

Charity Registration No. 1090151

Company Registration No. 04267625 (England and Wales)

**ST JOSEPH'S HOSPICE ASSOCIATION
TRUSTEES' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

ST JOSEPH'S HOSPICE ASSOCIATION

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ST JOSEPH'S HOSPICE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs J Daly
Ms Y E Atkinson
Mr D J Bricknell
Dr J Welch
Mr P S Morgan
Mrs L Moore
Mr K A Guy

Chief Executive

Mr M Parr

Director of Clinical Services

Ms C Waller

Company Secretary

Mr M Parr

Charity Number

1090151

Company number

04267625

Registered Office

Ince Road
Thornton
Liverpool
L23 4UE

Auditors

Lonsdale & Marsh
509-510 Cotton Exchange
Bixteth Street
Liverpool
L3 9LQ

Bankers

National Westminster Bank plc
23 Sankey Street
Warrington
Cheshire
WA1 1XH

Solicitors

Morecrofts
Cotton Exchange
Old Hall Street
Liverpool
L3 9LQ

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and Activities for Public Benefit

The principal objectives of the charity during the year under review were to promote the relief of suffering from terminal and life limiting illnesses by providing in-patient palliative care to patients, to support their families and carers and to promote the work of the hospice in the wider community. These objectives were achieved by the provision of the following services: -

- In-Patient facilities through the 31 patient rooms across our three clinical areas
- Bereavement support for patients and families through our Family Support Officer service

Further support was given to patients, their families and carers in the areas of: -

- Complementary therapies
- Spiritual care
- Counselling services

Voluntary help

The trustees remain very grateful to all volunteers who have helped by staffing the shops, carrying out fundraising initiatives, working in the hospice and various other activities. The public have been very kind in continuing to support fundraising events and by generous donations made to the hospice. The accounting treatment of voluntary help and donations of gifts in kind is set out on page 20 in the accounting policies. It is estimated that the notional value of volunteer help in 2022/23 was approximately £245,000.

Subsidiaries

St Joseph's Hospice Association has one wholly owned subsidiary – St Joseph's Academy Services Limited. The main activity of the company is the sale of promotional goods in support of St Joseph's Hospice Association. During the year, the company paid a management charge of £4,000 (2021/22 - £4,000) and made a charitable donation of £5,980 (2021/22- £2,653) to St Joseph's Hospice Association.

STRATEGIC REPORT

Achievement and performance

The key activity areas across the hospice – Clinical, Fundraising, Retail and Human Resources – all have team plans to enable the delivery of the high level hospice objectives which in turn will take us towards our vision of reaching 'all patients and their families in our communities who need nurse-led end of life care, offering support and compassion through our outstanding and unique service.'

As we emerged from the more severe effects of the pandemic into a comparatively normal operating environment, albeit with the shadow of Covid-19 and its attendant risks still looming, we were able to focus once again on developing our site and services in line with our strategic aims. However, in the immediate aftermath of the crisis we, as with other charities, have been faced with the economic challenges from other factors such as energy prices and inflationary pressures that have not been seen for many years, which have affected both our income and our running costs. Income has been affected by the level of donations and general charitable giving, as our communities and supporters clearly feel the impact on their own households. NHS commissioning increases failed to keep pace with inflation and consequently this income stream was also impacted. Our expenditure was affected by the rising costs of energy and other consumables, and pay awards which were the subject of much news coverage during the year; the hospice should and does attempt to achieve parity with NHS rates of pay, despite the commissioning rates not reflecting this.

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

But despite the constant pressures of maintaining a sustainable service for our patients it is pleasing to report the very positive financial position in the accounts and also the many and various site developments and collaborative activities undertaken during the year, which are summarised below.

External Partnerships

During the year we completed our partnership working with Manchester Metropolitan University, which conducted research into developing a new end of life care model for people with substance misuse issues. We concluded by hosting a staff training session delivered by academics from the university and consolidating our links with local agencies from whom we may expect referrals in the future.

We also developed a working relationship with our local prison with a view to up-skilling their Family Support Officers, who work with prisoners and their families. Our focus has been on awareness raising, communications skills, and some practical aspects of providing end of life care, whether in the hospice or in-situ at the prison.

We continue to work with our regional hospice partners through the North West Hospice meetings, which also serve as an interface with Hospice UK, and through our Integrated Care Board (ICB) engagement model, the Cheshire and Merseyside Collaborative. In addition, we also met with other voluntary sector representatives through a number of forums, including the 800 Group – a collaborative comprising Chief Executive Officers from a variety of local charities – and the local Health and Social Care Forum, which allows for interaction in a group setting with key agencies including our local Place Directorate.

Through the 800 Group we also participate in an annual Volunteer Awards Evening – this is in addition to our own hospice awards evening – which brings together volunteers from charities across Merseyside to celebrate and recognise their efforts.

Our working relationship with the Care Quality Commission remains good, with our Clinical Director having regular updates with them, as well as sharing quarterly reports on hospice activity. Our patient feedback remains excellent, as evidenced by our 5-star rating on the 'I Want Great Care' website.

Community Engagement

Our strategic planning has committed the hospice to extend and expand our community engagement and we have been progressing this objective in a number of ways; our bee hives, established and maintained by a local apiarist, have been thriving and have allowed us to produce a limited batch of 'Hospice Honey' which sold out almost immediately. The hives are sited in our new wildflower meadow, which will support not only the bees themselves but also a range of other invertebrates and wildlife on our biodiversity-rich site. To further encourage visitors from our local communities we have also installed a new woodland pathway through the hospice's twelve-acre site and in the coming year will be enhancing this with wildlife interpretation panels and seating. We have received valuable support from a local (ex-wildlife trust) volunteer to help develop content and species information for the new interpretation panels. The pathway is designed to a mobility standard, thereby allowing those patients who are able to spend time outdoors, and other wheelchair users, to access the woods. We were able to access a grant from the Liverpool City Region Community Environment Fund to pay for this work.

A further development worthy of note is our community garden, raised planters, and greenhouse, maintained by our team of volunteers and led by our Catering Manager. This project made use of some redundant space at the rear of the hospice, and not only provides fresh produce for use in patient meals but has also, in an unintended consequence, created a focal point for conversations and meetings for relatives, patients and staff. The project has also resulted in increased interest from new and existing volunteers alike.

These improvements and enhancements to the grounds are part of a wider strategy to improve wellbeing for patients, relatives, staff, and visitors and will complement our proposed new wellbeing hub (see below) in making the hospice walls 'permeable' by joining the internal and external environments together.

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Our final engagement activity has been our podcasts; most of these have been recorded on-site at the hospice, and cover a range of activities from volunteering to our clinical care, but we have also participated in a community podcast hosted by a local community group (Liverpool Online). We will be continuing with these as they seem, judging from the download data, to be very popular.

