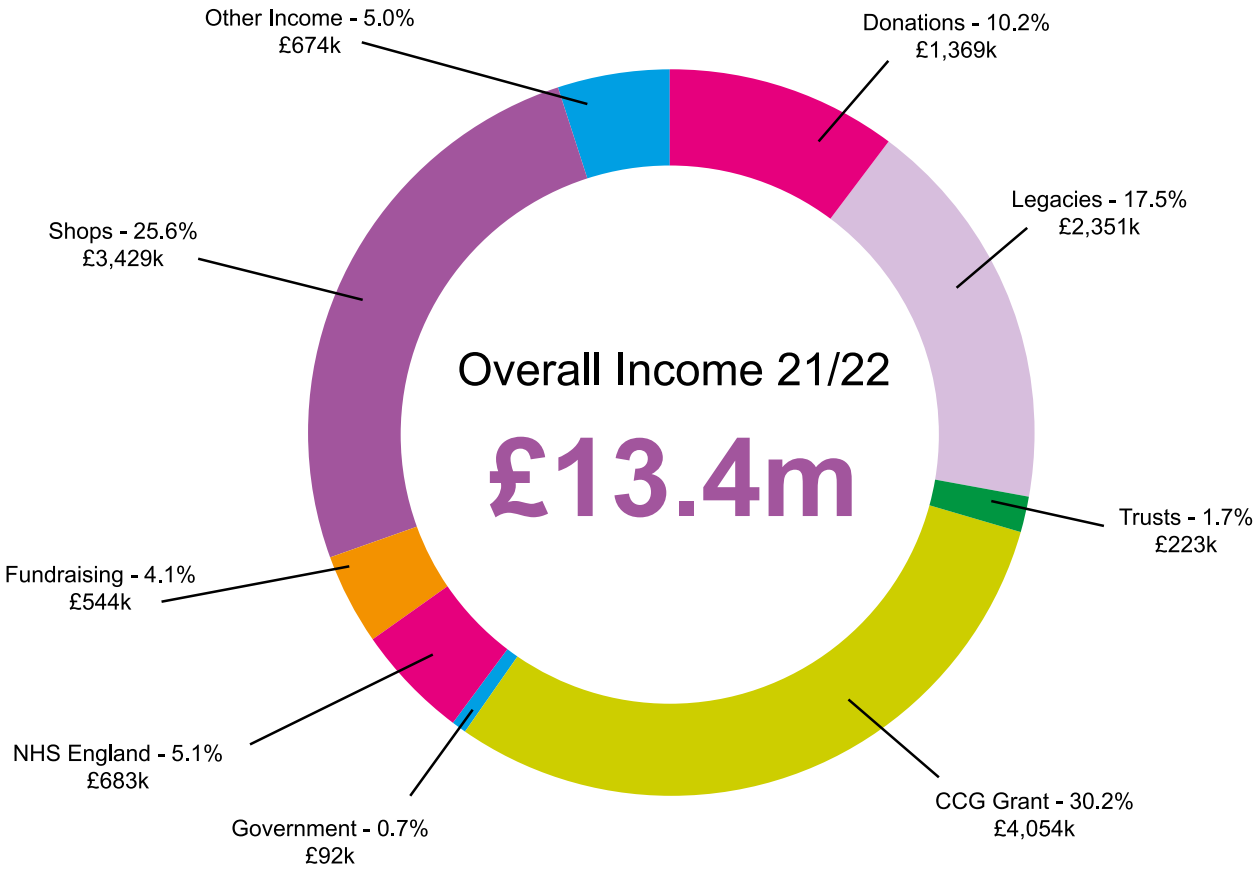
The investment portfolio is managed by external fund managers (Investec) and performance is monitored by the Finance and Business Committee with an independent review every 3 years. All investment decisions are made in accordance with the approved investment policy. This policy sets out the investment powers, objectives, risk profile, the types of investment and the benchmarks used for performance monitoring. A range of benchmarks are used to assess investment performance including a bespoke benchmark, agreed with the external fund managers, that reflects the Trustees' wish for good returns balanced with the need to manage risk. At the year end the portfolio was invested in a mixture of equities (77%), fixed interest (10%), property (3%), cash deposits (3%) and alternative assets (7%).

During the year, a change to the strategic asset allocation of the portfolio was agreed by the Board which reduced exposure to UK equities and increased the exposure to overseas equities. The portfolio historically had a high exposure to UK companies because of the dividend premium that the UK market commanded but that core attraction diminished during COVID-19 when UK listed companies significantly reduced their dividend payouts. This change in allocation gives exposure to the growth areas of technology, healthcare, environmental companies and those involved in social change that are located overseas. The overall risk classification of the portfolio remained at Medium/High and the maximum limit of 80% in equities was retained in accordance with the investment policy.

St Gemma's Hospice Services Ltd (trading subsidiary) continued to sell bought in goods and receive a lottery license fee. During 2021/22 there was no room hire income due to the impact of the pandemic and the requirement to remain COVID-19 secure. The company made a net surplus of £9,570 (2021: £16,946) in the year which will be transferred to the Hospice under Gift Aid.

Income Chart Comparison 2019/20-2021/22





Reserves

The Board of Trustees operates a risk-based approach to determine the levels of reserves needed to cover key financial risks and support the long term strategy and five year plan. The Board has agreed a minimum general reserve fund of £3.7m as adequate to cover those assessed financial risks. This includes a £3.25m provision to cover statutory or associated liabilities should we need to undertake a major restructure in response to a significant reduction in income and £425k to support an emergency response to an unplanned event. This minimum reserve level is considered by the Board alongside the five year financial plan and capital investment requirements on an annual basis.

The general reserves are drawn from unrestricted funds, excluding funds designated for future expenditure and those funds already invested in fixed assets. The unrestricted general reserve is currently £10,246,759 (2021: £8,385,066). The increase of £1,861,693 is due to strong performance in Retail and Income Generation with net income of £4,120,297 supporting the net cost of delivering Hospice services of £2,407,957 leading to a net surplus of £1,712,340 before gains on investments and transfers of £149,353.

Total designated reserves at 31 March 2022 were £3,648,990 (2021: £4,279,138) of which £2,563,839 (2021: £2,797,900) has been invested in fixed assets. The designated reserves, excluding fixed assets, are £1,085,151 (2021: £1,481,238). We hold appropriate designated reserves to support the delivery of St Gemma's Hospice Strategy 2018-2028.

These reserves can be designated, re-designated or released at the discretion of the Board. Current designated reserves include;

- Maintenance and Gardens Reserve £312,836 (2021: £418,627). This fund ensures we can resource asset replacement needs of the Estate.
- Building Development Reserve of £304,641 (2021: £350,000). This fund initially recognises the future needs of an ageing estate and upgrade of buildings and space.
- Service Transformation Reserve of £257,175 (2021: £362,611). This fund supports key programmes of work linked to culture and workforce well-being initiatives.
- Digital Development Reserve of £171,558 (2021: £250,000). This fund supports investment in the IT infrastructure and digitisation programmes.
- COVID-19 Response Reserve of £38,941 (2021: £100,000). This fund supports a COVID-19 secure environment and allows us to respond to any unexpected demands post pandemic.

See notes 16, 17 and 18 of the financial statements for further information on reserve utilisation.

Fixed Assets and Investments

The movements in fixed assets and investments during the period are set out in notes 10 and 11 to the financial statements. The Board of Trustees has the power to invest the charity's money in the manner they consider most beneficial for the purposes of St Gemma's Hospice.

Structure, Governance and Management

St Gemma's Hospice was founded in 1978 by the Sisters of the Cross and Passion who retain ultimate control of the company. The members of the company all belong to this congregation. The Hospice is a charitable company limited by guarantee and a registered charity.

The Sisters of the Cross and Passion created a Charitable Incorporated Organisation (CIO) in 2019. This change in structure led to a review of governing arrangements between the Sisters of the Cross and Passion and St Gemma's Hospice. In May 2022, new Articles of Association were approved that established the new objects and powers of St Gemma's Hospice.

The directors of the company are also charity Trustees for the purposes of charity law and are known as the Board of Trustees. Trustee Indemnity Insurance is provided for the benefit of the Trustees.

The Trustees have complied with the duty (set out in section 4 of the Charities Act 2006) to have due regard to public benefit guidance published by the Charity Commission. This report indicates how our activities have delivered public benefit.

The Board of Trustees consists of the current members of the company who serve for a term of five years and such other persons who are elected in a general meeting to hold office for an initial term of three years after which they are eligible for re-election.

At 31 March 2022 there were five members of the Board of Trustees who were representatives of the Sisters of the Cross and Passion. This arrangement will change in 2022 to reflect the new Articles of Association which includes one representative on behalf of the Sisters of the Cross and Passion with a deputy if required. The remaining members of the Board of Trustees have been recruited for their experience and skills in relevant areas including medicine and nursing, finance, legal and commerce. The Trustees who served during the year are set out on pages 3 and 4.

The Board of Trustees is responsible for overseeing the Hospice's strategy and performance. It is chaired by Dr Peter Belfield. The Board has overall responsibility for ensuring the organisation is managed efficiently, approves the strategy and oversees its implementation. The Board powers are detailed in the Articles of Association.

Full meetings of the Board of Trustees are held at least four times a year to review the performance of the Hospice and to agree any major changes to the strategy or financial plans. These are supported by two focused strategy and development sessions a year.

During the year, the Hospice had more than the maximum number of Trustees (12) as recommended in the Charity Governance Code (Section 5.6.2). This was to enable the managed transition of a number of known Trustee retirements and also to accommodate the representation of the Sisters of the Cross and Passion. The Board values the support and wise counsel provided by the Sisters through this Constitutional arrangement.

The Board is supported by three Committees that meet on a quarterly basis:

Clinical and Academic Governance Committee
– Chair, Philomena Corrigan
This Committee has delegated responsibility for oversight of clinical and academic governance, strategy and delivery.

Corporate Governance Committee
– Chair, Sue Ansbro
This Committee has delegated responsibility for oversight of Hospice corporate governance arrangements, risk management, culture (including equality, diversity and inclusion) and compliance with the Charity Governance Code. The Committee is also responsible for Board succession planning, recruitment of Trustees and the setting of Hospice Leadership Team salaries.

Finance and Business Committee
– Chair, Angus Martin
This Committee has delegated responsibility for oversight of the financial strategy, annual budget, income generation and longer term financial planning. The Committee is also responsible for overseeing the investment of Hospice funds and recommending the appointment of an investment manager to the Board.

Scheme of Delegation

The Board has approved a scheme of delegation under which the majority of operational management and decision making is delegated to the Chief Executive. The Chief Executive has a key role in the management and monitoring of service delivery, patient satisfaction, financial performance, the assessment and control of risk, and the prioritisation and allocation of resources.

The Hospice Leadership Team (HLT) reports to the Board and its Committees, leading on strategy development, overseeing the provision of Hospice services and managing risk. The HLT is supported by Heads of Department (collectively known as the Senior Leadership Team), closely managing day to day service provision. The HLT comprises the Chief Executive, Kerry Jackson; Chief Nurse, Heather McClelland; Chief Medical Officer and Consultant in Palliative Care, Dr Mike Stockton; Director of Transformation and Culture, Clare Russell; Acting Director of Income Generation, Kate Goldring (previous post holder Mark Flannery resigned August 2022) and Chief Operating Officer, Jason Kirk. The Chief Executive and HLT are not members of the Board and have no beneficial interest in the company.

Senior Staff Pay

The pay of the senior staff is reviewed by the Board of Trustees, through its Remuneration Committee. The levels of remuneration paid to senior employees are carefully considered compared to other roles in the market and are benchmarked, as required, against other local hospices and national hospice reward and charity reward surveys and data. The Hospice also directly employs four medical consultants on NHS equivalent contracts, in line with national agreements.

The levels paid are those necessary to ensure a well-run, effective organisation in line with regulatory requirements. Competitive salaries also help the Hospice to attract, recruit and retain the best possible calibre of staff, in a competitive environment.

Risk Management and Principal Risks

The Board has overall responsibility for establishing and maintaining the whole system of internal control and the management of risk, including reviewing the effectiveness of internal controls. The Board has adopted a risk-based approach to establishing and maintaining internal controls, which are embedded within day to day management and governance processes.

The Board of Trustees assesses and reviews the management of the major risks to which the charity and its subsidiary company, St Gemma's Hospice Services Limited, are exposed, including financial, clinical and business risks. The risk register is developed by the HLT and is scrutinised by the relevant Committees and Board on a quarterly basis.

The key risks facing the Hospice are:

- The achievement of income targets and controlling expenditure to support financial sustainability. This remains a key risk due to the impact of COVID-19 and recent geo-political events on our key income streams and expenditure plans. We have a well-diversified income portfolio and have an appropriate level of reserves to withstand short term funding fluctuations. We have robust financial governance arrangements through the Income Review Group (IRG) to oversee and scrutinise financial performance; the IRG reports directly to the Finance and Business Committee. If we identify any longer term trend of reduced income or rising expenditure levels, our reserves will ensure continuity of service provision whilst we develop plans to secure additional income or reduce costs. This is also considered in the financial risk assessment that determines minimum level of general reserves.
- Inability to recruit and retain people with the skills we need across the organisation. We carry out workforce planning and monitor supply and demand carefully, introducing new roles and diversifying skills and competencies to make scarce resource go further. We have a strategy which supports effective recruitment, development and retention. We also carry out employee satisfaction and wellbeing surveys across the year.
- The risk that changes in the health and social care environment will adversely impact our NHS grant funding. Senior colleagues work in partnership with health and care professionals and organisations across the Leeds healthcare system, demonstrating the impact of the care that we deliver. As the West Yorkshire Integrated Care Board emerges, we take every opportunity to ensure that we have effective representation and continue to advocate for the needs of people facing the end of life.

Information Governance

We continue to ensure compliance with the Charity Governance Code, reviewing Information Commissioner's Office (ICO) guidance and submitting of the NHS Data Security and Protection Toolkit (DSPT) which enables us to measure and publish performance against the National Data Guardian's ten data security standards.

Trustees Fundraising Statement

Income Generation at St Gemma's is conducted by a team of fundraisers and retail staff directly employed by the charity and led by the Director of Income Generation. The Hospice also generates Lottery income through an external partner (Local Hospice Lottery Limited) and their team of directly employed lottery fundraisers. There have been no failures to comply with the standards set by these organisations and St Gemma's is fully committed to the delivery of high quality, engaging and compliant fundraising activity.

The Trustees of the Hospice monitor the activities of the Income Generation team via quarterly meetings of the Finance and Business Committee, supported by regular meetings of the Income Review group. The Chair of the Committee also meets monthly with the Chief Operating Officer and Director of Income Generation.

Policies to protect vulnerable individuals are in place and all fundraisers are aware of their responsibilities in this area. During 2021/22 there were no complaints (2021: Two) relating to the Hospice's fundraising activities and no complaints (2021: One) relating to the chain of charity shops.

Going Concern

As part of our annual financial planning arrangements, the Board approved budget plans for 2022/23 and a supporting five year financial outlook in considering the sustainability of the Hospice. This included a review of cashflows, capital investment needs and minimum level of general reserves. We have recorded a strong surplus in this financial year, have a strong asset base and general reserves of £10.25m to support the Hospice in responding to a changing financial environment. Our cash flow forecasts and supporting management accounts all project sufficient liquid balance of funds to support sustainability in a challenging economic environment.

The Board are satisfied that the charity has a reasonable expectation of continuing in operational existence for the foreseeable future and so they have continued to adopt the going concern basis in preparing the financial statements.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Saffrey Champness LLP were appointed in this period and have expressed their willingness to continue as auditor for the next financial year.

The Trustees Report, including the Strategic Report, was approved by the Board and signed on its behalf on

Date
08/11/2022

Signature

Dr Peter Belfield
Chair of the Board

Trustees' Responsibilities Statement

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

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

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

Independent Auditor's Report
to the Members of St Gemma's Hospice

Opinion

We have audited the financial statements of St Gemma's Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the group statement of financial activities, the group summary of income and expenditure accounts, the group and parent charitable company balance sheet, the group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the affairs of the group and the parent charitable company 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 financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If

we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 25, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our

understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further, the parent charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements; through a significant fine, litigation, prosecution or restrictions on the parent charitable company's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission ('CQC') covering the provision of health and social care in England.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities, including the CQC, to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Sally Appleton (Senior Statutory Auditor) for and on behalf of Saffery Champness LLP

Date
18/11/2022

Signature
Saffery Champness LLP

Chartered Accountants
Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX

Consolidated statement of financial activities
(Including consolidated income and expenditure account)
For the year ended 31 March 2022

Income From:	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
Donations, legacies and general grants	2	**3,750,114**	-	285,203	4,035,317	3,626,362
Other trading activities:	3					
Sale of donated goods		**3,380,441**	-	-	3,380,441	1,100,551
Fundraising events		**544,428**	-	-	544,428	450,762
Lottery		**313,817**	-	-	313,817	245,057
Commercial trading operations		**50,814**	-	-	50,814	49,081
		4,289,500	-	-	4,289,500	1,845,451
Charitable activities - Provision of Hospice Services:	4					
NHS Leeds funding		**4,054,263**	-	-	4,054,263	3,692,231
NHS England Covid 19 grant funding		-	-	683,231	683,231	2,014,904
Education and research		142,855		-	142,855	92,369
Bistro		40,428	-	-	40,428	32,077
Other		**8,828**	-	-	8,828	7,822
		4,246,374	-	683,231	4,929,605	5,839,403
Investments	5	**165,221**	-	-	165,221	174,166
Total income		**12,451,209**	**-**	**968,434**	**13,419,643**	**11,485,382**
Expenditure On:						
Raising funds:						
Cost of selling donated goods		**2,558,797**	62,216	-	2,621,013	2,123,859
Costs of raising income from donations, legacies, trusts and fundraising events		**1,319,276**	44,252	-	1,363,528	1,199,331
Investment management costs		**29,133**	-	-	29,133	27,282
Lotteries		-	-	-	-	-
Commercial trading operations		**41,244**	-	-	41,244	32,135
		3,948,450	106,468	-	4,054,918	3,382,607
Charitable activities - Provision of Hospice Services		**6,790,419**	631,287	910,006	8,331,712	8,207,089
Total expenditure	**6**	**10,738,869**	**737,755**	**910,006**	**12,386,630**	**11,589,696**
Net income/(expenditure) before investment gains	**8**	**1,712,340**	**(737,755)**	**58,428**	**1,033,013**	**(104,314)**
Net gains on investments	11	244,175	-	-	244,175	1,246,821
Net income/(expenditure)		**1,956,515**	**(737,755)**	**58,428**	**1,277,188**	**1,142,507**
Transfer between funds	**16/17**	(94,822)	107,607	(12,785)	-	-
Net movement in funds		**1,861,693**	**(630,148)**	**45,643**	**1,277,188**	**1,142,507**
Reconciliation Of Funds:						
Total funds brought forward		8,385,066	4,279,138	222,574	12,886,778	11,744,271
Net movement in funds for the year		1,861,693	(630,148)	45,643	1,277,188	1,142,507
Total funds carried forward	**18**	**10,246,759**	**3,648,990**	**268,217**	**14,163,966**	**12,886,778**

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derive from continuing activities. See note 15 for comparative Consolidated Statement of Financial Activities analysed by funds.

