

## **Annual Report and Financial Statements**

31 March 2024

St Joseph's Hospice, Hackney

Charity Registration No.: 1113125

Company Registration No.: 05513914 (England and Wales)

Company Limited by Guarantee



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## Reports

Reference and administrative information

## Board of Trustees



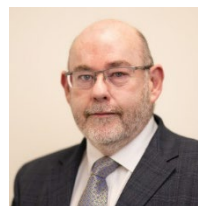
**Mr Paddy McGuinness**  
CMG, OBE, MA (Chair)



**Mr Edward McGuigan**  
BA, FFA, FIPA



**Mr Michael Moran**  
Ph.D MMedSci,  
MBBChBAO, BSc (Hons)  
MRVS, DO-HNS



**Prof. Jim McManus**  
BD (Hons,) OCDS, CPsychol,  
CSci, AFBPsS, FFPH, FRSB  
Chartered FCIPD



**Mr Peter Pledger**



**Margaret Doherty**  
BA (Hons), DEBA, MCIPR



**Mr Nick Howard**



**Jane Heffernan**  
BA (Hons), MA, NPQH  
NPQEL



**Mr Edward Davies**  
MA (Oxon)

## Senior Management Team

<b>Joint Chief Executive</b>	Tony McLean SRN, RMN, RHV, Fellow of IOD
<b>Joint Chief Executive / Director of Clinical Services</b>	Jane Naismith RN, QN, PGCE, BSc (Hons), MSc
<b>Medical Director and Consultant in Palliative Medicine</b>	Dr Andrew Tysoe-Calnon BSc, MBBS, FRCP
<b>Director of Finance, IT &amp; Facilities</b>	David French FCCA, MBA (Open)
<b>Director of Communications &amp; Enterprise</b>	Tracey Macbeth BA (Hons)
<b>Director of Human Resources</b>	Janet Simkins BA (Hons), MCIPD, MCIH
<b>Head of Mission</b>	Carolyn Barber RGN, BSc (Hons) Oncology, MA
<b>Company Registration Number</b>	05513914 (England and Wales)
<b>Charity Registration Number</b>	1113125
<b>Registered Address</b>	Mare Street Hackney London E8 4SA
<b>Telephone</b>	020 8525 6000
<b>Email</b>	info@stjh.org.uk
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<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Investment Managers</b>	CCLA Investment Management Limited 80 Cheapside London EC2V 6D2
<b>Solicitors</b>	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 RG
<b>Bankers</b>	Barclays Bank plc 1 Churchill Place London E14 5HP  The Co-operative Bank plc 80 Cornhill London EC3V 3NJ

## Chair's statement

On 5<sup>th</sup> May 2023, the WHO declared an official end to what they described as a three-year public health emergency. Whilst the impact of Covid will remain with us for a long time, the formal end of the emergency was a prompt for St Joseph's to look forward to what promises to be an even brighter future. These transitions are not new to our Hospice. Events now echo the return to normal after the Flu epidemic of just over a hundred years ago where we also made our contribution and built ourselves up afterwards.

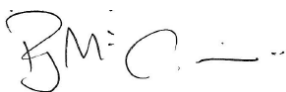
We Trustees remain ever grateful to the skills and dedication of our staff who kept us and our patients' safe through a challenging period. We are grateful too for the leadership shown by our CEO Tony McLean, alongside his now Co-CEO Jane Naismith. The Hospice has continued to thrive under their leadership and good governance, alongside the executive team.

Our priority is that all activities at the Hospice further the cause of excellent care for the sick, the dying and for their families. In this, we are inspired by the five Religious Sisters of Charity who founded the Hospice in 1905. Their Catholic Mission and Values live on in our own. We give thanks for our link to the RSC and the Archdiocese of Westminster and our Patron Cardinal Vincent Nichols.

Faith remains a cornerstone of our foundation. The work of a multi-faith Chaplaincy team supports people of all faiths and none, reflecting the diverse communities that we are proud to serve.

Through careful stewardship, we have again met our financial targets. This would not have been possible without support from volunteers who give us their time so freely, and our individual and corporate donors and all who all gave and raised funds for us. Without your charity and generosity, we would not have helped so many. I thank you on behalf of my fellow Trustees.

May God bless all who have made the work of the Hospice possible.



Paddy McGuinness CMG OBE  
**Chair of Trustees**

## Message from the Joint CEOs

We have emerged unscathed from the pandemic, but as a nation we are now facing the impact of the cost of living crisis. Despite these challenges, we are proud that St Joseph's has remained stable throughout. We are in a good place. This is in no part thanks to our talented senior leadership team, staff and volunteers, and of course our Board of Trustees who continue to provide solid governance and clear strategic direction.

The demand on our services continues to rise. The number of IPU admissions remains high, referrals for day services are increasing year on year, and the number of patient contacts made by the Community Palliative Care Team (CPCT) continues to grow – up by 12% compared with the previous year.

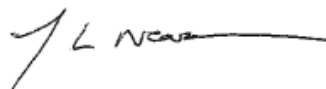
We take care to monitor patient demographics so that we can continue to evolve our services to best meet their needs. Our core boroughs are among some of the most diverse in the country. The proportion of Global Majority (non-White British) service users continues to increase year on year, from 56.78% in 2022-23, to 62.55% in 2023-24. This is reflected in the fact that on any given day, there can be forty-four different languages spoken by staff, patients, visitors and callers – up from 39 the year before. The age profile is broadly in line with the previous year, but we are seeing far more non-cancer patients – now almost half (47%), compared with 36% a year ago.

We are now four years into delivering Vision 2024 – our five-year strategy - and are planning its next phase. We have taken many steps forward with all five pillars against a challenging external environment, while remaining true to our Mission and core values, and at the same time ensuring we balance the books.

We remain humbled by the professionalism and commitment demonstrated every day by our staff and supporters.



**Tony McLean**  
**Joint Chief Executive**



**Jane Naismith**  
**Joint Chief Executive**

## Trustees Report (incorporating the Strategic Report)

### Introduction

The Trustees present their statutory report together with the consolidated financial statements of St Joseph's Hospice, Hackney, for the year ended 31 March 2024. The report, which constitutes a Trustees' report for the purposes of charity legislation and a directors' report for the purposes of company legislation, has been prepared in accordance with Part VIII of the Charities Act 2011.

The financial statements consolidate the accounts of St Joseph's Hospice with those of its fully owned trading subsidiary, Five Sisters Managed Services Limited, which was established on 22 October 2021.

The financial statements have been prepared in accordance with the accounting policies set out on page 34 of the attached financial statements, and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the United Kingdom and Republic of Ireland (FRS 102).

### Overview

"The hospice makes one understand that dying means living before death, because even the last phase of earthly life can be lived consciously and organised individually. Far from being a "home for the dying," this place becomes a threshold of hope which leads beyond suffering and death"

*Pope, St John Paul II - June 1998 Rennweg Hospice, Vienna*

St Joseph's Hospice is a proud, modern, caring, and compassionate independent Catholic charity, which supports the diverse communities of East London, the City of London, and its surrounding areas. We deliver specialist palliative care, end of life care, and respite care for people with progressive life-limiting illnesses, as well as providing comprehensive support for their families and carers. All of our services are provided free of charge.

The provision of outstanding standards of care for our patients and their families is our primary priority. In achieving the level of care which we do, our team of highly skilled and innovative clinical and nursing staff work tirelessly to ensure that all our services are specifically tailored to each individual person under our care. Patients come to the hospice often with complex medical conditions.

At St Joseph's we have an expert multi-disciplinary team always ready to positively meet those complex medical conditions, ensuring that our care always begins and remains with the patient and their family, who are at the very centre of everything that we do. That same specialist support and expertise in end-of-life care is also provided to generalist services within the hospitals and communities within our catchment area and wider area.

In addition, we offer expert advice and support to other professionals, in specialist palliative and end of life care, we deliver specialised education and training, and we undertake targeted research in aspects of this care. Underpinning all of our work, as part of our founding Mission, is a particular responsibility to support the poor regardless of the form

which their poverty takes, whether it be poverty in health, economic condition, social circumstance, or emotional or spiritual need.

We operate the Hospice in full sight of the highest clinical and ethical standards, underpinned by our Catholic values. We are profoundly committed to our responsibility to promote a clear vision of the highest quality in specialist and end of life care, being called to speak and act in our commitment to the human dignity of the entire person and the sacredness of every human life.

Approximately half of our income comes from the NHS through our contracts with Integrated Care Boards (ICBs), which means we need to raise an additional £7million a year just to meet our existing operating costs and commitments. This funding comes from the legacies, individual and corporate donations, and other fundraising initiatives that we undertake. We owe a significant debt to the generosity and goodwill of our corporate sponsors, our local communities, and many others in the City, across London, as well as nationally and internationally. We thank them for their continued commitment to us, and the considerable support that they offer us, year after year.

St Joseph's Hospice was founded in Hackney in 1905 by The Religious Sisters of Charity, and has built an outstanding reputation in providing the highest quality care to our communities in East London, the City of London, and beyond. Historically, this part of East London has been characterised by material poverty and deprivation as well as religious, ethnic, and cultural diversity.

We continue to develop new sources of funding to augment the income that we currently receive from the NHS and our charitable donors, and we endeavour to increase income from our various enterprises which are operated entirely in keeping with our founding Ethos, Mission, and Core Values.

A key element of these enterprises is our continuing commitment to ensuring that we always protect those we care for and their families, as we continue to influence those who commission our services, demonstrating the excellence of our care in a setting of value-added efficiency and effectiveness.



## Objectives and activities

### Charitable objectives and principal activities

Our Charity's purposes, as set out in the objects contained in our Articles of Association, are the relief of sickness and disability, in particular by:

- The provision of specialist palliative, nursing, medical and other care services
- The provision of pastoral care services for the spiritual welfare and support of patients, relatives, and staff
- The provision of education and research into the care of sick or disabled people

The aims of the Charity are to provide physical, emotional, social, and spiritual care to physically ill people of all races and creeds.

### Mission statement

#### Our Mission is:

- To treat all individuals as unique
- To enable all to reach their full potential until the end of their natural life
- To confront and manage the patient's pain and distress whether physical, medical, psychological, social, or spiritual
- To encourage openness and honesty when communicating with the patient and family members
- To create an atmosphere where healing can occur
- To show particular concern for staff at all levels
- To be committed to education, research, and an ethical approach to care
- To be committed to the development of palliative care throughout the UK and further afield and
- To actively participate in the national associations of the various palliative care disciplines

### Vision

Our Vision is that everyone with a life-limiting illness is as fully supported as possible to ensure that they live well until the end of their natural life, and that support is provided where and when they need it.

### Core values

We are committed to five core values. These are:

#### Respect for human dignity

We respect human dignity when we respect the sacredness of life, care for the whole person, demonstrate unity of purpose while recognising individual differences, value each person's contribution and act in a culturally appropriate manner.

#### Service quality

We provide service when we create an environment of welcome and hospitality, promote quality care and excellence, encourage and demonstrate team spirit, recognise the value of individual initiatives and ideas and show an openness to constructive criticism and feedback.

