

FLORENCE NIGHTINGALE HOSPICE CHARITY

England & Wales · Charity number 1119499

Details

Status Registered

Legal form Charitable company

Company number [06187174](#)

Registered 2007-06-05

Register [View on the Charity Commission register](#)

Contact

Address Florence Nightingale Hospice
Charity
Walton Lodge
Walton Street
Aylesbury
HP21 7QY

Phone 01296429975

Email reception@fnhospice.org.uk

Website www.fnhospice.org.uk

Activities

Objects: (1) TO PROMOTE THE RELIEF OF PEOPLE WHO ARE SUFFERING FROM ANY CHRONIC OR TERMINAL ILLNESS, DISABILITY OR DISEASE, OR OTHER PHYSICAL OR MENTAL INFIRMITY.(A) BY PROVIDING CARE FOR PERSONS WHO ARE SUFFERING AS AFORESAID BY ESTABLISHING, MAINTAINING AND CONDUCTING ONE OR MORE RESIDENTIAL NURSING HOMES IN ENGLAND OR WALES AND BY PROVIDING MEDICAL OR OTHER TREATMENT AND ATTENTION FOR ANY PERSONS IN THEIR OWN HOMES AND TO PROVIDE ASSISTANCE TO OTHER BODIES OR PERSONS IN ACHIEVING SUCH PROVISION.(B) BY CONDUCTING, PROMOTING OR ENCOURAGING RESEARCH INTO CARE AND TREATMENT OF PERSONS SUFFERING FROM ANY ILLNESS, DISABILITY, DISEASE OR INFIRMITY, PARTICULARLY INTO THE CARE AND TREATMENT OF PERSONS SUFFERING FROM CANCER OR TERMINAL ILLNESS.(C) BY PROMOTING, ENCOURAGING OR ASSISTING IN THE TEACHING OR TRAINING OF THE MEDICAL AND CLINICAL PROFESSIONS OR ALLIED SERVICES.(D) BY PROVIDING, ASSISTING OR ENCOURAGING THE PROVISION OF SPIRITUAL HELP AND GUIDANCE FOR ANY PERSONS RESIDENT (EITHER AS PATIENTS OTHERWISE) VISITING, OR WORKING IN ANY SUCH HOME OR HOMES AS AFORESAID.(E) BY PROVIDING, ENCOURAGING OR ACCESSING THE PROVISION OF PHYSCOSOCIAL SUPPORT TO FAMILIES WHEN NEEDED.

Activities: The Charity supports the work of Florence Nightingale Hospice through total funding of specific services such as the Children's Hospice at Home, Day Hospice, Lymphoedema service, and part-funding of inpatient nursing, Nightingale 24/7 service and community palliative care nurses. We raise £790,000 per annum through donations, fundraising, gifts in a will, shops and a local hospices' lottery.

Classification

- **How:** Provides Other Finance
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** BUCKINGHAMSHIRE
- Bedford
- Buckinghamshire
- Oxfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,859,017	£4,921,420	£8,140,337	85
2024-03-31	£4,585,284	£4,106,083	£8,365,270	62
2023-03-31	£3,886,141	£3,366,625	£7,622,249	53
2022-03-31	£4,347,304	£2,940,092	£7,304,735	32
2021-03-31	£1,949,530	£2,344,737	£5,477,483	33

Trustees

Name	Role	Appointed
NOEL JOHN RATCLIFFE	Chair	2016-09-28
Christopher John Shennan		2022-03-06
Deborah Anne Earnshaw		2018-11-28
Dr Diana Straker		2024-03-20
JANE LILLIAN NAISMITH		2017-04-26
Jo Kerridge		2025-11-19
Mark Robert Fabes		2020-01-01
Nigel Thompson		2024-03-20
PETER LINDLEY BRIDGMAN BSC FRICS		2017-04-26
Peter Cotton		2018-03-14
Simon Jonathan Jones		2020-01-01
Susan Procter		2025-11-19
Tracey O'Hara		2023-05-31

FLORENCE NIGHTINGALE HOSPICE CHARITY

England & Wales - Charity number 1119499

Accounts



Florence
Nightingale
HOSPICE CHARITY

Report of the Trustees and Consolidated Financial Statements

For the Year Ended 31 March 2025

Company Registration Number: 06187174
Registered Charity No. 1119499

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Reference and administrative details

Company registration number	06187174
Charity number	1119499
Registered office	Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY
Board of Trustees	Mr N Ratcliffe (Chair) Mr P Bridgman Mr P Cotton Mrs D Earnshaw Mr M Fabes Mr S Jones Mr J Leggett Ms J Naismith Ms T O'Hara Mr C Shennan Dr D Straker Mr N Thompson
Chief Executive	Mrs J Turner
Bankers	Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD
Auditors	Azets Audit Services Gladstone House 77-79 High Street Egham Surrey TW20 9HY
Investment advisors	Schroder & Co. (Trading as Cazenove Capital) 1 London Wall Place London EC27 5AU
Website address	www.fnhospice.org.uk

Report of the trustees

Report of the trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2025. This report serves the purpose of both a Trustees' Report and a Directors' report (including a Strategic Report) under company law.

Objectives and activities for the public benefit

The Charity's vision is to provide the best hospice care for everyone in Buckinghamshire and bordering areas, wherever and whenever they need it.

The objects of Florence Nightingale Hospice Charity (the Charity or FNHC) as stated in our Memorandum and Articles of Association are to promote the relief of people who are suffering from any chronic or terminal illness, disability or disease, or other physical or mental infirmity by:

- Providing care for persons who are suffering as aforesaid by establishing, maintaining and conducting one or more residential nursing homes in England or Wales and by providing medical or other treatment and attention for any persons in their own homes and to provide assistance to other bodies or persons in achieving such provisions;
- Conducting, promoting or encouraging research into care and treatment of persons suffering any illness, disability, disease or infirmity, particularly into the care and treatment of persons suffering from cancer or terminal illness;
- Promoting, encouraging or assisting in the teaching or training of the medical and clinical professions or allied services;
- Providing, assisting or encouraging the provision of spiritual help and guidance for any persons resident (either as patients or otherwise), visiting, or working in any such home or homes as aforesaid;
- Providing, encouraging or accessing the provision of psychosocial support to families when needed.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities for the year.

Florence Nightingale Hospice Charity's Strategy

The Charity's strategy is summarised below and focuses on commissioning the best hospice care for local people in Buckinghamshire and borders, and offering choice by providing that care wherever and whenever it is needed. The approach is holistic and includes support for patients' families and carers. Our mission follows the ethos of the Hospice movement, which is to help families make the most of every day. Overall, the approach is to actively influence excellent hospice care in the local area.

Our supporting goals require us to be an effective commissioner of services. The Florence Nightingale Hospice, which is part of Buckinghamshire Healthcare NHS Trust (BHT), will always be our primary delivery partner, but our Memorandum and Articles of Association do not preclude us from working with other organisations.

We aim to generate sustainable funding to help meet the growing need for hospice care locally and to introduce innovative projects. We also educate and raise awareness of excellent hospice care. Our website and social media are means of delivering this as well as attendance at community events and talks delivered by our ambassadors. The foundations underpinning the strategy are motivated staff and volunteers, a robust business model and effective governance, systems and processes. Our organisational values are to be: Professional, Ambitious for achieving the Charity's vision, Community-focused and working collaboratively as part of the wider Team.

