

Registered number: 02906838
Charity number: 1035600

NIGHTINGALE HOUSE HOSPICE

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 11
Independent auditors' report on the financial statements	12 - 15
Consolidated statement of financial activities	16
Consolidated balance sheet	17
Charity balance sheet (statement of financial position)	18 - 19
Consolidated statement of cash flows	20
Notes to the financial statements	21 - 45

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	Dr N Braid, Vice Chair Mrs A Brebner Mr C Burgoyne (appointed 9 June 2022) Mr R Cole Dr J Duguid Mr G Greasley Mrs E Griffiths, Chair His Honour R P Hughes Mrs J Lowe Mr A Morse Mr R C Thomas (appointed 9 June 2022) Mrs C Varley Mr P R Weston
Company registered number	02906838
Charity registered number	1035600
Registered office	Nightingale House Chester Road Wrexham LL11 2SJ
Key Management Personnel	Steve Parry - Chief Executive Officer Lauren Tilston - Deputy Chief Executive Officer Robert Cole - Interim Finance Manager (appointed October 2022) Mandy Cunningham - Director of Clinical Services Laura Parry - Director of Income Generation
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Barclays Bank plc Raymond Court Princes Drive Colwyn Bay LL29 8HT

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Solicitors	DTM Legal Archway House Station Road Chester Cheshire CH1 3DR
	Gittins McDonald 27-29 Grosvenor Road Wrexham LL11 1BT
Investment Managers	Brewin Dolphin 1 The Avenue Spinningfields Square Manchester M3 3AP

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their Annual Report together with the audited financial statements of the Charity for the year from 1 January 2022 to 31 December 2022. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the second edition Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (October 2019).

Objectives and activities

a. Policies and objectives

The object of the Charity is to provide services for individuals and their families living within North East Wales and the border areas who are living with a diagnosis of progressive and/or life limiting illness, delivered, when possible, in the location of their choice and always within the resources available to Nightingale House Hospice.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

To monitor standards of patient and family care and establish a programme of continual review and improvement in line with local, regional and national specialist palliative care strategies and standards.

To ensure all services are provided in safe, pleasant and well maintained premises appropriate and fit for purpose in collaboration with other health and social care providers.

To ensure equity of access to hospice services for patients and families identified within our organisations' aims.

The strategies employed to achieve the Charity's objectives and to ensure we deliver public benefit are:

- Maintenance of a suitably qualified and experienced multi disciplinary team
- Corporate and clinical governance monitoring
- Quality assurance audits locally and nationally peer reviewed
- A programme of staff development and training

c. Activities undertaken to achieve objectives

Following an assessment of physical, emotional, social and spiritual needs, services will be delivered by a multi-disciplinary team, trained and competent to meet the needs of all patients, including those with complex, specialist needs.

To provide the highest quality of health care in an appropriate and safe environment and through developing collaborative working partnerships with Health and Social Care providers within the local community.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

d. Volunteers

The Charity is dependent on the help of approximately 428 active volunteers who provide incredible levels of support. Volunteers assist in all areas of the hospice and income generation, and are a very important part of the organisation.

e. Main activities undertaken to further the Charity's purposes for the public benefit

Monitor standards of patient and family care and establish a programme of continual review and improvement in line with local, regional and national specialist palliative care strategies and standards.

The Trustees have given due consideration to the Charity Commission's guidance on public benefit when reviewing the objectives and in deciding what activities the Charity undertakes. The Trustees are satisfied that the achievements and planned activities contribute to the objectives they have set.

Strategic report

Achievements and performance

a. Key performance indicators

Financial performance is monitored monthly by the executive management team. It is also reviewed and discussed at quarterly finance committee meetings and at all formal board meetings.

b. Review of activities

The Hospice met its objective of providing a comprehensive range of quality services to its patients free at the point of delivery. The inpatient unit and all other services operated throughout the year however some departments such as The Wellbeing Centre and Family Support continued to offer phone support alongside face to face appointments.

c. Investment policy and performance

According to the Memorandum and Articles of Association, the Trustees have the power to invest such part of the funds as they may see fit. Current funds are invested to generate income and capital growth with diversified risk. The portfolio therefore comprises of cash and fixed interest investments and global equities.

Funds are managed by Brewin Dolphin under their Income and Growth Return Category. This category is well diversified by asset class. The portfolio will be generally measured against the APCIMS Balanced Index but will be managed to our individual needs.

Interest and dividend income of £27K (2021: £23K) earned in the year was reinvested in the portfolio. It is the policy of the Board to invest reserves where possible in order to augment income and offset inflationary trends.

Funds are invested so as to generate income and capital growth within a "Balanced" benchmark and a low Risk Category of 6.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Financial review

a. Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

It is the policy of the Board to maintain free cash/quasi cash reserves at a minimum level equating to 6 months expenditure in order to ensure continuity of service in view of variable receipts, funding levels and the uncertain times we are operating in.

At the year end the total funds are £7,903,989 (2021: £7,859,363) of which £1,694,196 (2021: £1,772,860) are restricted funds, consisting primarily of fixed assets, and £6,209,793 (2021: £6,086,503) relate to unrestricted reserves.