#### Care of the poor and vulnerable/advocacy

We are for the poor and vulnerable when we listen attentively to identify unmet needs, respond in a practical way to those in need, collaborate with others to share resources, create access to needed services and provide basic resources for daily living to those in need.

#### Compassion

We show compassion when we act with understanding and sensitivity, work cooperatively with others, are available to those we serve and to each other, and respect and nurture the environment.

#### Justice

We promote justice when we act with integrity, respect the rights of others, take responsibility for our actions, preserve resources, provide quality without extravagance, demonstrate fairness in decision-making, affirm, celebrate and develop the gifts and talents of each person and model justice in all aspects of business practice.

### Strategic achievements and performance

The Senior Management Team, with the support of our Board of Trustees, continues to drive forward with implementation of the five-year strategic plan. Vision 2024 continues to underpin our strategic path, setting out how we planned to develop and invest in the Hospice until the end of 2024, with the flexibility to respond to the evolving external environment, including the changing profile and needs of the population we serve. Our leadership team, ensured that we remain on track to deliver our goals, driving each of the plan's five pillars – Patients, People, Enterprise, Estates, and Funding and Fundraising.

We are currently in the final stages of refining Vision 2029 which will build on the achievements of Vision 2024 as we set our strategic ambitions for the next five years.

#### Patients

Our primary priority remains unchanged - to deliver an outstanding quality of service to our patients. We maintain and enhance our reputation as a centre of excellence for specialist palliative care through our continued close working with colleagues within primary care, and our local hospitals. Our services include:

- Inpatient Unit including planned respite
- Community Palliative Care
- Outpatient Clinics
- Day Hospice
- Social Work
- Psychological Therapies including Bereavement, and Patient and Family Counselling
- Complementary Therapies
- Physiotherapy and Occupational Therapy
- Speech and Language Therapy and Dietetics
- A range of volunteer-led community services including Namaste, Empowered Living Team, Welfare Benefits, Carers Service and Compassionate Neighbours

The planned respite service transitioned to become the planned rehabilitation and enablement service in January 2024.

Demand on the Hospice remains extremely high. In the year to March 2024, we recorded a total of 6,270 patient contacts which included both bereavement contacts and external referrals from the geographical areas we serve. This is the highest number of contacts we have experienced over the last four-year period. The number of external referrals for all services in our core areas of care also increased, from 2,470 last year to 2,813 in 2023-24 – a 14% increase year on year.

The number of Day Hospice appointments has also increased by 10% to 965 compared with the previous year (872). Total annual appointments are now running in excess of pre-pandemic levels.

The volume of patient contacts made by the Community Palliative Care Team (CPCT) including bereavement in the community contacts has increased exponentially, from 17,559 last year, to 24,185 in 2023-24. CPCT visited more than 2,500 patients in their homes.

Bed occupancy has increased year on year from 51% last year to 67% during 2023-24. Of patients admitted to the Hospice almost a third were discharged to their usual place of residence which included their own home, their care home or into the care of a relative. We remain focused on advance care planning and detailed conversations with patients on their preferred place of death. In 2023-24 almost three quarters (74%) of patients who died whilst under our care did so in their preferred place of death. This was a slight reduction on 2022-23 where slightly less than 80% of patients who expressed a wish to die in their home as the preferred place of death, did so.

The geographical area which the Hospice serves presents a complex tapestry of ethnic and cultural diversity just as existed in 1905. Our imperative is to uphold the profound values which we inherited from our founding Sisters. No less amongst those values is Compassion for and Love of all humanity. We strive to uphold the exemplar gifted to us as we serve and support all and every member of the communities which we serve regardless of circumstance.

It is our ongoing Mission to reach out to all, especially to those who may not traditionally have considered using our range of Hospice services. We all work extremely hard to meet the varying needs and expectations of every patient, and those of their families and carers, regardless of their cultural, spiritual, ethnic, gender or sexual orientation. We offer culturally sensitive diets, a comprehensive range of advocacy services, as well as a multi-faith Mission and Chaplaincy service.

We at St Joseph's are exclusively committed to continuing the work of those five Religious Sisters of Charity who arrived in Hackney in 1905. They faced a herculean task as they spread their ministry of selfless love, expressed through acts of kindness towards others. By loving selflessly without expectation of receiving, they exemplified the highest form of love – Charity.

Each and every day at St Joseph's we continue to cherish and honour the truly universal nature of our shared Catholic heritage.

Our ability to communicate effectively with those we serve is essential and, on any given day, the range of languages spoken by our staff, patients, visitors, volunteers and callers, number in excess of forty distinct languages and dialects.

In the last year, in order to further improve access to information about the Hospice and our services, we developed new features to within our website whereby every page can be translated into multiple languages, which are presented in both written and spoken word.

This year we also created a wonderful new film 'What is a Hospice' featuring Justin Melliush, an actor with Downs Syndrome.

We continually develop, direct, and enhance our service provision to ensure that we dovetail into the specific needs of our patients and their relatives and carers to ensure that we exceed their expectations whilst fully respecting their unique identity.

The pandemic delayed further our planned refurbishment of St Michael's ward with work starting during the year we are reporting on. We are delighted to report that the refurbishment was completed in the early part of the 2024-25 year with the ward being officially reopened by our Hospice Patron, His Eminence, Cardinal Vincent Nichols, Bishop of Westminster on 11 June 2024.

This 15-bed ward design presents a calm, safe, and peaceful environment providing patients and their families with wonderful spaces in which to socialise and relax surrounded by warm, vibrant, and restful colours which enhance the positive experience we know exists within St Joseph's. We look forward to reporting next year, the patient and relative feedback which we will receive over the coming year.

We work extremely hard in providing a warm, welcoming, and comfortable environment for our patients, their families, and all our visitors and staff. This includes our five-star rated catering provision, with food freshly prepared by our kitchen staff each and every day.

Visitors as well as staff continue to enjoy an ever-expanding range of affordable hot and cold food and drinks from our ever popular Five Sisters Café, and everyone can relax and unwind when visiting our spectacular award-winning gardens.

## People

Our HR department continues to drive forward its staff development programme that aims to deepen and improve our organisational and cultural strength to better serve those who need our care.

A key priority for the Board is to enable our staff and volunteers to make their fullest contribution to the Mission of the Hospice. Their welfare is critical to this, and we continually survey the staff experience within St Joseph's to make sure our staff and volunteers remain safe. Our emphasis on wellbeing has continued to centre on the cost-of-living crisis. We have introduced a life insurance (Death in service) benefit and we have reviewed our pension provision, migrating to a pension provider which will hopefully offer better retirement benefits and the opportunity for salary exchange.

We continue in our development of and our approach to equality, diversity, and inclusion - EDI – which enhances everything we do as we seek to gain accreditation as a FREDIE (**F**airness, **R**espect, **E**quality, **D**iversity, **I**nclusion and **E**ngagement) organisation. This year we have become a White Ribbon organisation as well as achieving Disability Confident Employer status. We have co-created our policy, guidance and approach to staff experiencing menopause and menstruation.

## Training, Education and Development

Training, education, and development remain high on our agenda, and we currently have 23 managers actively engaged on the ILM programme, two of whom have been awarded Fellowship of the Institute of Leadership status. Our statutory and mandatory compliance level remains at 95% across the Hospice.

Our apprentice scheme is also running well, with nine staff apprentices working towards occupational qualifications.

We have returned to completing our Mental Health First Aid programme including Suicide First Aid, and have introduced Oliver McGowan training which highlights the particular needs and experiences of people with learning disabilities and autism.

### **Staff Engagement and Voice**

Our one staff concept is continuing within the organisation. This ensures continuing staff recognition culminating in employees and volunteers celebrating activities such as the Annual Service Awards, the Above and Beyond Awards, 'Staff Love' to mark calendar events such as Valentine's Day, celebrating the Hospice's birthday, and St Joseph's Day.

This year we have created closer joined up working between the SMT and service leads, and we are developing our Values and Behaviours framework to further embed our Core Values within every aspect of Hospice life. We have incorporated PSIRF and Just Culture principles into our employment policies.

Hospice news is communicated regularly by our Joint CEOs who hold CEO Clinics every two months. A FREDIE Bulletin has joined the quarterly CEO Bulletins, SMT surgeries, and the quarterly People Bulletin. News is also distributed through our intranet and email system, and heads of department are circulated with a weekly summary of key SMT discussion points.

### **Freedom to Speak Up**

We have 13 'Freedom to Speak Up' champions. They report into the Guardians who have oversight on clinical and non-clinical processes and policies. We are delighted that a well-established culture of speaking up has continued in its development. This will further enhance established processes in patient and staff safeguarding within the Hospice.

The Guardians and Champions have actively addressed and promoted the Freedom to Speak Up learning which has arisen following notable legal prosecutions. All staff and Trustees are training at the appropriate level in Freedom to Speak processes and principles.

Two Freedom To Speak Up guardians represent the Hospice in matters involving the Office of the National Guardian, with one guardian continuing as Chair of the Hospice Freedom to Speak Up Network.

### **Enterprise**

Our Enterprise strategy – developed as a pillar within Vision 2024 back in 2019 to establish more predictable, sustainable, and new income streams remains firmly established as an important source of income for the Hospice. This assists with our ongoing strategy of finding new ways to fill the financial gap between our running costs and the income that we derive from our NHS block contract and fundraising.

We have made efficient use of our space resource and, without impacting the Hospice's clinical or operational functions, we have rented or leased entire floors or rooms to local organisations that are fully aligned with our overall Ethos and Core Values.

Demand for commercial office space within the Hospice site currently outstrips supply, and we remain at full occupancy, with all tenants or licence holders choosing to renew at the

end of their terms. This is against the trend of other commercial properties which are still trying to regain ground that was lost as a result of the pandemic, and despite the prevailing economic downturn. We are maintaining an active occupancy waiting list, and hope to be able to release additional space for Enterprise within the coming financial year. We are committed to respecting the occupancy space required for core hospice activity as our enterprise efforts support all patient centred services.

In 2022 we took over responsibility for the management of a neighbouring Hospice-owned building from the previous long-term leaseholder and, having navigated that transition, we successfully retained the two incumbent tenants and secured a third on a lease basis.

Additionally, we also generate rental and hospitality income from our state-of-the-art education and conference facilities. Our Garden Room continues to host community-based organisations, social enterprises and commercial businesses for meetings, events, and workshops.

We have experienced a remarkably successful year for our Retail portfolio, and have fully recovered from the impact of the pandemic. Our flagship shop on Mare Street opposite the Hospice is firmly established and attracts a number of regular customers, and the pop-up shop in nearby Well Street continues to sell low-cost goods to the local population. Our aim is to secure a permanent shop in that street. We still retain two rent-free pop-up units adjacent to our Mare Street shop, which are branded as Five Sisters® Home to sell donated furniture, with the second positioned as Five Sisters® Books.

In addition to our shops and as part of our Mission, we hold regular 'pound sales' in order to sell low-cost goods to the local community, participate in local vintage and pop-up markets, and maintain a presence at Broadway Market when space is available. We continue to be extremely grateful to the local community for their support and the generosity and quality of their donations.

The Retail strategy is to further extend our portfolio, with the aim of opening one to two additional shops a year in our core boroughs.

