



Report & Financial Statements

For the year ended
31 March 2022

Company Registration No: 02773867 Charity Registration No: 1015941

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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:



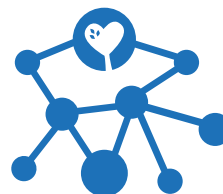
Impact

St Gemma's University Teaching Hospice will improve care for patients and 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:

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
24 Shops

2021/22
24 Shops



Retail Items Sold

2020/21
435,528

2021/22
1,219,224

Community Nursing and Medical Face-to-face Contacts

2020/21
19,787

2021/22
21,448

Cancer: Non Cancer Patient Referrals

2020/21
71%:29%

2021/22
69%:31%

Staff Members

2020/21
278

2021/22
281



Average In-Patient Length of Stay (days)

2020/21
11

2021/22
12.5

New Patient Referrals

2020/21
1,236

2021/22
1,330

Student Placements

2020/21
98

2021/22
125

Facebook Followers

2020/21
17,906

2021/22
17,839



Website Visits

2020/21
148,000

2021/22
153,000

Annual Income

2020/21
£11,485,382

2021/22
£13,419,643

Admissions to In-Patient Unit

2020/21
508

2021/22
416

Retail Customers

2020/21
187,326

2021/22
571,816



Volunteer Numbers

2020/21
950

2021/22
878

NHS Funding

2020/21
32%
Amount
£3.7 M

2021/22
30%
Amount
£4.1 M

External Healthcare Professionals Trained

2020/21
1,445

2021/22
988

Volunteer Hours

2020/21
16,442

2021/22
62,692

Twitter Followers

2020/21
7,986

2021/22
8,118



Inclusive Top 50 Companies

2020/21
44th

2021/22
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.



The Year Under Review

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 beneficial 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 performing 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.

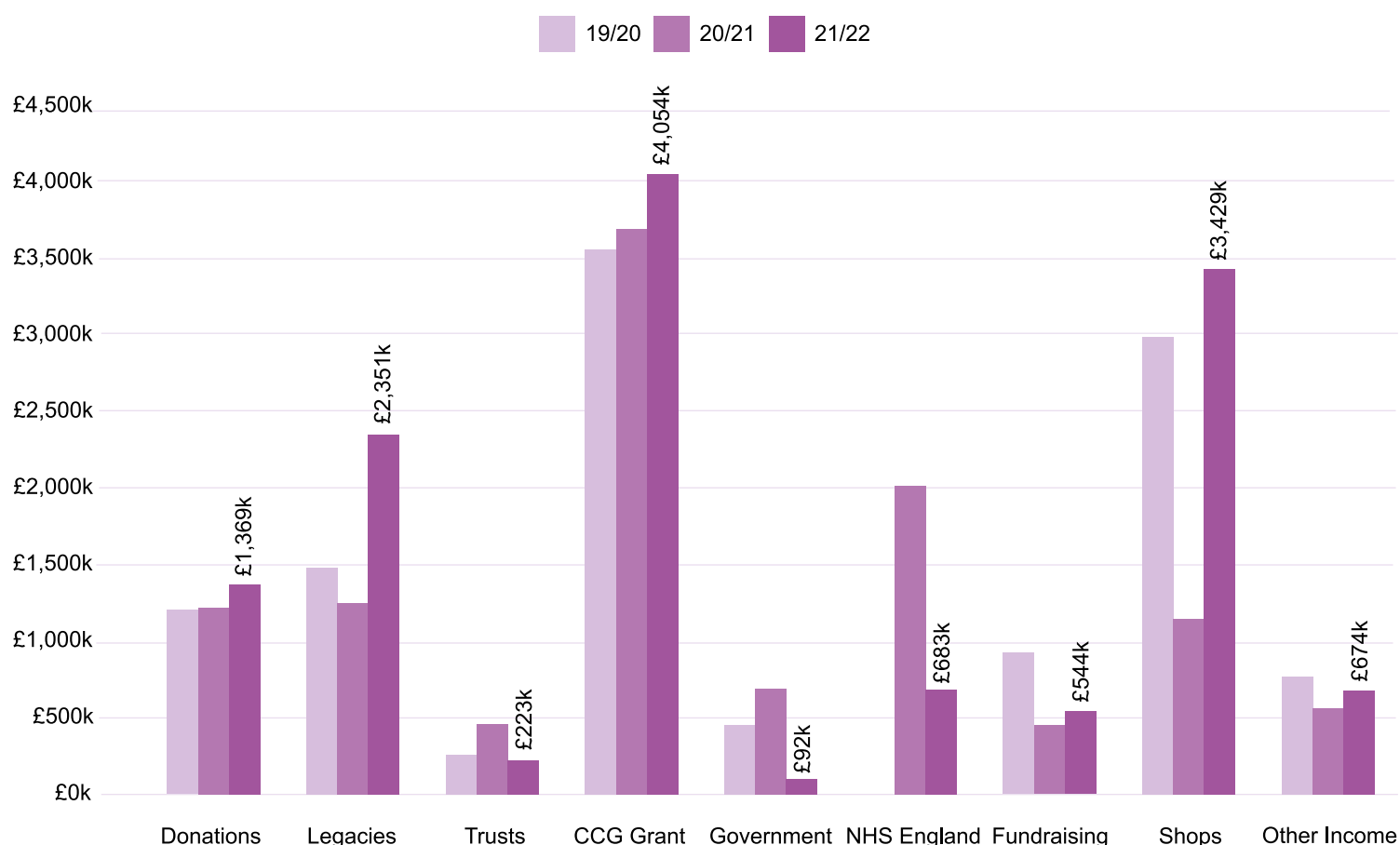
The investment portfolio is managed by external fund managers (Investec) and performance is monitored by the Finance and Business Committee with an independent review every 3 years. All investment decisions are made in accordance with the approved investment policy. This policy sets out the investment 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