These unrestricted reserves have been designated as follows:

2022	
General reserves	£6,209,793
Less designated funds:	
Tangible fixed assets Hospice	£2,268,323
Subsidiaries	£ 135,370
Property maintenance and repair	£ 50,000
Modernisation fund for planned development	£1,500,000
Balance	£2,256,100

The balance of unrestricted reserves is to cover 6 months running costs.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Result for the Year

The Charity reported a positive income for the year before movement in investment assets of £232k. Negative movements in the stock market valuations resulted in a net loss on our investment of £187k which in turn created an overall surplus of £45k at year end.

Fixed Asset Investments held at 31 December 2022 were valued at £1.25 million. The figure includes income of £27k which was reinvested in the fund.

Total Income for 2022 of £5.5 million was up £149k on the amount in 2021

The principal funding sources for the year aside from the trading subsidiaries were Local Health Board Core funding of £932k, donations of £482k and legacies and bequests of £1.03 million.

Expenses increased by £364k in the year to £5.3 million – equivalent to 7.4%. Staff costs equate to 64% of the total expenditure.

The average number of employees during the year was 114, which is 13 down on the level in 2021 (127).

During 2022 our total charitable expenditure was at £3.65 million equivalent to 70% of total expenditure.

Group net assets stand at £7.9m which is an increase of £45k compared to 2021. Cash held as working capital at the year end was £2.6 million.

Subsidiary Companies:

Nightingale House Lottery Limited achieved a net profit of £497k compared to £561k in 2021. The profits were gifted to the charity under the Gift Aid scheme.

Nightingale House Promotions Limited made a profit of £57k for the year (£60K loss in 2021).

c. Principal risks and uncertainties

Primary risks involve a failure to set a budget which is both achievable and ensures that the objectives of the Charity are met, a failure to accurately report the ongoing financial performance of the Charity in a timely fashion, reserves being jeopardised by poor cash management and investment losses due to unforeseen severe market conditions, and financial loss caused by fraud or theft.

The Trustees have assessed the major risks to which the Charity and the Group is exposed, in particular those related to the operations and finances of the Charity and the Group, and are satisfied that systems and procedures are in place to manage our exposure to the major risks.

The current cost of living crisis continues to impact the UK and Nightingale House Hospice during 2022, and like many other charities and businesses throughout the UK, our income streams have been impacted however the innovative fundraising initiatives and changes to retail have meant that there was no shortfall during the year.

2023 will continue to be a challenge with a budgeted deficit and every effort will be made to mitigate losses. The Trustees and Executive Management Team have always been prudent with regards to financial management, and it is anticipated that this economic storm will continue to be weathered. If difficult trading conditions continue, then the services offered will be reviewed and realigned within budgets available.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

d. Financial risk management objectives and policies

The primary financial risk management objectives and policies centre on robust budgetary control and financial reporting, a robust reserve, cash management and investment policy, and a strong anti-fraud and error infrastructure.

e. Principal funding

The principal sources of funding in the year have been Restricted Grants, Fundraising (which includes Donations, Campaigns and Events), followed by Statutory income, Lottery income, Gifts In Wills, and Gift Aid.

Structure, governance and management

a. Constitution

The Charity and the Group is registered as a charitable (private) company limited by guarantee and was set up by a Memorandum of Association on 4 March 1994. The company was incorporated in Wrexham, UK.

The Charity and the Group is constituted under a Memorandum of Association dated 4 March 1994 and is a registered charity (number 1035600). Each member undertakes to contribute a maximum of £10 to the Charity's assets should it be wound up.

b. Methods of appointment or election of Trustees

As set out in the Articles of Association no person shall be appointed a Trustee unless they have attained the age of 18 years and been recommended by the trustees not less than fourteen nor more than thirty five days before the date appointed for the general meeting. Trustees nominated are representative of the skills and experience needed by the Trustee Board to ensure a balance of professional expertise. In accordance with the Articles of Association any Trustee appointed outside of this time period can only hold office to the following general meeting at which they have to stand for election.

Trustees are elected for a period of three years. Prior to the annual general meeting the Trustees nearing the end of their term are asked whether they wish to continue for a further period of three years. Those willing are reappointed at the annual general meeting. The minimum number of trustees shall not be less than five.