On-site, we continue to provide low-cost on-site accommodation to our nursing staff. As well as providing a valuable service to them and generating an additional Enterprise income stream, the ability to offer on-site accommodation is a useful tool in our armoury when recruiting staff from further afield. We also offer rooms to overseas students who attend the Hospice to participate in some of our training programmes.

Five Sisters® Managed Services – the separate company established in November 2021 as a platform to provide commercial services to external organisations – continues to successfully provide a full catering service to another hospice. Results will be reported separately in Five Sisters® Managed Services accounts.

## **Estates & IT**

It has been a busy year for both departments – which are continually supported through participating in the lions' share of our routine annual capital expenditure.

We have boosted the Facilities management team, creating the new role of Hotel Services Manager. This post entails responsibility for both portering and housekeeping as well as having key links with catering and the inpatient wards. At St Joseph's we remain immensely proud of the quality of our housekeeping – a service which is essential in adding value to the care experience for our patients and their families.

Environmental sustainability remains a key feature of our planning and during this year three major projects included the installation of more solar panels on our roofs, and the replacement of the existing radiators with energy efficient versions. We regularly review technological innovation within the Hospice and in November 2023 we installed a voltage optimisation system which regulates and reduces the voltage required by electronic equipment. This system was initially installed in a small part of our estate and the initial indications are that electricity consumption has fallen by about 10% as a consequence. There are plans to roll the same technology out across the larger part of our estate in 2024/25. These measures will drive the continued downward trend in our annual energy consumption and should contribute positively to reducing our carbon footprint.

The Estates team at St Joseph's work on both planned and reactive maintenance and this year we have been assessing the balance between the two – with the result that we have implemented more planned maintenance contracts. One of the beneficiaries of this approach was our launderette. Two washing machines have been replaced this year and we have used the opportunity to take out a planned maintenance contract on all the laundry equipment – a service that is vital to the ongoing quality of care at the Hospice. Such ancillary services appear almost the silent contributor however we recognise the critical contribution which they make towards patient comfort and hygiene standards.

There have also been some changes within our IT team during the year. We took the opportunity to create a data analyst role to support our new 'Project Opus' which will involve a deep dive into the way we manage data and information. The information team now has one clinical analyst, who will continue to focus on clinical data, and one data analyst, who focuses on the non-clinical data. Following a long illness, the IT team lost a much loved and valued colleague in 2023.

The key focus on IT this year has been planning how we deliver our services into the future and we have been reviewing the way we support the rest of the hospice including our out of hours provision. Our mid-term focus is to become 'serverless' as far as possible within the next five years. This year, we replaced several of our servers with the commitment that this is the last time we will do so. In future, cloud-based systems will prevail.

The IT team is also planning two significantly sized projects. The first of these is the replacement of our current patient administration system following the supplier having recently confirmed the imminent obsolescence of the current software iteration. We are commencing an eighteen-month development and implementation plan on this project.

The other project we are scoping is the telephony system, although this is not due for replacement for a couple of years. In the field of IT telephony, five years seems like a lifetime and comprehensive scoping is an absolutely imperative to ensure that we have a system which is as future proofed as possible.

The key to success for both the Facilities and IT departments is comprehensive with excellent planning and implementation processes which run in tandem with the clinical teams. The communication links between both teams excellent.

## **Gardens**

As ever, our gardens remain a feature we are so proud of and the team that manages them are much valued, and are also multi-award winning. This year, the gardens hosted several events including a carers garden party, a staff barbeque, and the London Open Gardens weekend. The latter event involved the general public attending, which presented a perfect opportunity to promote the Hospice. On a daily basis and throughout the year, these gardens are open and accessible to patients, relatives, and staff both night and day.

We have considered how we can protect pedestrians entering the Hospice and have created a dedicated walkway, with our flower beds acting as a separation between pedestrians and vehicles. This enhances safety, as well as creating aesthetic improvements.

## **Health and Safety**

St Joseph's prides itself in being a learning organisation, and inherent to good Health & Safety practices lie in continual education. We always aim to get our processes, procedures, and policies right at every opportunity especially in an such a complex discipline.

Our Health and Safety consultants have supported significant and positive progress in this field over the last few years by developing an all-staff ethos. Health & Safety never stands still and St Joseph's recognises this. Over recent years, we have developed one of our key external relationships with PIB, our insurance brokers, and we now work in partnership with them to ensure the highest possible compliance in all aspects of Health and Safety policy as it relates to the Hospice.

At the last health and safety audit, PIB scored us a rating of 84% (80% is the threshold for good) which demonstrates continuing progress and development. We intend to build on this progress as we strive to achieve our ambition of reaching outstanding in the scoring framework. Our partnership with PIB has transparency at its core, which reassures our insurers on risk level. PIB and our external fire advisor provide additional sense-checks as we continue on our journey of improvement.

During the year we undertook a full review of our high-level risk assessments to ensure that they reflect our current business risk and consequently we have expanded the number of risk assessments to over fifty. Staff throughout the organisation are engaged with risk assessments which is greatly reassures us as individual and collective responsibility are enhanced. During 2023-24 this was demonstrated by the engagement of our maintenance staff who collectively undertook manual handling, working at heights and ladder training.

Whilst we take staff on a journey of improved awareness and understanding of risk, we do so with a 'light-touch' so that they feel engaged and eager to approach managers regarding training, rather than feeling pressurised into the training. The rewards of such an approach create a disproportionately positive dividend as we see the internal health and safety culture steadily change.

Governance of Health & Safety is crucial and our advisor acts largely independently, being accountable to the Health & Safety Committee, which reports into the SMT and ultimately to the Board of Trustees. The Committee is responsible for ratifying policies and training that supports our ethos. Training participation has improved and at the year-end was at 97%, which further demonstrates the positive engagement of our staff.

Our incidence management database (Datix) is invaluable as a tool to help us comply with RIDDOR and to be a reflective tool that enables us to move further forwards in all matters Health & Safety.



## Energy and carbon reporting

This year, the hospice has continued on its journey reducing energy consumption with projects that include new radiators and more solar panels, voltage optimisers being installed and battery storage.

The Hospice continues to be engaged in a process aimed at reducing our greenhouse gas emissions.

St Joseph's incurs scope 1 and 2 emissions (natural gas and electricity) on our main site and in our shops and we have a longstanding commitment to tackling climate change and reducing carbon emissions. In previous years, we have taken numerous steps to reduce consumption including the solar panels, LED lighting and replacement boilers.

Our calculated carbon footprint for the 2023/24 is 1,127 metric tonnes and is based on total energy consumption of 2,816MWh.

Our CO2 per FTE shows a 12% reduction to 5.10, which is the same percentage reduction as the previous year, demonstrating that our energy saving measures continue to have a positive impact.

The data in the below table has been calculated using the calculation tools provided by the Greenhouse Gas Protocol (GHG) and the principles of the Greenhouse Gas Protocol (GHG) Corporate Accounting and Reporting Standard (Revised Edition).

UK Emissions and Energy Use data for period 1 <sup>st</sup> April to 31 <sup>st</sup> March		
	2023/24	2022/23
<b>Energy Consumption</b>		
□ Electricity	914,487	918,957
□ Gas	1,901,094	2,597,245
<b>Total Consumption (kWh)</b>	<b>2,815,581</b>	<b>3,516,202</b>
<b>Direct Energy Emissions</b>		
□ Electricity	777.31	781.11
□ Gas	349.56	477.56
<b>Total Emissions (Metric Tonnes)</b>	<b>1,126.87</b>	<b>1,258.67</b>
<b>Intensity Ratio metric:</b> Tonnes CO2 per Staff FTE per annum	<b>5.10</b>	<b>5.74</b>

## Funding and Fundraising

St Joseph's Hospice is committed to responsible fundraising, complying with regulatory standards, and ensuring that it is delivered in a manner consistent with our Core Values. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adhere to the Code of Fundraising Practice. Any third-party agencies we use for the purpose of our fundraising are contractually obliged to adhere to the relevant codes of practice.

St Joseph's Hospice does not share any of its supporter data with other charities or companies unless we have a data-sharing agreement in place allowing us to do so. Our legal basis is "legitimate interest" for new supporters who have provided us with an address and/or telephone

number and “consent” for supporters who provide email addresses and mobile numbers. We regularly review supporter journeys to ensure we protect potentially vulnerable supporters and to address process improvements following supporter feedback.

We complete an annual complaints return for the fundraising regulator. Fundraising complaints reported during 2023/24 was 8 (2022/23 - 4).

This year saw the Fundraising team deliver year two of its three-year plan, focussing on rebuilding relationships and income growth post pandemic.

Our accounts show that the cost of Fundraising has increased by 34% to £1.254M compared to last year.

- For the first time since the pandemic our team is fully staffed
- We embarked on a long-term plan to increase our individual donors using a specialist company to recruit. The cost of this is over £100k and is expected to generate long-term returns

The second year of our strategy has gone well. Despite the cost-of-living crisis, we succeeded in growing our income year on year. Our key pillars for success are:

- Income Generation – further investment into long term sustainable giving and working smarter to ensure long term relationships
- Supporter Focussed – putting supporters needs at the heart of our fundraising
- Internal Relationships – be part of the planning process earlier and working strategically to identify funding needs
- Marketing & Communications – better storytelling and develop digital marketing
- Team Development – ensure right structure and resources in place and invest in staff development and training

We have increased our face-to-face activity through a third-party provider in 2023-24 and will continue this work in 2024-25. In addition, we have appointed a new third-party telephone fundraising agency to conduct calls on our behalf and this relationship will also continue into 2024-25. Relationships with third-party online processing platforms and legacy administration also continue.

In terms of our key successes, we added a further 1,000 new regular givers to our supporter base, and are proud that we were elected as charity of the year by both the Speaker of Hackney and Speaker of Tower Hamlets, which helped to raise money and the profile and awareness of the Hospice.

We have also further developed our links with the City of London through its livery and ward clubs. This supports our fundraising activity, but more importantly gives us an opportunity to remind them that we are the hospice that serves the City. We are very grateful to the Lord Mayor of London who hosted two events that enabled us to illuminate our work and our need to raise £7M a year.

Successful events included the London Marathon in April that exceeded its target, the Hackney Half in May, a team abseil on the London Orbit, and our ever-popular annual East End Walk. Special events were a fundraising appeal in May to celebrate International Nurses Day, followed by Flowers of Celebration in June in which more than 200 beautiful blue ceramic flowers were planted in our Flowers of Celebration Garden.

We work closely with our local community, and in December 2023 8 schools and 1 local football club took part in our annual Rudolph Run, with hundreds of children donning antlers for the sponsored walk. In the same month we held our annual Light up a Life service, at which more than 350 people joined us to remember lost loved ones.

As part of our legacy strategy, we hold will writing workshops in partnership with local legal firms. Across the year, seventy-four people attended to find out more about our free will writing services and estate planning.

This year we held our first Spring Ball. We hope that this will be the beginning of many such successful events and we thank the National Australia Bank and Canary Wharf Contractors Fund for their support.

We acknowledge the support of our generous supporters and wonderful corporate and community partners, without whom we would be unable to provide the outstanding levels of care for which we are known.