Report of the trustees



Report of the trustees

In order to deliver our objectives, the Charity works in partnership with Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, and commissions services from them by funding or part-funding specific services, teams, individual posts and equipment including:

Working in the Florence Nightingale Hospice based at Stoke Mandeville Hospital

- In-Patient Unit: the Charity commissions additional staffing to cover absences thereby protecting and maintaining appropriate staffing levels within the 12 bed In-Patient Unit.
- Day Hospice: the Charity commissions a Day Hospice service to improve the personal wellbeing of patients through symptom management advice, psychological and therapeutic support, diversional techniques and complementary therapies.
- Lymphoedema Clinic: the Charity commissions this service which provides specialist assessments of patients' symptoms (such as swelling, pain, loss of function of a limb and skin infections) and treatment through massage and specialist compression bandaging.
- Discharge Liaison Nurse: the Charity provides this post which assesses and co-ordinates the timely discharge of patients from the Hospice and, where necessary, plans packages of palliative care on discharge; therefore facilitating patients' preferred place of care.
- Triage Nurse: the Charity provides a Triage Nurse who manages patients requiring telephone support, and also makes first contact with patients referred to assess their needs and to start symptom control as soon as possible.
- Capital costs: the Charity provides specific clinical equipment and also the refurbishment of parts of the Hospice building as identified by the clinical leads. The Charity provides for the upkeep of the Hospice's courtyard garden, therapeutic and diversionary materials and additional food and beverages provided for patients and visitors.

In the community

- FNH@Home: the Charity commissions a team of qualified nurses and Healthcare Assistants who administer palliative care across the county in patients' homes. FNH@Home was established in 2019 incorporating the Healthcare Assistants formerly known as Nightingale 24/7. They work alongside the Clinical Nurse Specialists so that patients receive the same level of care and medical attention as they would receive in the In-Patient Unit at the Hospice at the end of life.
- Florrie's Children's Team: the Charity provides this small team which delivers respite care for families of children with life-limiting illness in their own homes.
- Support: the Charity commissions additional resource in this team and provides around 60 Volunteer Bereavement Listeners who support adults and children pre- and post-bereavement.

Based on an established approach, the Charity is also preparing to introduce a service called Compassionate Neighbours which will provide social and emotional support for members of our community. **Other**

- Education: the Charity purchases specialist training and professional development for Hospice professionals through the Henderson Fund which was created in memory of husband and wife, Karen and Jim Henderson. Karen was a former Matron at the Hospice and Jim a former Trustee of the Charity, and their combined contribution to the development of the Hospice was enormous.
- Volunteers: the Charity also meets the costs of the Volunteers who contribute to hospice care and income generation, specifically mileage costs incurred whilst driving patients and mileage for Volunteer Bereavement Listeners.

Merger of Florence Nightingale Hospice Charity with South Bucks Hospice

In June 2025 we announced that FNHC is exploring a merger with South Bucks Hospice (SBH). SBH provides hospice outpatient services including nurse assessments, lymphoedema, physio, complementary therapy and counselling. It is based at Butterfly House on the north-east side of High Wycombe in an impressive purpose-built 3 storey building which opened in 2017.

Report of the trustees

SBH Trustees had undertaken a strategic review of their charity in the light of an increasing demand for hospice services, the lack of central funding, increased costs and the under-utilisation of Butterfly House. They concluded that in the interests of their patients, their families and staff that continuing to operate independently was not viable and would inevitably lead to the eventual demise of their services.

FNHC was selected as SBH's preferred merger partner and the Trustees of both organisations agreed in principle to come together in a merger for the benefit of current and future patients of Buckinghamshire. Both organisations share the same mission to support patients and families through their most difficult of times. The need for hospice care is increasing rapidly not only because of our ageing population, but also because more people are living with complex and long-term conditions that require specialist management. This increased need and the economic climate mean our costs are increasing significantly. By considering a merger of our two well respected charities, we would seek to make long term plans, operate more efficiently and combine our strengths to further develop the Hospice care and support offered to people across Buckinghamshire and borders.

It is relevant that the FNH building at Stoke Mandeville Hospital is almost at capacity which limits the possibility of expanding some services. It is also less convenient for patients in the south Bucks area. As noted above, since January 2025, FNH has been delivering Hospice at Home care in parts of south Bucks including High Wycombe. A merger would allow us to base Hospice at Home nurses serving the south Bucks area at Butterfly House so that when they go out into the community, they can also promote the outpatient services on offer in the building. FNH Doctors and nurses could hold clinics for local patients, as well as basing some multi-disciplinary team meetings at Butterfly House.

Structure, governance and management

Governance

Florence Nightingale Hospice Charity is a charitable company limited by guarantee; incorporated and registered with the Charity Commission on 27th March 2007. It is governed under its Memorandum and Articles of Association. The liability of the members is limited to an amount not exceeding £10.

Organisational structure

The full Trustee Board meets quarterly with the Chief Executive and other members of the Senior Management Team as required, to review the strategic plan and operational activities of the Charity and the trading subsidiary. Day-to-day management is delegated to the Chief Executive, Jo Turner. The Chief Executive presents comprehensive reports on activity, policy papers and financial updates in advance of each meeting to ensure the Trustees are fully informed of the operational, financial, and wider policy context. The Board also has responsibility for overseeing the Charity's investments.

The Trustees who have served during the year are listed below. They have served throughout the entire year except where stated.

Mr N Ratcliffe (Chair)
Mr P Bridgman
Mr P Cotton
Mrs D Earnshaw
Mr M Fabes
Mr S Jones (Treasurer)
Mr J Leggett
Ms J Naismith
Mrs Tracey O'Hara
Mr C Shennan
Dr D Straker
Mr N Thompson

Report of the trustees

The Trustees have approved delegated responsibility to four sub-committees.

The Governance sub-committee meets quarterly, or as required, to address governance issues, assess risks and mitigations, and approve policies. Trustees in attendance are John Leggett (Chair), Noel Ratcliffe, Peter Cotton, Tracey O'Hara, Dr Diana Straker and Nigel Thompson.

The Finance and Audit committee meets quarterly, or as required, to review and monitor management reports and cash flow and evaluate new income generation initiatives with the Chief Executive, Head of Finance, Head of Fundraising and other members of the Senior Leadership Team as appropriate. Trustees in attendance are Simon Jones (Chair), Noel Ratcliffe, Chris Shennan and Nigel Thompson. This committee also oversees FNHC's investments by receiving reports from Cazenove and an in-person briefing from our Investment Manager every six months.

A Pay and Reward Committee advises on remuneration and is attended by the Chair, the Chairs of each sub-committee, our HR trustee and the Chief Executive.

Lastly, the Board of Florence Nightingale Hospice Shops Limited also reports to the Trustees on the retail activities of the business.

Florence Nightingale Hospice Charity complies with all recommended codes of practice. We are a member of Hospice UK, the Fundraising Regulator, the Fundraising Preference Service, the Charity Retail Association, the National Council for Voluntary Organisations and the Association of Chief Executives of Voluntary Organisations. During the year the CEO kept up to date with developments in the hospice and wider charity sector by attending national and regional sessions led by Hospice UK and other groups including an informal group of Charities Supporting NHS Hospices that she helped to form in 2020. She is also Vice Chair of the Buckinghamshire, Oxfordshire and West Berkshire Voluntary sector Health Alliance Ageing Well action group and has joined the Board of the national Compassionate Neighbours organisation.

Recruitment and appointment of new Trustees

FNHC's Trustee selection process requires those who are being considered for joining the Board to be interviewed by a panel of not fewer than two, and no more than three, current Trustees who are nominated by the Chair according to circumstances. The interview panel submits a recommendation to the Board of Trustees for a final decision. However, if a candidate has been recommended or introduced by a particular Trustee, then that Trustee will not form part of the interview panel.

Report of the trustees

Induction and training of new Trustees

New Trustees receive an induction pack including a copy of the Charity Commission's Guide "The Essential Trustee", the Charity's Memorandum and Articles of Association, the latest financial statements, confidentiality and conflict of interest documents and organisational information. They also have a briefing session with the Senior Leadership Team and visit the Hospice if they wish.