All Trustees give their time voluntarily and receive no benefits from the Charity.

c. Policies adopted for the induction and training of Trustees

Upon being appointed, Trustees are provided with induction training as are staff and volunteers. Half day Board of Trustees meetings which are held twice a year provide opportunity for Trustee training updates on regulatory compliance and service developments. Additional information is supplied upon appointment, by means of the New Trustee Folder which is issued to all new Trustees.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

d. Organisational structure and decision making

The organisation is commonly known as Nightingale House Hospice and is governed by a Board of Trustees which is responsible for setting the strategic direction of the organisation and for establishing policy. The Board meets quarterly, as do other committees which cover:

- Strategy (meet every six months)
- Clinical
- Finance
- Human Resources
- Fundraising and Lottery
- Retail and Catering

There are also quarterly sub-committees for Health and Safety, Facilities and Information Governance & IT.

e. Pay policy for key management personnel

The remuneration of senior staff is based on market rates and is reviewed annually by the Trustees.

f. Related party relationships

The Charity has two subsidiaries Nightingale House Lottery Limited and Nightingale House Promotions Limited. Nightingale House Lottery Limited and Nightingale House Promotions Limited gift their profits to the charity. Nightingale House Lottery Limited administers a weekly lottery and other raffles and draws. Nightingale House Promotions Limited operates the charity shops, cafes, e commerce, gift shop and sale of merchandise.

g. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

h. Trustees' indemnities

Trustee indemnity insurance is in place for the Trustees.

Plans for future periods

Hospice 5 Year Strategic Plan (2018 – 2023)

The Strategic Plan for the hospice from 2018 – 2023 includes:

- Increasing the number of individuals able to access hospice services
- Improve the patient environment
- Increase community presence to increase more palliative care patients
- Increase Fundraising Income and develop new ideas to maintain lottery contribution
- Increase community engagement and grow corporate partnerships
- To deliver the Retail sales plan that achieves budgeted contribution through the existing retail estate

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods (continued)

Clinical

During 2022, the Hospice modernisation program continued and focused planning for the final phase which is our Inpatient Ward. The exciting new plans will see 12 individual patient rooms created across 2 wings and will provide an excellent environment and up to date facilities for the delivery of exceptional patient care to our community.

In March, the Hospice received a good inspection from Healthcare Inspectorate Wales and throughout the year has strengthened both the Medical and Clinical teams which will ensure that the Hospice is well positioned to deliver a first class, sustainable patient service to an increased number of patients in the future.

In August, Nightingale House also entered into partnership with Supportive Care UK to deliver the highest level of consultant support for our patients. As an independent charitable Hospice, it is imperative that we are able to continue to develop skills and provide the very best care to those that need it. This new and exciting partnership with Supportive Care UK will ensure that Nightingale House has access to the very best consultant support for a sustainable model for the future delivery of patient services.

Whilst the restrictions surrounding Covid-19 have eased throughout 2022, the Hospice has continuously reviewed and adapted to ensure the safety of our vulnerable patients has been protected and it remains a significant achievement that we have continued to provide all of our services, albeit sometimes virtually, throughout the pandemic and beyond.

Our direct referral service has proved to be a huge success, easing the burden on professional colleagues and providing timely support to those in need. The Patient Flow Team continues to triage all referrals and ensure timely intervention and support is provided.

It has been pleasing to see our patients returning for face-to-face clinic appointments, families receiving bereavement support in person and group sessions taking place and providing vital human interaction and mutual support for one another. The Hospice really has been a hive of activity for our patients across all of our outpatient and inpatient services throughout the year and we remain committed to providing exceptional patient care to our community.

Information on fundraising practices

All fundraising activities are completed by the Nightingale House Fundraising Team apart from the sale of Lottery entries where 1 part time, self employed canvasser is involved, although canvassing activity has been limited with venues throughout 2022.

We comply with the Code of Fundraising Practice issued by the Fundraising Regulator. The Lottery canvassers are issued with guidelines laid out by Nightingale House and they also must abide by the Gambling Commission regulations.

All activities of Lottery canvassers are monitored – dates worked, locations attended, sales made. All Lottery sales are followed up by the Nightingale House Lottery Team to ensure quality standards are maintained. No Lottery complaints were received during 2022 (Nil in 2021).

Our Privacy Policy (<https://www.nightingalehouse.co.uk/privacy-policy/>) includes the use of personal data for fundraising purposes. This Policy also includes details of the hospice's Data Protection Officer should individuals have any concerns regarding the use of their data. All fundraising documentation i.e., gift aid forms, flyers, registration forms, standard letters, etc. contain a link to the Privacy Policy and instructions of how to opt out of future communication.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods (continued)

We also review annually the personal data we hold regarding our supporters to ensure that, where possible, the data is accurate, up to date and not retained longer than necessary.

Future fundraising plans include:

- New fundraising events to increase community support / involvement
- Designated resource to build relationships with corporate supporters / donors
- Development of overseas challenge events
- Development of on line giving facilities

The fundamental principles upon which the Charity carries out fundraising activities are as follows:

- Legal
- Open
- Honest
- Respectful

Funds held as custodian

There were no funds held as custodian.

Retail

As stated earlier in this report (under subsidiary companies) Nightingale House Promotions Limited made a profit of £57k for the year.

The improved performance of all our retail premises as a result of the detailed review carried out in 2021 continued throughout 2022 and we expect this to continue in the 2023 financial performance.

The ongoing performance of all our retail outlets will continue to be closely monitored. There are no plans in place for any new retail premises with the exception of Llangollen should suitable premises be found.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mrs E Griffiths
Chair of Trustees

Date: 8 June 2023

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NIGHTINGALE HOUSE HOSPICE

Opinion

We have audited the financial statements of Nightingale House Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's 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.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NIGHTINGALE HOUSE HOSPICE
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NIGHTINGALE HOUSE HOSPICE
(CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).
- We understood how the Group is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they are considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal testing, cashbook reviews for large and unusual items and the challenge of significant estimates used in preparing financial statements.