Site Improvements & Development

We have been steadily working to update and improve the facilities at the hospice, with projects including the following;

- Improvements to patient rooms. Most rooms are already en-suite and well appointed, but we have modernised several rooms in older parts of the hospice, including new fire doors, new smart TVs, and with a new cyclical redecoration programme. A project currently being undertaken will provide a live video link to wildlife cameras situated externally around the hospice.
- We have created bespoke crew rooms for clinical staff, allowing segregated meal breaks and time away from the wards
- Re-carpeting and new flooring has taken place across the hospice, alongside modernisation of lighting and mini-kitchens on the wards.

Future Work

Our main aspirations for the future are centred on our plans for a wellbeing hub, providing non-clinical therapies as well as a serviced communal space with café and a community meeting room. The new building will also give us the opportunity to launch more outreach services in future by providing additional office space. This is a huge project and we will need to raise significant capital funds to make it a reality, but we do have significant community support, as well as draft plans in place.

On a smaller scale, we will be developing a new nurse's station on one of our wards to update and modernise the existing facilities. This has been supported by grant funding and will take place during 2023/4. Likewise, we are planning for the introduction of air conditioning throughout the clinical areas as the many recent hot spells over the past few years have been too much for our portable units.

On a more strategic note, we will be looking at consolidating and diversifying our income streams to offset the pressures from diminishing NHS commissioning rates. We will also be planning for the introduction of a new electronic patient record system to facilitate better communication and integration with healthcare partners, as well as enabling improved patient care. We will be establishing a planned major works programme for the fabric of the hospice, the main building of which is now 100 years old, and will be establishing a sinking fund for this purpose.

The trustees and staff are proud of the way in which the hospice has managed the extraordinary challenges of the recent past, and of the strong position in which the charity finds itself. In March 2024 the hospice will have been in operation for 50 years – an achievement that we will be celebrating throughout the year – and everyone currently involved in providing our valuable service will be doing everything possible to ensure that it continues to care for future generations of patients and their families. In conclusion, we have no concerns about the ability of the hospice to continue its operations through 2023/24 in terms of financial viability, and we fully expect to maintain a safe, fully operational clinical service.

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

Income generation

In 2022/23 the hospice recorded an operating surplus of £361,306, increasing the general reserves to £1,521,777 with a further £10,530 in restricted funds for specific purchases. Across the year we have seen a typical liquidity ratio of around 30:1 at any one time, which is of course very high. Overall, gross income grew this year by £461k from 2021/22, whilst we were also able to increase spending on patient care from £2.43m in 2021/22 to £2.66m in 2022/23.

In 2022/23, 63% of the gross income of the hospice came from charitable donations, fundraising activities, shop sales, lottery income, and legacies (2021/22 - 60%), with patient fee income from the CCGs (NHS) contributing 37% (2021/22 - 40%).

Gross income from the hospice shops, lottery and trading company contributed £1.076m (2021/22 - £975k), showing that the shops in particular had recovered well from the lockdown measures of the pandemic and perhaps proving their value to our local communities, who returned to the shops in numbers. The net surplus from shops was £317k, up from £225k in 2021/21, showing another excellent performance by the retail staff and volunteers. We will continue to grow the retail estate to increase our revenue from this valuable income stream.

In 2022/23 the donations we received increased slightly by £8k, from £236k in 2021/22 to £244k. The general trend across the charitable sector suggests donations are falling, so this increase demonstrates strong support for the hospice in times of significant financial hardship for many people.

Legacies in 2022/23 also improved significantly on 2021/22 in terms of notification and receipts, as the backlog in processing which occurred during the pandemic continued to ease, and notifications and payments flowed through from solicitors. The accrued figure for 2022/23 was £753k (the actual receipts being slightly lower), a significant increase on 2021/22 (£213k). We expect this figure to fall slightly in 2023/24 as the backlog is cleared, although the records indicate that c£900k is still to be received.

Receipts from fundraising events in 2022/23 were down by £9k against the previous year, with one of the two 'Ladies Days' being cancelled and lower attendances at other events. As we have observed in the past, fundraising income streams can be extremely volatile and difficult to predict, but there was excellent work from both our Retail and Fundraising teams to maintain our profile within our communities and in particular building new links within business networks. Grant income was £343k for the year, including the outstanding NHS contributions relating to the pandemic. This is an expected reduction from 2021/22 (£588k) as the level of support from the NHS tailed off at the end of the pandemic, and similar grant programmes from other trusts and funders aimed previously at supporting organisations through the crisis also tapered off.

Our hospice lottery yielded higher gross receipts in 2022/23 (£271,713) compared with the previous year (£268,263), despite the difficulties experienced in migrating to a direct debit system. A long-running and protracted process with the bank meant that we were unable to canvass for new members for much of the year, and with natural 'churn' accounting for around 10% of players dropping out of the lottery, the income did not grow as much as we had hoped. The commission paid to canvassers during the year (£41k) meant that, despite growing the overall receipts, the net surplus was reduced by £39k. The banking issues have now been fully resolved and we have been able to resume canvassing for new members with our contracted canvassing team. Our target remains set at a net contribution of £250k (which requires a playing membership of 10,000, and we clearly still have some way to go in this respect).

Expenditure in 2022/23 grew by £246k in comparison with 2021/22, and as in previous years the bulk of this additional expenditure (£230k) was on direct patient care. Other cost increases included wages across the hospice, as well as the burden from energy prices, inflation, and the unavailability of some regular goods and services due to the many external environmental factors (Ukraine, Brexit and the after-effects of the pandemic). We were, however, able to find savings by reviewing and consolidating contracts. We are a

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

founder member and shareholder of the Hospice Quality Partnership – a nationwide group purchase scheme for hospices – and have sourced several services through this scheme, making savings on a variety of products and contracts.

Overall, the charity proved to be very resilient against the various external financial pressures, increasing the free reserves to the highest level in the charity's history and giving a very positive outcome for the year as a whole.

Reserves and investment policy

The hospice aims to have free reserves of £2m – equivalent to approximately six months running costs. Current levels are below this figure and now stand at £1,521,777 as detailed in Note 23 to the Accounts.

The hospice has minimal sums invested, and income during the year was £3,702, a significant increase from £407 in 2021/22. As free reserves increase the amount available for investment and gains from interest on funds held at the bank will increase and a greater return can be expected.

At the current level of reserves the Trustees feel that they would be able to continue the current activities of the hospice in the medium term. The current approach of careful financial management will be maintained.

Future plans

Our five-year strategic plan operationalised in 2020 identified five key themes, and remains in place. The plan is reviewed annually, typically in January, and objectives are cascaded to managers and teams. A summary of the vision and plans follows:

Our Vision

To reach all patients and their families in our communities who need nurse-led end of life care, offering support and compassion through our outstanding and unique service.