Related parties

Florence Nightingale Hospice Shops Limited (FNHS) is the wholly owned trading subsidiary of Florence Nightingale Hospice Charity. As a result of donated goods, the charity received donations under the gift aid scheme of £214,896 (2024: £672,883). A further transfer of approximately £800,000 will be made in 2025/26 relating to this financial year. Accordingly, the total surplus generated from retail related activities for the year amounted to £875,279 (2024: £866,464) before transfers to the charity.

Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised. Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports. FNHC has benefited from contributions to our funds of £3,237,464 since that time. For many years five Hospices have been supported through this company. Since 2019-20, Associate Partners are being recruited to expand the partnership and its long-term income potential.

Strategic report

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The overall management of risk is the responsibility of the Chief Executive. The organisational Risk Register is reviewed on an annual basis through the Governance sub-committee. The document follows a weighted likelihood versus impact approach, with an overall risk score and RAG rating for each risk.

In this period we have considered risks produced by the proposed merger of FNHC with SBH. We have carried out financial and, working with Birketts LLP, legal due diligence.

Other key risks for FNHC are:

A regulatory breach (such as safeguarding, health and safety, data protection) leads to harm to stakeholders, legal action, fines or reputational loss. This is mitigated through governance policies and processes.

A business continuity situation causes disruption (e.g. data/income loss). This is addressed through planning and for IT, through cloud back up via our IT provider, mandatory training on cyber security for all staff and volunteers.

We know that our mission to enable comprehensive hospice care for local people will be affected by greater demand for care and bereavement support from a growing and ageing population; patients having more complex needs perhaps caused by more than one chronic condition; the NHS and its workforce facing extreme stresses; and some groups being under-represented amongst hospice patients currently. There is a risk therefore that demand for hospice services exceeds capacity. We keep this under review with our partners at Buckinghamshire Healthcare NHS Trust and anticipate commissioning additional services, particularly based in the community. The merger with SBH is mainly motivated by being able to provide additional services for patients at and from Butterfly House.

Report of the trustees

Like all charities we also address how the challenging economic environment impacts our ability to raise funds. We address this through our fundraising and retail strategies, promoting the Hospice Lottery Partnership and careful management of our investments. Overall, we are confident that we have procedures and resources in place to address these risks for FNHC as it operates now and following its merger with SBH.

Achievement and performance

Main objectives for the Florence Nightingale Hospice Charity in 2024/25

Objectives for year	Achievements over the past year
<p>To continue to provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by commissioning services from the Florence Nightingale Hospice and potentially other providers, to be delivered in the Hospice building and in the community.</p>	<p>In the year the Charity has continued to commission a full range of Hospice services and individual posts (as listed on pages 3 and 4 of this report) from Buckinghamshire Healthcare NHS Trust (BHT) which are delivered at the Florence Nightingale Hospice and in the community. Our largest commissions are the FNH@Home service, Lymphoedema clinic and the Day Hospice. The relationship between the Charity and BHT is governed by a Memorandum of Understanding. Commissioned services and posts are defined by Service Level Agreements with agreed KPIs.</p> <p>During 2024/25, 385 patients were cared for by the In-Patient Unit at the Hospice. The Charity also commissioned the FNH@Home team of clinical nurse specialists, registered nurses and healthcare assistants providing practical nursing, symptom and pain management advice and support, medication review and personal care to adults in their own home. FNH@Home cared for 835 patients in the community.</p> <p>311 people were supported by the Lymphoedema Clinic. 64 people attended the Day Hospice. The Bereavement Service supported 272 people. 24 families of infants, children and young people living with a life-threatening or life-shortening illness were supported by the Florrie’s Children’s respite service.</p> <p>Hospice services received 234 written accolades last year thanking staff for the excellent care that they had received.</p>
<p>We plan to establish the “Compassionate Neighbours” scheme in Buckinghamshire, initially focusing on Aylesbury. This year’s priorities are to recruit a lead coordinator, put robust governance in place, develop volunteer training, build community links, engage clinical teams, and begin recruiting our first volunteers to support local people.</p>	<p>In Buckinghamshire, many individuals living with life-limiting illnesses and their carers face significant challenges such as loneliness, social isolation, and emotional distress. Furthermore, a considerable part of the community remains underserved by hospice and bereavement services.</p> <p>To help address these needs, the charity explored existing social support models and chose to adopt the established “Compassionate Neighbours” scheme, which is already running successfully in fourteen other UK hospices. This volunteer service is designed to complement, rather than replace, formal health and social care, aiming to reduce social isolation and improve wellbeing. While the primary focus is on providing social connection and community engagement, the project also aims to reach under-represented groups through targeted volunteer recruitment and local outreach. This year, we have reviewed how other hospices have implemented the service to meet their communities’ needs and have</p>

Report of the trustees

	<p>partnered with a local hospice to support the introduction of the scheme in Buckinghamshire, including exploring how it can be integrated with clinical teams.</p>
<p>We will assess whether any capital improvements or purchases of equipment need to be made at the Hospice to benefit patients & staff.</p>	<p>A major improvement to the hospice this year was the refurbishment of the family room on the inpatient unit. The room has been freshly decorated with new furniture, luxury curtains, a sofa bed and new artwork, creating a welcoming space for family members wishing to stay overnight close to their loved ones, or for private conversations between clinicians and families.</p> <p>Thanks to a generous £30,000 donation from the Buckinghamshire Freemasons, the charity purchased two “cuddle beds” for the inpatient unit, which were delivered in late 2024. We also received a significant donation of £45,000 from the Wolfson Foundation, enabling the purchase of eleven riser/recliner chairs. These chairs provide greater comfort for patients with limited mobility and are fully electronic and mobile, replacing heavier chairs and improving safety for both families and staff. Additionally, all curtains and blinds in the inpatient unit have been replaced.</p> <p>With patient comfort in mind, the charity funded the installation of awnings in the courtyard garden. As this fully enclosed space becomes very warm in the summer months, the awnings now offer much-needed shade for patients and families.</p> <p>The Day Hospice kitchen was completely refitted in April 2025.</p> <p>Through the Charity’s Henderson Education Fund, we continue to support specialist education and training for hospice staff. This funding allows nurses and other healthcare professionals to access training courses, attend conferences, maintain professional memberships, and remain accredited in their specialist fields. Over the past year, we have funded specialist palliative care training, training in Manual Lymphatic Drainage, and supported our Deputy Bereavement Listening Lead to continue his Level 4 Certificate in Counselling.</p> <p>In addition, the charity funded “No Barriers Here” training for the Day Hospice’s creative therapist and Day Hospice lead, enabling them to train others in using art and creativity to facilitate Advance Care Planning with patients.</p>
<p>To deliver further income growth from the Charity’s Retail operation, including two new shops at Gatehouse Way and Jansel Square in Aylesbury, online sales, improving Gift Aid income and deriving other improvements from an improved EPOS system; and generating sufficient donated stock from the local community to ensure the continual delivery of sustainable</p>	<p>The 24/25 financial year began with a turnover target of £2.86m for the existing portfolio, which was 10% growth on the previous year; and plans to open a further three new shops and implement a new EPOS till system during the year.</p> <p>The year ended with gross turnover of £3.08m (before any gift aid transfers) which is +3% on budget and +19% up on 23/24. This income is made up of £2.9m from the existing shop portfolio, and £188k additional income from the two new shops opened during the year.</p>