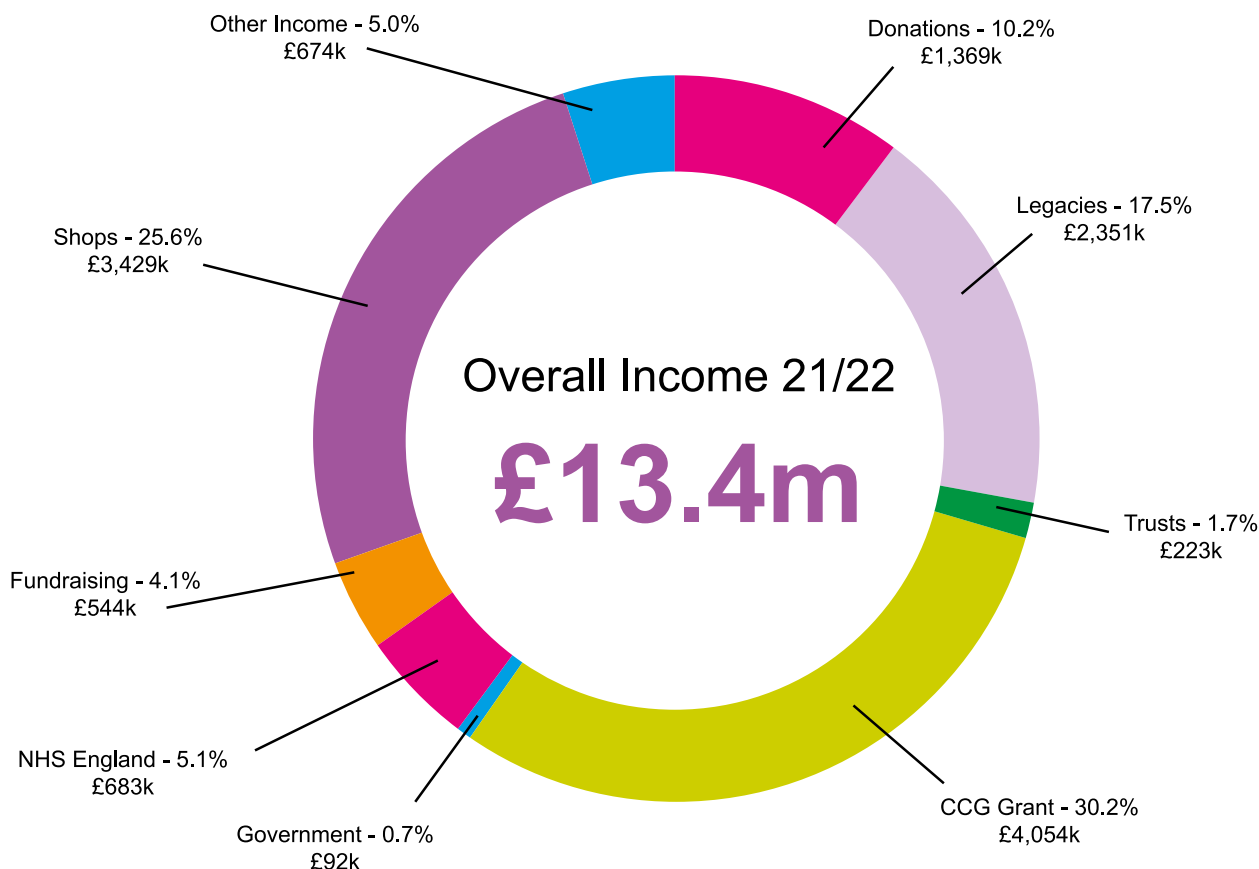
interest (10%), property (3%), cash deposits (3%) and alternative assets (7%).