Our Values

Our values form the foundation on which we work and conduct ourselves, including the way we interact with patients, relatives, visitors, contractors, partner agencies, staff and volunteers. They also help define the approach we take to delivering our objectives and fulfilling our mission. In short, they are the practices we endeavour to use every day in everything we do.

Our hospice values are:

- Compassion
- Respect
- Dignity
- Hospitality
- Trust

The hospice expects all trustees, staff and volunteers to abide by the Nolan Principles of Public Life, i.e.

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Our Mission

We intend to realise our vision and deliver our objectives by:

- Extending our range of services to include outreach, respite and day-hospice facilities
- Identifying and addressing emerging End of Life needs such as social isolation, marginalised and excluded groups, the increase in dementia patients and the increased complexity and multiple co-morbidities in older patients
- Increasing and improving the services provided for relatives and visitors to the hospice by developing new facilities for day or night stays
- Building closer ties with our communities and our existing and emerging strategic partners to develop a service that meets the needs of our local population
- We will do these things whilst adhering to our hospice values and the Nolan Principles of Public Life

Our Strategic Objectives - Summary

Priority 1 - High quality End of Life patient care

Maintaining and improving our services and facilities for our patients & their relatives:

At St Joseph's Hospice we are committed to providing the best possible care for our patients. By remaining financially autonomous we will augment the NHS commissioning income received for each patient and focus on delivering care with compassion, respect, dignity, hospitality and trust, in line with our values. We know that we will have only one chance to ensure that each of our patients and their relatives will have a dignified, pain-free, and peaceful end of life experience and we aim to provide this by constantly reviewing and improving our services, recruiting and training the best staff and working collaboratively alongside our partners. Improving our operating environment is a key part of this strategy, including the improvement of facilities for relatives and visitors. We will also focus on the less visible aspects of site management, including programmed maintenance schedules, site improvements and improved access to the grounds to provide a tranquil space for patients and relatives alike.

Priority 2 – Developing our services

Identifying and addressing emerging End of Life needs across our local communities:

We know that we need to continually review our service provision in order to keep pace with societal change and associated health care needs of our communities. We know that our local population will see an increase in life expectancy, but also an increase in long-term health conditions. We are likely to see more complex conditions in some of our older patients as they live longer, and an increase in co-morbidities. The increasing prevalence of the various forms of dementia in an ageing population will present challenges for us – not only from our patients, but also potentially from their loved ones who may have the condition and who may visit them at the hospice. It is likely that the number of older people living alone will increase, and as social isolation has been acknowledged as an exacerbating factor in poor end of life experience we will be working to develop services that tackle or alleviate this problem for our surrounding communities.

We also know that our communities will become increasingly diverse, and our services must change to ensure that everyone, regardless of their circumstances or beliefs, not only has access but feels comfortable using the hospice, along with their relatives and friends. We will work to reach excluded and marginalised groups, such as offenders, substance misusers, homeless people, and travelling communities to ensure that anyone who needs our care is able to receive it.

Priority 3 – Engaging with our communities and collaborating with our partners

Working with our supporters, partners and peers to improve and develop the services we provide to our communities:

We know that no health service is delivered in isolation, and end of life or hospice care is no exception. We have a good working relationship with our local CCG and meet regularly with them. We also have good operational relationships with our key partners and will maintain this multi-disciplinary approach to our

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

work, using these networks to inform, innovate, and adopt new models of best practice. We must be able to demonstrate our value to our partners and funders and we will be explicit about our long term goals by sharing our plan. We want to support local delivery agendas whilst maintaining our unique service; we will be independent but collaborative, as a long standing healthcare charity operating end of life care services for over 40 years. We will maintain our links across the voluntary sector and our national dialogue with Hospice UK, both of which have served us well and ensured that our services remain relevant and supportive of local and national initiatives.

Priority 4 – Building a sustainable service for the future

Ensuring that we have the resources to deliver high quality end of life services for the next stage of the hospice journey:

For the hospice, sustainability means people, spaces, technology, systems and finance. As an independent organisation with around 60% of our income generated through charitable activity, we will continue to be innovative and creative in order to develop our business model and thus make the hospice more sustainable for the long term. We cannot, and do not aspire to be, wholly funded by the NHS or CCGs but as the scale of clinical operations grows and the costs of maintaining it increases, we must ensure the hospice is run efficiently and with a sustainable business model in order to maintain the service for our patients well into the future. We can no longer rely on small-scale fundraising events to provide the level of income required to keep a 21st century healthcare facility operational. We will be ensuring that we have more predictable, robust income streams to give greater surety to our future financial plans.

Priority 5 – Good governance; a well-led, well managed and safe organisation

Creating a culture and developing the tools to ensure that the hospice is well led, compliant, safe and sustainable:

Good governance is critical to the continued safe and compliant operation of the hospice. This objective relates not just to the matter of ensuring our trustee body and management of the hospice is fit for purpose but also to our systems and checks in place across the organisation which are designed to deliver safe services, accurate measurements and management data, legal compliance. This priority is at the heart of all that we do; without good governance the hospice would be exposed to risk across clinical services, finances, staff safety and all other areas of our operation. Good governance also has very tangible positive benefits too, and we will work to ensure that the data from our monitoring systems is put to good use promoting our work, and also in more prosaic operational matters such as reducing insurance premiums.

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company, incorporated in England and Wales on 9th August 2001, limited by guarantee under clause 6 of its Memorandum of Association. The charitable company has no share capital, being a company limited by guarantee. Liability is limited to £1 for each member in the event of its being wound up. The number of members registered at 31 March 2023 is 7. The charitable company is governed by its Memorandum and Articles of Association. The company was registered as a charity by the Charity Commissioners for all purposes on 8 January 1983 (certificate number 1090151).

Recruitment and appointment of Trustees

The Board of Trustees is made up of between seven and nine members. They may be elected at any time by trustees at Trustee Board meetings. Trustees are expected to retire after four years in office, but are eligible for re-election to the Board for a further four year term. The Chairman is elected by the trustees at a Trustee Board Meeting and serves a four year term unless he or she steps down sooner. Recruiting and retaining the right trustees is an important aspect of governing the hospice. It is important that the Board of Trustees has a balance of people with a range of skills and backgrounds who are able to contribute to the governance process.

Organisational structure

The board of trustees meets at least four times a year to direct and manage the governance of the hospice.

The trustees have ultimate responsibility for setting the direction of the hospice and their role is to ensure that the hospice is financially viable, well run and that it meets the needs for which it was set up. This work includes agreeing the hospice strategy, service developments and finances and reviewing and ratifying appropriate hospice policies and procedures. Day to day management is delegated to the members of the senior leadership team.

The Board of Trustees considers current initiatives, service developments and strategic issues at its scheduled quarterly board meetings. Comprehensive written reports are provided by the senior leadership team which are discussed and considered at the meetings. A sub committee structure comprising of finance and clinical governance sub committees meet quarterly and provides reports and recommendations to the trustee meetings.