Report of the trustees

<p>retail income from a larger portfolio of shops.</p>	<p>Nine out of the 12 shops delivered income growth on the previous year and achieved or exceeded the budget set. Online sales grew 67% against the previous year.</p> <p>Two new shops were opened in Aylesbury during the year – Gatehouse Way in October 2024 and Bedgrove in January 2025. A new relocation site in Buckingham was also acquired in March 2025 which opened in April 2025.</p> <p>A new EPOS till system (Eproductive) was implemented in November 2024 enabling improvements to reporting, reconciliation and Gift Aid sign up.</p> <p>Gift Aid performance continued to improve resulting in a possible Gift Aid claim of £215k compared to £130k in 23/24.</p> <p>As a result of increasing costs, the profit budgeted for 24/25 was £819k including the new shops expected to open during the year. The total profit raised by Retail (before transfer to Charity) was £875k which is +6% against budget and +1.5% against the previous year.</p> <p>Overall, 24/25 was another successful year for Retail and with 7 years of sustained growth of income and profit (except for 20/21 when the pandemic closed shops) there is optimism to grow income and profit further.</p>
<p>To increase fundraising profitability in every area, including from the events programme marking the Hospice’s 35th anniversary</p> <p>To prioritise excellent supporter care across every aspect of fundraising. To maximise the value of every pound given to us by continuing to promote the benefits of gift aid to supporters.</p>	<p>2024/25 has been a very positive year for FNHC Fundraising. Income exceeded £1m, raising £161k more than in 2023/24. Donations and In Memory income were almost £100k higher than last year and fundraising from mass participation was up 21% to £422k.</p> <p>Our 35th Anniversary programme gave us a good platform to run additional events such as Strictly Florence and the Gala Dinner. It was an extremely busy year for events and On Stage continued to perform well especially at Aylesbury Waterside Theatre. Charlie and the Chocolate Factory was our best performing show to date generating income of £56k. We also brought back the Midnight Walk which brought in income of £44k and will become a biannual event.</p> <p>There was a strong performance from our Trust Fundraising, Major Giving and In Memory. The latter also shows good potential for future growth with online tribute fund Much Loved and through our two In Memory events, Forever Flowers and Tree of Light.</p>
<p>To meet our goal of education and raising awareness of excellent hospice care through case studies and updates across a variety of platforms. We will continue to participate in Hospice UK’s national Legacy marketing campaign and have signed up to a free will-writing service.</p>	<p>We produced new Hospice literature in an attractive and easy to digest format. This will be distributed to patients and families at their first point of contact with the Hospice. It provides information on all of the Hospice services and how to access the most appropriate care. We produce regular patient and family case studies which are published across multiple platforms as well as updates on the Hospice and hospice staff, facilities and any improvements.</p>

Report of the trustees

	<p>We have invested in the Hospice UK national legacy campaign which began in February 2025 with 143 participating hospices. We produced marketing collateral and ran a digital and local radio campaign to raise awareness of making a legacy and encourage engagement with this campaign.</p>
<p>To support all the Volunteers who offer their time and expertise to support the Hospice and Charity, and to recruit additional ones to assist with Hospice services and the growth of the Charity. This will include recruiting volunteers from communities and groups who are currently under-represented. This year a new Volunteer Strategy will be written and launched focusing on the foundations for a positive volunteering experience as well as a project on implementing a VSM (Volunteer Management System) to support the growing volunteer workforce.</p>	<p>We are extremely grateful to the 799 volunteers who have supported us throughout 2024/25. This is a 4% increase in our volunteer workforce since last year. Our volunteers support the Hospice directly in numerous ways, including supporting patients in the In-patient Unit and Day Hospice; driving patients to and from the Day Hospice, covering reception, looking after the garden, offering therapies including touch therapies and Reiki and as bereavement listeners. Many of the patients and families have shared how valuable our volunteers are to the Hospice; and the clinical staff at the Hospice greatly appreciate the support and time given by the volunteers. On the Charity-side, volunteers carry out admin and other specialist roles at Head Office, as well as supporting Fundraising events. Volunteers working in our shops sort donations, operate the till, merchandise the shop and windows and we have a team of volunteers who work as part of our online sales team. Retail volunteers made up two thirds of the Volunteer workforce in 24/25. The Charity and Hospice could not deliver or fund all that we deliver without this huge volunteering effort.</p> <p>At the start of 2025 we invested in a Volunteer Management System (VMS), Better Impact. We used this as an opportunity to gather additional information such as equal opportunities information and volunteer satisfaction levels. 92% of volunteers rated their satisfaction as 9 out of 10 or above.</p> <p>The Volunteering Engagement Team continue to seek feedback and develop different initiatives to engage volunteers, including improved communications; increased and geographically dispersed Christmas and Volunteers' Week events; holding regular coffee mornings and providing different avenues for volunteers to provide feedback.</p> <p>To attract and recruit new volunteers the team have worked on a number of different campaigns in conjunction with the Marketing team.</p> <p>The team have also developed Welcome to Volunteering sessions which are open to all potential volunteers to find out more about the Hospice and Charity and ways to involved.</p> <p>We consciously consider the language and imagery around volunteering to ensure we are inclusive.</p> <p>We continue to be successful in recruiting volunteers from under-represented groups to our Retail team. This includes the relationship the Online Sales team have with a local SEN school; some shops have been involved with the Community Payback scheme working with the Probation Service; and most of our shops offer Duke of Edinburgh volunteering placements for students from 14 years old; and support volunteers with additional needs.</p>

Report of the trustees

<p>To continue with the Charity's IT modernisation programme to increase business efficiency by selecting and implementing a new Retail EPOS system and a new Finance system.</p>	<p>A new EPOS till system (Eproductive) was implemented in November 2024 resulting in improvements to reporting, reconciliation and Gift Aid sign up. The increased Gift Aid income enabled by the new system means that the cost of the investment of the system will be paid back within 12 months.</p> <p>The Charity's finance system (Sage 50) was reviewed in year and a decision taken to work on improving its functionality (including bank feeds, improved payment processes and integration with the EPR system) rather than replacing the system at this point. South Bucks Hospice uses the same system which will benefit the merger project.</p>
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Main objectives for the Florence Nightingale Hospice Charity in 2025/26

- To continue to provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by:
 - commissioning services from the Florence Nightingale Hospice to be delivered in the FNH building and in the community;
 - completing our merger with South Bucks Hospice so that further services can delivered at and from Butterfly House;
 - delivering the Compassionate Neighbours pilot project in the Aylesbury area; and
 - making capital improvements to both buildings to benefit patients and staff as needed.

- To deliver further sustainable profit growth from the Charity's Retail operation by maximising income and opportunities afforded from the donated stock we generously receive from the local community. This will include:
 - Completing the merger with South Bucks Hospice to grow the retail portfolio to 20 shops, 2 Re-Use Centres and a larger Online Sales operation.
 - Acquiring two new shops and undertaking re-branding and necessary works on the SBH shops as required.
 - Expanding and re-locating our Online Sales operation
 - Continuing to generate Gift Aid income and derive other improvements from our new EPOS system
 - Reviewing the Re-Use operation alongside plans to develop a Recycling Hub to generate more income from excess stock and waste.

- To increase fundraising profitability, increase ROI in every area of fundraising and raise over £1million. This will be achieved by:
 - Focusing on excellent supporter care and stewardship, growing our supporter database and segmenting it better.
 - Building on In Memory fundraising.
 - Trialing Onstage Jr and the Big Give Christmas Appeal.
 - Investing in legacy including the Hospice UK campaigns and free will writing service available on FNHC's website.
 - Actively supporting our community and producing high-quality community events throughout the year and participating in more community events in Aylesbury and Beaconsfield having been selected as Charity of the Year by these two respective mayors.
 - Subscribing to a challenge fundraising platform which will enable us to offer more fundraising challenges to supporters.
 - Maximising the value of every pound given to us by continuing to promote the benefits of Gift aid to supporters.
 - Completing the merger with South Bucks Hospice which will extend our fundraising reach across Buckinghamshire and bring many new opportunities plus two new members of staff.