We would like to take this opportunity to thank the Rayne Foundation for supporting Namaste Care, St John of Southworth Fund for supporting Compassionate Neighbours, the Hodge Foundation for purchasing sleep chairs and Inman Charity for funding a new wheelchair ramp for patients.

## Hospice Finances

At St Joseph's we focus on our operational performance as that ensures our long-term financial sustainability and it has again been a satisfactory year resulting in a small operational deficit. This is primarily thanks to our continued sound control of expenditure. Prudent financial management is not a matter of luck, rather it is based on confidence in delivery, trust, and teamwork. Our strong internal controls ensure we forecast expenditure with a high degree of confidence, but above all, our staff demonstrate that their purchasing is pragmatic. We are reviewing our scheme of delegation to enable increments in managers ordering limits with a view to securing additional discounts.

2023-24 was year one of a five-year statutory contract with the NHS, which enables the hospice to continue to develop in a stable and positive fashion. Fundraising and Enterprise retain a solid performance, with both projected to increase yields in the next five years. Legacies are by their nature volatile, but this year we achieved legacy income £2.2M for the hospice which reflects the great love and respect which those who have gone before us held for St Joseph's.

Whilst operational financial performance remains our primary financial health indicator, we also keep a careful watch on of the value of our investment portfolio, which is held by CCLA. Over the past three years we have focused on holding more of our cash in CCLA and this year it again yielded a solid return of approaching 10%.

Including a revaluation of our commercial property, the total financial value of the Hospice rose by nearly £3.9M.

Our subsidiary company, Five Sisters Managed Services Ltd., had a more difficult year financially due to ongoing staffing issues which resulted in the use of more expensive agency staff for several months. Despite this, turnover increased and the company generated a healthy surplus for the hospice. We have a profit-share arrangement in place with Saint Francis Hospice and this continued to work well – the donation in 2024 was £20k, slightly up on the previous year. Saint Francis recognise the value of this joint arrangement and we plan to use it in future contracts.

With the balance sheet growing by £3.9M, the overall financial health of the organisation is in no doubt as long as we remain pragmatic and prudent. This year however, the biggest challenge we faced was the relationship between cash and debtors.

Whilst our policy is to invest surplus cash into CCLA, we have had to reverse this in 23/24. Greater focus has been given to our cash forecasting and treasury management – and that is a challenge which our finance function relishes. The ward refurbishment project cost £1.8M of which donations accounted for about half of this. This will result in a world-class palliative care ward. Regrettably we had not quite anticipated a significant slowdown in cash receipts from legacies – the debtor figure increasing by 233% to £2.8M. Several high value legacies which included property had an impact in this. Consequently, we had to transfer money from CCLA into our current account to bridge the difference. We have healthy and close relationships with both our fund managers at CCLA and

Barclays Bank and we are developing our treasury management processes over the next year in an attempt to smooth out any anomalies. Barclays has signalled its long-term confidence in the hospice by inviting us to apply for funding.

Our capital expenditure plan continues to be focused on environmental sustainability to the extent that in this financial year we invested in more solar panels, energy efficient radiators throughout the hospice and voltage optimisation controls. We continue to demonstrate the commitment towards our staff and this year refurbished staff changing rooms and installed air-conditioning into more offices.

From a financial perspective it is important to conclude that this year's financial performance was underpinned by our commitment to world-class services and we would never seek to deliver a financial performance that compromised this commitment. Our highly effective finance department inherently supported our quality healthcare provision which patients and their families enjoy every day at St Joseph's. Our finance team is proud to contribute towards achieving the best experience for all we serve at St Joseph's.

## **Reserves Policy**

The Trustees have set a minimum free reserves target of nine months operating expenditure.

Included in their consideration are the winding up costs of the organisation which have been calculated at around six months. At current expenditure levels, nine months expenditure represents £11.4 million. To ensure the ongoing viability of the Hospice they have deemed that we need to have sufficient funds to sustain a period of income uncertainty whilst maintaining expenditure on clinical quality.

Whilst there is no 'set' figure for reserves, the pandemic has also demonstrated how organisations need to keep sufficient funds available for significant adverse events and the Trustees are confident that this policy ensures the sustainability of the Hospice, even through major short to medium term adverse events.

The Trustees have decided that reserves in excess of nine-months can be designated for projects which will benefit the hospice as a centre of excellence in Palliative Care for years to come. The designations are reviewed regularly and amended accordingly if required.

## **Investment Policy**

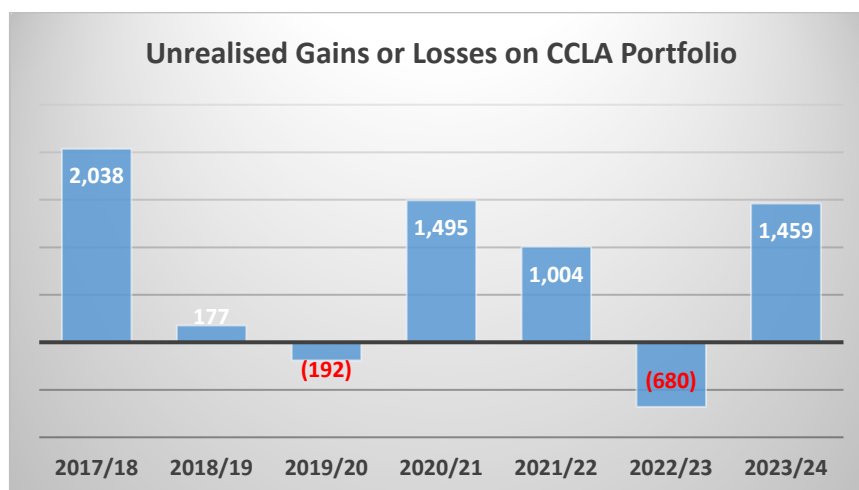
### **Listed Investments**

Our listed investments continue to be held with CCLA. Our policy has two broad financial aims, in addition to ensuring our investments are held with organisations who are sympathetic to our mission and values.

- We aim for a 2.8% earned income from, for example, dividends and interest earned. In 23/24, the return was 3.06%.
- We are aiming for a 10% long-term gain in the portfolio value. Of course, this cannot exactly align to our financial years, and there have been some serious global events during the last five years, but the table below shows that gains over the last seven years have been relatively healthy.

The £1.459M gain in 23/24 represents 9.3% of our average portfolio value (average of the opening and closing values).

There have been no material movements in our portfolio this year. We have withdrawn £2M to fund our ward refurbishment project and to support our current account cash balances due to the low cash received from legacies.



**Note: All numbers are in £000's**

## Investment Property

The Hospice holds investment property which we rent out and has a current market value of £8.7M, an increase following the latest valuation. The policy sets out to deliver an annual 7.5% return on the market value.

This year, due to changes in tenants and rent reviews, we earned £631k, which is a 12% return (22/23 - £608k). This represents a 3.8% increase. This includes sums received from external tenants and staff who rent rooms.

## Key management personnel

The Trustees consider that they, together with the Senior Management Team, comprise the key management personnel in charge of directing, controlling, running and operating the charity on a day-to-day basis.

Salaries for the Senior Management Team are set having regard to national pay agreements, considering the seniority and experience required by each post.

All Trustees give their time freely, and no Trustees were remunerated during the year (2022/2023: no remuneration).

No Trustee expenses were paid during the year.

## **Risk management**

The Senior Management Team and Board regularly review risk and have put in place a learning infrastructure, which can identify risk, review, and implement change.

Our policies and procedures are reviewed by independent external assessors and where recommendations are made, we take corrective action. Policies are also reviewed periodically to ensure they remain relevant.

The risk register forms an integral part of our risk assessment and is supported by various committees that meet regularly. Sitting under our corporate risk register is a suite of department risk registers, which are reviewed on a quarterly basis, or more regularly if specific new risks materialise (or risks are eliminated).

All staff undergo relevant training and accreditation and our Health & Safety Coordinator ensures that risk assessments and learning are a normal part of our operations. These risk assessments are owned by the relevant person within the organisation, inspiring a positive health and safety culture.

We work closely with PIB, our insurance brokers to ensure that our health and safety processes are aligned with our insurer's guidance. PIB conducts an annual on-site audit which scores the hospices overall health & safety rating, but also identifies weaknesses, which the Health & Safety Coordinator actions as a workplan for delivery. During the year, our overall score rose to 84% which is a good rating.

We are continually reviewing our Business Continuity Plan to help identify and mitigate risk at an organisational level and using that to inform some of our departmental strategies.

Our corporate risk register is discussed at each Board, where Trustees are able to challenge management on risks and mitigation.

The Health & Safety Committee has primary oversight and its representation is from all areas of The Hospice. Policy revisions are ratified at this committee, which recommends proposals for further improvements.

At the Hospice our aim is to mitigate risk as far as possible and this requires a learning culture – our primary reporting tool being Datix. Staff are encouraged to record incidents to support this learning and the reflective outcomes are part of the process of dealing with any adverse incidents.

The role of Health & Safety Coordinator cannot be understated – supporting a multi-department approach to risk management where required and ensuring that teams and individuals receive the correct specialist training (in addition to mandatory training) where required.

## **Financial sustainability**

Following another good year, our financial outlook for the medium to long-term remains positive. 2023/24 saw the first year of our new ICB contract and we have a good relationship with our commissioners, who view us as the 'go to' Palliative Care specialists.

We have recognised that expenditure management will form a key component of our financial strategy for the next few years, but we are taking strides to ensure this is done in a planned way and mitigating this with new income generation ideas.

We were able to weather the energy increases due to a combination of our incumbent approach to environmental efficiency which had already seen some energy saving measures, and short-term government support. Since summer 2023, prices have started to settle, although it is unlikely they will ever return to the pre-crisis levels.

At the Hospice we continued to demonstrate commitment to our staff by matching the pay rise given by the NHS. Although this will create additional pressure on our cost-base we are currently confident that this is a manageable approach.

Income generation plans are in place in Fundraising and Enterprise and both teams are working dynamically to ensure the Hospice aspires towards financial balance. We opened one new shop in the financial year and another one is planned for 2024. We are reviewing estate usage to increase the volume of tenants.

The commitment to good financial probity is further demonstrated by our approach to finance balance. During the year, we have been analysing our expenditure base to identify efficiency opportunities which either have no impact on clinical quality or improve it.

## **Governance, structure and management**

### **Constitution**

St Joseph's Hospice, Hackney, a Charity registered under the Charities Act 2011, is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association.

### **Liability of the members**

The Charity is constituted as a company limited by guarantee. In the event of the Charity being wound up during the period of membership, or within the year following, company members are required to contribute an amount not exceeding £1.

### **Structure**

The Charity has staff based at three locations: the majority at St Joseph's Hospice in Mare Street, Hackney; and we run outpatient clinics in Newham. Services are also delivered in patients' own homes. The Charity is governed by its Trustees (the Board) which meets regularly throughout the year to determine strategic vision and direction. The Trustees appoint a Chief Executive who is responsible for the day-to-day running of St Joseph's Hospice and to inform and implement Board decisions.

The Registered Manager is the Director of Clinical Services and the CEO is the Responsible Individual for Care Quality Commission registration purposes.