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 issue by the Board of Trustees and signed on its behalf by:

Date
08/11/2022

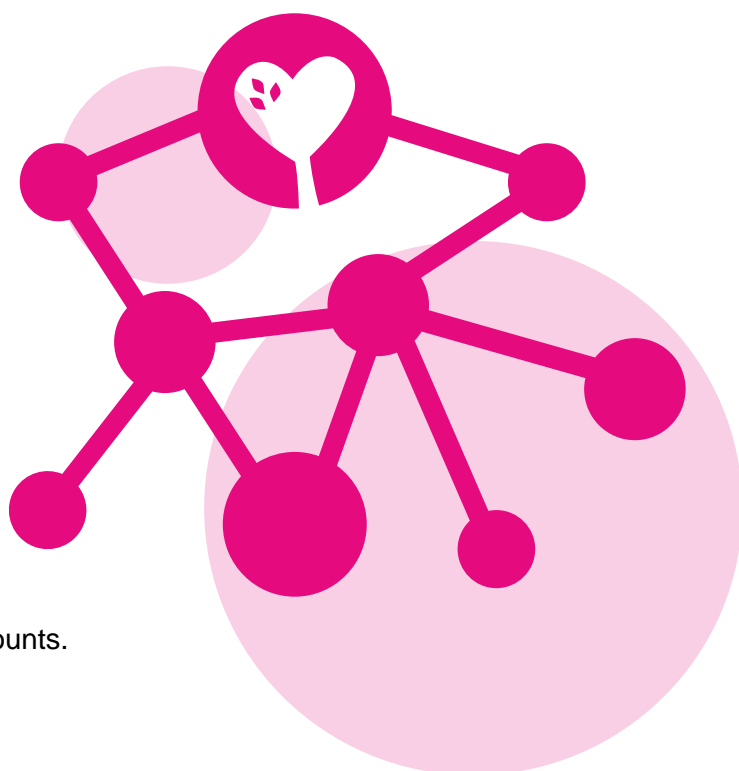
Signature



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 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.



Notes to the Group Financial Statements

For year ended 31 March 2022

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 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 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:

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Charity Registration No: 1015941



**St.
Gemma's
Hospice**
Always caring

Registered Charity No. 1015941