The accounting policies and notes on pages 32 to 47 form part of these accounts.

Balance Sheets

As at 31 March 2022

Fixed Assets	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Tangible assets	10	2,563,839	2,797,900	2,563,839	2,797,900
Investments	11	6,746,073	6,536,193	6,746,075	6,536,195
		9,309,912	9,334,093	9,309,914	9,334,095
Current Assets					
Stocks		15,752	18,226	-	-
Debtors	12	1,319,639	875,613	1,366,322	911,448
Current asset investments		2,026,457	1,022,638	2,026,457	1,022,638
Cash at bank and in hand		2,799,297	2,503,227	2,768,316	2,485,567
		6,161,145	4,419,704	6,161,095	4,419,653
Creditors - amounts falling due within one year	13	(1,307,091)	(867,019)	(1,307,043)	(866,970)
Net current assets		4,854,054	3,552,685	4,854,052	3,552,683
Creditors - amounts falling due after one year		-	-	-	-
Net assets		14,163,966	12,886,778	14,163,966	12,886,778
Represented by:					
Income funds					
Unrestricted:		-	-	-	-
Designated fund	16	3,648,990	4,279,138	3,648,990	4,279,138
General fund	16	10,246,759	8,385,066	10,246,759	8,385,066
Restricted funds	17	268,217	222,574	268,217	222,574
		14,163,966	12,886,778	14,163,966	12,886,778

The financial statements on pages 29 to 47 were approved and authorised for isssue by the Board of Trustees and signed on its behalf by:

Date
08/11/2022

Signature

Dr Peter Belfield
Chair of the Board

Company Number: 02773867

The notes on pages 35 to 47 form part of these accounts.

Consolidated cash flow statement

For year ended 31 March 2022

	Notes	Group 2022 £	Group 2021 £
Net cash provided by operating activities	19	1,481,673	665,636
Cash flows from investing activities			
Dividends and interest received		165,221	174,166
Purchase of tangible fixed assets		(391,150)	(211,837)
Loss on disposal of fixed assets		9,850	-
Purchase of investments		(1,193,086)	(929,866)
Proceeds on sale of investments		981,044	1,305,897
Movement on cash held by Investment Managers		246,337	(345,002)
Net cash outflow from investing activities		(181,784)	(6,642)
Change in cash and cash equivalents during the year		1,299,889	658,994
Cash and cash equivalents at the beginning of the year		3,525,865	2,866,871
Total cash and cash equivalents at the end of the year		4,825,754	3,525,865
Reconciliation to balance sheet:			
Cash at bank and in hand		2,799,297	2,503,227
Current asset investments		2,026,457	1,022,638
Balance at 31 March		4,825,754	3,525,865

The notes on page 35 to 47 form part of these financial statements.

Statement of accounting policies

For year ended 31 March 2022

Company and charitable status

St Gemma's Hospice, a public benefit entity, is incorporated in England and Wales as a charitable company limited by guarantee not having a share capital. The Sisters of the Cross and Passion Charitable Incorporated Organisation is the member of the company. The member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of investments which have been included at market value. The financial statements have been prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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 2020 and the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a company only cash flow statement. The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements comprise St Gemma's Hospice and its wholly-owned subsidiary undertaking, St Gemma's Hospice Services Limited. The summarised profit and loss account for the subsidiary is shown in note 1. The results of the subsidiary are consolidated on a line by line basis.

Preparation of the financial statements – going concern basis

The principal risks facing the charity are discussed in the Trustees' Report. COVID-19 has brought unprecedented challenge to the financial sustainability of the Hospice. Trustees have considered budget plans and a revised five year financial outlook in considering the sustainability of the Hospice. The Trustees have also reviewed the cash position of the charity and cash forecasts at the date of signing the financial statements and are satisfied that the charity will be able to meet all of its financial commitments for at least twelve months from the date of signing.

As a consequence, the Trustees believe that the charity is well placed to manage its financial risks successfully. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Income

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

Income received by way of donations, fundraising events, trading, legacies and Leeds Clinical Commissioning Groups receipts are credited in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT. Lottery income is from Local Hospice Lottery and the joint lottery with Sue Ryder Wheatfields Hospice and is included net after associated expenditure.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed where material.Income tax recoverable on income received and bank interest received are included in these accounts on the accruals basis.

Deferred income includes amounts received in respect of grants received for work to be carried out in the next financial year Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated

facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The full value of the freehold peppercorn rent is not valued due to the prohibitive cost of doing so.

All income arises in the United Kingdom.

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 under the following activity headings as follows.

- Costs of raising funds include the costs incurred in generating voluntary income, fundraising trading costs, including the costs of running the charity shops, and investment management costs.
- Charitable expenditure has been analysed by activity, these costs enable the Hospice to meet its charitable aims and objectives.

Support costs relate to those functions that assist the work of the Hospice but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. Governance costs are associated with the governance arrangements of the charity. They include compliance with statutory and constitutional requirements, expenditure incurred on Board of Trustees meetings and legal advice for the Trustees. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7. Expenditure is included in the Statement of Financial Activities inclusive of any VAT which cannot be recovered.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in the furtherance of the general objectives of the charity. Designated funds are amounts that have been put aside at the discretion of the Board of Trustees. Restricted funds are funds subject to specific conditions imposed by donors. Where restricted funds are received for the purchase of fixed assets then the funds are transferred to designated funds once the purchase has been made. See Notes 16 and 17 for further information on funds and funds utilisation.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation.

Tangible fixed assets individually costing more than £1,000 are capitalised and included in the accounts at cost. Provision is made for depreciation on all tangible assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Improvements to leasehold property costs

- -5% per annum on a straight line basis

Fixtures and fittings

- -10% per annum on a straight line basis

Motor vehicles

- -25% per annum on reducing balance basis

Computers

- -25% per annum on a straight line basis

Investments

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Current investments represent monies invested in short-term liquid money market instruments.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Stock

Stock of purchased goods is valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

Employee benefits

The Hospice operates two pension schemes. A defined benefit scheme with the National Health Service Superannuation Scheme, is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service Pension agencies. In addition there is a Group Personal Pension Scheme administered by Standard Life which is available to all other employees. Contributions to both Schemes are charged directly to the Statement of Financial Activities. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits

received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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. Current asset investments includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities. The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

1. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned subsidiary, St Gemma's Hospice Services Limited which, is incorporated in the UK and registered in England. The company undertakes trading activities including the sale of bought in goods and the provision of room hire within the St Gemma's Academic Unit of Palliative Care. A summary of its trading results for the period is shown below. The company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

Profit and Loss Account	2022 £	2021 £
Turnover	50,814	49,081
Cost of Sales	(20,353)	(12,514)
Gross Profit	30,461	36,567
Administrative expenses	(691)	(634)
Management charge	(20,200)	(18,987)
Operating profit	9,570	16,946
Amount gift aided to St Gemma's Hospice	(9,570)	(16,946)
Aggregate Capital and reserves	2	2

2. INCOME FROM DONATIONS, LEGACIES AND TRUSTS

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total £
Donations	1,298,233	70,985	1,369,218
Legacies	2,309,603	41,107	2,350,710
General grants from Trusts	142,278	173,111	315,389
	3,750,114	285,203	4,035,317
	2021 Unrestricted Funds £	**2021 Restricted Funds £**	**2021 Total £**
Donations	1,219,230	1,166	1,220,396
Legacies	1,253,818	-	1,253,818
General grants from Trusts	555,602	596,546	1,152,148
	3,028,650	597,712	3,626,362

In 2022, grants include unrestricted government grants of £80,003 (2021: £270,781) relating to the COVID-19 retail grant scheme and restricted furlough income from the Coronavirus Job Retention Scheme which totalled £12,018 (2021: £417,641).

At 31 March 2022 there were legacies totalling £1,666,682 (2021: £1,566,088) that had been notified as receivable to the charity but have not been included in the financial statements as their value cannot be reliably quantified.

Included within the above is £800k in relation to one residuary legacy which was received in September 2022 following the completion of of a post year-end property sale by the executors.

Included in donations is gift aid received or receivable of £154,605 (2021: £155,873).

3. INCOME FROM FROM OTHER TRADING ACTIVITIES

	2022 £	2021 £
Sale of donated goods	3,380,441	1,100,551
Fundraising events	544,428	450,762
Lottery	313,817	245,057
Income from wholly owned subsidiary:		
Room hire	-	3,670
Sale of purchased goods	48,313	42,910
Lottery License fee	2,501	2,501
	4,289,500	1,845,451

The sale of donated and purchased goods in 2022 includes donations under retail gift aid of £579,813 (2021 - £27,175) and the associated gift aid of £143,214 (2021 - £6,700).

St Gemma's Hospice had 24 Charity shops at the year end (2021:24). All income from other trading activities is unrestricted in both years.

4. INCOME FROM CHARITABLE ACTIVITIES

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total £
Provision of hospice services			
Grant income from NHS Leeds	4,054,263	-	4,054,263
Covid 19 grant income from NHSE	-	683,231	683,231
Education and research	142,855	-	142,855
Bistro	40,428	-	40,428
Other	8,828	-	8,828
	4,246,374	683,231	4,929,605

NHSE awarded restricted funding towards the Hospice providing patient care to support the NHS COVID-19 response.

	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £
Provision of hospice services			
Grant income from NHS Leeds	3,692,231	-	3,692,231
Covid 19 grant income from NHSE	-	2,014,904	2,014,904
Education and research	92,369	-	92,369
Bistro	32,077	-	32,077
Other	7,822	-	7,822
	3,824,499	2,014,904	5,839,403

5. INVESTMENT INCOME

	2022 £	2021 £
Listed securities	160,771	161,915
Bank and other interest	4,450	12,251
All investment income is in both years	165,221	174,166

All investment income is unrestricted in both years.

6. ANALYSIS OF EXPENDITURE

Expenditure on raising funds	2022 Direct Costs £	2022 Support Costs £	2022 Total £
Costs of selling donated goods	2,382,855	238,158	2,621,013
Cost of raising income from donations, legacies, trusts and fundraising events	1,188,984	174,544	1,363,528
Investment management fees	29,133	-	29,133
Cost of wholly owned subsidiary:			-
Room hire	-	-	-
Purchased goods	41,244	-	41,244
	3,642,216	412,702	4,054,918
Expenditure on charitable activities			
Provision of hospice services			
In-Patient Care	4,845,009	565,691	5,410,700
Community Care	1,471,484	138,794	1,610,278
Day Hospice	385,575	74,654	460,229
Bereavement Support	210,423	29,441	239,864
Education and research	543,347	67,294	610,641
	7,455,838	875,874	8,331,712
Total expenditure	11,098,054	1,288,576	12,386,630

6. ANALYSIS OF EXPENDITURE (CONTINUED)

	2021 Direct Costs £	2021 Support Costs £	2021 Total £
Expenditure on raising funds			
Costs of selling donated goods	1,987,705	136,154	2,123,859
Cost of raising income from donations, legacies, trusts and fundraising events	1,097,302	102,029	1,199,331
Investment management fees	27,282	-	27,282
Cost of wholly owned subsidiary:			
Room hire	1,866	-	1,866
Purchased goods	30,269	-	30,269
	3,144,424	238,183	3,382,607

Expenditure on charitable activities			
Provision of hospice services			
In-Patient Care	4,992,330	647,217	5,639,547
Community Care	1,217,887	68,994	1,286,881
Day Hospice	510,174	54,685	564,859
Bereavement Support	177,871	18,602	196,473
Education and research	488,670	30,659	519,329
	7,386,932	820,157	8,207,089
Total expenditure	10,531,356	1,058,340	11,589,696

In 2022, of the total expenditure of £12,386,630, £11,476,624 was unrestricted and £910,006 was restricted.

In 2021, total expenditure of £11,589,696 included £8,961,871 of unrestricted and £2,627,825 of restricted expenditure.

7. ANALYSIS OF SUPPORT COSTS

2022	Raising Funds	In-Patient Care	Community Care	Day Hospice	Bereavement Support	Education & Research	Total
Governance	34,232	46,920	11,514	6,192	2,442	5,583	106,883
Finance	53,780	73,716	18,086	9,728	3,837	8,769	167,916
IT	72,633	99,559	24,427	13,139	5,181	11,843	226,782
HR	31,038	42,544	10,438	5,614	2,214	5,061	96,909
Admin	74,656	102,332	25,107	13,505	5,326	12,173	233,099
Estates and Facilities	123,332	169,052	41,477	22,310	8,798	20,110	385,079
Depreciation	23,031	31,568	7,745	4,166	1,643	3,755	71,908
Total	412,702	565,691	138,794	74,654	29,441	67,294	1,228,576
2021	**Raising Funds**	**In-Patient Care**	**Community Care**	**Day Hospice**	**Bereavement Support**	**Education & Research**	**Total**
Governance	16,915	45,963	4,900	3,884	1,321	2,178	75,161
Finance	43,197	117,380	12,513	9,918	3,374	5,560	191,942
IT	39,287	106,755	11,380	9,020	3,068	5,057	174,567
HR	15,098	41,025	4,373	3,466	1,179	1,943	67,084
Admin	48,230	131,056	13,971	11,073	3,767	6,208	214,305
Estates and Facilities	59,958	162,924	17,368	13,766	4,683	7,718	266,417
Depreciation	15,498	42,114	4,489	3,558	1,210	1,995	68,864
Total	238,183	647,217	68,994	54,685	18,602	30,659	1,058,340

The allocation is based upon the headcount in these areas, adjusted for those costs which were only incurred on the Hospice site, being IT, Finance and Administration together with a proportion of building and maintenance costs.

8. NET INCOME/ (EXPENDITURE) FOR THE YEAR

This is stated after charging/(crediting):	2022 £	2021 £
Auditors' remuneration:		
Fees payable to the charity's auditor for the audit of the charity's annual financial statements	15,400	16,500
Fees payable to the charity's auditor for other services to the group taxation services:	1,900	2,200
the audit of the charity's subsidiary	3,100	3,800
reporting to group auditors	1,000	1,130
Depreciation:		
On owned fixed assets	283,758	231,437
On leased fixed assets	331,603	354,208
Rental of land and buildings under operating leases	485,740	482,929
Hire of equipment under operating leases	7,595	11,223

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY

Aggregate remuneration comprised:	2022 £	2021 £
Wages and salaries	7,867,801	7,317,335
Social security costs	705,447	650,773
Other pension costs	607,420	596,632
	9,180,668	8,564,740

During the year, 4 ex gratia payments were made totalling £31,590.

The overall average and whole time equivalent (WTE) employees during the period was as follows:

	2022 No.	2022 WTE	2021 No.	2021 WTE
Provision of Hospice Services	162	129	160	132
Raising funds	74	62	74	62
Support functions	45	40	44	36
	281	231	278	230

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2022 No.	2021 No.
£60,000 - £70,000	2	1
£70,001 - £80,000	2	3
£80,001 - £90,000	2	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1
£140,001 - £150,000	1	1

The key management personnel of the parent Charity, listed on page 4, are the same of the Group. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Group for the year totalled £685k (2021: £494k). As shown above, St Gemma's Hospice has employed nine individuals (2021: six employees) who earned over £60,000. Four of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership team (HLT), responsible for running the Hospice. The Chief Executive is not the highest paid employee. No trustees received remuneration during the current or prior year. No travel or subsistence expenses were paid to trustees during the current or prior year.

10. TANGIBLE FIXED ASSETS

Charity and Group Cost:	Improvements to Leasehold Property £	Computer Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
1 April 2021	6,670,892	675,207	3,425,062	59,727	10,830,888
Additions	-	104,051	287,099	-	391,150
Disposals	-	-	(24,342)	(9,995)	(34,337)
31 March 2022	6,670,892	779,258	3,687,819	49,732	11,187,701
Depreciation:					
1 April 2021	4,875,722	549,542	2,571,712	36,012	8,032,988
Charge for the year	331,603	87,905	189,969	5,884	615,361
Disposals	-	-	(14,670)	(9,817)	(24,487)
31 March 2022	5,207,325	637,447	2,747,011	32,079	8,623,862
Net book value:					
31 March 2022	**1,463,567**	**141,811**	**940,808**	**17,653**	**2,563,839**
31 March 2021	**1,795,170**	**125,665**	**853,350**	**23,715**	**2,797,900**

All tangible fixed assets are used for or to support charitable purposes.