Departmental Heads are responsible to the appropriate member of the Senior Leadership Team which is led by the Chief Executive who, in turn, is responsible to the Board of Trustees. The current Senior Management Team comprises of the Chief Executive and the Director of Clinical Services.

Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and the period up to which the accounts were approved were:

Mrs J Daly
Ms Y E Atkinson
Mr D J Bricknell
Dr J Welch
Mr P S Morgan
Mrs L Moore
Mr K A Guy

Key management remuneration

Senior management remuneration is agreed by the Board of Trustees in consultation with the Chief Executive and by reference to the annual Hospice Rewards survey facilitated by Hospice UK together with data on salary levels for vacant posts advertised through the hospice network. The salaries currently being paid are commensurate with these roles in similarly sized hospices.

ST JOSEPH'S HOSPICE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Related parties

The charity has a wholly owned non-charitable company, St Joseph's Hospice Academy Services Limited which enables it to manage its trading activities in line with charity law. The main activity of the subsidiary is the sale of promotional goods in support of the charity. All profits arising in the subsidiary are passed to the charity under the gift aid scheme. The charity provides management and other support for the trading company and is reimbursed through a management charge and during the year the charity received a management fee of £4,000 (2021/22 - £4,000). In addition, the subsidiary made charitable donations to St Joseph's Hospice Association of £5,980 (2021/22 - £2,653).

Public benefit

The trustees have considered the Charity Commission's guidance on public benefit and, in particular, the guidance on the relief of those in need by reason of ill-health. The trustees believe this charity provides a public benefit as its principal activity is to provide palliative and end of life care services which seek to enhance the quality of life of individuals living with a life limiting condition through the provision of in-patient, community and day therapy care and through education, training and support within the hospice and to the wider health and social care economy.

Risk Management

The senior leadership team and delegated departmental heads have conducted a review of the major risks to which the hospice is exposed and systems have been established to mitigate those risks. This work is summarised in the Business Risk Register, which is presented quarterly to trustees and reviewed regularly throughout the year. A comprehensive program of regular activity, process and risk mitigation process audits is in place across the hospice.

A Clinical Risk register is maintained by the Director of Clinical Services and reviewed quarterly by the Clinical Governance Sub Committee.

A Business Continuity Plan has been developed and is updated as risks change in order to ensure the continued safe operation of critical clinical services in an emergency and the resumption of all support services at the earliest opportunity.

All staff and appropriate volunteers are required to complete the hospice-specific annual mandatory training, which covers a wide range of core competencies. The Hospice Infection Control Team carries out regular audits and provides more advanced training to clinical staff. The Food Standards Agency carries out regular inspections of the hospice and has once again rated our catering services as 'Good' with 5 stars, the highest rating.

Ethical and Sustainable Fundraising

The charity maintains its own in-house fundraising team to stage fundraising events and support community fundraising initiatives and is a member of the Fundraising Preference Service. The charity subscribes to a weekly update from the Fundraising Regulator which informs of any persons contacted by the charity who no longer wish to receive communications; any such person would be removed from the charity's database, but no such requests have been received this year. The charity also subscribes to the Fundraising Regulator's Code of Fundraising Practice to ensure that fundraising activities at the hospice are carried out in an ethical and sustainable manner. This has helped ensure that the charity has received no complaints about fundraising activities in the last year.

The charity has adopted policies covering data protection, confidentiality and privacy for donors and supporters, including the option to opt in to fundraising communications (rather than opting out), to only hold details with the consent of the individual and to have any such details as are held, removed at the request of the 'data owner'.

The charity uses a third party to canvass for the in-house lottery and the contract covering the arrangement embodies all of the above principles, including a methodology for bringing any conversation about lottery membership to an end after receiving a second refusal from an individual.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the board of trustees

Mr D Bricknell

Chair of trustees

Dated: 7th December 2023

DRAFT

ST JOSEPH'S HOSPICE ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of St Joseph's Hospice Association for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

ST JOSEPH'S HOSPICE ASSOCIATION

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ST JOSEPH'S HOSPICE ASSOCIATION

Opinion

We have audited the financial statements of St Joseph's Hospice Association (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Summary Consolidated Income and Expenditure account, the Consolidated Balance Sheet, the Statement of Cashflows and Consolidated Cashflows and the notes to the financial statements, 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 charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 the provisions available for small entities, in the circumstances set out in note 26 to the financial statements, 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 charity'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.

ST JOSEPH'S HOSPICE ASSOCIATION

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ST JOSEPH'S HOSPICE ASSOCIATION

Other information cont.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report (included within the trustees' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept by the charitable company or returns adequate for our audit have not been received from branches not visited by us;
- the charitable company financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

ST JOSEPH'S HOSPICE ASSOCIATION

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ST JOSEPH'S HOSPICE ASSOCIATION

Our responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and group and determined that the most significant are those that relate to fundraising regulations and Care Quality Commission requirements. We also considered those laws and regulations that have a direct impact on the financial statements such as Charity SORP including FRS 102 and Companies Act 2006.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- the engagement partner ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- discussions with senior management;
- identified laws and regulations were communicated within the audit team and remained alert to instances of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including override of controls) and addressed the risk through testing of journal entries to identify unusual transactions and assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed our audit procedures which included, but was not limited to:

- discussions with management about any known or suspected instances of non-compliance with laws and regulations, and fraud;
- reviewing minutes of meetings of those charged with governance;
- testing of journals posted to revenue and expenses that have unusual account combinations;
- checking the Charity is registered with a Fundraising Regulator;
- analytical review to identify unusual transactions;
- reviewing for any transactions undertaken with related parties such as those charged with governance and/or trustees;
- checking expenses are bona fide transactions of the charity;
- reviewing controls around cash donations.

ST JOSEPH'S HOSPICE ASSOCIATION

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ST JOSEPH'S HOSPICE ASSOCIATION

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 regulations. 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 auditor's report.