Report of the trustees

- To meet our goal of education and raising awareness of excellent hospice care through information and case studies across all platforms, updating this on completion of our merger with South Bucks Hospice.
- Our 2025/2026 focus in volunteering includes the continued implementation of the Volunteer Management System (VSM), Better Impact. The next step in this project is to roll it out to staff and volunteers to enhance the overall volunteering experience. We also plan to deliver training for volunteer managers on best practices for supervising, supporting, and engaging volunteers within their teams. Another key area of focus will be the integration of volunteers across FNHC and SBH, aiming to build a strong, connected, and engaged volunteering workforce.

Financial review

The results for the year ended 31 March 2025 are given in the Consolidated Statement of Financial Activities together with the Consolidated Balance Sheet giving details of the assets and liabilities. The comparative figures are for the year ended 31 March 2024.

The Charity made a loss before investment gains and losses of £62,403 compared with a profit in 2024 £479,201. Net movement in funds after investment losses and gains was a drop of £224,933 (2024: £743,021 gain).

Legacy income received in the year was £189,329 (2024: £588,260). In common with other charities legacies are recognised when certain criteria are achieved: the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty.

Many charities experience unpredictable fluctuations in legacy income and investment gains/losses are experienced by all companies. Our 24/25 loss is mainly explained by the stock market's response to the possible imposition of international trade tariffs in March 25. As noted in the Investment Performance Review, below, FNHC's investments regained value early in 25/26.

The cost of services commissioned from Buckinghamshire Healthcare NHS Trust increased by £118,629 to £1,319,619 (2024: £1,200,990). In addition, a further £25,061 was provided for specific Hospice projects and purchases (2023: £27,269). Overall expenditure on charitable activities increased by £225k to £1,662,013 (2024: £1,437,241).

The Charity's bank balance as at 31 March 2025 was £779,965 (2024: £1,286,809). This includes committed funds to cover the Quarter 4 payment to Buckinghamshire Healthcare NHS Trust of £341,716 which was paid in June 2025.

Post Balance Sheet Events

There has been a continuing focus on the project to prepare for a merger of FNHC with SBH. FNHC has instructed Birketts LLP to advise on the merger, legal and financial due diligence has been carried out and a Transfer Agreement is under discussion. Our thinking is that Florence Nightingale Hospice Charity will be the name of the merged charity as our Inpatient Unit already covers the whole county. Jo Turner will be the CEO of the merged Charity, and it is likely that a SBH Trustee will join FNHC's Board. Butterfly House will retain its name as it is well known and sign-posted in the area. Following our usual operating model, it is likely that SBH's clinical services will be commissioned by FNHC and delivered by Buckingham Healthcare NHS Trust. Formal sign off of the merger by FNHC and SBH is expected in September 2025.

Report of the trustees

Investments Performance Review

The Charity's investment portfolio is managed by Cazenove Capital Management Limited. The care of the investment portfolio comes under the remit of the main Board with the detail reviewed by the Finance Committee. A Cazenove Capital management representative attends that Committee every six months to review the performance of the Charity's investments.

The Investment Policy was reviewed by Trustees in May 2024. The Policy seeks to invest in an Ethical Portfolio seeking to 'Do no harm', with a specific barrier on investing in tobacco or other carcinogenic industries given the proven link to cancers. We also seek to produce the best financial return within an acceptable level of risk. The investment objective for the long-term designated reserves is to generate a return in excess of inflation over the long term in order to cover the long-term off-balance sheet liabilities as well as provide capital growth for the expansion of the Charity's operations. A total return approach to investment is appropriate as short-term income is not the main objective. The investment objective for the short-term reserves is to preserve capital value with minimum level of risk. Assets should be readily available to meet anticipated cash flow requirements.

The last 12 months' market trends can be summarized by the following. Global equity markets saw steady growth in 2024, extending a bull market that began in 2022. The large upside can be attributed to the strong performance of the US and global equity markets, with sectors such as technology and financials, outperforming their peers. The re-election of President Trump in Q4 2024, saw a short rally within the equity market, as speculation around tax cuts and the encouragement of technological innovation boosted market sentiment. This was followed by concern over tariffs and the global impact of an "America first" policy resulting in significant drawdowns, especially in US and emerging market stocks. After nine months of positive performance of our portfolio, January 2025 saw a sharp decline in market value reflecting the uncertainty in the global markets following Trump's announcements. The retraction and successful negotiation of these tariffs, particularly with the UK and China in Q2 2025 has allowed for much of the historical downside to be overturned and has hinted at a faster than expected recovery.

Bond markets throughout this period have seen a rise in yields, particularly in Government bonds as expectations around inflation and interest rate changes have bounced around throughout the year. Through Q1 2025 high yield bonds have performed strongly.

The value of the investments at 31 March 2025 was £6,772,701 (2024: £6,417,936) This included a cash inflow of £250,000. The Charity's investments were revalued at 31 March 2025 at a market value in accordance with the accounting policies, resulting in an unrealised loss of £162,530 (2024: £263,820 gain). It should be noted that post year end, our investments have returned to strong growth.

Over the period 31st March 2024 – 31st March 2025 the SUTL Cazenove Charity Sustainable fund returned 1.1%, whilst investments made in bonds returned 4.2%. Overall, the entirety of the portfolio including cash returned 1.7%.

Reserves policy

The Charity's Reserves policy (based on the Charity Commission's Guidance CC19) reflects our long-term financial commitments and the Trustees' desire to commission additional Hospice services in the medium to long term.

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The starting point for calculating the amount of free reserves held is therefore the amount of unrestricted funds held by a charity. However, some or all of the unrestricted funds of a charity may not be readily available for spending. This is because spending those funds may adversely impact on the charity's ability to deliver its aims. In accordance with the Charity Commission guidance, the items that should be excluded from free reserves are:

Commitments that have not been provided for as a liability in the accounts:

Report of the trustees

- The Florence Nightingale Hospice Charity generally has in place a series of three-year service level agreements with Buckinghamshire Healthcare NHS Trust (BHT) for the provision of various services at or connected to the Florence Nightingale Hospice. These contracts have staggered dates and therefore on average have eighteen months to two years unexpired term;
- The Charity has long-term financial commitments on the leases on its shops and head office premises;
- Designated funds set aside to meet essential future spending, such as funding a project that could not be met from current income. An example of this was the FNH@Home service.

The remaining unrestricted reserves - 'free reserves' - should be adequate to cover fluctuations in the Charity's finances brought about by the unpredictability of income sources or unexpected costs that might arise. The Covid-19 pandemic and cost of living crisis have shown that some of the Charity's income streams are susceptible to fluctuation, which along with the unpredictable nature of legacy income, results in a degree of volatility of income.

The Trustees continue to believe that the Charity should aim to hold free reserves of between six and twelve-months running costs, alongside designated reserves to cover the long-term financial commitments and future essential project funding.

Total reserves at 31 March 2025 were £8,140,337 (2024: £8,365,270). Designated reserves at 31 March 2025 were £6,892,204 (2024: £5,903,872). Target free reserves are in the range £1,630,000-£3,259,000. At 31 March 2025 free reserves were £1,171,334 (2024: £2,370,992), a little under the range. The growth in our designated reserves largely reflects our commitment to investing in capital upgrades within the Hospice, alongside funding for increased commissioning of Hospice services and the additional lease liabilities caused by acquiring further shops to grow income. We continually explore whether Hospice services need to be expanded to cope with demand. Restricted reserves at 31 March 2025 were £76,799 (£90,406).