### **Trustees**

The Trustees listed on page 3 were in office at the date on which this annual report was approved. The Trustees who served on the Board throughout the year to 31 March 2024 and up to the date on which this report was approved are shown below.

## Directors

Appointed//Resigned	
<b>Mr Paddy McGuinness</b> CMG, OBE, MA (Chair)	
<b>Mr Edward McGuigan</b> BA, FFA, FIPA	
<b>Mr Michael Moran</b> Ph.D MMedSci MBBChBAO, Bsc (Hons) MRVS, DO-HNS	
<b>Prof. Jim McManus</b> BD (Hons), OCDS, CPsychol CSI, AFBPsS, FFPH, FRSB Chartered FCIPD	
<b>Mr Peter Pledger</b>	
<b>Margaret Doherty</b> BA (Hons), DEBA, MCIPR	
<b>Mr Nick Howard</b>	Appointed 23 <sup>rd</sup> August, 2023
<b>Jane Heffernan</b> BA (Hons), MA, NPQH, NPQEL	Appointed 23 <sup>rd</sup> August, 2023
<b>Mr Edward Davies</b> MA (Oxon)	Appointed 23 <sup>rd</sup> August, 2023
<b>Sister Rita Dawson</b> MBE DL RSC MSc BSc (Hons) RGN RSCN	Resigned 16 <sup>th</sup> November 2023
<b>Una Molloy</b> RGN, RM BNS( Hons), MSc Nursing, phD	Resigned 12 <sup>th</sup> September 2023

## The election of Trustees

The Trustees are elected at the Annual General Meeting of the Charity by the members.

Trustees are normally elected for an initial term of three years and, if reappointed, may serve for a second term of three years. In exceptional circumstances, the members may reappoint a Trustee for a third term of three years. The maximum length of service is therefore nine years. The Trustees, with the consent of the Congregational Leader of the Sisters of Charity, also have the power to co-opt people during the year to help deal with specific matters.

The Trustees are recruited and selected for their specific skills and experience, which currently cover law, finance, fundraising, business, clinical, nursing and healthcare.

## Policies and procedures relating to Trustees' training and induction

All Trustees receive induction on joining the Board so that they are equipped to carry out their role, as well as signing a statement of their willingness to serve as a Trustee and completing a declaration of interests' statement. Additionally, new Board members receive direct support from the Chief Executive. In order to keep Board members informed about the charity's ongoing work, the Board receives reports from senior staff members as required. Moreover, members of the Board meet from time to time more informally with the management team and other staff to work on specific areas of development.

## Statement of Trustees' responsibilities

The Trustees (who are also directors of St Joseph's Hospice, Hackney, for the purposes of company law) are responsible for preparing the Trustees' report and financial statements



in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and the Charity and of the income and expenditure of the Group and the Charity 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 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 United Kingdom and the Republic of Ireland (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Charity will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Group and the Charity's auditor is unaware and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Group and Charity's auditor is aware of that information

This confirmation is given and should be integrated in accordance with the provisions of s418 of the Companies Act 2006.

Signed on behalf of the Trustees:

A handwritten signature in dark ink, appearing to be 'BMC' followed by a horizontal line and a small mark.

Trustee

Date of approval: 17<sup>th</sup> September 2024

## Independent Auditors Report to the Member of St Joseph's Hospice, Hackney

### Opinion

We have audited the financial statements of St Joseph's Hospice, Hackney (the Charitable Company and its subsidiary (the group)) for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the Group and Charity balance sheets, the consolidated statement of cash flows, the charity statement of financial activities, the principal accounting policies and the notes to the financial statements. 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 and Charitable company's affairs as at 31 March 2024 and of their income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- Have been prepared in accordance with the requirements of the Companies Act 2006

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, 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.

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, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements and
- The Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

- In light of the knowledge and understanding of the group and the charitable parent 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 the Companies Act 2006 requires us to report to you if, in our opinion:
- Adequate accounting records have not been kept by the charitable parent company; or
- The charitable parent company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the 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 Charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of noncompliance 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.

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations
- We identified the laws and regulations applicable to the Group and Charity through discussions with key management and from our knowledge and experience of the charity sector
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006, the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102), those that relate to fundraising and are overseen by the Fundraising Regulator, those that relate to data protection (General Data Protection Regulation) and specific care legislation relating to vulnerable individuals (Care Standards Act 2000) and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and representatives of those charged with governance

We assessed the susceptibility of the Group and Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management and representatives of those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and
- Considering the internal controls in place to mitigate risks of fraud and noncompliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Performed substantive testing on expenditure including the authorisation thereof;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

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

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of Trustees' meetings; and
- Enquiring of management and representatives of those charged with governance as to actual and potential litigation and claims

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditors](http://www.frc.org.uk/auditors) responsibilities. 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Mackereth, Senior Statutory Auditor  
For and on behalf of Buzzacott LLP,  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

31 October 2024

## Financial statements

### Consolidated statement of financial activities Year to 31 March 2024

		Unrestricted funds	Restricted funds	2024 Total funds	Unrestricted funds	Restricted funds	2023 Total funds
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income and Expenditure</b>							
<b>Income From:</b>							
Donations and legacies	1	3,589	667	4,256	3,873	20	3,893
Other trading activities:							
Charity shops		220	-	220	185	-	185
Five Sisters Managed Services Ltd		297	-	297	240	-	240
Investments and bank deposits	2	1,092	58	1,150	1,063	55	1,118
Charitable activities	3	9,390	111	9,501	8,853	405	9,258
Miscellaneous Income		64	-	64	29	-	29
<b>Total income</b>		<b>14,652</b>	<b>836</b>	<b>15,488</b>	<b>14,243</b>	<b>480</b>	<b>14,723</b>
<b>Expenditure on:</b>							
Raising funds:							
Costs of generating donations & legacies	4	1,254	-	1,254	930	-	930
Costs of trading							
Charity Shops	4	225	-	225	121	-	121
Investment property costs		124	-	124	104	-	104
Five Sisters Managed Services Ltd		275	-	275	203	-	203
Charitable Activities							
Hospice inpatient care	5	8,986	155	9,141	8,292	270	8,562
Hospice outpatient and day services	5	964	10	974	1,147	10	1,157
Community palliative care services	5	2,368	20	2,388	2,132	82	2,214
Psychosocial and bereavement services	5	753	41	794	740	38	778
Education, training and research	5	318	-	318	301	-	301
Patient café and dining room		38	-	38	32	-	32
<b>Total expenditure</b>		<b>15,305</b>	<b>226</b>	<b>15,531</b>	<b>14,002</b>	<b>400</b>	<b>14,402</b>
<b>Net Income before Investment gains and transfers</b>		<b>(653)</b>	<b>610</b>	<b>(43)</b>	<b>241</b>	<b>80</b>	<b>321</b>
Net (Losses)/gains on investments	12	3,818	153	3,971	(325)	(75)	(400)
<b>Net income before transfers</b>		<b>3,165</b>	<b>763</b>	<b>3,928</b>	<b>(84)</b>	<b>5</b>	<b>(79)</b>
Transfers between funds	15	930	(930)	-	47	(47)	-
<b>Net income and net movement in funds</b>	<b>7</b>	<b>4,095</b>	<b>(167)</b>	<b>3,928</b>	<b>(37)</b>	<b>(42)</b>	<b>(79)</b>
<b>Reconciliation of funds</b>							
Balances brought forward at 1 April 2023		38,385	2,395	40,780	38,422	2,437	40,859
<b>Balances carried forward at 31 March 2024</b>		<b>42,480</b>	<b>2,228</b>	<b>44,708</b>	<b>38,385</b>	<b>2,395</b>	<b>40,780</b>

## Charity statement of financial activities Year to 31 March 2024

### Income From:

Donations and legacies	1	3,619	667	4,286	3,873	20	3,893
Other trading activities:							
Charity shops		220	-	220	185	-	185
Five Sisters Managed Services Ltd							
Investments and bank deposits	2	1,092	58	1,150	1,063	55	1,118
Charitable activities	3	9,390	111	9,501	8,886	405	9,291
Miscellaneous Income		64	-	64	29	-	29
<b>Total income</b>		<b>14,385</b>	<b>836</b>	<b>15,221</b>	<b>14,036</b>	<b>480</b>	<b>14,516</b>

### Expenditure on:

#### Raising funds:

Costs of generating donations & legacies	4	1,254	-	1,254	930	-	930
Costs of trading							
Charity Shops	4	225	-	225	121	-	121
Investment property costs		124	-	124	104	-	104

#### Charitable Activities

Hospice inpatient care	5	8,986	155	9,141	8,292	270	8,562
Hospice outpatient and day services	5	964	10	974	1,147	10	1,157
Community palliative care services	5	2,368	20	2,388	2,132	82	2,214
Psychosocial and bereavement services	5	753	41	794	740	38	778
Education, training and research	5	318	-	318	301	-	301
Patient café and dining room	5	38	-	38	32	-	32

<b>Total expenditure</b>		<b>15,030</b>	<b>226</b>	<b>15,256</b>	<b>13,799</b>	<b>400</b>	<b>14,199</b>
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#### Net Income before Investment gains and transfers

		(645)	610	(35)	237	80	317
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Net gains / (Losses) on investments	12	3,818	153	3,971	(325)	(75)	(400)
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<b>Net income before transfers</b>		<b>3,173</b>	<b>763</b>	<b>3,936</b>	<b>(88)</b>	<b>5</b>	<b>(83)</b>
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Transfers between funds	15	930	(930)	-	47	(47)	-
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<b>Net income and net movement in funds</b>	<b>7</b>	<b>4,103</b>	<b>(167)</b>	<b>3,936</b>	<b>(41)</b>	<b>(42)</b>	<b>(83)</b>
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#### Reconciliation of funds

<b>Balances brought forward at 1 April 2023</b>		<b>38,385</b>	<b>2,395</b>	<b>40,780</b>	<b>38,426</b>	<b>2,437</b>	<b>40,863</b>
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<b>Balances carried forward at 31 March 2024</b>		<b>42,488</b>	<b>2,228</b>	<b>44,716</b>	<b>38,385</b>	<b>2,395</b>	<b>40,780</b>
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## Balance sheets as at 31 March 2024

	Notes	Group		Charity	
		2024	2023	2024	2023
		£'000	£'000	£'000	£'000
<b>Fixed Assets</b>					
Tangible assets	11	16,834	16,022	16,834	16,022
Investments	12	24,683	22,712	24,683	22,712
		<b>41,517</b>	38,734	<b>41,517</b>	38,734
<b>Current assets</b>					
Stocks		6	35	-	30
Debtors	13	3,831	2,021	3,835	1,981
Short term deposits		384	1,882	384	1,882
Cash at bank and in hand		1,051	182	1,030	163
		<b>5,272</b>	4,120	<b>5,249</b>	4,056
<b>Creditors:</b> amounts falling due within one year	14	(2,081)	(2,074)	(2,050)	(2,010)
<b>Net Current assets</b>		<b>3,191</b>	2,046	<b>3,199</b>	2,046
<b>Total net assets</b>		<b>44,708</b>	40,780	<b>44,716</b>	40,780
<b>The funds of the charity:</b>					
<i>Income funds</i>					
Restricted funds	15	2,228	2,395	2,228	2,395
<b>Unrestricted funds</b>					
. General funds		11,747	16,168	11,747	16,168
. Designated Funds	16	5,200		5,200	-
. Tangible fixed assets fund	17	16,834	16,022	16,834	16,022
. Investment property fund	18	8,707	6,195	8,707	6,195
. Non-Charitable trading funds	10	(8)	-	-	-
		<b>42,480</b>	38,385	<b>42,488</b>	38,385
		<b>44,708</b>	40,780	<b>44,716</b>	40,780