Use of our report

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

Nicholas James O'Donovan (Senior Statutory Auditor)
For and on behalf of Lonsdale and Marsh

Date: 7th December 2023

Chartered Accountants
Statutory Auditor

509-510 Cotton Exchange
Bixteth Street
Liverpool
L3 9LQ

ST JOSEPH'S HOSPICE ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income from:							
Donations, legacies and grants	2	1,357,836	39,126	1,396,962	1,005,484	99,603	1,105,087
Charitable activities	5	1,429,569	-	1,429,569	1,364,902	-	1,364,902
Other trading activities	3	1,076,035	-	1,076,035	975,089	-	975,089
Investment income	4	3,702	-	3,702	407	-	407
Total income		3,867,142	39,126	3,906,268	3,345,882	99,603	3,445,485
Expenditure on:							
Raising funds	7	885,621	3,181	888,802	825,294	46,894	872,188
Charitable activities							
Patient care	7	2,641,195	15,058	2,656,253	2,391,336	35,860	2,427,196
Total expenditure		3,526,816	18,239	3,545,055	3,216,630	82,754	3,299,384
Net gains/(losses) on investments	16	93	-	93	35	-	35
Net income/(expenditure)		340,419	20,887	361,306	129,287	16,849	146,136
Transfers between funds	22 / 23	17,782	(17,782)	-	13,278	(13,278)	-
Net movement in funds		358,201	3,105	361,306	142,565	3,571	146,136
Reconciliation of funds:							
Fund balances at 1 April 2022		3,408,425	7,425	3,415,850	3,265,860	3,854	3,269,714
Fund balances at 31 March 2023		3,766,626	10,530	3,777,156	3,408,425	7,425	3,415,850

The statement of financial activities includes all gains and losses for the year.

All incoming resources and resources expended derive from continuing activities of the group.

ST JOSEPH'S HOSPICE ASSOCIATION

SUMMARY CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Total income	3,906,268	3,445,485
Total expenditure from income funds	(3,545,055)	(3,299,384)
	361,213	146,101
Gains/(losses) on investments	93	35
Net income/(expenditure) for the year	361,306	146,136

The summary consolidated income and expenditure account is derived from the consolidated statement of financial activities on page 17 which, together with the notes on pages 21 to 38 provides full information on the movements during the year on all funds of the charitable company.

ST JOSEPH'S HOSPICE ASSOCIATION

CONSOLIDATED BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2023

		Group	Charitable company 2023 £	Group	Charitable company 2022 £
	Notes				
Fixed assets					
Tangible assets	15	2,199,917	2,199,917	2,213,557	2,213,557
Investments	16	781	782	688	689
		<u>2,200,698</u>	<u>2,200,699</u>	<u>2,214,245</u>	<u>2,214,246</u>
Current assets					
Debtors	18	417,336	417,336	301,838	301,838
Cash at bank and in hand		<u>1,387,295</u>	<u>1,387,295</u>	<u>1,118,364</u>	<u>1,118,364</u>
		<u>1,804,631</u>	<u>1,804,631</u>	<u>1,420,202</u>	<u>1,420,202</u>
Creditors: amounts falling due within one year	19	<u>(228,173)</u>	<u>(228,174)</u>	<u>(218,597)</u>	<u>(218,598)</u>
Net current assets		<u>1,576,458</u>	<u>1,576,457</u>	<u>1,201,605</u>	<u>1,201,604</u>
Total assets less current liabilities		<u><u>3,777,156</u></u>	<u><u>3,777,156</u></u>	<u><u>3,415,850</u></u>	<u><u>3,415,850</u></u>
Income funds					
Restricted funds	22	<u>10,530</u>	<u>10,530</u>	<u>7,425</u>	<u>7,425</u>
Unrestricted funds					
Unrestricted income funds	23	1,521,777	1,521,777	1,150,030	1,150,030
Designated funds	23	2,199,917	2,199,917	2,213,556	2,213,556
Revaluation reserve	23	<u>44,932</u>	<u>44,932</u>	<u>44,839</u>	<u>44,839</u>
		<u>3,766,626</u>	<u>3,766,626</u>	<u>3,408,425</u>	<u>3,408,425</u>
		<u><u>3,777,156</u></u>	<u><u>3,777,156</u></u>	<u><u>3,415,850</u></u>	<u><u>3,415,850</u></u>

The notes on pages 21 to 38 form part of these financial statements.

The financial statements were approved by the board of trustees on 7 December 2023 and are signed on its behalf by:

.....
Mr D J Bricknell
Trustee

.....
Mr K A Guy
Trustee

Company Registration No. 04267625

ST JOSEPH'S HOSPICE ASSOCIATION

STATEMENT OF CASHFLOWS AND CONSOLIDATED CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Group	Charitable company 2023 £	Group	Charitable company 2022 £
Cash flows from operating activities				
Net movement in funds (as per SOFA)	361,306	361,306	146,136	146,136
Adjustments for :				
Depreciation	85,507	85,507	82,285	82,285
(Gains)/losses in investments	(93)	(93)	(35)	(35)
Dividends from investments	(28)	(28)	(6)	(6)
Interest receivable	(3,674)	(3,674)	(401)	(401)
(Increase)/decrease in stock	-	-	749	-
(Increase)/decrease in debtors	(115,498)	(115,498)	(162,952)	(162,251)
Increase/(decrease) in creditors	9,576	9,576	(13,291)	(13,237)
Net cash provided by (used in) operating activities	337,096	337,096	52,485	52,491
Cash flows from investing activities				
Purchase of property, plant and equipment	(71,867)	(71,867)	(126,337)	(126,337)
Dividends from investments	28	28	6	6
Interest receivable	3,674	3,674	401	401
Net cash provided by (used in) investing activities	(68,165)	(68,165)	(125,930)	(125,930)
Change in cash and cash equivalents in the year	268,931	268,931	(73,445)	(73,439)
Cash and cash equivalents as at 1 April 2022	1,118,364	1,118,364	1,191,809	1,191,803
Cash and cash equivalents as at 31 March 2023	1,387,295	1,387,295	1,118,364	1,118,364

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting Policies

1.1 Company Information

St Joseph's Hospice Association is a private company limited by guarantee, incorporated in England and Wales. Its wholly owned subsidiary, St Joseph's Academy Services Limited, is a private company limited by shares incorporated in England and Wales (company no: 04271430). The registered office of both the parent and subsidiary company is Ince Road, Thornton, Liverpool, L23 4UE.

1.2 Basis of accounting

The charitable company is a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments stated at market value and modified for the revaluation of leasehold interest.

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

1.3 Group Financial Statements

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary St Joseph's Academy Services Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure account for the charitable company itself are not presented because the charitable company has taken advantage of the exemptions conferred by s408 of the Companies Act 2006. A summary of the financial performance of the charitable company can be found in Note 6.

1.4 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Income

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

Grants which are to be used for specific purposes, as laid down by the donor, are treated as restricted funds. Expenditure which meets the criteria is charged to the fund. Grants, including those received from government agencies are recognised on the performance model. They are included under income from charitable activities.

Interest on funds held on deposit is included when receivable by the charity, and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting Policies**(continued)****1.5 Income (continued)**

Donated goods are not recognised as incoming resources in the Statement of Financial Activities on receipt of an item as it is impractical and not a cost effective use of resources. Instead the value of the donated goods is recognised as income when sold.

In accordance with the SORP (FRS102), the general volunteer time is not recognised in the Statement of Financial Activities. Refer to the trustee's annual report for more information on their contribution.

Lottery income is recognised on a receivable basis. Any income lottery income received in advance is deferred until the following accounting period.