Fundraising standards information

The Fundraising Strategy, which identifies our income streams and the approach taken for each activity in line with the Code of Fundraising Practice, was reviewed and approved by the Trustees as part of budgeting in February 2025.

The Charity is registered with the Fundraising Regulator. The Fundraising Regulator holds the Code of Fundraising Practice for the UK. We follow the Code and ensure that our fundraising is respectful, open, honest and accountable to the public. Fundraising is done in-house or with a small number of trusted external providers.

All fundraising activity is carried out within the terms of the Charity's Vulnerable Person Policy, which places a strict duty on staff as regards to appropriate communication and behaviour. The Charity prevents unreasonable intrusion and persistent approaches by excluding recently bereaved individuals from fundraising appeals for 1 year. Supporters can also opt-in or opt-out of fundraising communications. As frontline fundraisers routinely work with bereaved people, bereavement training forms part of the induction process of new fundraisers and is refreshed annually.

The Charity has not received any complaints regarding its fundraising efforts in the year ended 31 March 2025 or to the date of this report.

In all our policies and practices, we have not actively sought additional data that is not already in the public domain. We only record data that people opt to provide to us.

Report of the trustees

Going Concern

The financial statements have been prepared on a going concern basis. Although the financial climate remains challenging, the planned diversification of our income streams and level of free reserves mean Going Concern remains the appropriate basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Volunteers

The Charity benefits from the support of around 799 volunteers ranging in age from 14 upwards. These individuals contribute their skills, time and experience to work alongside Charity staff on retail and fundraising activities, and with the Hospice team providing patient and family support directly.

Without the time and expertise of our volunteers we could not support and enhance the lives of local patients and families or raise the funds needed to secure vital palliative care services for our community. Not only do our volunteers give their precious time, they also act as advocates in their communities for us, sharing news and updates about the charity and hospice. We are extremely grateful for their huge contribution. Trustees recognise and appreciate the value of our volunteers who support hospice services, income generation and back-office functions.

Staff

Trustees would like to record their sincere thanks to all of the staff of Florence Nightingale Hospice who deliver such skilled and compassionate palliative and end of life care for local people at times of greatest need.

The Trustees would also like to thank all of the staff of Florence Nightingale Hospice Charity for their hard work and the dedication shown over the year. The Charity team commission Hospice services and help promote the importance of excellent palliative care, as well as raising and administering the funds needed.

The directors, who are the Charity's trustees, the Chief Executive and the Senior Leadership Team (see below) comprise the senior management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

The Senior Leadership Team comprises the Chief Executive; the Heads of Retail, Fundraising & Marketing and Finance; and the senior managers leading Staff, Volunteers, and Hospice Projects. In the year, Louise Ashworth was promoted to lead fundraising as well as marketing.

Pay policy for Charity staff

A committee comprising the Chairman, Chairs of the sub-committees, the HR Trustee and the CEO reviews pay and reward for all staff. To set a pay increase, the Committee considers the results of an independent benchmarking of pay rates.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees (including the Strategic Report contained therein) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that year.

Report of the trustees

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

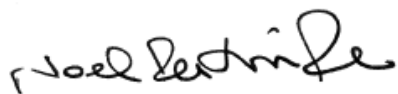
Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

In approving this Report, the Trustees also approve the Strategic report contained therein, in our capacity as company Directors. Approved by the Board of Trustees on 03 September 2025 and signed on their behalf by:



Noel Ratcliffe
Chair of Trustees

Independent Auditor's Report to the Members and Trustees of Florence Nightingale Hospice Charity

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2025 and the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

Independent Auditor's Report to the Members and Trustees of Florence Nightingale Hospice Charity

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditor's Report to the Members and Trustees of Florence Nightingale Hospice Charity

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the group and charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the group and charitable company that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the group and charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Azets Audit Services

Paul Creasey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services, Statutory Auditor
Heathrow

Date: 3 September 2025

Principal accounting policies

General Information

Florence Nightingale Hospice Charity is a company limited by guarantee incorporated and domiciled in England. Its registered office address is Unit 2 Walton Lodge, Walton Street, Aylesbury, Buckinghamshire, HP21 7QY.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Public benefit

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

Going concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In making this assessment, the Trustees have considered the level of funds held and the expected levels of income and expenditure for the 12-month period after approving these financial statements. The budgeted level of income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Accounting convention

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

The consolidated statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking on a line-by-line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and as permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements. The Charity reported a loss of £885,314 for the year (2024: surplus of £551,410).

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

All income is included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable, and the amount involved can be quantified with reasonable certainty. They are included in the statement of financial activities.

Cash collected to which the Charity is legally entitled but which has not been received at the year-end is included as income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when donations are received.

Principal accounting policies

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value

is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed, and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Investment Income

Investment income, including associated income tax recoveries, is recognised when receivable.

Government Grants

The Charity has received government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants is recognised at fair value when the charity has entitlement after any Performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is allocated between: -

- **Costs of raising funds** - These include costs of generating donations and legacies, costs of fundraising trading and costs of managing investments.
- **Charitable activities** - These comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives.
- **Governance costs** - These include the costs of governance arrangements which relate to the general running of the Charity and the compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Principal accounting policies

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable

value, after due regard for obsolete and slow-moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	Straight Line over the lower of 10 years or the life of the lease
Fixtures & fittings	20% Straight Line
Computer equipment	20% Straight Line
Vans	20% Straight Line

Capital expenditure over £1,000 is capitalised.

Tangible assets are stated at cost less accumulated depreciation.

Investments

Assets held for investment purposes are valued at market value at the balance sheet date. Traded securities are valued at their market quotation as at the year-end date.

Unlisted investments are stated at cost at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

Other financial instruments

a) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

b) Other debtors

Other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing rate of interest.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Taxation

The Charity can take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the Charity's subsidiary company because the

Principal accounting policies

directors of this company have indicated that they intend to make donations each year to the Charity equal to the taxable profits of the company under the Gift Aid scheme.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are monies earmarked by the Trustees for specific purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a Stakeholder pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Estimations

Support costs are those which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Consolidated statement of financial activities

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income						
Donations, Legacies and Grants	1	981,404	-	240,366	1,221,770	1,988,821
Income from other trading activities	2	3,358,009	-	-	3,358,009	2,369,687
Income from investments	3	279,238	-	-	279,238	226,776
Total income		4,618,651	-	240,366	4,859,017	4,585,284
Expenditure						
Costs of raising funds:						
Fundraising	4	795,288	-	-	795,288	703,446
Shops Trading	4	2,289,881	-	-	2,289,881	1,811,172
Support staff costs	4	174,238	-	-	174,238	154,224
Expenditure on charitable activities	5	1,408,040	-	253,973	1,662,013	1,437,241
Total resources expended		4,667,447	-	253,973	4,921,420	4,106,083
Taxation	11	-	-	-	-	-
Net (expenditure) income before gains/ (losses) on investments		(48,796)	-	(13,607)	(62,403)	479,201
Unrealised (losses) gains on investment assets	12	(162,530)	-	-	(162,530)	263,820
Net (expenditure) income		(211,326)	-	(13,607)	(224,933)	743,021
Transfers between funds		(988,332)	988,332	-	-	-
Net movement in funds	16	(1,199,658)	988,332	(13,607)	(224,933)	743,021
Reconciliation of funds						
Total funds brought forward at 1 st April		2,370,992	5,903,872	90,406	8,365,270	7,622,249
Total funds carried forward at 31st March	16	1,171,334	6,892,204	76,799	8,140,337	8,365,270

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All the above results are derived from continuing activities. All gains and losses recognised in the year are included.