Approved by the Trustees and signed on their behalf by:



Trustee

Date of approval: 17<sup>th</sup> September 2024

St Joseph's Hospice, Hackney: Company Registration No. 05513914 (England & Wales)



## Statement of cash flows Year to 31 March 2024

		Group		Charity	
	Notes	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Cash flows from operating activities</b>					
Net cash provided by (used in) operating activities	A	(2,593)	153	(2,595)	202
<b>Cash flows from investing activities</b>					
Investment income and interest received		1,150	1,118	1,150	1,118
Purchase of tangible fixed assets		(1,186)	(642)	(1,186)	(642)
Acquisition of Investments		-	(750)	-	(750)
Proceeds from disposal of investments		2,000		2,000	
<b>Net cash used in investing activities</b>		<b>1,964</b>	<b>(274)</b>	<b>1,964</b>	<b>(274)</b>
Change in cash and cash equivalents in the year		(629)	(121)	(631)	(72)
Cash and cash equivalents at 1 April 2023	B	2,064	2,185	2,045	2,117
Cash and cash equivalents at 31 March 2024	B	1,435	2,064	1,414	2,045

### Notes to the statement of cash flows for the year to 31 March 2024

#### A Reconciliation of net movement in funds to net cash provided by operating activities

	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>3,928</b>	<b>(79)</b>	<b>3,936</b>	<b>(83)</b>
Adjustments for:				
Depreciation charge	866	808	866	808
loss/(Gains) on investments	(3,971)	400	(3,971)	400
Investment income and interest receivable	(1,150)	(1,118)	(1,150)	(1,118)
Decrease / (Increase) in stock	29	(4)	30	1
Decrease / (Increase) in debtors	(1,810)	503	(1,854)	543
Increase/(Decrease) in creditors	(485)	(357)	(452)	(349)
<b>Net cash provided by (used in) operating activities</b>	<b>(2,593)</b>	<b>153</b>	<b>(2,595)</b>	<b>202</b>

#### B Analysis of cash and cash equivalents

	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Cash at bank and in hand	1,051	182	1,030	163
Short term deposits	384	1,882	384	1,882
<b>Total cash and cash equivalents</b>	<b>1,435</b>	<b>2,064</b>	<b>1,414</b>	<b>2,045</b>

## **Principal accounting policies**

The principal accounting policies adopted, judgements used and key sources of estimation and uncertainty in the preparation of the financial statements are laid out below.

These financial statements have been prepared for the year to 31 March 2024 with comparative information presented for the year to 31 March 2023.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements. 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

## **Basis of consolidation**

The financial statements consolidate the accounts of St Joseph's Hospice, Hackney with those of its wholly owned subsidiary, Five Sisters Managed Services Limited to the balance sheet date. All figures are consolidated on a line by line basis.

## **Critical accounting estimates and areas of judgment**

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- Estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge
- Estimating the fair value of investment properties
- The methodology used in allocating support costs across charitable activities
- Estimating the value of legacies to be recognised in accordance with FRS 102 and
- Estimating future income and expenditure flows for the purpose of assessing going concern.

## **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption continues to be appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements.

Over the past few years, the Hospice has faced Brexit, the pandemic and the subsequent cost of living crisis that have brought a range of challenges including a national shortage of staff, increase in energy prices and general inflation. Despite this we have delivered an aggregate operational surplus demonstrating our continued ability to manage finances well whilst delivering quality care to patients.

We have increased our Enterprise and are continually reviewing the efficiency of our expenditure base. We are entering Year 2 of a five year NHS contract and have good relationships with commissioners.

Reserves remain healthy and the Trustees have confidence in us continuing to deliver Palliative Care in East London for a long time into the future.

### **Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, income from fundraising events, income from investments and bank interest, and contracts, service level agreements and grants income for the provision of healthcare and related services.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Investment income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due.

Investment income generated from investment properties is recognised at the point when the income is due to the charity under tenancy or lease agreements.

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

Contracts and service agreements in respect to the provision of healthcare services are recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. It is measured at fair value of the consideration received or receivable, excluding any relevant value added tax. Grants from government, NHS bodies, Clinical Commissioning Groups and from trusts and foundations have been included as income from charitable activities i.e. the provision of healthcare and related services where they amount to a contract for services but as donations where the money is given in response to an appeal or grant application or with greater freedom of use, e.g. for core purposes.

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Group and Charity to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the Charity and the costs of managing our investment properties. This includes staff costs associated with fundraising, and an allocation of support costs. It also includes costs incurred by the subsidiary company.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities i.e. the provision of healthcare and related services in respect to the care of persons suffering from terminal cancer and other palliative or chronic illnesses.
- All expenditure is stated inclusive of irrecoverable VAT.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Group and Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Governance costs comprise the costs involving the public accountability of the Group and Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Support costs and governance costs are apportioned based on the number of full time equivalent staff allocated to each of the charitable activities.

### **Tangible fixed assets**

#### **Freehold land and buildings**

Transfers to the Charity on 1 April 2012 are included on the balance sheet at a valuation as at that date based on depreciated replacement cost. As permitted by FRS 102, this

valuation is now assumed to be the deemed cost of these assets. Additions since 1 April 2012 are included on the balance sheet at cost. Freehold buildings are depreciated at a rate of 2% per annum based on cost or deemed cost. No depreciation is charged on freehold land.

### **Major building refurbishment**

Major building refurbishment since 1 April 2012 is included on the balance sheet at cost. Major building refurbishment, once completed, is depreciated at a rate of 10% per annum based on cost. Major building refurbishment that is in progress is capitalised but only depreciated in accordance with the above policy once complete.

### **Plant and equipment**

Transfers to the Charity on 1 April 2012 are included on the balance sheet at a valuation as at that date based on depreciated replacement cost. As permitted by FRS 102, this valuation is now assumed to be the deemed cost of these assets. Additions since 1 April 2012 on the purchase and replacement are capitalised at cost. Plant and equipment is depreciated between 10 and 20 years on a straight line basis, dependent upon the individual asset. □

### **Computer equipment**

Additions are capitalised at cost. Computer equipment is depreciated over a three year period on a straight line basis in order to write off the cost of over its estimated useful life.

### **Motor vehicles**

Motor vehicles transferred to the charity on 1 April 2012 are included on the balance sheet at a valuation as at that date based on depreciated replacement cost. Motor vehicles purchased since 1 April 2012 are capitalised at cost. As permitted by FRS 102, this valuation is now assumed to be the deemed cost of these assets. Motor vehicles are depreciated over a four-year period on a straight line basis in order to write off the cost of each motor vehicle over its estimated useful life.

### **Furniture**

Transfers to the Charity on 1 April 2012 are included on the balance sheet at a valuation as at that date based on depreciated replacement cost. As permitted by FRS 102, this valuation is now assumed to be the deemed cost of these assets. Additions since 1 April 2012 are capitalised at cost. Furniture is depreciated over a four-year period on a straight line basis

### **Fixed asset investments**

- Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price
- The Group and Charity do not acquire put options, derivatives or other complex financial instruments

The main form of financial risk faced by the Group and Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

- Properties held for investment purposes are included in these accounts at open market value. The valuations have been determined for the Trustees with the assistance of independent professionals. Valuation assessments were carried out in May 2024 which

resulted in an increased valuation to £8.7M. The basis for valuation has been amended this year. We aim to make a 7.5% average return on commercial property and the valuer has used this figure as the basis for the valuation. Previously, the valuation was based on differing returns for our commercial property, but the new basis uses this standard basis.

Investment by the Charity in the issued share capital of Five Sisters Managed Services Limited is shown at cost.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### **Stock**

The value of charity stock is immaterial for the size of the organisation. Thus, stock is charged directly to the I&E. This has been changed for the 2023/24 accounts following a review of our stock management and handling systems. The stock held by Five Sisters Managed Services Ltd is held on the group balance sheet.

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Short term deposits relate to cash held in deposit accounts for medium term use or future reinvestment, but which are available on demand or have a maturity less than three months from the date of acquisition

### **Creditors and provisions**

Creditors 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. Creditors and provisions are recognised at the amount the Group and Charity anticipate they will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Fund Structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Charity and which may be applied at the discretion of the Trustees. The tangible fixed assets fund represents the net book value of the land and buildings occupied by the Charity and other tangible fixed assets. Such assets are vital to the Charity being able to carry out its charitable work and the value invested in the assets cannot, therefore, be realised in order to meet future expenditure or contingencies. To emphasise this point the net book value of the assets is represented by a specific tangible fixed assets fund on the balance sheet. The investment property fund represents the value of the buildings utilised by the Charity to generate a commercial return. Such assets

cannot be realised easily in order to meet future expenditure or contingencies. To emphasise this point the value attributed to these assets is represented by a specific investment property fund on the balance sheet. Other funds have been designated for specific purposes as described later in this report.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

Non-charitable trading funds comprise the accumulated losses of the subsidiary company, Five Sisters Managed Services Limited.

### **Operating Leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. Lease payments are recognised as an expense on a straight-line basis over the lease term.

The Hospice identifies a contract as a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Changes to lease terms are accounted for by adjusting the lease expense over the remaining lease term.

### **Pension Costs**

Pension costs are payable in respect of defined contribution and defined benefit pension schemes. The Group and Charity are unable to identify their share of the underlying assets and liabilities of the defined benefit schemes on a reasonable and consistent basis.

Therefore in accordance with FRS 102, it has accounted for its normal contributions as if the schemes were defined contribution schemes. Normal contributions are charged to the statement of financial activities when payable.

## Notes to the financial statements

### 1. Income from: Donations and legacies

Group	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Donations	1,218	667	1,885	1,265	20	1,285
Donations of cremation fees received	13	-	13	10	-	10
	1,231	667	1,898	1,275	20	1,295
Legacies	2,358	-	2,358	2,598	-	2,598
<b>Total funds</b>	<b>3,589</b>	<b>667</b>	<b>4,256</b>	<b>3,873</b>	<b>20</b>	<b>3,893</b>

### 1. Income from: Donations and legacies

Charity	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Donations	1,248	667	1,915	1,265	20	1,285
Donations of cremation fees received	13	-	13	10	-	10
	1,261	667	1,928	1,275	20	1,295
Legacies	2,358	-	2,358	2,598	-	2,598
<b>Total funds</b>	<b>3,619</b>	<b>667</b>	<b>4,286</b>	<b>3,873</b>	<b>20</b>	<b>3,893</b>

We are grateful to all the individuals, trusts and companies who have supported our work this year.