Legacy income – entitlement to legacy income is taken to be either the earlier of estate accounts being finalised or a notification by the executor of a payment to be made or cash received.

Events – income from major events is recognised in the period in which the event takes place. Income received in advance is included in deferred income.

Investment income is accounted for on an accruals basis.

Gifts in kind are valued at their realised amount or the equivalent to an alternative commercial supply, and are included in the Statement of Financial Activities as appropriate. In accordance with the SORP (FRS102), the general volunteer time is not recognised in the Statement of Financial Activities.

Income from trading activities is recognised on point of sale for both donated and purchased goods.

1.6 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Expenditure includes any VAT that cannot be fully recovered and is reported as part of the expenditure to which it relates.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs which are attributable to more than one activity are apportioned across the cost categories on the basis of the estimated percentage of costs on those activities.

1.7 Fund accounting

Funds held by the charitable company are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated funds – these are funds set aside out of unrestricted general funds for specific purposes.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when the funds are raised for a particular restricted purpose.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting Policies

(continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. The costs of minor additions, being those below £500, are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	not depreciated
Freehold buildings	2% per annum on cost
Fixtures, fittings and equipment	15% per annum on reducing balance / 20% per annum on cost / 33.33 % per annum on cost / 15% per annum on cost
Motor vehicles	25% per annum on reducing balance

1.9 Financial instruments

The charitable company has financial assets and financial liabilities of a kind which qualify as basic financial instruments. Basic financial instruments are initially recognised at the amount receivable or payable. Investments are held at fair value.

1.10 Investments

Fixed asset investments are stated at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Investment in subsidiary, St Joseph's Academy Services Limited, is stated at cost in the charitable company's balance sheet.

1.11 Stock

Stocks of bought in goods are stated at the lower of cost and estimated selling price. Cost comprises direct materials. As it is not practical to value items donated for resale on receipt because of the volume of low value items, they are not recognised in the financial statements until they are sold.

1.12 Debtors

Debtors are basic financial assets and are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1.13 Cash at bank and in hand

Cash at bank and in hand are basic financial assets, and include cash in hand and deposits held with banks.

1.14 Creditors

Creditors are recognised at their settlement amount after allowing for any trade discounts due. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting Policies

(continued)

1.15 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.16 Pensions

The charitable company operates a defined contribution pension scheme. Contributions are charged as an unrestricted expense in the financial statements as they become payable in accordance with the rules of the scheme. The assets of the scheme are held in an independently administered fund.

The charitable company also contributes to several individual private pension schemes. Contributions to these schemes are treated on the same basis as its own defined contribution pension scheme.

The charitable company also contributes to the NHS Scheme for certain former NHS employees, which is a defined benefit scheme. The charitable company is obliged to make contributions to the scheme at a rate of 14% of pensionable pay. The charitable company has no commitment to make good any actuarial deficit, nor entitlement to a benefit from surplus funding. On this basis, the scheme is accounted for as a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as an unrestricted expense as they fall due.

1.17 Employment costs

The costs of short-term employee benefits are recognised as a liability and an expense.

Where relevant, the cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Where relevant, termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Donations, legacies and grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Donations and legacies						
Donations and gifts	243,804	-	243,804	235,600	-	235,600
Legacies received	752,532	-	752,532	212,879	-	212,879
Events	56,168	-	56,168	65,189	-	65,189
Other income	1,872	-	1,872	3,435	-	3,435
Grants	303,460	39,126	342,586	488,381	99,603	587,984
	<u>1,357,836</u>	<u>39,126</u>	<u>1,396,962</u>	<u>1,005,484</u>	<u>99,603</u>	<u>1,105,087</u>

Unrestricted fund grants in 2022 include income from the following:

Coronavirus Job Retention Scheme	-	11,432
----------------------------------	---	--------

3 Other trading activities

	2023 £	2022 £
Shops		
Shop income	791,396	695,036
Shop staff costs	(219,837)	(228,181)
Shop rent, rates and utilities	(178,294)	(171,406)
Other shop expenses	(76,599)	(70,905)
Profit/(loss) arising from shops	<u>316,666</u>	<u>224,544</u>
Number of shops trading in year	10	10
Lottery		
Lottery income	271,713	268,263
Lottery prizes (see Note 8)	(79,500)	(78,000)
Lottery commission and other costs	(49,084)	(8,253)
Profit arising from lottery	<u>143,129</u>	<u>182,010</u>
Trading company		
Income	12,926	11,790
Cost of sales	(2,946)	(5,102)
Gross profit arising from trading company	<u>9,980</u>	<u>6,688</u>
Summary		
Income	1,076,035	975,089
Cost of activities for generating funds	(603,314)	(556,745)
Trading company cost of sales	(2,946)	(5,102)
	<u>469,775</u>	<u>413,242</u>

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Investment income

	2023	2022
	£	£
Income from listed investments	28	6
Interest receivable	3,674	401
	<u>3,702</u>	<u>407</u>

5 Charitable activities

	2023	2022
	£	£
Patient care fee income	<u>1,429,569</u>	<u>1,364,902</u>

6 Financial performance of charity

The consolidated statement of financial activities includes the results of the charitable company's wholly owned subsidiary St Joseph's Academy Services Limited.

	2023	2022
	£	£
The summary financial position of the charitable company alone is:		
Income	3,893,342	3,433,695
Management fee and gift aid from subsidiary company	9,980	6,653
	<u>3,903,322</u>	<u>3,440,348</u>
Expenditure on charitable activities	3,532,317	3,285,309
Governance costs	9,792	8,938
	<u>3,542,109</u>	<u>3,294,247</u>
Net income/(expenditure)	361,213	146,101
Gains/(losses) of investments	93	35
Net movement in funds	<u>361,306</u>	<u>146,136</u>
Total funds brought forward	3,415,850	3,269,714
Total funds carried forward	<u>3,777,156</u>	<u>3,415,850</u>
Represented by		
Restricted income funds	10,530	8,306
Unrestricted income funds	3,766,626	3,407,544
	<u>3,777,156</u>	<u>3,415,850</u>

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Total resources expended

		Unrestricted reserves			Restricted reserves		Total 2023 £
		Staff costs £	Depreciation £	Other costs £	Staff costs £	Other costs £	
	Notes						
Costs of raising funds	8						
Costs of generating voluntary income		222,992	-	59,551	-	-	282,543
Cost of activities for generating funds		216,655	-	383,477	3,181	-	603,313
Trading company cost of sales		-	-	2,946	-	-	2,946
		<u>439,647</u>	<u>-</u>	<u>445,974</u>	<u>3,181</u>	<u>-</u>	<u>888,802</u>
Charitable activities							
Patient care	9	1,816,724	85,507	525,458	-	15,058	2,442,747
Support costs	10	119,120	-	84,595	-	-	203,715
Governance costs		-	-	9,791	-	-	9,791
		<u>1,935,844</u>	<u>85,507</u>	<u>619,844</u>	<u>-</u>	<u>15,058</u>	<u>2,656,253</u>
Total		<u>2,375,491</u>	<u>85,507</u>	<u>1,065,818</u>	<u>3,181</u>	<u>15,058</u>	<u>3,545,055</u>