11. FIXED ASSET INVESTMENTS

Charity	Cost Unlisted £	Valuation Listed in GB £	Total £
Cost/Market value at 31 March 2021	2	6,536,193	6,536,195
Additions	-	1,193,086	1,193,086
Disposal proceeds	-	(981,044)	(981,044)
Unrealised gains	-	243,472	243,472
Realised gains	-	703	703
Increase in cash deposits	-	(246,337)	(246,337)
Cost/Market value at 31 March 2022	2	6,746,073	6,746,075
Group		**Valuation Listed £**	**Total £**
Market value at 31 March 2021	-	6,536,193	6,536,193
Additions	-	1,193,086	1,193,086
Disposal proceeds	-	(981,044)	(981,044)
Unrealised gains	-	243,472	243,472
Realised gain	-	703	703
Increase in cash deposits	-	(246,337)	(246,337)
Market value at 31 March 2022	-	6,746,073	6,746,073

The unlisted investment represents an investment in a subsidiary undertaking:

Name of Subsidiary	Class of Shares Held	Percentage of Shares Held
St Gemma's Hospice Services Limited	Ordinary	100%

St Gemma's Hospice also holds a minority share in an unlisted investment, Hospice Quality Partnership, which was acquired for £10.

11. FIXED ASSET INVESTMENTS (CONTINUED)

Listed Investments

The historic cost of listed fixed asset investments at 31 March 2022 was £4,877,580 (2021 : £4,829,705).
The investments are managed by an external fund manager. The funds can be analysed as follows:

	2022 £	2021 £
Fixed Interest	683,430	901,431
UK Equities	3,028,802	2,776,618
Overseas Equities	2,147,316	1,809,015
Property	216,653	186,570
Alternative Assets	490,220	436,570
Cash deposits	179,652	425,989
	6,746,073	6,536,193

12. DEBTORS

	Group		Charity	
Amounts falling due within one year:	2022 £	2021 £	2022 £	2021 £
Trade debtors	1,157	2,428	-	-
Amounts due from subsidiary undertaking	-	-	47,840	38,263
Income tax recoverable	210,372	121,974	210,372	121,974
Other debtors	962,932	582,392	962,932	582,392
Prepayments	145,178	168,819	145,178	168,819
	1,319,639	875,613	1,366,322	911,448

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	50	50	-	-
Other creditors	828,869	609,987	828,871	609,987
Accruals and deferred income	478,172	256,982	478,172	256,983
	1,307,091	867,019	1,307,043	866,970

Included in Other Creditors is £371,293 (2021: £241,138) received by St Gemma's in the role of host of the Leeds Palliative Care Network, which involves collaborative working with other palliative and end of life care providers in Leeds.

14. DEFERRED INCOME

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Brought forward	6,512	55,201	6,512	55,201
Released in the year	-	(48,689)	-	(48,689)
Other creditors	84,541	-	84,541	-
	91,053	6,512	91,053	6,512

The deferred income figure includes £21,290 (2021: £8,830) for monies received to support our Academic Unit of Palliative Care in the delivery of the CNS ECHO project.

£29,772 (2021: £31,896) has been received in advance from the Leeds CCG for controlled drugs funding. In addition £39,991 (2021: £14,475) has been received in advance for training courses delivered by the Academic Unit of Palliative Care.

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Income from	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31st March 2021 Total Funds £
Donations,legacies and trusts	3,028,650	-	597,712	3,626,362
Other trading activities				
Sale of donated goods	1,100,551	-	-	1,100,551
Fundraising events	450,762	-	-	450,762
Lottery	245,057	-	-	245,057
Commercial trading operations	49,081	-	-	49,081
	1,845,451	-	-	1,845,451
Charitable activities				
CCG funding	3,692,231	-	-	3,692,231
Other grants	-	-	2,014,904	2,014,904
Education and research	92,369	-	-	92,369
Bistro	32,077	-	-	32,077
Other	7,822	-	-	7,822
	3,824,499	-	2,014,904	5,839,403
Investment income	174,166	-	-	174,166
Total income	8,872,766	-	2,612,616	11,485,382
Expenditure on				
Raising funds				
Cost of selling donated goods	2,067,945	55,914	-	2,123,859
Cost of raising income from donations, legacies, trusts and fundraising events	1,156,953	42,378	-	1,199,331
Investment management costs	27,282	-	-	27,282
Lotteries	-	-	-	-
Commercial trading operations	32,135	-	-	32,135
	3,284,315	98,292	-	3,382,607
Charitable activities - Provision of Hospice Services	5,059,857	519,407	2,627,825	8,207,089
Total expenditure	8,344,172	617,699	2,627,825	11,589,696
Net income/(expenditure) before investment gains	528,594	(617,699)	(15,209)	(104,314)
Net gains on investments	1,246,821	-	-	1,246,821
Net income/(expenditure)	1,775,415	(617,699)	(15,209)	1,142,507
Transfer between funds	(862,923)	917,028	(54,105)	-
Net movement in funds	**912,492**	**299,329**	**(69,314)**	**1,142,507**
Reconciliation of funds:				
Total funds brought forward as	7,472,574	3,979,809	291,888	11,744,271
Net movement in funds for the year	912,492	299,329	(69,314)	1,142,507
Total funds carried forward	**8,385,066**	**4,279,138**	**222,574**	**12,886,778**

16. UNRESTRICTED FUNDS

Charity and Group	1 April 2021 £	Income and net gain on investments £	Expenditure/ Gains £	Transfers £	31 March 2022 £
Designated Funds					
Maintenance and gardens	418,627	-	-	(105,791)	312,836
Building Development Reserve	350,000	-	(5,995)	(39,364)	304,641
Service Transformation fund	362,611	-	(105,436)		257,175
Digital Development Reserve	250,000	-	(10,450)	(67,992)	171,558
COVID Response Reserve	100,000	-	(25,000)	(36,059)	38,941
Fixed Assets	2,797,900	-	(590,874)	356,813	2,563,839
	4,279,138	-	(737,755)	107,607	3,648,990
General Fund	8,385,066	12,695,384	(10,738,869)	(94,822)	10,246,759
Total unrestricted funds	12,664,204	12,695,384	(11,476,624)	12,785	13,895,749

The Maintenance and Gardens fund is for ongoing maintenance work to ensure that the Hospice Building and Gardens are kept to the highest possible standard. During the year, the fund was used for the development of the Path of Life and Memorial Garden, as well as expenditure on boilers and air conditioning within the main Hospice building.

The Building Development reserve was designated for the upgrade of the estate. During the year it has been utilised to upgrade parts of the building including the Day Hospice, the basement and the convent. The Service Transformation fund supports work programmes linked to Hospice wellbeing and culture and is planned to be spent in the next 3 to 5 years.

The Digital Development reserve was set up to support investment in the IT infrastructure and digitisation programmes across the Hospice. The timeframe for use is 3 to 5 years. The COVID-19 Response Reserve was designated to support a COVID-19 secure environment and was used during the year for increased housekeeping costs. It is expected that this will be used within the next 2 years.

The Fixed Asset fund represents reserves invested in fixed assets and each year a transfer is made equivalent to the value of additions in the year. The expenditure from this fund relates to the net depreciation associated with the organisation's capital assets.

YEAR ENDED MARCH 2021 COMPARATIVES

Charity and Group	1 April 2020 £	Income and net gain on investments £	Expenditure/ Gains £	Transfers £	31 March 2021 £
Designated Funds					
Maintenance and gardens	453,998	-	-	(35,371)	418,627
Building Development Reserve	150,000	-	-	200,000	350,000
IT development fund	9,438	-	-	(9,438)	-
Service Transformation fund	141,634	-	(27,529)	248,506	362,611
Leadership and development	46,479	-	-	(46,479)	-
Staff wellbeing	6,552	-	(4,525)	(2,027)	-
Digital Development Reserve	-	-	-	250,000	250,000
COVID Response Reserve	-	-	-	100,000	100,000
Fixed Assets	3,171,708	-	(585,645)	211,837	2,797,900
	3,979,809	-	(617,699)	917,028	4,279,138
General Fund	7,472,574	10,119,587	(8,344,172)	(862,923)	8,385,066
Total unrestricted funds	11,452,383	10,119,587	(8,961,871)	54,105	12,664,204

17. RESTRICTED FUNDS

Charity and Group	1 April 2021 £	Income £	Expenditure £	Transfers £	31 March 2022 £
NHSE Covid funding	-	683,231	(683,231)	-	-
HMRC Job retention scheme	-	12,018	(12,018)	-	-
Children's bereavement service	-	41,462	(41,462)	-	-
Restricted legacy - Dales ward	-	41,107	(41,107)	-	-
City wide education programme	12,138	-	(1,471)	-	10,667
Dedicated space Young People's service - CCG	60,000	-	-	(2,643)	57,357
Dedicated space Young People's service - restricted donation	-	41,000	-	-	41,000
Postage costs - restricted donation	-	25,000	(8,819)	-	16,181
Training and Education	65,000	-	(1,838)	-	63,162
Restricted Trust income	58,687	119,631	(109,453)	(10,142)	58,723
Sundry restricted donations	380	4,985	(5,140)	-	225
Mental Health Clinical Nurse Specialist	23,867	-	(2,965)	-	20,902
Patient & Family Engagement	2,502	-	(2,502)	-	-
Balance	222,574	968,434	(910,006)	(12,785)	268,217

The NHSE Covid funding is restricted towards the Hospice providing patient care to support the NHS COVID-19 response.

The children's bereavement service is funded by Children in Need to employ children's bereavement workers.

The Citywide education programme was set up to improve the provision of palliative care across the city.

Funding for the Mental Health Clinical Nurse Specialist, Patient and Family Engagement and Dedicated Space for Young People's Service was received from NHS Leeds Clinical Commissioning Group.

YEAR ENDED MARCH 2021 COMPARATIVES

Charity and Group	1 April 2020 £	Income £	Expenditure £	Transfers £	31 March 2021 £
NHSE Covid funding	-	2,014,904	(2,014,904)	-	-
HMRC Job retention scheme	-	417,641	(417,641)	-	-
Children's bereavement service	-	50,495	(50,495)	-	-
Competency Framework/EOL care outcomes	40,329	-	(40,329)	-	-
City wide education programme	12,138	-	-	-	12,138
Dedicated space Young People's service - CCG	60,000	-	-	-	60,000
Training and Education	65,000	-	-	-	65,000
Restricted Trust income	78,151	128,410	(99,746)	(48,128)	58,687
Sundry restricted donations	6,912	1,166	(3,162)	(4,536)	380
Enhanced Digitisation for In Patient Unit (IPU)	1,441	-	-	(1,441)	-
Mental Health Clinical Nurse Specialist	25,415	-	(1,548)	-	23,867
Patient & Family Engagement	2,502	-	-	-	2,502
Balance	291,888	2,612,616	(2,627,825)	(54,105)	222,574

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total £
Tangible assets	-	2,563,839	-	2,563,839
Investments	6,746,075	-	-	6,746,075
Current assets	4,807,727	1,085,151	268,217	6,161,095
Current liabilities	(1,307,043)	-	-	(1,307,043)
Total net assets	10,246,759	3,648,990	268,217	14,163,966
Group	**Unrestricted Funds £**	**Designated Funds £**	**Restricted Funds £**	**2022 Total £**
Tangible assets	-	2,563,839	-	2,563,839
Investments	6,746,073	-	-	6,746,073
Current assets	4,807,777	1,085,151	268,217	6,161,145
Current liabilities	(1,307,091)	-	-	(1,307,091)
Total net assets	10,246,759	3,648,990	268,217	14,163,966
2021 Comparatives				
Charity	**Unrestricted Funds £**	**Designated Funds £**	**Restricted Funds £**	**2022 Total £**
Tangible assets	-	2,797,900	-	2,797,900
Investments	6,536,195	-	-	6,536,195
Current assets	2,715,841	1,481,238	222,574	4,419,653
Current liabilities	(866,970)	-	-	(866,970)
Total net assets	8,385,066	4,279,138	222,574	12,886,778
Group	**Unrestricted Funds £**	**Designated Funds £**	**Restricted Funds £**	**2022 Total £**
Tangible assets	-	2,797,900	-	2,797,900
Investments	6,536,193	-	-	6,536,193
Current assets	2,715,892	1,481,238	222,574	4,419,704
Current liabilities	(867,019)	-	-	(867,019)
Total net assets	8,385,066	4,279,138	222,574	12,886,778

19. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of net incoming resources	2022 £	2021 £
Net income for the reporting period	1,277,188	1,142,507
Investment income	(165,221)	(174,166)
Depreciation	615,361	585,645
(Gains)/loss on investments	(244,175)	(1,246,821)
Decrease in stock	2,474	(865)
(Increase)/decrease in debtors	(444,026)	357,830
(Decrease) /increase in creditors	440,072	1,506
Net cash inflow from operating activities	1,481,673	665,636

20. FINANCIAL COMMITMENTS

At the balance sheet date the total future minimum lease payments under non-cancellable operating leases:

	Land & Buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Within one year	443,736	395,986	9,401	6,539
Between one and five years	965,346	680,165	26,141	7,327
After five years	-	-	-	-
	1,409,082	1,076,151	35,542	13,866

21. PENSION COMMITMENTS

The Hospice contributes to two pension schemes. A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies.

Contributions to this scheme are paid in respect of current service, and there is no liability to the Hospice in respect of past service. In addition, there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life, which is available to all employees.

The charge to the Statement of Financial Activities of £607,420 (2021 : £596,632) represents contributions to the funds during the period. This can be broken down into NHS £332,370 (2021: £333,952), Standard Life £275,050 (2021:£262,680).

Contributions payable to the schemes at the year end date totalling £27,219 (2021 : £24,474) are included in creditors.

22. RELATED PARTIES

Control

Throughout the period, St Gemma's Hospice was ultimately controlled by the Congregation of the Sisters of the Cross and Passion of our Lord Jesus Christ. The members of the company all belong to this congregation.

Transactions

The Congregation retains freehold title to the Hospice which is let to the company on a long term lease for peppercorn rent.

Trustee donations

The aggregate amount of cash donations received from Trustees during the year was £300 (2021 £220).

Trustee relationships

Schofield Sweeney has provided legal advice in relation to our lease arrangements and governance. Chris Schofield (Trustee) is Chairman of Schofield Sweeney.

23. JOINT ARRANGEMENT

St Gemma's Hospice has an arrangement with Sue Ryder Wheatfields to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries.

The income received during the year from this lottery was £86,086 (2021: £92,323) and is included in note 3.

St Gemma's Hospice is a local, independent charity, providing expert medical and nursing care to thousands of local people every year – all free of charge to patients and their families. If you would like more information about our work, please contact us:

St Gemma's Hospice
329 Harrogate Road
Moortown
Leeds, LS17 6QD

www.twitter.com/stgemmashospice
www.facebook.com/st.g.hospice
www.linkedin.com/company/st.-gemma's-hospice

Website: www.st-gemma.co.uk
Email: postmaster@st-gemma.co.uk
Reception: 0113 218 5500

Company Registration No: 02773867
Charity Registration No: 1015941

St. Gemma's Hospice
Always caring

Registered Charity No. 1015941

ST GEMMA'S HOSPICE

England & Wales - Charity number 1015941

Accounts

St Gemma's Hospice

Report and Financial Statements

For the year ended 31 March 2021

Charity Registration No: 1015941

Company Registration No: 02773867

St. Gemma's Hospice
Always caring

Contents

Reference and Administrative Information 3

Trustees' Report 5

Trustees' Responsibilities Statement 28

Independent Auditor's Report 29

Consolidated Statement of Financial Activities 32

Balance Sheets 34

Consolidated Cash Flow Statement 35

Statement of Accounting Policies 36

Notes to the Group Financial Statements 40

Reference and Administrative Information

Charity Name
St Gemma's Hospice

Charity Registration Number
1015941

Company Registration Number
02773867

Registered Office
329 Harrogate Road
Moortown
Leeds
LS17 6QD

Patrons
The Right Rev Marcus Stock, Catholic Bishop of Leeds
The Right Rev Nick Baines, Anglican Bishop of Leeds
The Earl and Countess of Harewood
Professor Gerald Richards
Tom Riordan CBE
Arif Ahmad
Zulfi Hussain MBE
HM Lord-Lieutenant for West Yorkshire, Ed Anderson
Marilyn Stowe
Henry Cohen

Bankers
HSBC Bank plc
108 Harrogate Road
Leeds
LS7 4NU

Investment Advisers
Investec Wealth and Investment
2 Gresham Street
London
EC2V 7QN

Auditor
Deloitte LLP
Statutory Auditor
1 City Square
Leeds
LS1 2AL

Hospice Leadership Team

Dr Mike Stockton
Consultant in Palliative Medicine & Chief Medical Officer

Kerry Jackson
Chief Executive

Heather McClelland
Chief Nurse & Registered Manager

Jason Kirk
Chief Operating Officer & Company Secretary

Board of Trustees

Dr Peter Belfield
Chair of the Board
Member of the Corporate Governance Committee

June Toovey
Deputy Chair of the Board
Chair of the Clinical and Academic Governance Committee to February 2021; Member of the Corporate Governance Committee

Sue Ansbro
Deputy Chair of the Board
Chair of the Corporate Governance Committee; Member of the Finance and Business Committee

Kuldeep Bajwa
Member of the Clinical and Academic Governance Committee; Diversity Champion

Hilary Barrett
Member of the Finance & Business Committee

Philomena Corrigan
Member of the Clinical and Academic Governance Committee; Chair of the Clinical and Academic Governance Committee from March 2021; Member of the Corporate Governance Committee from March 2021

Sr Eileen Fucito CP

Sr Carmel Gorman CP

Sr Anne Hammersley CP

Angus Martin
Chair of the Finance & Business Committee; Member of the Corporate Governance Committee

Reverend Barry Miller

Professor Julia Newton-Bishop (retired January 2021)
Member of the Clinical and Academic Governance Committee

Sr Therese O'Regan CP

Dr Mohammed Sattar
Member of the Clinical and Academic Governance Committee

Chris Schofield
Member of the Finance & Business Committee

Sr Savio Steed CP

Dr Jonathan Smith
Member of the Clinical and Academic Governance Committee

Trustees' Report

Our Vision:

The needs of people living with a terminal illness and those close to them are met with care, compassion and skill

Our Purpose:

St Gemma's Hospice acknowledges the value of life and the importance of dignity in death. We provide and promote the highest quality palliative and end of life care, education and research

Our Values:

Caring - Treating each person with kindness, empathy, compassion and respect

Aspiring - Continually learning and developing; striving for excellence in everything we do

Professional - Delivering high standards through team work, a skilled workforce and good governance

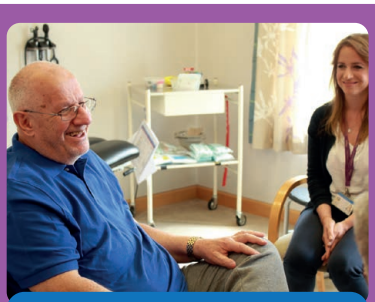
Our Strategy 2018 - 2028:

Impact

St Gemma's University Teaching Hospice will improve care for patients and families through research, education and translating evidence into practice

Connect

St Gemma's Hospice will work in partnership with others to provide the standard of care we would want for our own families



Extend

St Gemma's Hospice will develop palliative and end of life care services in Leeds to meet the needs of more people in the future

OUR FOUNDATIONS

Scope	The needs of people living with a terminal illness and those close to them are met with care, compassion and skill
Quality	Continuous improvement is sought across all areas of the Hospice
Sustainability	Our Hospice services, estate and workforce are financially viable and fit for the future

Statement from the Chair and the Chief Executive

Welcome to the St Gemma's Report and Financial Statements for the year to 31 March 2021. St Gemma's Hospice has continued to deliver our core purpose of providing and promoting the highest quality palliative and end of life care, education and research. In this year dominated by the COVID-19 pandemic, the importance of high quality end of life care and bereavement support has been in evidence more than ever.