Consolidated balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Fixed assets						
Tangible assets	11	833,019	-	-	833,019	489,890
Investments	12	-	6,772,701	-	6,772,701	6,417,936
		<u>833,019</u>	<u>6,772,701</u>	<u>-</u>	<u>7,605,720</u>	<u>6,907,826</u>
Current assets						
Stocks	13	4,928	-	-	4,928	6,415
Debtors	14	414,228	-	-	414,228	716,653
Cash at bank and in hand		583,663	119,503	76,799	779,965	1,286,809
		<u>1,002,819</u>	<u>119,503</u>	<u>76,799</u>	<u>1,199,121</u>	<u>2,009,877</u>
Creditors						
Amounts falling due within one year	15	(664,504)	-	-	(664,504)	(552,433)
Net current assets		<u>338,315</u>	<u>119,503</u>	<u>76,799</u>	<u>534,617</u>	<u>1,457,444</u>
Total assets less current liabilities		<u>1,171,334</u>	<u>6,892,204</u>	<u>76,799</u>	<u>8,140,337</u>	<u>8,365,270</u>
Net Assets		<u>1,171,334</u>	<u>6,892,204</u>	<u>76,799</u>	<u>8,140,337</u>	<u>8,365,270</u>
Funds						
Unrestricted funds					1,171,334	2,370,992
Designated funds					6,892,204	5,903,872
Restricted funds					76,799	90,406
Total funds	16				<u>8,140,337</u>	<u>8,365,270</u>

These financial statements were approved by the Board of Trustees on 03/09/2025...and were signed on their behalf by:

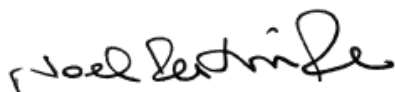


Noel Ratcliffe
Chairman of Trustees

Charity balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Fixed assets						
Tangible Assets	11	128,481	-	-	128,481	56,102
Investments	12	-	6,772,703	-	6,772,703	6,417,938
		<u>128,481</u>	<u>6,772,703</u>	<u>-</u>	<u>6,901,184</u>	<u>6,474,040</u>
Current assets						
Debtors	14	613,646	-	-	613,646	1,472,943
Cash at bank and in hand		155,304	119,503	76,799	351,606	729,876
		<u>768,950</u>	<u>119,503</u>	<u>76,799</u>	<u>965,252</u>	<u>2,202,819</u>
Creditors						
Amounts falling due within one year	15	(537,196)	-	-	(537,196)	(462,304)
Net current assets		<u>231,754</u>	<u>119,503</u>	<u>76,799</u>	<u>428,056</u>	<u>1,740,515</u>
Total assets less current liabilities		<u>360,235</u>	<u>6,892,206</u>	<u>76,799</u>	<u>7,329,240</u>	<u>8,214,555</u>
Net Assets		<u>360,235</u>	<u>6,892,206</u>	<u>76,799</u>	<u>7,329,240</u>	<u>8,214,555</u>
Funds						
Unrestricted funds					360,237	2,220,277
Designated funds					6,892,204	5,903,872
Restricted funds					76,799	90,406
Total funds	16				<u>7,329,240</u>	<u>8,214,555</u>

These financial statements were approved by the Board of Trustees on 03/09/2025 and were signed on their behalf by:



Noel Ratcliffe
Chairman of Trustees

Consolidated Cash flow statement

	2025 £	2024 £
Cash flows from operating activities:		
Net cash provided / (used in) by operating activities (analysed below)	207,355	697,478
	<u>207,355</u>	<u>697,478</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(476,441)	(97,292)
Proceeds from sale of tangible fixed assets	300	-
Purchase of investments	(414,589)	(6,335,672)
Proceeds from sale of investments	817,000	5,417,948
Investment income received	280,138	226,776
Movement in cash held in investment portfolio	(920,607)	-
Net cash used in investing activities	<u>(714,199)</u>	<u>(788,240)</u>
Change in cash and cash equivalents in the reporting period	(506,844)	(90,762)
Cash and cash equivalents at the beginning of the reporting period	1,286,809	1,377,571
Cash and cash equivalents at the end of the reporting period	<u>779,965</u>	<u>1,286,809</u>

Note:

Reconciliation of net movement in funds	2025 £	2024 £
Net movement in funds for the reporting period (as per the statement of financial activities)	(224,933)	743,021
Adjustments for:		
Depreciation charges	133,312	89,523
Profit on disposal of tangible fixed assets	(299)	-
Unrealised investment losses (gains)	162,530	(263,820)
Investment income receivable	(279,238)	(226,776)
Movement in stocks	1,487	5,253
Movement in debtors	302,425	296,353
Movement in creditors	112,071	53,924
Net cash provided by / (used in) operating activities	<u>207,355</u>	<u>697,478</u>

Analysis of changes in net funds

	2024 £	Cash Flows £	2025 £
Cash and cash equivalents	<u>1,286,809</u>	<u>(506,844)</u>	<u>779,965</u>

Notes to the financial statements (continued)

1 Donations, Legacies and Grants

	2025	2024
	£	£
Donations (including In Memory and grants from Charitable Trusts)	1,032,441	1,400,561
Legacies	189,329	588,260
	<u>1,221,770</u>	<u>1,988,821</u>

Sales of donated goods are now recognised within shop income; whilst in prior years they were treated as donations. As a result, donations are lower and shop income higher than the previous year.

2 Income from other trading activities

	2025	2024
	£	£
Fundraising from mass-participation and community events	422,191	348,574
Shop income	2,725,892	1,820,929
Lottery	209,926	200,184
	<u>3,358,009</u>	<u>2,369,687</u>

3 Income from investments

	2025	2024
	£	£
Bank interest received	41,197	10,268
Dividends received	238,041	216,508
	<u>279,238</u>	<u>226,776</u>

4 Costs of raising funds

	2025	2024
	£	£
Fundraising		
Direct staff costs (note 7)	444,898	398,697
Fundraising expenses and promotion	148,426	122,440
Support other costs	201,964	182,309
	<u>795,288</u>	<u>703,446</u>
Shops Trading		
Staff costs (note 7)	1,416,372	1,095,615
Other costs	873,509	715,557
	<u>2,289,881</u>	<u>1,811,172</u>
Support staff costs (note 7)	<u>174,238</u>	<u>154,224</u>

Notes to the financial statements (continued)

5 Expenditure on charitable activities

	2025 £	2024 £
Grant funding to staff and services delivered by Florence Nightingale Hospice	1,319,619	1,200,990
	1,319,619	1,200,990
Other direct costs	50,544	25,061
Staff costs (note 7)	144,100	112,060
Governance (note 6)	147,750	99,130
	1,662,013	1,437,241

6 Governance costs

	2025 £	2024 £
Staff costs (note 7)	72,892	45,763
Legal and professional fees	50,498	26,520
Auditors' remuneration	18,850	17,950
Auditors' remuneration for non-audit services	5,510	8,897
	147,750	99,130

7 Allocation of staff costs

2025:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2025 Total £
Payroll	438,524	1,400,532	68,046	135,194	170,036	2,212,332
Recruitment & Training	3,985	8,025	3,688	1,208	3,201	20,107
Other staff costs	2,389	7,815	1,158	7,698	1,001	20,061
	444,898	1,416,372	72,892	144,100	174,238	2,252,500
2024:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2024 Total £
Payroll	383,406	1,081,194	44,503	105,081	151,406	1,765,590
Recruitment & Training	12,920	5,834	542	3,300	1,590	24,186
Other staff costs	2,371	8,587	718	3,679	1,228	16,583
	398,697	1,095,615	45,763	112,060	154,224	1,806,359

The allocation of staff costs has been reviewed. A proportion of costs have been allocated to the Support function. This is defined as costs which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Notes to the financial statements (continued)

8 Net income

Net income is stated after charging

	2025	2024
	£	£
Auditors' remuneration: Group (Including Parent company)	18,850	17,950
Auditors' remuneration for non-audit services	5,510	8,898
Depreciation	133,317	89,523
Operating lease payments – land and buildings	<u>398,622</u>	<u>388,723</u>

9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 (2024: £nil).