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

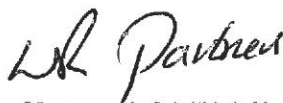
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NIGHTINGALE HOUSE HOSPICE
(CONTINUED)

Use of our report

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



Andrew Malpass BSC FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date: 25th July 2023

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	2,963,017	58,861	3,021,878	3,130,484
Charitable activities	5	-	48,938	48,938	40,000
Other trading activities	6	2,368,840	-	2,368,840	2,125,729
Investments	7	44,364	-	44,364	38,934
Total income		5,376,221	107,799	5,484,020	5,335,147
Expenditure on:					
Raising funds	8	1,597,382	-	1,597,382	1,530,849
Charitable activities		3,473,205	181,463	3,654,668	3,357,347
Total expenditure		5,070,587	181,463	5,252,050	4,888,196
Net (losses)/gains on investments		(187,344)	-	(187,344)	150,931
Net income/(expenditure)		118,290	(73,664)	44,626	597,882
Transfers between funds	19	5,000	(5,000)	-	-
Net movement in funds		123,290	(78,664)	44,626	597,882
Reconciliation of funds:					
Total funds brought forward		6,086,503	1,772,860	7,859,363	7,261,481
Net movement in funds		123,290	(78,664)	44,626	597,882
Total funds carried forward		6,209,793	1,694,196	7,903,989	7,859,363

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 21 to 45 form part of these financial statements.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)
REGISTERED NUMBER: 02906838

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	4,049,389	4,080,970
Investments	14	1,245,325	1,422,030
		<u>5,294,714</u>	<u>5,503,000</u>
Current assets			
Stocks	15	13,053	20,559
Debtors	16	568,238	602,882
Cash at bank and in hand		2,619,751	2,295,581
		<u>3,201,042</u>	<u>2,919,022</u>
Creditors: amounts falling due within one year	17	(581,917)	(552,014)
Net current assets		<u>2,619,125</u>	<u>2,367,008</u>
Total assets less current liabilities		<u>7,913,839</u>	<u>7,870,008</u>
Provisions for liabilities	18	(9,850)	(10,645)
Total net assets		<u><u>7,903,989</u></u>	<u><u>7,859,363</u></u>
Charity funds			
Restricted funds	19	1,694,196	1,772,860
Unrestricted funds	19	6,209,793	6,086,503
Total funds		<u><u>7,903,989</u></u>	<u><u>7,859,363</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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


Mrs E Griffiths
 (Chair of Trustees)
 Date: 8 June 2023

Dr N Braid
 (Trustee)



The notes on pages 21 to 45 form part of these financial statements.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)
REGISTERED NUMBER: 02906838

CHARITY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	3,914,019	3,919,270
Investments	14	1,245,325	1,422,030
		<u>5,159,344</u>	<u>5,341,300</u>
Current assets			
Stocks	15	3,344	3,517
Debtors	16	1,358,876	1,763,661
Cash at bank and in hand		1,657,960	1,062,128
		<u>3,020,180</u>	<u>2,829,306</u>
Creditors: amounts falling due within one year	17	(374,969)	(352,548)
Net current assets		<u>2,645,211</u>	<u>2,476,758</u>
Total assets less current liabilities		<u>7,804,555</u>	<u>7,818,058</u>
Provisions for liabilities		(9,850)	(10,645)
Total net assets		<u><u>7,794,705</u></u>	<u><u>7,807,413</u></u>

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

CHARITY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Charity funds			
Restricted funds	19	1,694,196	1,772,860
Unrestricted funds	19	6,100,509	6,034,553
Total funds		<u>7,794,705</u>	<u>7,807,413</u>

The Charity's net movement in funds for the year was £(12,708) (2021 - £657,675).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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



Mrs E Griffiths
(Chair of Trustees)
Date:



Dr N Braid
(Trustee)

The notes on pages 21 to 45 form part of these financial statements.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	21	539,002	552,608
Cash flows from Investing activities			
Dividends, Interests and rents from investments		44,364	38,934
Proceeds from the sale of tangible fixed assets		14,647	742
Purchase of tangible fixed assets		(273,843)	(340,999)
Proceeds from sale of investments		-	270,150
Purchase of investments		-	(274,904)
Net cash used in investing activities		(214,832)	(306,077)
Change in cash and cash equivalents in the year		324,170	246,531
Cash and cash equivalents at the beginning of the year		2,295,581	2,049,050
Cash and cash equivalents at the end of the year	22	2,619,751	2,295,581

The notes on pages 21 to 45 form part of these financial statements

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Charity is a company limited by guarantee incorporated in England and Wales. The registered address and the members of the company are named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the second edition Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Basis of consolidation

The financial statements consolidate the accounts of Nightingale House Hospice and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the Charity was a deficit of £12,708 (2021: surplus of £657,675).