We have worked closely with partner providers and commissioners in Leeds, as part of the Leeds Palliative Care Network, to ensure an agile and coordinated response to meeting the complex needs and preferences of patients facing a terminal illness and their families and carers. We have altered the way our services have been provided in order to manage a host of new risks and challenges, with a relentless focus on high quality patient care, the wellbeing and safety of our staff and volunteers and the financial sustainability of St Gemma's.

Feedback from patients and families, together with monitoring of our key clinical and operational performance indicators, have given assurance that we have continued to provide outstanding care. We have engaged with the Care Quality Commission (CQC) throughout the pandemic and we continue to closely monitor compliance with regulatory standards. We have worked closely with Public Health and Infection Control colleagues in the city to ensure effective management of COVID-19 risks and outbreaks.

The professionalism, flexibility and expertise of our staff and volunteers have been inspiring, particularly in light of the workplace, personal and family challenges that staff have had to contend with. We have introduced a range of additional staff support measures during the pandemic, from additional online information to provision of one to one staff support. We have also supported staff to establish their own Multicultural Network, a support network for our black, Asian and minority ethnic colleagues and a positive force for change within the Hospice. We are enormously grateful to all our staff for living our values of caring, aspiring and professional throughout the year.

Our education provision has seen a transformation from largely face to face teaching to significantly more online education provision, which has allowed us to educate twice as many professionals as last year, nationally as well as locally, influencing and improving the care for many more people than receive services directly from St Gemma's. We have continued to support placements for medical, nursing and other students despite the restrictions of the pandemic, helping to secure the workforce of the future.

All our services are provided free of charge to patients, families, friends and carers. Each year our local community is incredibly generous in supporting us with donations, legacies, fundraising, and supporting our retail chain. We are very grateful that our community continued this vital support for the Hospice, although the restrictions imposed due to the pandemic meant that in 2020/21 many of our events had to be cancelled and our shops were closed for much of the year. We are also grateful to NHS Leeds Clinical Commisisoning Group, NHS England and Leeds City Council for providing grant funding of £6.3m, £2.7m of which was one-off funding related to COVID-19.

Despite a challenging year, we are in a solid financial position with good reserves and a robust financial plan.

We offer sincere thanks to our Board of Trustees who have been flexible and responsive, offering support, challenge and guidance to the Hospice Leadership Team during this year. We welcome our new Trustees, Professor Sir Alex Markham, who joined us in April 2021, and Will Lifford and Kim Gay who joined us in September 2021.

We are also grateful to our Patrons for their ongoing support. Sincere thanks go as always to the Sisters of the Cross and Passion, who continue to provide inspiration, support and challenge to the appointed Trustees and the Hospice Leadership Team.

Dr Peter Belfield
Chair of the Board

Kerry Jackson
Chief Executive

“The Hospice has been part of my life in one way or another from being a little girl and if I can help in my small way to raise funds then I will do my best.”

Strategic Highlights 2020/21

24
Retail Outlets
(2019/20: 24)

7,986
Twitter Followers
(2019/20: 7,850)

INCLUSIVE TOP50 UK EMPLOYERS
List ranking: 44th

17,801
Community Nursing and Medical Contacts
(2019/20: 15,979)

950
Volunteers (inc. Trustees) contributed
16,442 hours

(2019/20: 986) (129,813)

£11,485,382
Annual Income
(2019/20: £11,633,424)

508
Admissions to In-Patient Unit

(2019/20: 511)

1,445
External Healthcare Professionals Trained

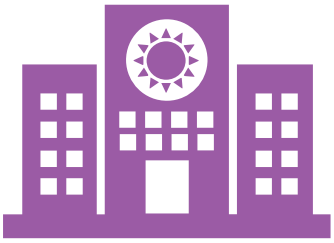
(2019/20: 720)

Cancer : Non Cancer Split (New Referrals)
(2019/20: 71%, 29%)

187,326
Retail Customers
(2019/20: 605,673)

31%
CCG Core Grant
(2019/20: 28%)

17,906
Facebook Followers
(2019/20: 16,300)



1,986
Day / STAR* Services Contacts
(2019/20: 1,711)

Retail Items Sold **435,528**

(2019/20: 1,169,228)

1,236
New Patient Referrals
(2019/20: 1,355)

98
Student Placements

(2019/20: 173)

148,000
Website Visits
(2019/20: 154,000)

284
Staff Members
(2019/20: 270)

List ranking
N/A**

THE SUNDAY TIMES 100 BEST NOT-FOR-PROFIT ORGANISATIONS TO WORK FOR 2019

(2019/20: 18th)

11 days
Average In-Patient Length of Stay
(2019/20: 13 days)

*Support, Therapy and Resources
**Survey not completed during 2020 due to COVID-19 pandemic

Strategic Report

St Gemma's Hospice is a registered charity. Our objectives are the:

- Palliative care, treatment or relief of people with active, progressive and advanced illness without regard to their means, culture, faith or belief at St Gemma's Hospice in Leeds and such other places as the Charity thinks fit and in the community;

- Relief of those who have experienced loss and bereavement, in particular families, friends and carers, through the provision of counselling, advice and support; and

- Provision of education and training for professionals and volunteers engaged in palliative care.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Hospice and in planning future activities which are set out in this report.

Our services are open to patients over the age of 18 regardless of race, religion, sexual orientation, age or diagnosis. We provide care to people with a range of diagnoses including cancer, neurological conditions and end stage respiratory and heart disease. We also provide support to families and carers including children and young people.

The Hospice team provides specialist palliative care, where the patient has unresolved needs that exceed the expertise of the referring team, and end of life care. Care is provided by our specialist team of doctors, nurses, social workers, therapists, counsellors and spiritual care workers and by our team of vital support staff and volunteers. Much of our care is provided in people's own homes and care homes, with care also offered in our In-Patient Unit and Day Services in Moortown. Our Day Services offer was largely provided to people in their own homes during 2020/21 due to the COVID-19 pandemic.

St Gemma's care is individual and holistic, seeking to alleviate symptoms such as pain and breathlessness as well as supporting people's emotional and spiritual wellbeing. We recognise the unique physical, emotional, social and spiritual needs of each person and place a high value on respect, choice and empowerment.

Our services are free to patients and those close to them, but they are not free to provide. The local community continues to provide thousands of volunteer hours every year as well as providing significant funding through donations, fundraising and gifts in wills. We are extremely grateful for the amazing generosity of local people.

2020/21 was an extraordinary financial year. We received £2m of COVID-19 grant income from NHS England. This funding, together with grant income received from NHS Leeds Clincal Commissioning Group, meant that our NHS funding in 2020/21 represented 50% of the total income generated by St Gemma's Hospice.

The Hospice is subject to regular review by the Care Quality Commission. The latest unannounced inspection was on 13 July 2016 when St Gemma's Hospice services were rated as Outstanding.

Inspected and rated
Outstanding ☆
CareQuality Commission

The Year Under Review

Strategic Priorities

During 2019/20 we identified a number of strategic areas of focus for 2020/21. These were in line with our ten year Hospice Strategy, which is outlined further in the Looking Ahead section on page 19.

We had already determined through our ongoing service reviews that population changes will increase the demand for our care over the coming years. The COVID-19 pandemic, which began in March 2020, made dramatic changes to our world in so many significant ways, including highlighting further the importance of a good death and the need for support for the bereaved.

Continuing to provide high quality patient care, rapidly transforming services to meet the changing environment of a pandemic, and securing our financial stability quickly became the highest priorities for the organisation. We have not, however, lost sight of our longer strategic goals during this period.

Responding to the COVID-19 Pandemic

The risks and realities of the COVID-19 pandemic have dominated the 2020/21 year. The Hospice Senior Leadership Team has pulled together, making collective decisions, adapting and balancing competing risks, and engaging regionally and locally with other care providers. We have ensured that high quality patient and family care and professional education have continued and that the safety and wellbeing of our staff and volunteers have been prioritised throughout.

The number of patients and families we cared for was stable compared with the prior year. However, as a result of the COVID-19 pandemic we saw an increase in the complexity of patient need resulting from late referrals for care, fewer face to face consultations in primary and secondary care and social isolation impacting on people's physical and mental wellbeing.

We have continued to engage with our local community and we are enormously grateful for their ongoing support and understanding during what has been the most difficult year the Hospice has ever faced.

Important areas to highlight relating to our response to COVID-19 pandemic include:

- Continuing to care for people in their own homes and in care homes; remote consultations are not able to meet everyone's needs, so face to face care has always been offered
- Securing a robust supply of Personal Protective Equipment (PPE) to ensure staff, patients and visitors were safe and services could continue to function
- Making changes for patients, visitors and staff to support social distancing and follow enhanced infection prevention and control regulations
- Working closely with colleagues across the city to ensure a coordinated response, including establishing new working groups to manage pressures on health and care services in an integrated way and supporting new multi-disciplinary teams in areas of pressure
- Continuing In-Patient admissions throughout the pandemic, including caring for patients with COVID-19 and facilitating patient visiting, though with restricted numbers, which has been incredibly hard for patients, families and staff
- Moving the bulk of our education activities online and providing new education programmes to respond to the pandemic
- Providing telephone bereavement support for adults and children, and by the end of the year moving back slowly to face to face consultations where these offer the most benefit
- Fully and openly investigating COVID-19 outbreaks to learn lessons for the future
- Working closely with national, regional and local teams to identify and pursue funding opportunities.

St Gemma's staff and volunteers have responded incredibly well and continued to put the needs of patients and families at the centre of all they do. Hospice leaders have worked hard to make sure staff have had the support they need, in teams or individually, and continue to do so; the pandemic is not yet over and the effects will continue to be felt for some time to come.

Providing High Quality Clinical Care

We measure the quality of our clinical care in a variety of ways including patient outcome measures, patient and family feedback, complaints, service evaluation and audit, patient safety incidents, benchmarking, staff views and the findings of national and local reviews.

Patient safety is central to everything we do at St Gemma's. We monitor safety using a range of measures and investigate areas that raise concern. In 2020/21 we introduced an Incident Review meeting to discuss all incidents and present Root Cause Analyses as required. A learning bulletin is created quarterly to share learning and encourage incident reporting. Our key performance indicators for 2020/21 do not give rise to any significant areas of concern.

Throughout 2020/21 we conducted a bereaved carers' survey for families of patients who died on the In-Patient Unit. We received 158 responses and heard the following:

Question/Topic	Response
Relative died in the right place	96% Yes
Relief of pain	95% very satisfied/ satisfied
Relief of symptoms other than pain	93% very satisfied/ satisfied
Cared for with dignity	99% very satisfied/ satisfied
Respecting wishes before and after death	93% very satisfied/ satisfied

> "It was where she wanted to be and everyone was so kind."

> "The compassion shown by everyone was above and beyond what we expected."

> "Dad's wishes were respected at all times and his care was exemplary."

> "It was her request to pass away in St Gemma's so we were very happy that she managed to get a bed and have her last wish granted."

During July 2020 we surveyed patients and families who were receiving care from our Community Clinical Nurse Specialist service. We received 52 responses and 100% of people felt they were or their relative was treated with respect, that nurses were helpful in assessing their problems and they felt listened to. 94% felt involved in decisions about care and 98% felt satisfied or very satisfied with the overall service provided by the Community Nursing team.

For the first time we also undertook focused experience work with those patients and families receiving services from our Social Work and Therapy (Physiotherapists and Occupational Therapists) services. From 34 responses, we found that 100% of respondents were satisfied or very satisfied with the Therapy service provided and 96% with the Social Work service. For both services 100% of respondents felt they or their relative were treated with respect, that Social Workers/Therapists were helpful in assessing their problems and they felt listened to. 94% felt involved in decisions about their care.

Across all our surveys we asked if people felt they could ask a question or raise a concern. For 99% of 239 responses, the answer was yes.

We also found high levels of satisfaction from patients and families with the changes that were made to the way we offered our services during the pandemic.

> St Gemma's has been a fantastic support for us all. They are so caring and supportive through this very sad and difficult time and we praise you all for the work you do. Without you, we would have found the situation even more stressful and struggled. Thank you all at St Gemma's.

Delivering Clinical Quality Improvements

St Gemma's Hospice is committed to continuous quality improvement with a focus on professional development for clinical teams, service improvements for patients and families and ensuring the best use of resources. We keep patients at the centre of everything we do, whether in working with them to personalise their care or building services that respect individuality.

In addition to establishing and reporting on our own consistent measures of quality and safety, we submit safety data to the Hospice UK's benchmarking programme, and have quarterly meetings with NHS commissioners locally to review citywide hospice services.

Each year St Gemma's identifies priorities for clinical quality improvement, set out in our Quality Account. The priorities are in line with our Hospice Strategy and informed by evidence, patient and family feedback, staff suggestions, learning from incidents and complaints and engagement with partners in the city. Delivery of our priorities for 2020/21 was delayed due to the pressures of the pandemic, although good progress was made in a number of areas.

The priorities were:

- Implementation of single nurse administration of drugs on the In-Patient Unit
- Improving care of the deceased and those bereaved
- Widening access for homeless and vulnerably housed people.

We are particularly proud of our work to support homeless and vulnerably housed people with a terminal illness and at the end of life. This work, which has been delivered in collaboration with a number of partner organisations in Leeds, has resulted in a significant increase in the number of patients cared for, and has made a huge difference to their quality of life and death, and facilitated supporting their families in bereavement. The project has been shortlisted for the Nursing Times Team of the Year Award.

Securing our Financial Future

St Gemma's Hospice provides services free of charge to patients, families, friends and carers.

2020/21 saw fundamental changes to the basis of our funding due to COVID-19, with St Gemma's shops closed for much of the year, events cancelled and corporate and community activities significantly curtailed.

Our local community continued to be incredibly generous. Donations to our charity shops during the pandemic were exceptional, creating enough stock to fill 22 containers in addition to our Bramley warehouse and retail trading was strong when we reopened our shops. Customers were also able to shop online with our improved eCommerce offer, which we are looking to improve further in 2021/22. Gifts in memory of a loved one continued at pre-pandemic levels, despite the restrictions around funeral attendances, with new initiatives to support in memory fundraising such as a 'Much Loved' tribute and fundraising page. Our annual Light up a Life event was moved fully online with a live stream which was very successful.

The Hospice is very grateful to the people who show kindness and generosity by leaving a gift in their will to St Gemma's. Legacy income for 2020/21 reached over £1.2 million with a strong legacy pipeline and plans being developed to improve our legacy infrastructure for 2021/22.

Individual giving through appeals was much more successful than in previous years, as was our newly outsourced lottery. These are good examples of where the Covid pandemic has challenged the norms and the approach to income generation and where the team, supported by the Hospice Leadership Team, has delivered new activity to boost valuable income but also to establish new, successful models for the future.

We are extremely appreciative of all those who make donations, take part in fundraising events, leave a gift in their Will, donate their time through volunteering or help the Hospice in any way. It would simply not be possible to raise the money needed for patient and family care without this support.

Despite the generosity and support of our local community, the pandemic had a significant impact on our fundraising, retail and wider income generating activities. The challenges of the pandemic were embraced positively and allowed the team to review historical fundraising practices and to foster a culture of change, invention and innovation with a number of new initiatives implemented that will support income generation for years to come. We continue to review our voluntary income generation opportunities and plans in depth.

In addition to our grant funding of £3.6m from NHS Leeds Clinical Commissioning Group, we also received one off grant funding of £2m from NHS England as well as local authority COVID-19 support grants. We are actively engaged in local, regional and national discussions about future NHS funding support, including playing an active part in the new Integrated Care System for West Yorkshire.

Despite the pressures of this unusual year, we made a decision not to cut services or make any staff redundant, due to our strong reserves position, robust financial forecasting and the importance of building on St Gemma's services for the long term.