### 2. Income from: Investments and bank deposits

Group and Charity	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
			-			
Income from listed investments						
UK common investment funds	413	58	471	424	55	479
Rental income from investment properties	631	-	631	608	-	608
Bank interest	48	-	48	31	-	31
<b>Total funds</b>	<b>1,092</b>	<b>58</b>	<b>1,150</b>	<b>1,063</b>	<b>55</b>	<b>1,118</b>



### 3. Income from: Charitable activities

Group	Unrestricted funds	Restricted funds	Total 2024	Unrestricted funds	Restricted funds	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Statutory grants and service agreements						
Integrated Care Boards	9,074	48	9,122	8,602	325	8,927
Grants receivable - Big Lottery	-	-	-	-	-	-
Other grants and service level agreements	-	63	63	25	80	105
Fees for education services and room hire	137	-	137	94	-	94
Residencies and other rental income	84	-	84	65	-	65
Income from provision of catering, newspapers and books	95	-	95	67	-	67
<b>Total funds</b>	<b>9,390</b>	<b>111</b>	<b>9,501</b>	<b>8,853</b>	<b>405</b>	<b>9,258</b>

### 3. Income from: Charitable activities

Charity	Unrestricted funds	Restricted funds	Total 2024	Unrestricted funds	Restricted funds	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Statutory grants and service agreements						
Clinical Commissioning Groups	9,074	48	9,122	8,602	325	8,927
Grants receivable - Big Lottery	-	-	-	-	-	-
Other grants and service level agreements	-	63	63	25	80	105
Fees for education services and room hire	137	-	137	127	-	127
Residencies and other rental income	84	-	84	65	-	65
Income from provision of catering, newspapers and books	95	-	95	67	-	67
<b>Total funds</b>	<b>9,390</b>	<b>111</b>	<b>9,501</b>	<b>8,886</b>	<b>405</b>	<b>9,291</b>

### 4. Expenditure on: Raising funds - costs of generating donations & legacies and costs of charity shops

Group and Charity	Direct costs	Support costs (note 6)	Total 2024	Direct costs	Support costs (note 6)	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	715	-	715	544	-	544
Other direct costs	400	-	400	269	-	269
Support costs	-	364	364	-	238	238
<b>Total funds</b>	<b>1,115</b>	<b>364</b>	<b>1,479</b>	<b>813</b>	<b>238</b>	<b>1,051</b>

## 5. Expenditure on: Charitable activities

Group and Charity	Direct costs £'000	Support costs (note 6) £'000	Total 2024 £'000	Direct costs £'000	Support costs (note 6) £'000	Total 2023 £'000
Hospital inpatient care	6,720	2,421	9,141	6,367	2,195	8,562
Hospice outpatient and day services	672	302	974	825	332	1,157
Community palliative care services	1,778	610	2,388	1,681	533	2,214
Psychosocial and bereavement services	598	196	794	597	181	778
Education, training and research	251	67	318	240	61	301
Patient café and dining room	38	-	38	32	-	32
<b>Total funds</b>	<b>10,057</b>	<b>3,596</b>	<b>13,653</b>	<b>9,742</b>	<b>3,302</b>	<b>13,044</b>

## 6. Support costs

	2024 £'000	2023 £'000
Group and Charity		
Staff costs	1,488	1,361
Recruitment and training	253	251
Services contracted out	54	64
Consumables	44	34
Maintenance and running costs	744	515
Depreciation	866	808
Office expenses	468	462
Auditors remuneration	44	45
<b>Total funds</b>	<b>3,961</b>	<b>3,540</b>

Support costs are allocated to raising funds and charitable activities based on the full time equivalent staff allocated to each charitable activity.

## 7. Net income (expenditure) and net movement in funds

	Group		Charity	
This is stated after charging:	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Staff costs (note 8)	11,463	10,811	11,309	10,729
Auditors remuneration				
.Current year audit fees	26	27	26	25
.Prior year audit fees	-	14	-	14
.Fees for VAT Advice	-	6	-	6
.HR advisory & assurance services	18	-	18	-
Depreciation	866	808	866	808
Operating lease rentals	11	33	11	33

**8. Staff costs and trustees' remuneration**

	Group		Charity	
	<b>2024 £'000</b>	2023 £'000	<b>2024 £'000</b>	2023 £'000
Staff costs during the year were as follows				
Wages and salaries	<b>9,492</b>	8,917	<b>9,426</b>	8,853
Social security costs	<b>991</b>	969	<b>984</b>	964
Pension costs	<b>588</b>	553	<b>585</b>	550
	<b>11,071</b>	10,439	<b>10,995</b>	<b>10,367</b>
Seconded and agency staff	<b>392</b>	372	<b>314</b>	362
	<b>11,463</b>	10,811	<b>11,309</b>	10,729

The number of employees who earned £60,000 or more (including benefits but excluding employer pension contributions) during the year was as follows:

Group and Charity	<b>2024</b>	2023
£60,001 - £70,000	<b>11</b>	7
£70,001 - £80,000	<b>5</b>	2
£80,001 - £90,000	<b>3</b>	4
£100,001 - £110,000	-	2
£110,001 - £120,000	<b>2</b>	1

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions were made to money purchase schemes in respect of nine employees (2023 – six employees), and to defined benefit schemes in respect of eleven employees (2023 – nine employees).

Total employer contributions to pension schemes in respect of such employees during the year amounted to £159,858 (2023 -£128,616).

When determining salary rates for clinical staff, the Hospice always makes reference to national pay agreements and considers the seniority and experience demanded by each post.

Key management personnel remuneration during the year totalled £608,960 (2023 – £625,842)

No Trustees received any remuneration during the year (2023 – £nil) and no expenses were reimbursed to Trustees (2023 – £nil). The average number of employees during the year, analysed per function, was as follows:

	<b>2024</b>	2023	<b>2024</b>	2023
	<b>Full time</b>	Full time	<b>Average</b>	Average
	<b>equivalent</b>	equivalent	<b>Headcount</b>	Headcount
Raising funds	<b>18</b>	13	<b>19</b>	14
Hospice inpatient care	<b>133</b>	135	<b>155</b>	157
Hospice outpatient and day services	<b>8</b>	10	<b>11</b>	13
Community palliative care services	<b>15</b>	15	<b>16</b>	16
Psychosocial and bereavement services	<b>10</b>	10	<b>22</b>	22
Education and training	<b>3</b>	3	<b>4</b>	4
Hospice Catering	<b>7</b>	6	<b>8</b>	7
Support and administration	<b>27</b>	27	<b>30</b>	29
	<b>221</b>	219	<b>265</b>	262

## 9. Taxation

St Joseph's Hospice, Hackney is a registered charity and is not liable to income tax or corporation tax on income derived from its charitable activities as it falls within the various exemptions available to registered charities. The subsidiary company Five Sisters Managed Services Limited has entered into a Gift Aid compliant Deed of Covenant whereby it donates its taxable profits (if any) to its parent charity each year. In the year to 31 March 2024, the amount payable was £30,467 (2023 –£28,506). Five Sisters incurred a tax charge of £8,314. This was necessary following an administrative error relating to the payment of the 2023 gift aid which has resulted in the company incurring a tax charge.

## 10. Subsidiary undertaking

The Charity owns the entire issued share capital of £1 in Five Sisters Managed Services Limited, a company registered in England and Wales (Company Registration Number 13698763). The subsidiary was set up on 22 October 2021. The results of the subsidiary for the year ended 31 March 2024 and comparative results for 31 March 2023.

	<b>Five Sisters® Managed Services Ltd</b>	
	<b>2024</b>	2023
	<b>£'000</b>	£'000
Turnover	<b>297</b>	240
Cost of Sales	<b>(86)</b>	(60)
Gross Profit.	<b>211</b>	180
Administrative expenses	<b>(181)</b>	(147)
Operating Profit/(loss) before tax	<b>30</b>	33
Corporation Tax	<b>(8)</b>	
Gift Aid	<b>(30)</b>	(29)
(Loss)/Profit for the year	<b>(8)</b>	4
Accumulated losses at 31 March 2024	<b>(8)</b>	-

As at 31<sup>st</sup> March 2024, the subsidiary had accumulated losses of £8,314 relating to a corporation tax charge (2023: £nil) and called up share capital of £1 (2023: £1).

## 11 Tangible fixed assets

### GROUP AND CHARITY

	Freehold land and buildings £'000	Major building refurbishment £'000	Assets Under Construction	Furniture, equipment and motor vehicles £'000	Total £'000
<b>At cost or deemed cost</b>					
At 1 April 2023	16,039	2,790	-	3,299	<b>22,128</b>
Additions	-	62	1,235	381	<b>1,678</b>
Disposals	-	-	-	(129)	<b>(129)</b>
At 31 March 2024	<b>16,039</b>	<b>2,852</b>	<b>1,235</b>	<b>3,551</b>	<b>23,677</b>
<b>Depreciation</b>					
At 1 April 2023	2,539	1,642	-	1,925	<b>6,106</b>
Charge for the year	231	259	-	376	<b>866</b>
Disposals	-	-	-	(129)	<b>(129)</b>
At 31 March 2024	<b>2,770</b>	<b>1,901</b>	<b>-</b>	<b>2,172</b>	<b>6,843</b>
<b>Net book value</b>					
At 31 March 2024	13,269	951	1,235	1,379	<b>16,834</b>
At 31 March 2023	13,500	1,148	-	1,374	<b>16,022</b>

The Hospice's freehold land and buildings held at 1 April 2012 were valued on a depreciated replacement cost basis by an external valuer, Gerald Eve LLP, following the transfer of assets and liabilities from The Religious Sisters of Charity Charitable Trust as at that date. The valuation was carried out in accordance with the valuation standards and guidance notes contained in the Valuation – Professional Standards, incorporating the International Valuation Standards ("the Standards") of the Royal Institution of Chartered Surveyors (RICS) March 2012. Other tangible fixed assets transferred at that date are included at their net book value at the date of transfer i.e. 1 April 2012. As permitted by FRS 102, all valuations at 1 April 2012 are now assumed to be the deemed cost of the relevant assets. Additions to tangible fixed assets since 1 April 2012 are included at cost.

### Capital Commitments

At year-end the Group and Charity had one capital commitment of £531k (2022/23 – £64k) relating to the completion of St Michael's Ward refurbishment.

## 12. Investments

GROUP AND CHARITY	Investment property £'000	Listed Investments £'000	2024 Total £'000	2023 Total £'000
Market value at 1 April 2023	6,195	16,517	22,712	22,362
Acquisitions	-	-	-	750
Disposals (proceeds: £2,000,000 gains £129,196)	-	(1,871)	(1,871)	-
Unrealised gains/losses	2,512	1,330	3,842	(400)
At 31 March 2024	8,707	15,976	24,683	22,712
Cost of investments at 31 March 2024	1,599	11,138	12,737	14,141

Investment property comprises of:

- A commercial office building close to the main Hospice site at 72-74 Mare Street. This is let on a ten-year lease to a third party
- Elements of the Hospice's estate have been converted to generate commercial income. In 2018/19, office space in St Patrick's Wing and part of the ground floor of the Centenary Wing were rented out for the first time. During 2019/20, another part of the ground floor of the Centenary Wing was rented out. Refurbishment of the Mare Street Wing has been completed and it is rented out.
- These parts of the estate have been classified as investment properties and revalued by using a method based on rental yields. Formal revaluations were carried out this year by Mr Bruce Maunder Taylor of Maunder Taylor, with a resultant increase in market value of £2.5m since the last valuation. These were prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards (The Red Book), incorporating the International Valuation Standards (IVS) 2022 and 2024.