Governance costs relates to the auditors' fees of £9,791 including irrecoverable VAT.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Total resources expended

continued

	Notes	Unrestricted reserves			Restricted reserves		Total 2022 £
		Staff costs £	Depreciation £	Other costs £	Staff costs £	Other costs £	
Costs of raising funds	8						
Costs of generating voluntary income		257,644	-	52,698	-	-	310,342
Cost of activities for generating funds		181,286	-	328,564	46,894	-	556,744
Trading company cost of sales		-	-	5,102	-	-	5,102
		<u>438,930</u>	<u>-</u>	<u>386,364</u>	<u>46,894</u>	<u>-</u>	<u>872,188</u>
Charitable activities							
Patient care	9	1,625,537	82,285	472,144	9,183	21,677	2,210,826
Support costs	10	128,304	-	79,128	-	5,000	212,432
Governance costs		-	-	8,938	-	-	8,938
		<u>1,753,841</u>	<u>82,285</u>	<u>560,210</u>	<u>9,183</u>	<u>26,677</u>	<u>2,432,196</u>
		<u>2,192,771</u>	<u>82,285</u>	<u>946,574</u>	<u>56,077</u>	<u>26,677</u>	<u>3,304,384</u>

Governance costs relates to the auditors' fees of £8,938 including irrecoverable VAT.

8 Costs of raising funds

	2023 £	2022 £
Other costs of generating voluntary income comprise:		
Fundraising costs	51,232	44,532
Telephone	895	876
Printing, postage and stationery	7,424	7,290
	<u>59,551</u>	<u>52,698</u>

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Costs of raising funds (continued)

	2023 £	2022 £
Other cost of activities for generating funds comprise:		
Shop rent, rates and utilities	178,295	171,406
Other shop costs	59,958	54,745
Equipment hire - vans	16,640	16,160
Lottery prizes	79,500	78,000
Lottery commission and other costs	49,084	8,253
	383,477	328,564
Trading company cost of sales		
Purchase of goods for resale	2,946	5,102

9 Charitable activities

	2023 £	2022 £
Other costs relating to UK hospice activities comprise:		
Laundry and cleaning	40,374	49,637
Hospice expenses	224,836	217,123
Sundry expenses	4,299	4,119
Repairs and maintenance	81,984	48,992
Food	59,994	40,190
Rates and water rates	18,040	20,715
Light and heat	53,999	53,238
Travelling	248	39
Training	6,844	9,162
Insurance	33,498	27,615
Telephone	1,342	1,314
Restricted fund expenditure (see Note 22)		
Defibrillator fund (equipment hire)	398	398
Recliner chair fund	10,735	2,400
TV/CCTV wildlife watch fund	3,925	-
Training fund	-	880
Dementia care fund	-	650
Bedside table fund	-	1,500
Refurbishment fund	-	4,301
Bee project fund	-	1,000
V R Equipment fund	-	840
Fence Fund	-	5,000
Suction pump fund	-	4,608
Patient support group	-	100
	540,516	493,821

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Support costs

	2023 £	2022 £
Support costs relating to UK hospice activities comprise:		
Telephone	6,713	5,693
Postage and stationery	5,578	6,551
Legal and professional fees	43,833	30,554
Bank charges	6,848	6,370
Repairs and maintenance	-	244
Subscriptions	1,220	4,139
Computer costs	20,403	18,618
Sundry expenses	-	794
Equipment hire	-	1,165
Restricted funds		
Feasibility fund	-	5,000
	84,595	79,128

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or benefits during the year.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees

Number of employees

The average number of employees during the year was:

	2023 Number	2022 Number
Hospice	71	73
Shops, fundraising and publicity	21	21
Support	7	7
	99	101

Employment costs

	2023 £	2022 £
Hospice	1,816,724	1,634,720
Shops, fundraising and publicity	442,828	485,824
Support	119,120	128,304
	2,378,672	2,248,848

Employment costs

	2023 £	2022 £
Wages and salaries	2,102,093	1,996,858
Social security costs	174,236	158,208
Other pension costs	102,343	93,782
	2,378,672	2,248,848

	2023 Number	2022 Number
Number of employees whose total employee benefits for the year fell between each band from £60,000 upwards:-		
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1

Agency nursing or care staff are used when it is not able to sustain the staffing levels to which it is committed from its employees or in response to particular needs. Agency costs are included in hospice expenses (see Note 9) and the cost during the year was £118,298 (2022 - £100,760).

The total employee benefits of the key management personnel of the group, excluding pension contributions, was £153,315 (2022 - £150,281).

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Taxation

The charitable company is a registered charity and as such is exempt from taxation on its income so long as this is applied for charitable purpose. No taxation charge arises in the subsidiary company.

14 Net incoming/outgoing resources	2023 £	2022 £
Net incoming/outgoing resources is stated after charging:		
Depreciation of fixed assets	85,507	82,285
Auditors' remuneration	9,791	8,938
Hire of equipment - cost of raising funds	16,640	16,160
Hire of equipment - support costs	398	1,563

15 Tangible fixed assets - group and charitable company

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2022	2,802,888	899,047	3,701,935
Additions	44,054	27,813	71,867
Disposals	-	-	-
At 31 March 2023	2,846,942	926,860	3,773,802
Depreciation and impairment			
At 1 April 2022	678,335	810,043	1,488,378
Charge for the year	56,459	29,048	85,507
Disposals	-	-	-
At 31 March 2023	734,794	839,091	1,573,885
Carrying amount			
At 31 March 2023	2,112,148	87,769	2,199,917
At 31 March 2022	2,124,553	89,004	2,213,557

In line with the charitable company's accounting policy, the freehold land and buildings are included at cost less depreciation except for freehold land which is not depreciated. It is noted that in August 2015 a valuation of the property was undertaken by Sutton Kersh showing a value of £2,500,000.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Fixed asset investments

	Group			Charitable company			
	Listed	Unlisted	Total	Listed	Unlisted	Group	Total
	£	£	£	£	£	£	£
Market value							
At 1 April 2022	688	-	688	688	-	1	689
Change in value in year	93	-	93	93	-	-	93
Realised in year	-	-	-	-	-	-	-
At 31 March 2023	781	-	781	781	-	1	782
Unrestricted funds	781	-	781	781	-	1	782
The investment assets are held:							
In the UK	-	-	-	-	-	1	1
Outside the UK	781	-	781	781	-	-	781
	781	-	781	781	-	1	782
Historical cost:							
At 31 March 2023	-	-	-	-	-	1	1
At 31 March 2022	-	-	-	-	-	1	1

17 Subsidiary undertakings

The wholly owned trading subsidiary St Joseph's Academy Services Limited (company registration number 04271430) is incorporated in the United Kingdom and pays all of its profits to the charitable company by gift aid. St Joseph's Academy Services Limited sell merchandise for fundraising purposes.