We continue to review all our services on an ongoing basis to ensure we are operating as efficiently as possible, that we are spending wisely in delivering our care, and that we are responsive to the changing palliative and end of life care needs of local people.

Delivering High Quality Research & Education

The Academic Unit of Palliative Care (AUPC) has seen major adaptation and innovation during 2020/21.

Patient recruitment to research projects was paused as a result of the COVID-19 pandemic, but the AUPC continued to undertake office-based research and publish extensively, with 21 papers in peer reviewed journals.

New grant income of £350k was secured for CAPTURE, a multi-centre cluster randomised feasibility trial of a cancer pain assessment toolkit for use in oncology outpatient services. Other ongoing research projects include ACCESSA (Access to palliative care for Black, Asian and Minority Ethnic communities across Yorkshire and the East Midlands), research that is being extended to other centres.

In our Learning and Teaching Department we have further increased our focus on tele-education and have adapted our external education delivery to healthcare professionals in response to the challenges of the pandemic. Our comprehensive training programme includes courses on Advanced Communication Skills; the European Certificate in Palliative Care; Advance Care Planning (ACP) and Communication Skills; End of Life Care Training and a Clinical Nurse Specialist Regional Programme. Many of these courses have been offered regionally and nationally as well as locally, and to a broader range of attendees than in the past.

In addition we have produced and provided a specific range of training courses across health and social care during the pandemic, for example on Infection Prevention and Control, and on Virtual Verification of Expected Adult Death, funded by Health Education England (HEE). 126 people participated in the HEE sessions, including nursing homes, community practitioners, GP practices, hospices and prisons.

We have provided clinical placements at St Gemma's for 98 students from a range of programmes including medicine, nursing and allied healthcare. We also provided end of life care training for pre-registration nurses and apprenticeship nurses.

We provide a comprehensive internal training programme for staff which consists of face to face and online learning through our Learning Management System (LMS).

We offer apprenticeship opportunities and currently have two staff on clinical apprenticeships including one Registered Nursing degree student.

We continue to grow and establish vital links with other palliative care providers, hospices, universities, hospital trusts and HEE. The learning and teaching programme is continuously being evaluated, reviewed and modified, and is highly adaptable to the workforce, and to healthcare and funding changes.

Enhancing Hospice Culture for Staff and Volunteers

In 2019/20 St Gemma's participated in The Sunday Times Best Companies Survey, achieving a ranking of 18th in the Times Top 100 Not for Profit Organisations. We did not participate in the survey in 2020/21, but we retained a focus on staff wellbeing and remained mindful of the areas for improvement identified in the Times Top 100 survey.

During the year new initiatives to support staff in their work/life balance and to promote mental health and wellbeing included:

- Introducing a remote / hybrid working model, providing homeworking IT equipment and remote working support
- Developing a Workforce Wellbeing Hub within the Hospice website, hosting resources and advice to support workforce mental health and wellbeing
- Establishing a new COVID-19 support and advice telephone and email address for staff to contact with any questions or concerns
- Setting up new regular cross Hospice departmental Covid Response Group meetings enabling greater collaboration between clinical and non-clinical teams
- Delivering an enhanced communication strategy for staff – daily key messages followed by a weekly roundup communication with regular Chief Executive updates
- Delivering a 'Daily Debrief' – face to face sessions available for any Hospice staff at some of the most challenging times in the pandemic
- Specific support for staff to draw on, such as individual 1:1 sessions from the Family Support team as well as Wellbeing and Resilience workshops run by our Complementary Therapists focussing on how to cope in challenging and stressful times

- Staff Wellbeing Conference in October 2020, comprising a week of virtual events.

In addition, to show St Gemma's appreciation of staff, all those staff members on site early in the pandemic were offered free staff meals (March – June 2020) and all staff received an additional 'wellbeing' day off during 2020/21.

Our Employee Engagement Group has played a key role in developing the wellbeing offer. At all times we endeavour to provide employees with good working conditions, a healthy work/life balance and opportunities for development.

As a Hospice with an ethnically diverse workforce we have supported staff from black, Asian and minority ethnic backgrounds to create a Multicultural Network. Staff are enthusiastic about this initiative, which creates a collective space to share experiences, learn from one another and influence Hospice practice.

In July 2020 we undertook an internal staff survey which focused upon staff experience of working for St Gemma's during the pandemic. Of the 47% of staff who responded, we heard the following:

Question	Very satisfied/ satisfied
How satisfied are you with how St Gemma's has communicated with staff during the pandemic?	86%
How satisfied are you with how St Gemma's has supported your personal and workplace wellbeing?	85%
How satisfied are you with the way St Gemma's has continued to manage key services?	94%
Do you feel you have been given adequate information and advice to feel safe during the pandemic?	94%
If applicable, do you feel you have been adequately trained in the safe use of Personal Protective Equipment (PPE)?	88%
Given the way the Hospice has responded to the COVID-19 pandemic, are you confident in St Gemma's ability to plan for the future?	94%

In November 2020, concerns were raised with the Care Quality Commission (CQC) by a member of staff about the culture and behaviours on St Gemma's In-Patient Unit (IPU). We conducted an extensive investigation involving all staff on the

unit. The investigation was led by the Director of Transformation & Culture who worked closely with the Chief Nurse. CQC requested an assurance report regarding our response to this notification; they were satisfied with the Hospice response.

The investigation found that Hospice values and behaviours are held at the heart of the majority of staff working within the St Gemma's In-Patient Unit, but that behaviours of a small number of staff needed to be addressed and this has now been done. We identified a number of areas where improvements can be made and these have formed the basis of an IPU Culture Improvement Plan which we have begun to deliver.

We greatly value our volunteer workforce as an integral part of the Hospice. In 2020/21 our volunteer provision significantly reduced from around 130,000 hours to 16,442 hours due to the impact of the pandemic on retail, events and other clinical and support services.

Despite this reduction, volunteers have continued to support us in a number of critical areas, including our Board of Trustees, who have increased their engagement in order to support the Hospice Leadership Team in making key decisions and to gain assurance during the pandemic. Volunteers have also continued to support our bereavement and spiritual care services, Hospice shops, e-commerce and fundraising events and in maintaining our Hospice gardens.

All volunteers were provided with guidance from departmental line managers on COVID-19 safety including participation in the Hospice testing programme and completing personal COVID-19 risk assessments. Volunteers continued to be updated by their departments and all received a monthly volunteer e-newsletter.

We are now developing a new, ambitious volunteering plan for the Hospice to start to implement during 2021/22.

Ensuring Equality, Diversity and Inclusion

One of our aims for 2020/21 was to improve accessibility to our services across a number of different groups and communities. As part of the work done through our internal Involve Group, we now routinely report the ethnicity of our patient population, benchmarked against citywide data. The ethnic mix of patients cared for by St Gemma's during the year showed greater diversity than our population overall. The data highlights some ethnic groups that are still under-represented which is the basis of ongoing work.

Our Involve Group is tasked with keeping diversity, inclusivity, accessibility and community engagement high on the Hospice agenda. Colleagues work across the city to better understand the changing demographics of the population and identify any gaps in service provision or engagement. We meet regularly with the Community Engagement Group who act as advocates for our services in their local communities. Due to the pandemic the group has been unable to meet but we have maintained contact through Leeds Involving People and aim to re-establish our meetings as soon as possible.

During the year we have continued to support other groups who may find access to palliative and end of life care more difficult, including patients with learning disabilities and people who are homeless or vulnerably housed. We work very closely with groups across the city to learn from the experiences of others and to build our own learnings into future care provision.

We are passionate about creating an inclusive workplace that promotes and values diversity in all of its forms. We recognise the difference diversity and inclusion make to the services we provide, internally and externally.

We have made significant progress with our Trustees and the leadership team in fostering and cultivating an inclusive work environment and report back regularly to the Board on our achievements in this area.

We were again placed 44th in the Inclusive Companies Top 50 Employers list (2021).

This award recognises the efforts of organisations in moving towards a truly diverse workforce, and their commitment to equality and inclusion. We were proud to receive this position again in our second year of participation as recognition of our work, and also as a guide to how we can continue to develop in this area. The position was particularly significant as many larger national organisations have now joined the list.

We remain a Disability Confident Employer and hold Leeds Commitment to Carers status.

Community Engagement

St Gemma's has been an important part of the Leeds community for over 42 years. The Hospice and its vital services only continue thanks to the ongoing support and interest of the whole community.

It is a priority to continue to promote the work of the Hospice, the impact of our work across the city and the ongoing need for support. We do this across a range of channels including social media, websites, our chain of charity shops across Leeds, a supporter newsletter and a monthly e-bulletin. We send regular news stories to the local media, and we advertise on local radio, in newspapers, community magazines and on buses and billboards. Market research commissioned by St Gemma's and carried out in June 2020 by an external agency, Trinity McQueen, found St Gemma's Hospice brand to be ranked number 1 in Leeds for spontaneous awareness ahead of larger, national charities such as Oxfam and British Heart Foundation. The research also highlighted that 49% of respondents heard, saw or read about the Hospice in a shop window, highlighting the importance of the retail chain on overall brand awareness.

We usually attend community events to promote our services and engage with different audiences. This was difficult in the past year as many events were cancelled, but we still tried to keep in contact with the community via online channels. The annual Leeds Dying Matters event continued with a range of virtual support groups and 'death cafés' across the city. We look forward to getting back out into our community as soon as possible.

Delivering Digital Innovation

The COVID-19 pandemic required us to work differently to continue to provide high quality, effective care and support to our patients and families. We rapidly established a process and system for remote consultations, enhanced our tele-education offer to support the broader system locally, regionally and nationally, and ensured that as many staff members as possible could work remotely with access to all required systems and resources.

We made progress in all areas of our plan during 2020/21;

- Infrastructure & Connectivity: Upgrading key equipment in the server room, providing 70 extra laptops to support hybrid working arrangements, migrating to a secure Health and Social Care Network (HSCN) line with 24/7 cover and enhancing our cyber security defences to support compliance with the NHS Data Protection and Security standards

- City-Wide Collaborations: Continuing partnership working with city healthcare providers and Leeds City Council which has enabled prompt access to online PPE stock systems and access to expert support for clinical system development

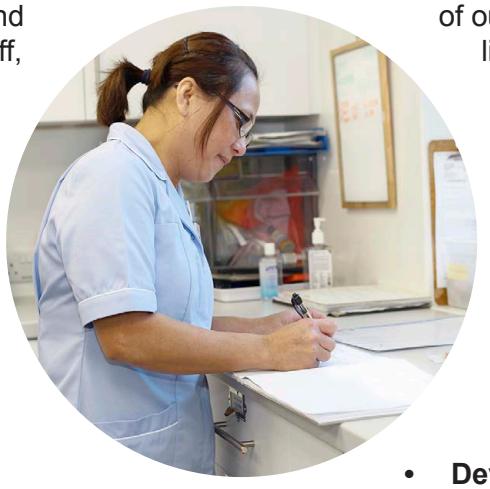
- Digital Innovation: Introducing new Vantage software modules enabling the launch of both IT and Estates help desks, investing in Health & Safety and Information Governance incident management reporting for greater oversight. We have further invested in SystmOne facilitating the effective roll out of Electronic Prescribing. Video conferencing has been made available to all staff (MS Teams and Zoom) to support communication and remote working during the pandemic.

We are continuing with our ambitious digital transformation plans throughout 2021/22. To support these changes we have created a designated reserve to support digital developments (£250k) and have established a cross Hospice Digital Transformation Group (DX Group) to oversee and coordinate these plans.

The love and kindness shown to us all deeply moved us, we will never forget this whole experience. Thank you.

Looking Ahead

St Gemma's Strategy provides a framework for the long-term development of services under three pillars of Impact, Connect and Extend, supported by foundations of scope, quality and sustainability. Our Strategy has been developed considering national best practice, the needs and wishes of patients, families and staff, as well as the social and economic environment, anticipated growth in need, and the requirement for services to be flexible and responsive to user needs. Our Strategy is consistent with the city wide End of Life Care Strategy adopted by providers and commissioners across Leeds, a strategy which has recently been updated by city-wide partners.



Our key areas of focus for 2021/22 will be:

- **Delivering Clinical Quality Improvements:** as outlined in our Quality Account, we have retained our three priorities from 2020/21 and added two new ones for 2021/22:
    - Implementing single nurse administration of drugs on the In-Patient Unit
    - Improving care of the deceased and those bereaved
    - Widening access for homeless and vulnerably housed people
    - Improving discharge planning
    - Progressing our project to implement electronic prescribing for patients in the community.

  We will also have a particular focus in 2021/22 on community services, including ongoing improvements to triage processes and review of pathways for patients with a non-cancer diagnosis. We will continue to work with partners in the Leeds Palliative Care Network as we review the whole model of palliative and end of life care in community settings.

- **Securing our Financial Future:** we have developed a revised five year financial outlook and an updated budget for 2021/22 and our financial outlook is healthy. Our focus in the coming year will be on innovative growth of our voluntary income generation lines, and continuing to build on our relationships with the NHS locally, regionally and nationally, including fully engaging with the new Integrated Care System, to secure our long term NHS funding. We will continue to fully engage with and respond to the financial challenges of the pandemic.

- **Developing the Academic Unit of Palliative Care:** with the retirement of the St Gemma's Professor of Palliative Care, we are working closely with the University of Leeds to secure the long term future of our research activity. We are also planning changes to our education provision to increase resources available to continue expansion of our offer.

- **Developing our Hospice Workforce and Culture:** we have a solid base for engagement with Hospice staff and volunteers and for improvement in culture in key areas such as the In-Patient Unit. Alongside this we will support the development of our staff Multicultural Network to support an increasingly diverse and inclusive organisation.

Financial Review

Year on Year Income Review

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006 and the Charities Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102).

The statement of financial activities shows a deficit for the year of £104,314 (2020: surplus £533,514) prior to any gains or losses on investments. Total income for the year was £11,485,382 (2020: £11,633,424) representing a small decrease of £148,042 (1.3%).

This is an incredible financial achievement reflecting all the hard work of staff at St Gemma's in responding and managing the significant challenges brought about by COVID-19. We are also thankful to our generous donors who have continued to support St Gemma's at a time when our financial resources and the whole healthcare system were under significant pressure.

COVID-19 has brought unprecedented financial challenge to the sustainability of the Hospice during 2020/21. We are grateful for the support of NHS Leeds Clinical Commissioning Group (£3.7m) and financial support from NHS England received via Hospice UK (£2m). This ensured Hospice capacity was maintained during the pandemic and more importantly meant we did not cut or reduce vital services when needed most.

We furloughed the majority of our shop staff and temporarily closed shops in response to the Government lockdowns during 2020/21. We took advantage of the key Government schemes allowing us to claim furlough payments of £417,641 (Coronavirus Job Retention Scheme) and Retail Support Grants totalling £270,781 (2020: £450,000).

Shop income of £1,143,461 (2020: £2,987,331) represents a year on year decrease of £1,843,870 (62% reduction) across our charity shops.

As expected, trading conditions were adversely affected throughout the financial year due to the impact of COVID-19 and the Government imposed lockdowns. We re-opened our shops 12 April 2021; weekly sales income has perfomed above pre-pandemic trading levels. This financial performance gives confidence in our budget setting 2021/22 and longer term financial planning.

Income from donations, trusts, grants and fundraising events of £2,134,883 (2020: £2,387,912) has decreased by £253,029 (10.6%) excluding government grants. This reflects strong growth in trust grants of £200,000, mainly linked to a one off payment generously donated on the closure of a charitable fund, offset by a reduction of £455,869 across donations and events. The impact of COVID-19, Government lockdowns and restrictions led to the cancellation of many fundraising events. We have delivered a number of successful events since July 2021 achieving key financial targets in what continues to be a very competitive Leeds market-place. The impact of COVID-19 will continue to influence our fundraising and events during 2021/22.

Total expenditure of £11,589,696 (2020: £11,099,910) increased by £489,786 which represents an increase of 4.4%. This increase is due to the annual pay award and the financial pressures as a direct result of the pandemic including £168,643 invested in Personal Protective Equipment (PPE) for all of our staff and a further £57,454 on IT equipment to support hybrid working. We continue to control expenditure and drive improvements to support our long-term financial plan.

The investment portfolio generated a surplus of £1,246,821 (2020: loss of £646,088). The 12 months to 31 March 2021 saw the portfolio post a sharp recovery in its value as global equity markets responded positively to the financial support that central banks and governments offered in response to the Coronavirus pandemic. At the end of the period, the portfolio value stood above the value it was at before the pandemic began with the portfolio having more than recouped its losses.

The investment portfolio is managed for long term growth in both its capital value and the level of income it can generate. For the year to March 2021 the portfolio's total return was 26.8% compared to a benchmark of 21.0%.