The Hospice has no intention of disposing of its investment properties and is a long-term investor.

Listed investments held at 31 March 2024 are as follows:

	2024 £'000	2023 £'000
UK common investment funds	15,976	16,517

At 31 March 2024, the Charity's investments comprised holdings in COIF and CAIF Charities Investment Funds. Both are managed by CCLA.

In addition to the above, the charity owns the entire issued share capital of £1 in Five Sisters Managed Services Ltd (note 10).

### 13. Debtors

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Revenue grants and fees receivable	0	-	-	-
Legacies receivable	2,891	1,205	2,891	1,205
Investment income and interest receivable	108	118	108	118
VAT recoverable	305	257	305	257
Prepayments	248	185	248	185
Subsidiary	-	0	36	24
Other debtors	279	256	247	192
	<b>3,831</b>	<b>2,021</b>	<b>3,835</b>	<b>1,981</b>

### 14 Creditors: amounts falling due within one year

	GROUP		CHARITY	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Expense creditors	759	794	1,121	730
Capital Creditors	367			
Social security and other taxes	243	237	242	237
Accruals for capital works	125	-	125	-
Other accruals	377	408	372	408
Deferred income	98	595	98	595
Corporation Tax	8	-	-	-
Other creditors	104	40	92	40
	<b>2,081</b>	<b>2,074</b>	<b>2,050</b>	<b>2,010</b>

Deferred income consists of grants and contractual income received in advance.

	GROUP & CHARITY	
	2024	2023
	£'000	£'000
<b>Deferred income</b>		
Balance as at 1 April 2023	595	610
Income deferred in the year	32	57
Income released in the year	(529)	(72)
Balance as at 31 March 2024	98	595

## 15 Restricted Funds

	Mission fund	Restricted funds	2024	Mission fund	Restricted funds	2023
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2023	1,875	520	2,395	1,919	518	2,437
Income	58	778	836	55	425	480
Expenditure	0	(226)	(226)	0	(400)	(400)
Gains/losses on listed investment	153	(0)	153	(75)	(0)	(75)
Transfers	(28)	(902)	(930)	(24)	(23)	(47)
At 31 March 2024	2,058	170	2,228	1,875	520	2,395

The income funds of the Group and Charity include restricted funds comprising the donations and grants held on trusts to be applied for specific purposes.

The specific purposes for which the funds are to be applied are as follows:

### Mission fund

This fund is to provide for resources to promote the mission statement and core values of Religious Sisters of Charity and St Joseph's Hospice. Transfers to unrestricted funds represent qualifying expenditure that was not charged to the fund when incurred.

### Other restricted funds

These comprise monies provided to cover nursing and other specific costs.

## 16 Designated Funds

Group and Charity	At 1 April 2023	New Designations	Utilised	At 31 March 2024
	£'000	£'000		£'000
Patient Admin Software Fund	-	1,000	-	1,000
Repairs & Maintenance Fund	-	500	-	500
Development Fund	-	1,500	-	1,500
R&D & Education Fund	-	500	-	500
Data & Information Fund	-	500	-	500
Legacies Fund	-	1,200	-	1,200
At 31 March 2024	-	5,200	-	5,200

**Patient Admin Software Fund** is a specific fund for replacing our patient administration system, which is due to become obsolete at the end of 2025.

St Joseph's has a large estate and we recognise the value to our patients, relatives, staff and the wider community of continue to invest in this estate.

The **Repairs and Maintenance Fund** recognises that occasionally we have major unplanned works and setting aside money to fund this ensures a funding stream over the next three years.



**Development Fund.** This is a fund to focus on projects which will expand St Joseph's charitable impact as a centre of excellence in Palliative Care and is a five-year project.

The **R&D and Education Fund** will be used to pump prime new developments over the next three years and to grow our income. It will enable us to be part of more funded projects and it is our aim to be the 'go to Hospice' for future R&D projects and Education.

The **Data & Information Fund** recognises our ambition to support our understanding of everything we do through the smart use of data and evidence. This fund will be used to demonstrate the value of St Joseph's to East London and to protect and grow our income streams by making a clear and compelling story. The project has started and is due to last five years.

**Legacies Fund.** Legacies income is a key income source for the charity and the volatility of this income stream can have a large impact on whether or not the charity is able to meet a balanced budget in any given year. The Trustees therefore decided to establish a fund to provide a buffer against this volatility. The fund value was initially established at £1m and it is the intention that funds shall be released to general funds if there are significant shortfalls in legacy income in any particular year. Correspondingly, the fund may be topped back up to £1m if legacy income raised significantly exceeds expectations. The aim of utilising this fund in such a way is to maintain the long-term financial sustainability of the charity, allowing us to continue to focus on our excellent clinical care.

#### 17 Tangible fixed assets fund

GROUP and CHARITY	2024 £'000	2023 £'000
At 1 April 2023	16,022	16,188
Capital Purchases	1,678	642
Depreciation Charge for Year	(866)	(808)
At 31 March 2024	16,834	16,022

#### 18. Investment property fund

GROUP and CHARITY	2024 £'000	2023 £'000
At 1 April 2023	6,195	5,915
Net movement in the year	2,512	280
At 31 March 2024	8,707	6,195

**19. Analysis of net assets between funds - GROUP**

	General	Designated	Tangible fixed assets	Investment Property	Restricted	Total
	funds	Funds	fund	fund	funds	2024
	£'000		£'000	£'000	£'000	£'000
<b>Fund balances at 31 March 2024 are represented by</b>						
Tangible fixed assets	-	-	16,834	-	-	16,834
Investments	8,820	5,200	-	8,707	1,956	24,683
Current assets	5,000	-	-	-	272	5,272
Creditors: amounts falling due within one year	(2,081)	-	-	-	-	(2,081)
<b>Total net assets</b>	<b>11,739</b>	<b>5,200</b>	<b>16,834</b>	<b>8,707</b>	<b>2,228</b>	<b>44,708</b>
Accumulated unrealised gains included above consists of:						
.On listed investments	4,341	-	-	-	497	4,838
.On investment properties	-	-	-	7,108	-	7,108
	<b>4,341</b>	-	-	<b>7,108</b>	<b>497</b>	<b>11,946</b>
<b>Reconciliation of movements in unrealised gains on investments</b>						
Unrealised gains at 1 April 2023	3,560	-	-	4,596	416	8,572
Less: brought forward unrealised gains realised in the year	(396)	-	-	-	(72)	(468)
Add Net unrealised gains in the year	1,177	-	-	2,512	153	3,842
<b>Unrealised gains at 31 March 2024</b>	<b>4,341</b>	-	-	<b>7,108</b>	<b>497</b>	<b>11,946</b>

**19. Analysis of net assets between funds - Hospice Charity**

	General	Designated	Tangible fixed assets	Investment Property	Restricted	Total
	funds	Funds	fund	fund	funds	2024
	£'000		£'000	£'000	£'000	£'000
<b>Fund balances at 31 March 2024 are represented by</b>						
Tangible fixed assets	-	-	16,834	-	-	16,834
Investments	8,820	5,200	-	8,707	1,956	24,683
Current assets	4,977	-	-	-	272	5,249
Creditors: amounts falling due within one year	(2,050)	-	-	-	-	(2,050)
<b>Total net assets</b>	<b>11,747</b>	<b>5,200</b>	<b>16,834</b>	<b>8,707</b>	<b>2,228</b>	<b>44,716</b>
Accumulated unrealised gains included above consists of:						
.On listed investments	4,341	-	-	-	497	4,838
.On investment properties	-	-	-	7,108	-	7,108
	<b>4,341</b>	-	-	<b>7,108</b>	<b>497</b>	<b>11,946</b>
<b>Reconciliation of movements in unrealised gains on investments</b>						
Unrealised gains at 1 April 2023	3,560	-	-	4,596	416	8,572
Less: brought forward unrealised gains realised in the year	(396)	-	-	-	(72)	(468)
Add Net unrealised gains in the year	1,177	-	-	2,512	153	3,842
<b>Unrealised gains at 31 March 2024</b>	<b>4,341</b>	-	-	<b>7,108</b>	<b>497</b>	<b>11,946</b>

## National Health Service Scheme

Retirement benefits for nursing staff and staff previously employed by the National Health Service (NHS) are provided by a defined benefit scheme, the National Health Service Pension Scheme, which is funded by contributions from the Hospice and the employees.

The NHS Pension Scheme is an unfunded scheme. Contributions on a 'pay-as-you-go' basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments.

The Charity is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the National Health Service Pension Scheme. For schemes like this, FRS 102 requires the Charity to account for normal pension contributions on the basis of amounts payable to the Scheme in the year.

The Hospice has set out below the information available on the deficit in the scheme and the implications for it in terms of the anticipated contribution rates.

The pension cost is assessed in accordance with the advice of the government actuary. The assumptions and other data that have the most significant effect on the determination of the contributory levels are as follows:

	31 March 2020 Prospective benefits
Latest actuarial valuation	
Actuarial method	
Discount rate (real rate)	1.7%
Discount rate (nominal rate)	1.8%
Pension increases	4.1%
Long term salary growth	2.5%
Value of assets at date of last valuation	Nil
Value of liabilities at date of last valuation	£653.2 billion
Proportion of members' accrued benefits covered by the actuarial value of the assets	
The employer's contribution rate	23.7%

Contributions paid to the Scheme during the year amounted to £559,383 (2023 – £568,018), of which £240,927 (2023 – £260,661) was employees' contributions.

## Royal London Pension Scheme

This is a defined contribution scheme where employees can choose their level of contribution. From April 2024 the Hospice moved from Royal London Pension Scheme to Standard Life Pension Scheme.

## 21. Related party transactions

St Joseph's Hospice, Hackney is connected to The Religious Sisters of Charity Charitable Trust, a registered charity, Charity Registration Number 231323, by virtue of the fact that the two charities had a trustee in common until 16 November 2023. During the year, the following transactions took place between the charity and The Religious Sisters of Charity Charitable Trust:

- Expenses totalling £9,765 (2023 – £127,962) were paid by the Charity on behalf of The Religious Sisters of Charity Charitable Trust during the year and were reimbursed
- At 31 March 2024 The Religious Sisters of Charity Charitable Trust owed the Hospice £nil (2023 – £29,008).

During the year, Trustees made donations to the charity totalling £nil (2023 – nil).

There were no other related party transactions during the year (2023 – none).

## 22. Liability of the members

The Charity is constituted as a company limited by guarantee. In the event of the Charity being wound up, members are required to contribute an amount not exceeding £1.

## 23. Operating lease commitments

At 31 March 2024, the Hospice had the following future commitments under non-cancellable operating leases, relating to items of equipment; and a five-year lease on a shop ends in May 2024.

	2024	2023
	£'000	£'000
Operating leases payments due: within one year	51	33
. Within one to two years	91	11
Within two to five years	160	11
	302	55

## 24. Post Year-End Events

There have been no post year-end events to report.