2.3 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements as explained in the Trustees' Report.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Long-term leasehold property	- Over the shorter of the remaining lease term or remaining lease term or remaining expected useful life of the asset on a straight line basis
	Modernisation Project - Over 20 years
Plant and machinery	- Over 5 - 10 years straight line
Motor vehicles	- Over 3-5 years on a straight line basis
Fixtures and fittings	- Over 3-10 years on a straight line basis
Office equipment	- Over 3 years on straight line basis

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.13 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.14 Pensions

The Charity contributes to the National Health Service Pension Scheme (a defined contribution scheme) for those employees who are eligible, a defined contribution group pension plan under auto enrolment and contributes to the personal pension plans of other participating employees.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. In the opinion of the trustees there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Gift Aid on Donations	109,326	-	109,326	86,936
Donations	423,521	58,861	482,382	1,513,531
GAYE (donations via companies)	1,980	-	1,980	1,896
Challenge Activities	212,081	-	212,081	36,697
Legacies and Bequests	1,025,129	-	1,025,129	569,033
Collections	38,574	-	38,574	28,362
Covenants	1,828	-	1,828	1,843
Coronavirus Job Retention Scheme	-	-	-	98,121
BetsiCadwaladr University LHB - Core funding	931,675	-	931,675	640,295
Profits Transferred Under Gift Aid	218,903	-	218,903	153,770
Total 2022	2,963,017	58,861	3,021,878	3,130,484
Total 2021	3,059,171	71,313	3,130,484	

5. Income from charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grant income	48,938	48,938	40,000
Total 2021	40,000	40,000	

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Catering services	2,581	2,581	2,441
Fundraising	198,892	198,892	84,347
Merchandise	17,705	17,705	16,033
Rental	12,000	12,000	12,000
Miscellaneous income	66,517	66,517	54,131
Campaign income	65,779	65,779	111,610
Income from Nightingale House Promotions	1,202,161	1,202,161	976,442
Income from Nightingale House Lottery	803,205	803,205	868,725
Total 2022	2,368,840	2,368,840	2,125,729
<i>Total 2021</i>	<i>2,125,729</i>	<i>2,125,729</i>	

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Investment Income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividends	27,191	27,191	23,457
Bank Interest	1,450	1,450	227
Feed in Tariff	15,723	15,723	15,250
Total 2022	44,364	44,364	38,934
<i>Total 2021</i>	<i>38,934</i>	<i>38,934</i>	

8. Expenditure on raising funds

Other charitable trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Nightingale House Hospice - fundraising expenses	145,971	145,971	92,460
Nightingale House Promotions - expenses	586,471	586,471	549,198
Nightingale House Lottery - expenses	251,350	251,350	243,788
Subsidiary companies - staff costs	581,940	581,940	606,532
Subsidiary companies - depreciation	31,650	31,650	38,871
Total 2022	1,597,382	1,597,382	1,530,849
<i>Total 2021</i>	<i>1,530,849</i>	<i>1,530,849</i>	

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	354,239	3,300,429	3,654,668	3,357,347
Total 2022	<u>354,239</u>	<u>3,300,429</u>	<u>3,654,668</u>	<u>3,357,347</u>
<i>Total 2021</i>	<u>334,904</u>	<u>3,022,443</u>	<u>3,357,347</u>	

Analysis of direct costs

	Charitable activities 2022 £	Total funds 2022 £	Total funds 2021 £
Travel	1,005	1,005	186
Ambulance running costs & other Hospice vehicles	9,583	9,583	7,767
Educational training	15,841	15,841	17,220
Repairs and renewals	78,391	78,391	78,224
Insurance	17,728	17,728	15,738
Audit and accountancy	18,969	18,969	19,329
Legal and professional	146,667	146,667	119,205
Equipment lease	50,393	50,393	61,441
Bank charges & interest	15,662	15,662	15,794
Total 2022	<u>354,239</u>	<u>354,239</u>	<u>334,904</u>
<i>Total 2021</i>	<u>334,904</u>	<u>334,904</u>	

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs (includes agency costs)	2,780,381	2,780,381	2,516,264
Depreciation	265,299	265,299	269,235
General running costs	229,216	229,216	218,321
Catering provisions	25,533	25,533	18,623
Total 2022	<u>3,300,429</u>	<u>3,300,429</u>	<u>3,022,443</u>
<i>Total 2021</i>	<u>3,022,443</u>	<u>3,022,443</u>	

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	14,500	13,050
Accounts preparation and other services	3,650	3,450

11. Staff costs

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	3,030,708	2,793,751	2,497,943	2,234,195
Social security costs	227,729	214,080	190,928	179,413
Contribution to defined contribution pension schemes	103,884	114,965	91,510	102,656
	<u>3,362,321</u>	<u>3,122,796</u>	<u>2,780,381</u>	<u>2,516,264</u>

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	<i>Group 2021 No.</i>	Charity 2022 No.	<i>Charity 2021 No.</i>
Clinical and domiciliary	53	<i>61</i>	53	<i>61</i>
Fundraising	14	<i>14</i>	14	<i>14</i>
Commercial trading operations	30	<i>38</i>	-	<i>-</i>
Administration and maintenance	17	<i>14</i>	17	<i>14</i>
	114	<i>127</i>	84	<i>89</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £60,001 - £70,000	-	<i>1</i>

Total remuneration of the personnel considered to be key management of the group was £232,531 (2021: £287,455).