Total Return (%)	One Year	3 Years	5 Years
Portfolio	26.8	26.5	54.2
Benchmark	21.0	17.2	42.5
RPI +3% Objective	4.7	16.6	31.6
FTSE 100	21.9	7.1	32.4
ARC*	24.5	21.6	42.9

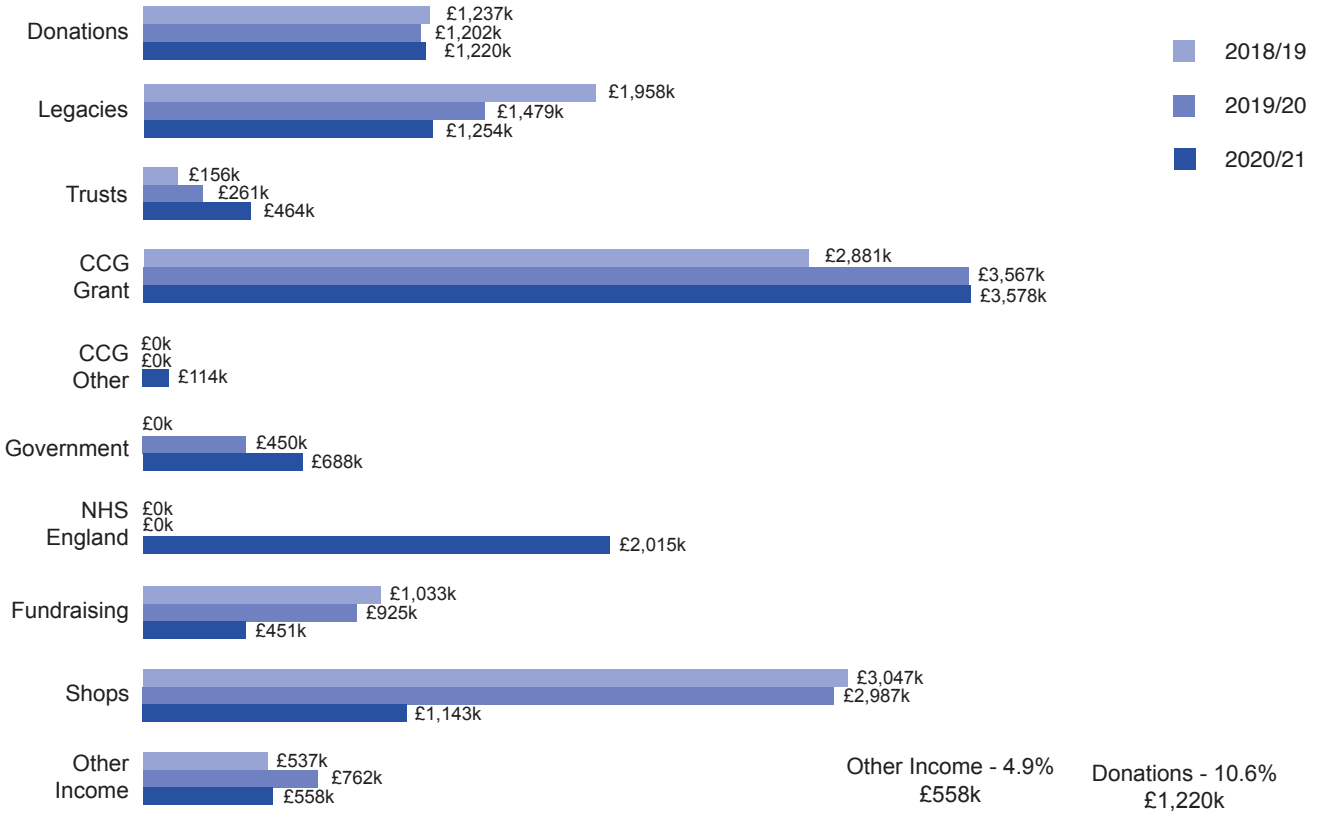
*Asset Risk Consultants
(produce peer group performance indices for charities)

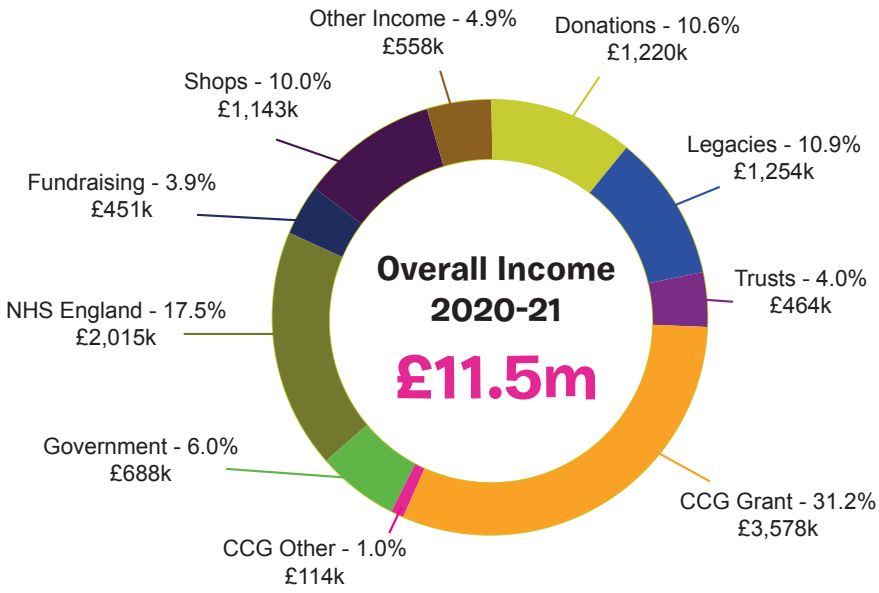
At year end the investment portfolio was valued at £6,536,193 (2020: £5,320,401) with investment management fees of £27,282 (2020: £28,251). Overall investment income was £174,166 (2020: £219,069) of which the investment portfolio contributed dividend payments of £161,915 (2020 £192,054). The remaining £12,251 (2020: £27,015) was generated from bank interest on approved short and medium term deposits. Investment income has reduced 2020/21 and this is a direct result of the pandemic. Banks are offering lower deposit rates and more companies are retaining funds rather than making dividend distributions to shareholders.

The portfolio is managed by external fund managers (Investec) and performance is monitored by the Finance and Business Committee. All investment decisions are made in accordance with the approved investment policy.

This policy sets out the investment powers, objectives, the types of investment and the benchmarks used for performance monitoring. A range of benchmarks are used to assess investment performance including a bespoke benchmark, agreed with the external fund managers, that reflects the Trustees' wish for good returns balanced with the need to limit risk. At the year end the portfolio was invested in a mixture of equities (70%), fixed interest bonds (14%), property (3%), cash (6%) and alternative assets (7%).

St Gemma's Hospice Services Ltd (trading subsidiary) continued to sell bought in goods and provide room hire on a commercial basis in the Academic Unit of Palliative Care. The company made a net surplus of £16,946 (2020: £19,663) in the year which will be transferred to the Hospice under Gift Aid.





Reserves

The Board of Trustees operates a risk-based approach to determine the levels of reserves needed to cover key financial risks and support the long term strategy and five year plan.

The general reserves are drawn from unrestricted funds, excluding funds designated for future expenditure and those funds already invested in fixed assets. The unrestricted general reserve is currently £8,385,066 (2020: £7,472,574) which covers the assessed financial risks. The increase of £912,492 is mainly due to the unrealised gain from investments offset by transfers into the designated reserves.

Total designated reserves at 31 March 2021 were £4,279,138 (2020: £3,979,809) of which £2,797,900 (2020: £3,171,708) has been invested in fixed assets. During 2020/21, the Board has agreed the transfer of £750,000 into designated reserves;

- Additional £200,000 to support on-going investment needs of the estate. The Building Development Reserve is £350,000;
- Created a COVID-19 Emergency Response Reserve of £100,000 to support the additional challenges in maintaining a COVID secure environment;
- Created a Digital Development Reserve of £250,000 to support upgrades to the ageing IT infrastructure and support future developments;
- Additional £200,000 to the Service Transformation Reserve to support key programmes of work linked to culture and workforce wellbeing initiatives. The Service Transformation Reserve is £362,611.

See notes 15, 16 and 17 of the financial statements for further information on reserve utilisation.

Fixed Assets and Investments

The movements in fixed assets and investments during the period are set out in notes 10 and 11 to the financial statements. The Board of Trustees has the power to invest the charity's money in the manner they consider most beneficial for the purposes of St Gemma's Hospice.

St Gemma’s is amazing, everyone was incredibly welcoming and flexible to whatever we wanted to learn about...

Structure, Governance and Management

St Gemma's Hospice was founded in 1978 by the Sisters of the Cross and Passion who retain ultimate control of the company. The members of the company all belong to this congregation.

The Hospice is a charitable company limited by guarantee and a registered charity. The company was set up under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

The directors of the company are also charity Trustees for the purposes of charity law and are known as the Board of Trustees. Trustee Indemnity Insurance is provided for the benefit of the Trustees.

The Trustees have complied with the duty (set out in section 4 of the Charities Act 2006) to have due regard to public benefit guidance published by the Charity Commission.

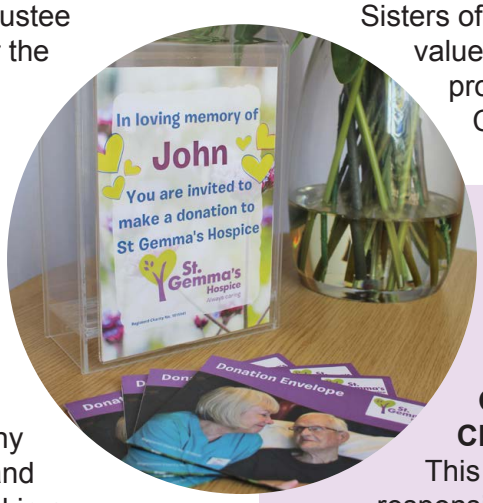
The Board of Trustees consists of the current members of the company who serve for a term of five years and such other persons who are elected in a general meeting to hold office for an initial term of three years after which they are eligible for re-election.

At 31 March 2021 there were five members of the Board of Trustees who were representatives of the Sisters of the Cross and Passion. The remaining members of the Board of Trustees have been recruited for their experience and skills in relevant areas including medicine and nursing, finance, legal and commerce. The Trustees who served during the year are set out on page 4.

The Board of Trustees is responsible for overseeing the Hospice's strategy and performance. It is chaired by Dr Peter Belfield. The Board has overall responsibility for ensuring the organisation is managed efficiently, approves the strategy and oversees its implementation. The Board powers are detailed in the Memorandum of Association and Articles of Association.

Full meetings of the Board of Trustees are held at least four times a year to review the performance of the Hospice and to agree any major changes to the strategy or financial plans. These are supported by focussed strategy and development sessions. In 2020/21 the Board has met on a monthly basis, by video conference, to strengthen governance and support key decision making in response to COVID-19.

During the year, the Hospice had more than the maximum number of Trustees (12) as recommended in the Charity Governance Code (Section 5.6.2). This was to enable the managed transition of a number of known Trustee retirements and also to accommodate the representation of the Sisters of the Cross and Passion. The Board values the support and wise counsel provided by the Sisters through this Constitutional arrangement.



The Board is supported by three Committees that meet on a quarterly basis:

Clinical and Academic Governance Committee – Chair, Philomena Corrigan
This Committee has delegated responsibility for oversight of clinical governance, clinical strategy and academic strategy and delivery.

Corporate Governance Committee – Chair, Sue Ansbro
This Committee has delegated responsibility for oversight of Hospice corporate governance arrangements, risk management and compliance with the Charity Governance Code. The Committee is also responsible for Board succession planning, recruitment of Trustees and the setting of Hospice Leadership Team salaries.

Finance and Business Committee – Chair, Angus Martin
This Committee has delegated responsibility for oversight of the financial strategy, annual budget, income generation and longer term financial planning. The Committee is also responsible for overseeing the investment of Hospice funds and recommending the appointment of an investment manager to the Board.

During 2020/21 we completed an independent Governance review of the Board and its supporting Committees in line with the Charity Governance Code. This report highlighted strong governance systems and a well-run and well organised Board which worked effectively and productively with the Hospice Leadership Team (HLT).

Scheme of delegation

The Board has approved a scheme of delegation under which the majority of operational management and decision making is delegated to the Chief Executive. The Chief Executive has a key role in the management and monitoring of service delivery, patient satisfaction, financial performance, the assessment and control of risk, and the prioritisation and allocation of resources.

The HLT reports to the Board and its Committees, leading on strategy development, overseeing the provision of Hospice services and managing risk. The HLT is supported by Heads of Department, closely managing day to day service provision. On 1 April 2021 St Gemma's strengthened its Hospice Leadership Team. The HLT comprises the Chief Executive, Kerry Jackson; Chief Nurse, Heather McClelland; Chief Medical Officer and Consultant in Palliative Care, Dr Mike Stockton; Director of Transformation and Culture, Clare Russell; Director of Income Generation, Mark Flannery and Chief Operating Officer, Jason Kirk. The Chief Executive and HLT are not members of the Board and have no beneficial interest in the company.

Senior Staff Pay

The pay of the senior staff is reviewed by the Board of Trustees, through its Remuneration Committee. The amount paid to senior employees is carefully considered compared to other roles in the market and is benchmarked against other local hospices and national hospice reward and charity reward surveys and data. Best practice recommendations on setting remuneration, including those of the National Council for Voluntary Organisations (NCVO) are also taken into consideration. The Hospice also directly employs four medical consultants on NHS equivalent contracts, in line with national agreements.

The levels paid are those necessary to ensure a well-run, effective organisation in line with regulatory requirements. Competitive salaries also help the Hospice to attract, recruit and retain the best possible calibre of staff, in a competitive environment.

Risk Management and Principal Risks

The Board has overall responsibility for establishing and maintaining the whole system of internal control and the management of risk, including reviewing the effectiveness of internal controls. The Board has adopted a risk-based approach to establishing and maintaining internal controls, which are embedded within day to day management and governance processes.

The Board of Trustees assesses and reviews the management of the major risks to which the charity and its subsidiary company, St Gemma's Hospice Services Limited, are exposed, including financial, clinical and business risks.

The risk register is developed by the HLT and is scrutinised by the relevant Committees and Board on a quarterly basis. The Chief Operating Officer undertakes an annual governance review that considers how the Hospice complies with the Charity Governance Code.

The key financial risks facing the Hospice are:

- The achievement of income targets to support financial sustainability. This remains a key risk due to the impact of COVID-19 on our key income streams and the challenging and competitive Leeds market place within which we operate. We have a well-diversified income portfolio and have an appropriate level of reserves to withstand short term funding fluctuations. We have strengthened financial governance arrangements through the creation of an Income Review Group to oversee and scrutinise income performance. If we identify any longer term trend of reduced income levels, our reserves will ensure continuity of service provision whilst we develop plans to secure additional income or implement an appropriate efficiency programme.

- The risk that changes in the health and social care environment will adversely impact our Clinical Commissioning Group (Leeds CCG) grant funding. We continue to work in partnership with health and care professionals and organisations across the local health economy, demonstrating the impact of the care we deliver. As the West Yorkshire Integrated Care System emerges, we are working in collaboration with hospices across the region to ensure we have effective representation to influence funding and long term developments

in end of life care. We also have Hospice Leadership Team representation on key work streams that influence the development of the Leeds integrated care partnership.

COVID-19 has brought unprecedented challenge to the funding environment at the same time we are dealing with rising demand and increased costs for providing key services.

Information Governance

We continue to strengthen Information Governance arrangements across the Hospice. This includes compliance with the Charity Governance Code, reviewing Information Commissioner's Office (ICO) guidance and submission of the NHS Data Security and Protection Toolkit (DSPT) which enables us to measure and publish performance against the National Data Guardian's ten data security standards.

Trustees Fundraising Statement

Income Generation at St Gemma's is conducted by a team of fundraisers and retail staff directly employed by the charity and led by the Director of Income Generation. The Hospice also generates Lottery income through an external partner (Local Hospice Lottery) and their team of directly employed lottery fundraisers. There have been no failures to comply with the standards set by these organisations and St Gemma's is fully committed to the delivery of high quality, engaging and compliant fundraising activity.

The Trustees of the Hospice monitor the activities of the Income Generation team via quarterly meetings of the Finance and Business Committee. The Chair of the Committee also meets monthly with the Chief Operating Officer and Director of Income Generation. During the year we have also strengthened our financial governance arrangements by creating the Income Review Group that reports directly to the Finance and Business Committee through a nominated Trustee.

Policies to protect vulnerable individuals are in place and all fundraisers are aware of their responsibilities in this area. During 2020/21 there were two complaints (2020: 2) relating to the Hospice's fundraising activities and none (2020: 2) relating to the chain of charity shops. All were resolved satisfactorily during the year.

Going Concern

The Trustees have reviewed the cash position of the Hospice and the cash forecasts for twelve months from the date of signing the financial statements. As part of our annual financial planning arrangements, the Board approved budget plans 2021/22 and supporting five year financial outlook in considering the sustainability of the Hospice.

They are satisfied that the charity has a reasonable expectation of continuing in operational existence for the foreseeable future and so they have continued to adopt the going concern basis in preparing the financial statements.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and

- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP have expressed their willingness to continue as auditor for the next financial year.

The Trustees' Report, including the Strategic Report, was approved by the Board and signed on its behalf on 17 November 2021 by:

Dr Peter Belfield

Chair of the Board of Trustees

“I feel lucky to have found such a great team to work with.”
Knitwear

Trustees' Responsibilities Statement

The Trustees (who are also directors of St Gemma's Hospice for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

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

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

Independent Auditor's Report to the members of St Gemma's Hospice Limited

Opinion

In our opinion the financial statements of St Gemma's Hospice Limited (the 'charitable company') and its subsidiaries (the 'group'):

- 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 the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the group statement of financial activities;
- the group summary income and expenditure account;
- the group and parent charitable company balance sheets;
- the group cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 23.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 group's and the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a

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

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

Auditor's responsibilities for the audit of the financial statements

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.

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

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

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 considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act and UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the the Charity Commission for England and Wales (Charity Commission) regulations, Care Quality Commission regulations , Gaming Commission and Fundraising regulations.