The charitable company owns the entire share capital of one ordinary share of £1.

The summary financial performance of the subsidiary alone is:

	2023 £	2022 £
Turnover	12,926	11,790
Cost of sales and administration costs	(2,946)	(5,137)
Net profit	9,980	6,653
Management fee paid to the charitable company	(4,000)	(4,000)
Amount gift aided to the charitable company	(5,980)	(2,653)
Retained in subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Current assets	1,484	61
Current liabilities	(1,483)	(60)
Total net assets	1	1
Aggregate share capital and reserves	1	1

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18	Debtors	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
	Trade debtors	139,865	139,865	128,319	128,319
	Other debtors	22,642	22,642	9,364	9,364
	Prepayments and accrued income	254,829	254,829	164,155	164,155
		<u>417,336</u>	<u>417,336</u>	<u>301,838</u>	<u>301,838</u>

19	Creditors: amounts falling due within one year	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
	Trade creditors	76,734	76,734	74,441	74,441
	Amounts owed to group undertakings	-	1,484	-	61
	Taxes and social security costs	44,127	42,644	37,754	37,694
	Other creditors	53,252	53,252	48,381	48,381
	Accruals	54,060	54,060	58,021	58,021
		<u>228,173</u>	<u>228,174</u>	<u>218,597</u>	<u>218,598</u>

20 Pension and other post-retirement benefit commitments

The charitable company enabled a number of staff to contribute to either their NHS Pension Scheme or to their private scheme. Employer pension contributions to these schemes amounted to £53,750 (2022 - £50,596). Total employer and employee contributions of £10,054 (2022 - £9,134) were due to these schemes at the year end and are included in creditors.

During the year the employer pension contributions to the workplace pension scheme amounted to £47,703 (2022 - £43,186). Total employer and employee contributions of £16,824 (2022 - £11,773) were due to this scheme at the year end and is included in creditors.

21 Share capital

The charitable company is limited by guarantee.

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Restricted funds

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Defibrillator fund	805		(398)		407
Training fund	3,120				3,120
Kickstart fund	-	3,181	(3,181)		-
Recliner chair fund	3,500	7,235	(10,735)		-
Kitchen garden fund	-	1,028			1,028
Wi-Fi improvement fund	-	2,782		(2,782)	-
Grounds refurbishment fund	-	15,000		(15,000)	-
TV/CCTV wildlife watch fund	-	9,900	(3,925)		5,975
	7,425	39,126	(18,239)	(17,782)	10,530

	Movement in funds				
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Defibrillator fund	1,203	-	(398)	-	805
Training fund	2,000	2,000	(880)	-	3,120
Dementia care fund	650	-	(650)	-	-
Kickstart fund	1	56,076	(56,077)	-	-
Bedside table fund	-	1,500	(1,500)	-	-
Refurbishment fund	-	4,301	(4,301)	-	-
Bee project fund	-	1,000	(1,000)	-	-
V R Equipment fund	-	9,200	(840)	(8,360)	-
Fence Fund	-	5,000	(5,000)	-	-
Recliner chair fund	-	5,900	(2,400)	-	3,500
Feasibility study fund	-	5,000	(5,000)	-	-
Suction pump fund	-	4,608	(4,608)	-	-
Patient support group	-	100	(100)	-	-
Garden Furniture fund	-	4,918	-	(4,918)	-
	3,854	99,603	(82,754)	(13,278)	7,425

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Unrestricted funds

The unrestricted funds include a revaluation reserve which represents:

- (a) the amount by which land and buildings exceeded their historical cost based on a revaluation performed a substantial number of years ago.
- (b) the restatement of investments at market value.

Designated fixed asset fund which represents reserves set aside by the trustees showing the extent to which funds are invested in tangible fixed assets for use by the charitable company and therefore not available for other purposes.

	Movement in funds					
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 March 2023
	£	£	£	£	£	£
General fund						
- core reserve	1,150,030	3,813,056	(3,441,309)		-	1,521,777
Revaluation reserve						
- land and buildings	44,151	-	-	-	-	44,151
Revaluation reserve						
- investments	688	-	-	-	93	781
Designated fund						
- tangible fixed assets	2,213,556	54,086	(85,507)	17,782	-	2,199,917
	3,408,425	3,867,142	(3,526,816)	17,782	93	3,766,626

	Movement in funds					
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 March 2022
	£	£	£	£	£	£
General fund						
- core reserve	1,051,551	3,232,823	(3,134,344)		-	1,150,030
Revaluation reserve						
- land and buildings	44,151	-	-	-	-	44,151
Revaluation reserve						
- investments	653	-	-	-	35	688
Designated fund						
- tangible fixed assets	2,169,505	113,059	(82,286)	13,278	-	2,213,556
	3,265,860	3,345,882	(3,216,630)	13,278	35	3,408,425

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by:			
Tangible fixed assets	2,199,917		2,199,917
Investments	781		781
Current assets	1,794,101	10,530	1,804,631
Creditors amounts due within one year	(228,173)		(228,173)
	3,766,626	10,530	3,777,156
Unrealised gains included above:			
On tangible fixed assets	-	-	-
On investments	781	-	781
	781	-	781
Reconciliation of movements in unrealised gains:			
Unrealised gains at 1 April 2022	44,839	-	44,839
Net profit on revaluations in year	93	-	93
Unrealised gains at 31 March 2023	44,932	-	44,932
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	2,213,556	-	2,213,556
Investments	688	-	688
Current assets	1,411,896	7,426	1,419,322
	(218,537)	-	(218,537)
	3,407,603	7,426	3,415,029
Unrealised gains included above:			
On tangible fixed assets	-	-	-
On investments	688	-	688
	688	-	688
Reconciliation of movements in unrealised gains:			
Unrealised gains at 1 April 2021	44,804	-	44,804
Net profit on revaluations in year	35	-	35
Unrealised gains at 31 March 2022	44,839	-	44,839

ST JOSEPH'S HOSPICE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

25 Commitments under operating leases

At 31 March 2023 the group had future minimum commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within one year	135,145	114,750	-	-
Between two and five years	301,500	207,728	-	-
After five years	21,041	45,541	-	-
	<u>457,686</u>	<u>368,019</u>	<u>-</u>	<u>-</u>

26 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to assist with the preparation of the financial statements and, with regard to the subsidiary, to submit returns to the tax authorities.

27 Related party transactions

There are no related party transactions which require disclosure.