12. Trustees' remuneration and expenses

During the year, one Trustee has been paid remuneration or has received other benefits from an employment with the Charity. The remuneration was paid to the Trustee for their role as interim finance manager following approval from the Charity Commission.

Remuneration of £3,019 (2021 - £NIL) and national insurance contributions of £108 (2021 - £NIL) were paid to the Trustee in respect of his employment.

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Tangible fixed assets

Group

	Freehold property £	Leasehold property & improvements £	Motor vehicles £	Plant, Fixtures and Equipment £	Assets under construction £	Total £
Cost or valuation						
At 1 January 2022	5,000	5,052,909	97,675	1,405,127	329,197	6,889,908
Additions	-	-	5,700	50,738	217,405	273,843
Disposals	-	-	(43,350)	(17,995)	-	(61,345)
Transfers between classes	-	460,952	-	-	(460,952)	-
At 31 December 2022	5,000	5,513,861	60,025	1,437,870	85,650	7,102,406
Depreciation						
At 1 January 2022	-	1,692,364	75,710	1,040,864	-	2,808,938
Charge for the year	-	186,579	8,673	101,698	-	296,950
On disposals	-	-	(38,219)	(14,652)	-	(52,871)
At 31 December 2022	-	1,878,943	46,164	1,127,910	-	3,053,017
Net book value						
At 31 December 2022	5,000	3,634,918	13,861	309,960	85,650	4,049,389
At 31 December 2021	5,000	3,360,545	21,965	364,263	329,197	4,080,970

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Tangible fixed assets (continued)

Charity

	Freehold property £	Leasehold property & improvements £	Motor vehicles £	Plant, Fixtures and Equipment £	Assets under construction £	Total £
Cost or valuation						
At 1 January 2022	5,000	5,052,139	47,987	1,054,639	329,197	6,488,962
Additions	-	-	5,700	42,075	217,405	265,180
Disposals	-	-	(13,995)	(12,450)	-	(26,445)
Transfers between classes	-	460,952	-	-	(460,952)	-
At 31 December 2022	5,000	5,513,091	39,692	1,084,264	85,650	6,727,697
Depreciation						
At 1 January 2022	-	1,691,594	26,022	852,076	-	2,569,692
Charge for the year	-	186,579	8,673	70,048	-	265,300
On disposals	-	-	(8,864)	(12,450)	-	(21,314)
At 31 December 2022	-	1,878,173	25,831	909,674	-	2,813,678
Net book value						
At 31 December 2022	5,000	3,634,918	13,861	174,590	85,650	3,914,019
At 31 December 2021	5,000	3,360,545	21,965	202,563	329,197	3,919,270

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Fixed asset investments

Group	Listed Investments £
Cost or valuation	
At 1 January 2022	1,422,036
Additions	970,006
Disposals	(840,110)
Revaluations	(306,607)
At 31 December 2022	<u>1,245,325</u>
Net book value	
At 31 December 2022	1,245,325
At 31 December 2021	<u>1,422,036</u>
Charity	Listed investments £
Cost or valuation	
At 1 January 2022	1,422,036
Additions	970,006
Disposals	(840,110)
Revaluations	(306,607)
At 31 December 2022	<u>1,245,325</u>
Net book value	
At 31 December 2022	1,245,325
At 31 December 2021	<u>1,422,036</u>

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Stocks

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Finished goods and goods for resale	13,053	20,559	3,344	3,517

16. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due within one year				
Trade debtors	27,188	31,891	27,188	31,891
Amounts owed by group undertakings	-	-	832,877	1,205,672
Other debtors	440,502	452,922	440,500	447,487
Prepayments and accrued income	83,272	80,519	41,035	41,061
Tax recoverable	17,276	37,550	17,276	37,550
	568,238	602,882	1,358,876	1,763,661

17. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Payments received on account	90,169	188,892	12,817	106,722
Trade creditors	135,226	149,604	114,226	104,916
Other taxation and social security	91,886	57,750	81,077	57,750
Other creditors	34,719	30,337	34,719	28,433
Accruals and deferred income	229,917	125,431	132,130	54,727
	581,917	552,014	374,969	352,548

Payments on account relate to Lottery stakes received in advance and funds raised for an overseas challenge planned for 2023. These are released in full to the profit and loss account as and when players are entered into the weekly cash prize draw and the overseas challenge take place.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

18. Provisions

Group

	Pension provision £
At 1 January 2022	10,645
Amounts used	(795)
	<hr/>
At 31 December 2022	9,850 <hr/>

Charity

	Pension provision £
At 1 January 2022	10,645
Amounts used	(795)
	<hr/>
At 31 December 2022	9,850 <hr/>