We discussed among the audit engagement team, including significant component audit teams and relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- recognition of NHS contract income in the correct accounting period. To address this risk we have tested that the income recognised is in line with the contract and any additional correspondence from the NHS;
- recognition of legacy income in the correct accounting period. We assessed a sample of legacy agreements and probate evidence, to determine whether this has been recognised appropriately;
- completeness of voluntary income. To address this risk we have tested a sample of donations from source records to their supporting evidence and recorded income; and
- classification of funds between restricted and unrestricted. To address this risk we have tested a sample of restricted income and expenditure to their supporting evidence to assess whether they have been classified appropriately.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and

- reading minutes of meetings of those charged with governance and reviewing correspondence with Charity Commission, Gambling Commission and Care and Quality Commission.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

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

Sarah Anderson FCCA (Senior statutory auditor)

For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
22 November 2021

Consolidated Statement of Financial Activities
(Including consolidated income and expenditure account)
For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2021 £	Total Funds 2020 £
INCOME FROM						
Donations, legacies and trusts	2	3,028,650	-	597,712	3,626,362	3,391,642
Other trading activities:	3					
Sale of donated goods		1,100,551	-	-	1,100,551	2,926,004
Fundraising events		450,762	-	-	450,762	925,379
Lottery		245,057	-	-	245,057	112,836
Commercial trading operations		49,081	-	-	49,081	88,472
		1,845,451	-	-	1,845,451	4,052,691
Charitable activities – Provision of Hospice Services:						
CCG funding	4	3,692,231	-	-	3,692,231	3,567,310
Other grants		-	-	2,014,904	2,014,904	150,000
Education and research		92,369	-	-	92,369	141,382
Bistro		32,077	-	-	32,077	88,811
Other		7,822	-	-	7,822	22,519
		3,824,499	-	2,014,904	5,839,403	3,970,022
Investments	5	174,166	-		174,166	219,069
Total income		**8,872,766**	-	**2,612,616**	**11,485,382**	**11,633,424**
EXPENDITURE ON						
Raising funds:						
Cost of selling donated goods		2,067,945	55,914	-	2,123,859	2,233,905
Costs of raising income from donations, legacies, trusts and fundraising events		1,156,953	42,378	-	1,199,331	1,284,620
Investment management fees		27,282	-	-	27,282	28,251
Commercial trading operations		32,135	-	-	32,135	68,809
		3,284,315	98,292	-	3,382,607	3,615,585
Charitable activities – Provision of Hospice Services		5,059,857	519,407	2,627,825	8,207,089	7,484,325
Total Expenditure	6	**8,344,172**	**617,699**	**2,627,825**	**11,589,696**	**11,099,910**

Consolidated Statement of Financial Activities
(Including consolidated income and expenditure account)
For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 March 2021 Total Funds £	31 March 2020 Total Funds £
Net income/(expenditure) before investment gains/(losses)	8	**528,594**	**(617,699)**	**(15,209)**	**(104,314)**	**533,514**
Net gains/(losses) on investments	11	1,246,821	-	-	1,246,821	(646,088)
Net income/(expenditure)		**1,775,415**	**(617,699)**	**(15,209)**	**1,142,507**	**(112,574)**
Transfer between funds	16/17	(862,923)	917,028	(54,105)	-	-
Net movement in funds		**912,492**	**299,329**	**(69,314)**	**1,142,507**	**(112,574)**
RECONCILIATION OF FUNDS:						
Total funds brought forward		7,472,574	3,979,809	291,888	11,744,271	11,856,845
Net movement in funds for the year		912,492	299,329	(69,314)	1,142,507	(112,574)
Total funds carried forward	18	**8,385,066**	**4,279,138**	**222,574**	**12,886,778**	**11,744,271**

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derive from continuing activities.

See note 15 for comparative Consolidated Statement of Financial Activities analysed by funds.

The accounting policies and notes on pages 36 to 54 form part of these accounts.

Balance Sheets
As at 31 March 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
FIXED ASSETS					
Tangible assets	10	2,797,900	3,171,708	2,797,900	3,171,708
Investments	11	6,536,193	5,320,401	6,536,195	5,320,403
		9,334,093	8,492,109	9,334,095	8,492,111
CURRENT ASSETS					
Stocks		18,226	17,361	-	-
Debtors	12	875,613	1,233,443	911,448	1,270,760
Current asset investments		1,022,638	2,013,491	1,022,638	2,013,491
Cash at bank and in hand		2,503,227	853,380	2,485,567	832,063
		4,419,704	4,117,675	4,419,653	4,116,314
CREDITORS: amounts falling due within one year	13	(867,019)	(865,513)	(866,970)	(864,154)
NET CURRENT ASSETS		3,552,685	3,252,162	3,552,683	3,252,160
NET ASSETS		12,886,778	11,744,271	12,886,778	11,744,271
Represented by:					
FUNDS					
Unrestricted funds:					
Designated fund	16	4,279,138	3,979,809	4,279,138	3,979,809
General fund	16	8,385,066	7,472,574	8,385,066	7,472,574
Restricted funds	17	222,574	291,888	222,574	291,888
TOTAL FUNDS		12,886,778	11,744,271	12,886,778	11,744,271

The surplus of the parent charity for the year for Companies Act purposes is £1,142,507 (2020: deficit of £112,574). As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented in respect of the parent charity.

The financial statements on pages 32 to 54 were approved and authorised for issue by the Board of Trustees on 17 November 2021 and signed on its behalf by:

Dr Peter Belfield
Chair of the Board of Trustees

Company Number: 02773867

The notes on pages 40 to 54 form part of these accounts.

Consolidated Cash Flow Statement

For year ended 31 March 2021

	Notes	Group 2021	Group 2020
		£	£
NET CASH PROVIDED BY OPERATING ACTIVITIES	19	665,636	691,205
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends and interest received		174,166	219,069
Purchase of tangible fixed assets		(211,837)	(321,137)
Loss on disposal of fixed assets		-	5,083
Purchase of investments		(929,866)	(628,151)
Proceeds on sale of investments		1,305,897	651,189
Movement on cash held by Investment Managers		(345,002)	9,023
Net cash outflow from investing activities		(6,642)	(64,924)
Change in cash and cash equivalents during the year		658,994	626,281
Cash and cash equivalents at the beginning of the year		2,866,871	2,240,590
Total cash and cash equivalents at the end of the year		3,525,865	2,866,871
Reconciliation to balance sheet:			
Cash at bank and in hand		2,503,227	853,380
Current asset investments		1,022,638	2,013,491
Balance at 31 March		3,525,865	2,866,871

The notes on pages 40 to 54 form part of these financial statements.

Statement of Accounting Policies

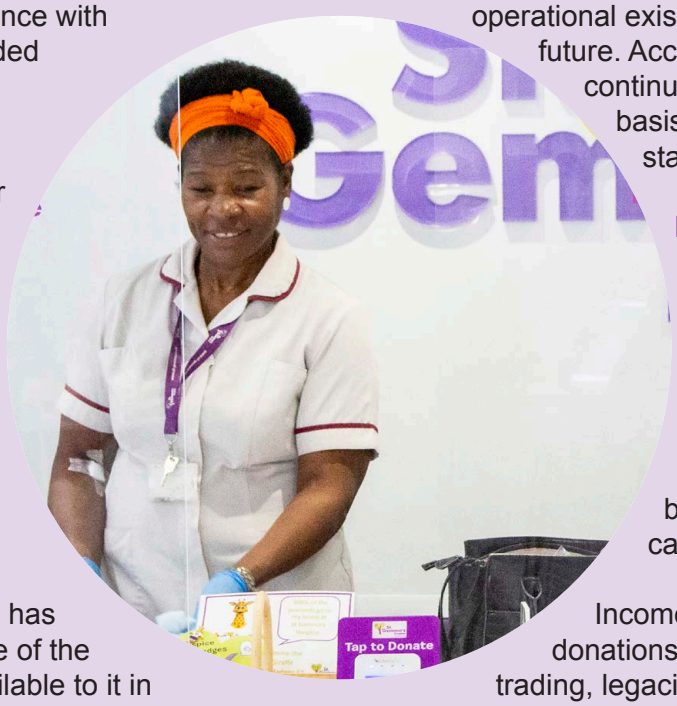
For year ended 31 March 2021

Company and charitable status

St Gemma's Hospice, a public benefit entity, is incorporated in England and Wales as a charitable company limited by guarantee not having a share capital. The Sisters of the Cross and Passion are the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of investments which have been included at market value. The financial statements have been prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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 2020 and the Companies Act 2006.



The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements comprise St Gemma's Hospice and its wholly-owned subsidiary undertaking, St Gemma's Hospice Services Limited. The summarised profit and loss account for the subsidiary is shown in note 1. The results of the subsidiary are consolidated on a line by line basis.

Preparation of the financial statements – going concern basis

The principal risks facing the charity are discussed in the Trustees' report. COVID-19 has brought unprecedented challenge to the financial sustainability of the Hospice. Trustees have considered budget plans and a revised five year financial outlook in considering the sustainability of the Hospice. The Trustees have also reviewed the cash position of the charity and cash forecasts at the date of signing the financial statements and are satisfied that the charity will be able to meet all of its financial commitments for at least twelve months from the date of signing.

As a consequence, the Trustees believe that the charity is well placed to manage its financial risks successfully. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Income

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

Income received by way of donations, fundraising events, trading, legacies and NHS Leeds Clinical Commissioning Group receipts are credited in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT. Lottery income is from Local Hospice Lottery and the joint lottery with Sue Ryder Wheatfields Hospice and is included net after associated expenditure.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the

charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed where material.

Income tax recoverable on income received and bank interest received are included in these accounts on the accruals basis.

Deferred income includes amounts received in respect of grants received for work to be carried out in the next financial year.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The full value of the freehold peppercorn rent is not valued due to the prohibitive cost of doing so.

All income arises in the United Kingdom.

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 under the following activity headings as follows.

Costs of raising funds include the costs incurred in generating voluntary income, fundraising trading costs, including the costs of running the charity shops, and investment management costs.

Charitable expenditure has been analysed by activity, these costs enable the Hospice to meet its charitable aims and objectives.

Support costs relate to those functions that assist the work of the Hospice but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. Governance costs are associated with the governance arrangements of the charity. They include compliance with statutory and constitutional requirements, expenditure incurred on Board of Trustees meetings and legal advice for the Trustees. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

Expenditure is included in the Statement of Financial Activities inclusive of any VAT which cannot be recovered.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in the furtherance of the general objectives of the charity. Designated funds are amounts that have been put aside at the discretion of the Board of Trustees. Restricted funds are funds subject to specific conditions imposed by donors. Where restricted funds are received for the purchase of fixed assets then the funds are transferred to designated funds once the purchase has been made. See Notes 16 and 17 for further information on funds and funds utilisation.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation.

Tangible fixed assets individually costing more than £1,000 are capitalised and included in the accounts at cost. Provision is made for depreciation on all tangible assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Improvements to leasehold property costs
- 5% per annum on a straight line basis

Fixtures and fittings
- 10% per annum on a straight line basis

Motor vehicles
- 25% per annum on reducing balance basis

Computers
- 25% per annum on a straight line basis

Investments

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Current investments represent monies invested in short-term liquid money market instruments.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Stock

Stock of purchased goods is valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

Employee benefits

The Hospice operates two pension schemes. A defined benefit scheme with the National Health Service Superannuation Scheme, is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service Pension agencies. In addition there is a Group Personal Pension Scheme administered by Standard Life which is available to all other employees. Contributions to both Schemes are charged directly to the Statement of Financial Activities. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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. Current asset investments includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities.

The trading subsidiary is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on a non-discounted basis.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

Notes to the Group Financial Statements

For year ended 31 March 2021

1. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned subsidiary, St Gemma's Hospice Services Limited which is incorporated in the UK and registered in England. The company undertakes trading activities including the sale of bought in goods and the provision of room hire within the St Gemma's Academic Unit of Palliative Care. A summary of its trading results for the period is shown below. The company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

Profit and Loss account	**2021 £**	**2020 £**
Turnover	49,081	88,472
Cost of sales	(12,514)	(36,260)
Gross profit	36,567	52,212
Administrative expenses	(634)	(1,832)
Management charge	(18,987)	(30,717)
Operating profit	16,946	19,663
Charitable donation to St Gemma's Hospice	(16,946)	(19,663)
Retained in subsidiary	-	-
Aggregate Capital and reserves	2	2

2. INCOME FROM DONATIONS, LEGACIES AND TRUSTS

	2021 Unrestricted Funds £	**2021 Restricted Funds £**	**2021 Total £**
Donations	1,219,230	1,166	1,220,396
Legacies	1,253,818	-	1,253,818
Grants and Trusts	555,602	596,546	1,152,148
	3,028,650	597,712	3,626,362

2020 Comparative

	2020 Unrestricted Funds £	**2020 Restricted Funds £**	**2020 Total £**
Donations	1,152,809	48,839	1,201,648
Legacies	1,479,109	-	1,479,109
Grants and Trusts	491,896	218,989	710,885
	3,123,814	267,828	3,391,642

In 2021 grants include unrestricted government grants of £270,781 (2020: £450,000) relating to the COVID-19 retail grant scheme and restricted furlough income from the Coronavirus Job Retention Scheme which totalled £417,641.

3. INCOME FROM OTHER TRADING ACTIVITIES

	2021 £	2020 £
Sale of donated goods	1,100,551	2,926,004
Fundraising events	450,762	925,379
Lottery	245,057	112,836
Income from wholly owned subsidiary:		
Room hire	3,670	24,644
Sale of purchased goods	42,910	61,327
Lottery License fee	2,501	2,501
	1,845,451	4,052,691

The sales of donated and purchased goods in 2021 includes donations under retail gift aid of £27,125 (2020: £708,880) and the associated gift aid of £6,700 (2020: £175,093). St Gemma's Hospice had 24 shops at the year end (2020: 24) although they were not trading at 31 March 2021 due to COVID-19.

4. INCOME FROM CHARITABLE ACTIVITIES

	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £
Provision of Hospice services			
Grant income from NHS Leeds	3,692,231	-	3,692,231
COVID-19 grant income from NHSE	-	2,014,904	2,014,904
Education and research	92,369	-	92,369
Bistro	32,077	-	32,077
Other	7,822	-	7,822
	3,824,499	2,014,904	5,839,403

The NHS England awarded funding to allow the Hospice to make available bed capacity and community services from April 2020 to July 2020 and Nov 2020 to Mar 2021 to provide support to people with complex needs in the context of the COVID-19 pandemic.

2020 Comparatives

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total £
Provision of Hospice services			
Grant income from NHS Leeds	3,507,310	60,000	3,567,310
Sisters of the Cross and Passion grant	150,000	-	150,000
Education and research	121,382	20,000	141,382
Bistro	88,811	-	88,811
Other	22,519	-	22,519
	3,890,022	80,000	3,970,022

5. INVESTMENT INCOME

	2021 £	2020 £
Listed securities	161,915	192,054
Bank and other interest	12,251	27,015
	174,166	219,069

6. ANALYSIS OF EXPENDITURE

	2021 Direct Costs	2021 Support Costs	2021 Total
	£	£	£
Expenditure on raising funds			
Costs of selling donated goods	1,987,705	136,154	2,123,859
Costs of raising income from donations, legacies, trusts and fundraising events	1,097,302	102,029	1,199,331
Investment management fees	27,282	-	27,282
Cost of wholly owned subsidiary:			
Room hire	1,866	-	1,866
Purchased goods	30,269	-	30,269
	3,144,424	238,183	3,382,607
Expenditure on charitable activities			
Provision of Hospice services			
Inpatient Care	4,992,330	647,217	5,639,547
Community Care	1,217,887	68,994	1,286,881
Day / STAR* Services	510,174	54,685	564,859
Bereavement Support	177,871	18,602	196,473
Education and research	488,670	30,659	519,329
	7,386,932	820,157	8,207,089
Total expenditure	10,531,356	1,058,340	11,589,696

*Support Therapy and Resources

6. ANALYSIS OF EXPENDITURE (continued)

2020 Comparatives

	2020 Direct Costs	2020 Support Costs	2020 Total
	£	£	£
Expenditure on raising funds			
Costs of selling donated goods	2,093,408	140,497	2,233,905
Costs of raising income from donations, legacies, trusts and fundraising events	1,182,395	102,225	1,284,620
Investment management fees	28,251		28,251
Cost of wholly owned subsidiary:		-	
Room hire	18,444	-	18,444
Purchased goods	50,365	-	50,365
		-	
	3,372,863	242,722	3,615,585
Expenditure on charitable activities			
Provision of Hospice services			
Inpatient Care	4,402,092	639,436	5,041,528
Community Care	1,077,948	80,097	1,158,045
Day Services	585,941	25,743	611,684
Bereavement Support	175,200	16,175	191,375
Education and research	454,017	27,676	481,693
	6,695,198	789,127	7,484,325
Total expenditure	10,068,061	1,031,849	11,099,910

7. ANALYSIS OF SUPPORT COSTS

2021	Provision of Hospice Services						
	Raising Funds	Inpatient Care	Community Care	Day / STAR Services	Bereavement Support	Education & Research	Total
	£	£	£	£	£	£	£
Governance	16,915	45,963	4,900	3,884	1,321	2,178	75,161
Finance	43,197	117,380	12,513	9,918	3,374	5,560	191,942
IT	39,287	106,755	11,380	9,020	3,068	5,057	174,567
HR	15,098	41,025	4,373	3,466	1,179	1,943	67,084
Admin	48,230	131,056	13,971	11,073	3,767	6,208	214,305
Estates and Facilities	59,958	162,924	17,368	13,766	4,683	7,718	266,417
Depreciation	15,498	42,114	4,489	3,558	1,210	1,995	68,864
Total	238,183	647,217	68,994	54,685	18,602	30,659	1,058,340

2020	Raising Funds	Inpatient Care	Community Care	Day Services	Bereavement Support	Education & Research	Total
	£	£	£	£	£	£	£
Governance	14,801	38,994	4,884	1,570	986	1,689	62,924
Finance	45,379	119,549	14,975	4,813	3,024	5,174	192,914
IT	41,383	109,018	13,656	4,389	2,758	4,718	175,922
HR	15,025	39,581	4,958	1,593	1,001	1,713	63,871
Admin	47,282	124,562	15,603	5,015	3,151	5,391	201,004
Estates and Facilities	63,161	166,395	20,843	6,699	4,209	7,202	268,509
Depreciation	15,691	41,337	5,178	1,664	1,046	1,789	66,705
Total	242,722	639,436	80,097	25,743	16,175	27,676	1,031,849

The allocation is based upon the headcount in these areas, adjusted for those costs which were only incurred on the Hospice site, being IT, Finance and administration together with a proportion of building and maintenance costs.

8. NET INCOME/ (EXPENDITURE) FOR THE YEAR

This is stated after charging:	2021 £	2020 £
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	16,500	16,100
- Fees payable to the charity's auditor for other services to the group:		
taxation services	2,200	1,100
the audit of the charity's subsidiary	3,800	3,800
reporting to group auditor	1,130	1,100
Depreciation		
- on owned fixed assets	231,437	215,833
- on leased fixed assets	354,208	354,208
Rental of land and buildings under operating leases	482,929	491,614
Hire of equipment under operating leases	11,223	11,021

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY

	2021 £	2020 £
Aggregate remuneration comprised:		
Wages and salaries	7,317,335	6,845,673
Social security costs	650,773	596,486
Other pension costs	596,632	559,007
	8,564,740	8,001,166

The overall average and whole time equivalent (WTE) employees during the period was as follows:

	2021		2020	
	No.	WTE	No.	WTE
Provision of Hospice Services	160	132	159	127
Raising funds	74	62	76	63
Support functions	44	36	35	32
	278	230	270	222

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2021 No.	2020 No.
£60,001 - £70,000	1	-
£70,001 - £80,000	3	3
£80,001 - £90,000	1	-
£100,001 - £110,000	1	1
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1

9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL GROUP AND CHARITY (continued)

The key management personnel of the parent Charity, listed on page 4, are the same as the Group. The total remuneration (including pension contributions and employers' national insurance) of the key management personnel of the Group for the year totalled £494k (2020: £496k).

As shown above, St Gemma's Hospice has employed seven individuals who earned over £60,000. Three of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership team (HLT), responsible for running the Hospice. The Chief Executive is not the highest paid employee.

No trustees received remuneration during the current or prior year. No travel or subsistence expenses were paid to trustees during the current or prior year.

10. TANGIBLE FIXED ASSETS

CHARITY AND GROUP	Improvements to Leasehold Property	Computer Equipment	Fixtures And Fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2020	6,670,892	586,294	3,302,138	59,727	10,619,051
Additions	-	88,913	122,924	-	211,837
At 31 March 2021	6,670,892	675,207	3,425,062	59,727	10,830,888
Depreciation					
At 1 April 2020	4,521,514	465,922	2,431,800	28,107	7,447,343
Charge for year	354,208	83,620	139,912	7,905	585,645
At 31 March 2021	4,875,722	549,542	2,571,712	36,012	8,032,988
Net book value					
At 31 March 2021	1,795,170	125,665	853,350	23,715	2,797,900
At 31 March 2020	2,149,378	120,372	870,338	31,620	3,171,708

All tangible fixed assets are used for or to support charitable purposes.

11. FIXED ASSET INVESTMENTS

CHARITY	Cost Unlisted £	Valuation Listed £	Total £
Cost / market value at 1 April 2020	2	5,320,401	5,320,403
Additions	-	929,866	929,866
Disposal proceeds	-	(1,305,897)	(1,305,897)
Unrealised losses	-	1,055,785	1,055,785
Realised gains	-	191,036	191,036
Increase in cash deposits	-	345,002	345,002
Cost / market value at 31 March 2021	2	6,536,193	6,536,195

GROUP	Valuation Listed £	Total £
Market value at 1 April 2020	5,320,401	5,320,401
Additions	929,866	929,866
Disposal proceeds	(1,305,897)	(1,305,897)
Unrealised losses	1,055,785	1,055,785
Realised gain	191,036	191,036
Increase in cash deposits	345,002	345,002
Market value at 31 March 2021	6,536,193	6,536,193

The unlisted investment represents an investment in the subsidiary undertaking:

Name of Subsidiary	Class of Shares Held	Percentage of Shares Held
St Gemma's Hospice Services Limited	Ordinary	100%

St Gemma's Hospice also holds a minority share in an unlisted investment, Hospice Quality Partnership, which was acquired for £10.

Listed Investments

The historic cost of listed fixed asset investments at 31 March 2021 was £4,829,705 (2020: £4,668,014). The investments are managed by an external fund manager. The funds can be analysed as follows:

	2021 £	2020 £
Fixed interest	901,431	736,203
UK Equities	2,776,618	2,525,808
Overseas equities	1,809,015	1,325,538
Property	186,570	263,305
Alternative Assets	436,570	388,560
Cash deposits	425,989	80,987
	6,536,193	5,320,401

12. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	2,428	3,763	-	-
Amounts due from subsidiary undertaking	-	-	38,263	41,080
Income tax recoverable	121,974	185,408	121,974	185,408
Other debtors	582,392	899,821	582,392	899,821
Prepayments	168,819	144,451	168,819	144,451
	875,613	1,233,443	911,448	1,270,760

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	50	106	-	-
Other creditors	609,987	680,097	609,987	678,844
Accruals and deferred income	256,982	185,310	256,983	185,310
	867,019	865,513	866,970	864,154

Included in Other Creditors is £241,138 (2020: £215,447) received by St Gemma's in the role of host of the Leeds Palliative Care Network, which involves collaborative working with other palliative and end of life care providers in Leeds.

14. DEFERRED INCOME

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Brought forward	-	36,723	-	36,723
Released in the year	-	(36,723)	-	(36,723)
Deferred income	55,201	-	55,201	-
Carried forward	55,201	-	55,201	-

The deferred income figure includes £8,830 for monies received to support our Academic Unit of Palliative Care in the delivery of the CNS ECHO project. £31,896 has been received from the Leeds CCG for controlled drugs funding. In addition, £14,475 has been received in advance for training courses delivered by the Academic Unit of Palliative Care.

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 March 2020 Total Funds £
INCOME FROM					
Donations, legacies and trusts	2	3,123,814	-	267,828	3,391,642
Other trading activities:	3				
Sale of donated goods		2,926,004	-	-	2,926,004
Fundraising events		925,379	-	-	925,379
Lottery		112,836	-	-	112,836
Commercial trading operations		88,472	-	-	88,472
		4,052,691	-	-	4,052,691
Charitable activities – Provision of Hospice Services:	4				
Grant income from CCG		3,507,310	-	60,000	3,567,310
Other grants		-	150,000	-	150,000
Education and research		121,382	-	20,000	141,382
Bistro		88,811	-	-	88,811
Other		22,519	-	-	22,519
		3,740,022	150,000	80,000	3,970,022
Investments Income	5	219,069	-	-	219,069
Total income		**11,135,596**	**150,000**	**347,828**	**11,633,424**
EXPENDITURE ON					
Raising funds:					
Cost of selling donated goods		2,176,975	56,930	-	2,233,905
Costs of raising income from donations, legacies, trusts and fundraising events		1,243,571	41,049		1,284,620
Investment management fees		28,251	-	-	28,251
Commercial trading operations		68,809	-	-	68,809
		3,517,606	97,979	-	3,615,585
Charitable activities – Provision of Hospice Services		6,718,836	579,710	185,779	7,484,325
Total Expenditure	6	**10,236,442**	**677,689**	**185,779**	**11,099,910**

15. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (continued)

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 March 2020 Total Funds £
Net income/(expenditure) before investment gains	8	899,154	(527,689)	162,049	533,514
Net gains on investments		(646,088)	-	-	(646,088)
Net income /(expenditure)		253,066	(527,689)	162,049	(112,574)
Transfer between funds	16/17	(109,865)	230,207	(120,342)	-
Net movement in funds		**143,201**	**(297,482)**	**41,707**	**(112,574)**
RECONCILIATION OF FUNDS:					
Total funds brought forward		7,329,373	4,277,291	250,181	11,856,845
Net movement in funds for the year		143,201	(297,482)	41,707	(112,574)
Total funds carried forward	18	**7,472,574**	**3,979,809**	**291,888**	**11,744,271**

16. UNRESTRICTED FUNDS

CHARITY AND GROUP	01 April 2020 £	Income and net gain on Investment £	Expenditure £	Transfers £	31 March 2021 £
Designated Funds					
Maintenance and gardens	453,998	-	-	(35,371)	418,627
Building Development Reserve	150,000	-	-	200,000	350,000
IT Development fund	9,438	-		(9,438)	-
Service Transformation fund	141,634	-	(27,529)	248,506	362,611
Leadership and development	46,479	-	-	(46,479)	-
Staff wellbeing	6,552	-	(4,525)	(2,027)	-
Digital Development Reserve	-	-	-	250,000	250,000
Covid Response Reserve	-	-	-	100,000	100,000
Fixed assets	3,171,708	-	(585,645)	211,837	2,797,900
	3,979,809	-	(617,699)	917.028	4,279,138
General Fund	**7,472,574**	**10,119,587**	**(8,344,172)**	**(862,923)**	**8,385,066**
Total unrestricted funds	**11,452,383**	**10,119,587**	**(8,961,871)**	**54,105**	**12,664,204**

16. UNRESTRICTED FUNDS (continued)

The maintenance and Gardens fund is for ongoing building maintenance work to ensure that the Hospice is kept to the highest possible standard. The fixed asset fund represents reserves invested in fixed assets and each year a transfer is made equivalent to the value of additions in the year.

£150,000 was received in the prior year from the Sisters of the Cross and Passion for future building plans; this is included within the Building Development Reserve, which has had a further £200,000 transferred from general funds at the year end.

The Digital Development Reserve and COVID-19 Response Reserve have been created to support the Transformation Programme.

The Transformation fund is desginated to support ongoing service development needs of the Hospice.

YEAR ENDED 31 MARCH 2020 COMPARATIVES

CHARITY AND GROUP	01 April 2019	Income and net gain on investment	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Designated Funds					
Maintenance and gardens	499,804	-	-	(45,806)	453,998
Investing in People	881	-	(881)	-	-
SOCP future building plan	-	150,000	-	-	150,000
IT Development fund	38,550	-	-	(29,112)	9,438
Transformation fund	237,361	-	(84,798)	(10,929)	141,634
Leadership and development	50,000	-	(3,521)	-	46,479
Staff wellbeing	25,000	-	(18,448)	-	6,552
Fixed assets	3,425,695	-	(570,041)	316,054	3,171,708
	4,277,291	150,000	(677,689)	230,207	3,979,809
General Fund	**7,329,373**	**10,489,508**	**(10,236,442)**	**(109,865)**	**7,472,574**
Total unrestricted funds	**11,606,664**	**10,639,508**	**(10,914,131)**	**120,342**	**11,452,383**

17. RESTRICTED FUNDS

CHARITY AND GROUP	1 April 2020	Income	Expend-iture	Transfers	31 March 2021
	£	£	£	£	£
NHSE Covid funding	-	2,014,904	(2,014,904)	-	-
HMRC Job retention scheme	-	417,641	(417,641)	-	-
Children's bereavement service	-	50,495	(50,495)	-	-
Competency Framework/EOL care outcomes	40,329	-	(40,329)	-	-
City wide education programme	12,138	-	-	-	12,138
Dedicated space Young People's service	60,000	-	-	-	60,000
Training and Education	65,000	-	-	-	65,000
Restricted Trust Income	78,151	128,410	(99,746)	(48,128)	58,687
Sundry restricted donations	6,912	1,166	(3,162)	(4,536)	380
Enhanced Digitisation for In Patient Unit (IPU)	1,441	-	-	(1,441)	-
Mental Health Clinical Nurse Specialist	25,415	-	(1,548)	-	23,867
Patient & Family Engagement	2,502	-	-	-	2,502
Balance	291,888	2,612,616	(2,627,825)	(54,105)	222,574

17. RESTRICTED FUNDS (continued)

The children's bereavement service is funded by Children in Need to employ children's bereavement workers.

The competency framework for nursing staff was funded by Leeds Clinical Commissioning Group. Health Education England provided funding to support the End of Life Care Outcomes project being undertaken within the Academic Unit of Palliative Care.

The Citywide education programme was set up to improve the provision of palliative care across the city.

The Hospice to Hospital In Reach project, Enhanced Digitisation for the In Patient Unit, Mental Health Clinical Nurse Specialist, Patient and Family Engagement and Dedicated Space for Young People's Service are all funded by NHS Leeds Clinical Commissioning Group.

The transfers represent expenditure on capital items within the different restricted funds.

YEAR ENDED 31 MARCH 2020 COMPARATIVES

CHARITY AND GROUP	1 April 2019 £	Income £	Expenditure £	Transfers £	31 March 2020 £
IPU & Day Hospice	23,148	-	-	(23,148)	-
Children's bereavement service	-	46,939	(46,939)	-	-
Competency Framework/EOL care outcomes	43,996	-	(3,667)	-	40,329
City wide education programme	32,332	-	(14,719)	(5,475)	12,138
Dedicated space Young People's Service	-	60,000	-	-	60,000
Leeds Compassionate Communities	738	-	(738)	-	-
Training and education	-	65,000	-	-	65,000
Restricted Trust Income	49,995	172,050	(74,219)	(69,675)	78,151
Sundry restricted donations	6,731	3,839	(2,058)	(1,600)	6,912
St Gemma's Hospice to Hospital In Reach	29,583	-	(29,583)	-	-
Enhanced Digitisation for In Patient Unit (IPU)	28,603	-	(6,718)	(20,444)	1,441
Mental Health Clinical Nurse Specialist	31,855	-	(6,440)	-	25,415
Patient & Family Engagement	3,200	-	(698)	-	2,502
Balance	250,181	347,828	(185,779)	(120,342)	291,888

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2021 £
Tangible assets	-	2,797,900	-	2,797,900
Investments	6,536,195	-	-	6,536,195
Current assets	2,715,841	1,481,238	222,574	4,419,653
Current liabilities	(866,970)	-	-	(866,970)
Total net assets	8,385,066	4,279,138	222,574	12,886,778

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

Group	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2021 £
Tangible assets	-	2,797,900	-	2,797,900
Investments	6,536,193	-	-	6,536,193
Current assets	2,715,892	1,481,238	222,574	4,419,704
Current liabilities	(867,019)	-	-	(867,019)
Total net assets	8,385,066	4,279,138	222,574	12,886,778

2020 Comparatives

Charity	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2020 £
Tangible assets	-	3,171,708	-	3,171,708
Investments	5,320,403	-	-	5,320,403
Current assets	3,016,325	808,101	291,888	4,116,314
Current liabilities	(864,154)	-	-	(864,154)
Total net assets	7,472,574	3,979,809	291,888	11,744,271

Group	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total 2020 £
Tangible assets	-	3,171,708	-	3,171,708
Investments	5,320,401	-	-	5,320,401
Current assets	3,017,686	808,101	291,888	4,117,675
Current liabilities	(865,513)	-	-	(865,513)
Total net assets	7,472,574	3,979,809	291,888	11,744,271

19. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of net incoming resources to net cashflow from operating activities	2021 £	2020 £
Net (expenditure)/income for the reporting period	1,142,507	(112,574)
Investment income	(174,166)	(219,069)
Depreciation	585,645	570,041
Losses/(gains) on investments	(1,246,821)	646,088
Gain on sale of fixed assets	-	-
Decrease in stock	(865)	1,065
Increase in debtors	357,830	(256,483)
Increase/(decrease) in creditors	1,506	62,137
Net cash inflow and outflow from operating activities	665,636	691,205

20. FINANCIAL COMMITMENTS

At the balance sheet date the total future minimum lease payments under non-cancellable operating leases:

	Land & Buildings		Other	
	2021	2020	2021	2020
	£	£	£	£
Within one year	395,986	435,083	6,539	11,223
Between one and five years	680,165	758,651	7,327	13,866
	1,076,151	1,193,734	13,866	25,089

21. PENSION COMMITMENTS

The Hospice contributes to two pension schemes. A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies. Contributions to this scheme are paid in respect of current service, and there is no liability to the Hospice in respect of past service. In addition, there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life, which is available to all employees.

The charge to the Statement of Financial Activities of £596,632 (2020: £559,007) represents contributions to the funds during the period. This can be broken down into NHS £333,952 (2020: £314,629), Standard Life £262,680 (2020: £244,378). Contributions payable to the Standard Life scheme at the year end date totalling £24,474 (2020: £23,807) are included in creditors.

22. RELATED PARTIES

Control
Throughout the period, St Gemma's Hospice was ultimately controlled by the Congregation of the Sisters of the Cross and Passion of our Lord Jesus Christ. The members of the company all belong to this Congregation.

Transactions
The Congregation retains freehold title to the Hospice which is let to the company on a long term lease for peppercorn rent. During 2020 £150,000 was received from the Sisters of the Cross and Passion as a grant towards future building plans.

Trustee donations
The aggregate amount of cash donations received from Trustees during the year was £220 (2020: £1,473). This does not include income received from Trustees in relation to the purchase of tickets or items at fundraising events.

Trustee relationships
Schofield Sweeney has provided legal advice in relation to the Hospice's lease arrangements. Chris Schofield (Trustee) is Chairman of Schofield Sweeney.

23. JOINT ARRANGEMENT

St Gemma's Hospice has an arrangement with Sue Ryder Wheatfields to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries.

The income received during the year from this lottery was £92,323 (2020: £107,802) and is included in note 3.

“I love being part of this wonderful organisation. I know anything I can do to help is always appreciated.”

St Gemma's Hospice is a local, independent charity, providing expert medical and nursing care to thousands of local people every year – all free of charge to patients and their families.

If you would like more information about our work, please contact us:

St Gemma's Hospice
329 Harrogate Road
Moortown
Leeds, LS17 6QD

Website:	www.st-gemma.co.uk
Email:	postmaster@st-gemma.co.uk
Hospice Reception:	0113 218 5500

www.twitter.com/stgemmashospice

www.facebook.com/st.g.hospice

St. Gemma's Hospice
Always caring

Registered Charity No. 1015941