Pension Provision

The calculation of the cost of the early retirement is based on the capital cost of providing enhanced pensions with allowance for future investment returns in excess of price inflation.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Tangible fixed assets	2,176,121	-	-	92,202	-	2,268,323
Property maintenance and repair	100,000	-	-	(50,000)	-	50,000
Subsidiaries - tangible fixed assets	161,700	-	-	(26,330)	-	135,370
Modernisation Fund	580,927	-	-	919,073	-	1,500,000
	<u>3,018,748</u>	<u>-</u>	<u>-</u>	<u>934,945</u>	<u>-</u>	<u>3,953,693</u>
General funds						
Charity Funds	<u>3,067,755</u>	<u>5,376,221</u>	<u>(5,070,587)</u>	<u>(929,945)</u>	<u>(187,344)</u>	<u>2,256,100</u>
Total Unrestricted funds	<u>6,086,503</u>	<u>5,376,221</u>	<u>(5,070,587)</u>	<u>5,000</u>	<u>(187,344)</u>	<u>6,209,793</u>

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds (continued)

Restricted funds						
Hospice Property Fund	1,041,039	-	(56,304)	-	-	984,735
Welsh Assembly Grant - capital	178,133	-	(22,672)	-	-	155,461
Staff Fund	280	-	(280)	-	-	-
Phase 1 Development Income	162,998	-	(9,140)	-	-	153,858
Phase 2 Development Income	360,979	-	(19,087)	-	-	341,892
Phase 3 Development Income	-	10,000	(250)	-	-	9,750
Children in Need	-	30,000	(30,000)	-	-	-
Awyr Las	3,036	-	(3,036)	-	-	-
Sundry Restricted Funds (<£5k)	6,395	28,861	(15,620)	-	-	19,636
The Albert Hunt Trust	10,000	-	(1,136)	-	-	8,864
Screwfix Foundation	5,000	-	(5,000)	-	-	-
DTCC Corporate Donation	5,000	-	-	(5,000)	-	-
In memory donation	-	20,000	-	-	-	20,000
Welsh Government	-	18,938	(18,938)	-	-	-
	1,772,860	107,799	(181,463)	(5,000)	-	1,694,196
Total of funds	7,859,363	5,484,020	(5,252,050)	-	(187,344)	7,903,989

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds						
Designated funds						
Tangible fixed assets	2,370,792	-	-	(194,671)	-	2,176,121
Property maintenance and repair	100,000	-	-	-	-	100,000
Subsidiaries - tangible fixed assets	198,601	-	-	(36,901)	-	161,700
Modernisation Fund	432,549	445,349	-	(296,971)	-	580,927
	<u>3,101,942</u>	<u>445,349</u>	<u>-</u>	<u>(528,543)</u>	<u>-</u>	<u>3,018,748</u>
General funds						
Charity Funds	<u>2,304,007</u>	<u>4,778,485</u>	<u>(4,694,211)</u>	<u>528,543</u>	<u>150,931</u>	<u>3,067,755</u>
Total Unrestricted funds	<u>5,405,949</u>	<u>5,223,834</u>	<u>(4,694,211)</u>	<u>-</u>	<u>150,931</u>	<u>6,086,503</u>

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds (continued)

Restricted funds

Hospice Property Fund	1,097,343	-	(56,304)	-	-	1,041,039
Welsh Assembly Grant - capital	200,805	-	(22,672)	-	-	178,133
Staff Fund	280	-	-	-	-	280
Phase 2 Development Income	543,069	-	(19,092)	-	-	523,977
Children In Need	-	40,000	(40,000)	-	-	-
Awyr Las	8,975	-	(5,939)	-	-	3,036
Sundry Restricted Funds (<£5k)	5,060	12,564	(11,229)	-	-	6,395
The Moondance Foundation	-	28,749	(28,749)	-	-	-
The Albert Hunt Trust	-	10,000	-	-	-	10,000
Screwfix Foundation	-	5,000	-	-	-	5,000
DTCC Corporate Donation	-	5,000	-	-	-	5,000
The Gwendoline & Margaret Davies Charitable Trust	-	5,000	(5,000)	-	-	-
The Cadbury Foundation	-	5,000	(5,000)	-	-	-
	<u>1,855,532</u>	<u>111,313</u>	<u>(193,985)</u>	<u>-</u>	<u>-</u>	<u>1,772,860</u>
Total of funds	<u>7,261,481</u>	<u>5,335,147</u>	<u>(4,888,196)</u>	<u>-</u>	<u>150,931</u>	<u>7,859,363</u>

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Restricted Funds

The Hospice Property Fund was set up initially in 1994 from grants received for the construction of the Hospice building. Since 1994 additional grants have been received for refurbishment and improvements of the building and also the building of a new annex. These grants have been fully spent and the value carried forward relates to the value within Fixed Assets – Long Leasehold Property.

The Big Lottery Fund awarded a restricted grant of £300,000 towards the building of a new annex at the Hospice in 2007. Terms and conditions of the grant remain in force for the remaining term of the lease. As this grant has been fully spent the amount carried forward relating to the net book value of the asset has been transferred to the Hospice Property restricted fund above.

Welsh Assembly funding was part of a three year development plan for the Hospice. Grants received relate to specific capital projects. The amount carried forward relates to capital expenditure.

The BBC Children in Need grant is towards salary costs of social workers involved in the Release Project.

For all capital expenditure the amounts carried forward relate to either the net book value of the assets purchased or monies unspent at the year end. If a grant or donation was received towards the capital cost and the monies have been fully spent, then so long as no other restrictions are outstanding, the net book value may be transferred out of restricted funds to unrestricted funds.

Phase 1 fund relates to grants and donations received towards Phase 1 of the redevelopment.

Phase 2 fund relates to grants and donations received towards Phase 2 of the redevelopment including a significant contribution from The Bradbury Foundation.

Phase 3 fund relates to grants and donations received towards phase 3 of the redevelopment.

The Awyr Las donation was specific funding for Music Therapy Sessions.

Sundry restricted funds represent a number of smaller donations (= to or <£5k) received in the year for specific purposes.

The Albert Hunt Trust fund is towards Here to Help Community information points.

Screwfix Foundation fund is towards refurbishment of Inpatient Unit.

Welsh Government income relates to a bereavement support grant.

Designated Funds

The property maintenance and repair fund was established in 2005 to provide towards future repair costs.

Tangible fixed assets represents the net book value of tangible fixed assets at 31 December 2022 purchased using unrestricted funds.

The modernisation fund represents the contribution to be made by the Hospice to the phase 4 modernisation.

General Fund

The General Reserve includes the reserves of the Promotions Company which amount to £101,135 and the reserves of the Lottery Company which amount to £8,149.

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,600,518	448,871	4,049,389
Fixed asset investments	-	1,245,325	1,245,325
Current assets	3,201,042	-	3,201,042
Creditors due within one year	(581,917)	-	(581,917)
Provisions for liabilities and charges	(9,850)	-	(9,850)
Total	6,209,793	1,694,196	7,903,989

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,730,140	350,830	4,080,970
Fixed asset investments	-	1,422,030	1,422,030
Current assets	2,919,022	-	2,919,022
Creditors due within one year	(552,014)	-	(552,014)
Provisions for liabilities and charges	(10,645)	-	(10,645)
Total	6,086,503	1,772,860	7,859,363

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	44,626	597,882
Adjustments for:		
Depreciation charges	296,950	308,107
Dividends, interests and rents from investments	(44,364)	(38,934)
Loss/(profit) on the sale of fixed assets	(6,173)	-
Decrease/(increase) in stocks	7,506	(1,253)
Decrease/(increase) in debtors	34,644	(243,798)
Increase in creditors & provisions	29,108	81,535
(Gain)/loss on disposal of investments	176,705	(150,931)
Net cash provided by operating activities	539,002	552,608

22. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	2,619,751	2,295,581
Total cash and cash equivalents	2,619,751	2,295,581

23. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	2,295,581	324,170	2,619,751
	2,295,581	324,170	2,619,751

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. Contingent liabilities

A restricted grant of £300,000 was received in 2007 from the Big Lottery towards the cost of the new annex at the Hospice. The terms and conditions of the grant remain in force for the remaining term of the lease which expires in 2119 and included the requirement to potentially refund the grant if the annex is sold or no longer used for charitable purposes. The land is held under licence from Betsi Cadwaladr University Local Health Board.

25. Pension commitments

The charitable company makes contributions to certain pensions scheme for its employees. One of the schemes for eligible employees is the NHS Superannuation Scheme (a defined contribution scheme). The level of contributions to this scheme is determined annually by the NHS Pensions Agency. The hospice has no further liability beyond the contributions determined. The rate of employer contribution during the year was 14.38% and the charge for the year was £48,259 (2021: £58,287). The amount outstanding relating to this scheme at 31 December 2022 was £10,497 (2021: £7,288) and this was paid in January 2023.

The Hospice also contributes to a group scheme under auto-enrolment with NOW Pensions and to certain participating employees' personal pension plans. The charge for the period was £54,099 (2021: £50,322). The amount outstanding at 31 December 2022 was £14,667 (2021: £12,047) and this was paid in January 2023.

The Hospice also contributes to a private pension for certain participating employees. The charge for the period was £3,212 (2021: £4,073). The amount outstanding at 31 December 2022 was £827 (2021: £360) and this was paid in January 2023.

26. Operating lease commitments

At 31 December 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Not later than 1 year	146,843	135,468	21,049	21,049
Later than 1 year and not later than 5 years	376,083	371,341	23,625	44,674
Later than 5 years	52,396	55,250	-	-
	575,322	562,059	44,674	65,723

NIGHTINGALE HOUSE HOSPICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

27. Related party transactions

During the year, the Charity made purchases of £70 (2021: £Nil) from Cutting Edge Landscape Maintenance (WM) Ltd. The managing director of this company is married to a Trustee. The balance outstanding at year end was £Nil (2021: £Nil).

The Charity has not entered into any other related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2022.