Trustees' expenses

There were no expenses reimbursed to the Trustees in the year ended 31 March 2025 (2024: £nil).

Donations from trustees

Donations from trustees totaled £5,098 in the year ended 31 March 2025 (2024: £269)

10 Staff costs

	2025	2024
	£	£
Wages and salaries	1,967,090	1,585,589
Social security costs	152,803	131,665
Pension costs	92,440	48,336
	<u>2,212,333</u>	<u>1,765,590</u>

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

	2025	2024	2025	2024
	FTE	FTE	No.	No.
Fundraising & Retail	46	33	67	49
Administration	6	6	11	9
Governance	1	1	1	1
Charitable activities	6	2	6	3
	<u>59</u>	<u>42</u>	<u>85</u>	<u>62</u>

During the year, the number of employees who earned more than £60,000 was as follows:

	2025	2024
	No.	No.
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>1</u>	<u>-</u>

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £506,798 (2024: £430,453).

Notes to the financial statements (continued)

11 Tangible fixed assets

Group	Short leasehold improvements £	Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2024	286,139	457,201	45,695	140,822	929,857
Additions	221,090	196,065	34,950	24,342	476,447
Disposals	-	-	(12,950)	(52,138)	(65,088)
At 31 March 2025	<u>507,229</u>	<u>653,266</u>	<u>67,695</u>	<u>113,026</u>	<u>1,341,216</u>
Depreciation					
At 1 April 2024	68,545	238,004	31,919	101,499	439,967
Charge for the year	36,838	64,514	9,890	22,075	133,317
Disposals	-	-	(12,949)	(52,138)	(65,087)
At 31 March 2025	<u>105,383</u>	<u>302,518</u>	<u>28,860</u>	<u>71,436</u>	<u>508,197</u>
Net Book Amount					
At 31 March 2025	<u>401,846</u>	<u>350,748</u>	<u>38,835</u>	<u>41,590</u>	<u>833,019</u>
At 31 March 2024	<u>217,594</u>	<u>219,197</u>	<u>13,776</u>	<u>39,323</u>	<u>489,890</u>
Charity					
		Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2024		44,791	18,245	81,811	144,847
Additions		96,234	-	-	96,234
At 31 March 2025		<u>141,025</u>	<u>18,245</u>	<u>81,811</u>	<u>241,081</u>
Depreciation					
At 1 April 2024					
Charge for the year		16,226	18,245	54,274	88,745
		14,433	-	9,422	23,855
At 31 March 2025		<u>30,659</u>	<u>18,245</u>	<u>63,696</u>	<u>112,600</u>
Net Book Amount					
At 31 March 2025		<u>110,366</u>	<u>-</u>	<u>18,115</u>	<u>128,481</u>
At 31 March 2024		<u>28,565</u>	<u>-</u>	<u>27,537</u>	<u>56,102</u>

12 Fixed asset investments

Group

Shares in

Notes to the financial statements (continued)

	Listed Investments £	participating interests £	Totals £
Market value			
At 1 April 2024	5,827,577	16,679	5,844,256
Additions	414,589	-	414,589
Disposals	(817,000)	-	(817,000)
Movement in accrued interest	(1,790)	-	(1,790)
Investment gains/(losses)	(162,530)	-	(162,530)
	<hr/>	<hr/>	<hr/>
At 31 March 2025	5,260,846	16,679	5,277,525
Cash held as part of portfolio	1,495,176	-	1,495,176
	<hr/>	<hr/>	<hr/>
	6,756,022	16,679	6,772,701

Charity	Shares in group undertakings £	Listed Investments £	Shares in participating interests £	Totals £
Market value				
At 1 April 2024	2	5,827,577	16,679	5,844,258
Additions	-	414,589	-	414,589
Disposals	-	(817,000)	-	(817,000)
Movement in accrued interest	-	(1,790)	-	(1,790)
Investment gains/(losses)	-	(162,530)	-	(162,530)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	2	5,260,846	16,679	5,277,527
Cash held as part of portfolio	-	1,495,176	-	1,495,176
	<hr/>	<hr/>	<hr/>	<hr/>
	2	6,756,022	16,679	6,772,703

The Charity's investments at the balance sheet date in the share capital of group undertakings and participating interests comprise the following:

The Hospice Lottery Partnership Limited

At 31 March 2025 the charitable company owned fourteen shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales, carrying out fundraising for five hospices including Florence Nightingale Hospice Charity. Florence Nightingale Hospice Charity has held an interest in The Hospice Lottery Partnership Limited since its incorporation in 1997. The directors consider this an investment as they have no significant influence and have no management rights in the strategic, tactical or operational decisions made by The Hospice Lottery Partnership Limited. The value of the investment in the company is recognised at cost as the equity investment is unquoted and the value cannot be measured reliably. The group does not intend to dispose of the investment in the foreseeable future.

Florence Nightingale Hospice Shops Limited

Nature of business: Operating Charity shops

%

Notes to the financial statements (continued)

Class of share:	holding	2025	2024
Ordinary	100	£	£
Aggregate capital and reserves		<u>811,098</u>	<u>150,715</u>

The investment in group undertakings relates to the cost of the 2 ordinary shares of £1 each, being 100% of the issued share capital of Florence Nightingale Hospice Shops Limited, a company incorporated in England and Wales (registration number 02849891), which is the trading subsidiary of the charitable company. The subsidiary shares a registered office with the charitable company.

A summary of the results of the subsidiary is shown below:

	2025	2024
	£	£
Gross turnover	3,076,104	2,593,901
Gift Aid donated to Florence Nightingale Hospice Charity	(214,896)	(672,883)
Turnover	2,861,208	1,921,018
Cost of sales	(101,658)	(82,161)
Gross profit	2,759,550	1,838,857
Administrative expenses	(2,099,910)	(1,652,627)
Other operating and interest income	743	7,351
Net profit before tax and after Gift Aid donation related to donated goods	660,383	193,581
Tax on profit/(loss)	-	-
Net profit after Gift Aid donation related to donated goods	660,383	193,581
The aggregate of the assets, liabilities and reserves was:		
Assets	1,305,562	1,150,328
Liabilities	(494,464)	(999,613)
Reserves	811,098	150,715

Before any transfers to Florence Nightingale Hospice Charity, Florence Nightingale Hospice Shops Limited generated a trading profit of £875,279 (2024: £866,464). The change in the way we transfer across the Gift Aid from Retail to Charity has resulted in a larger proportion being transferred across in 25/26 and this will be reflected in next year's financial statements.

13 Stocks	2025	2024
	£	£
Group	4,928	6,415

Notes to the financial statements (continued)

14 Debtors: Amounts falling due within one year

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Amounts owed by group undertakings	-	367,156	-	909,482
Prepayments and accrued income	169,695	48,803	156,023	49,191
Other debtors	244,533	197,687	560,630	514,270
	<u>414,228</u>	<u>613,646</u>	<u>716,653</u>	<u>1,472,943</u>

Included in the amount owed by group undertakings is £277,290 (2024: £nil) which is receivable after one year.

15 Creditors: Amounts falling due within one year

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade creditors	83,791	50,088	17,785	11,840
Other creditors	580,713	487,108	534,648	450,464
	<u>664,504</u>	<u>537,196</u>	<u>552,433</u>	<u>462,304</u>

16 Movement in funds

Group

	At 1 April 2024 £	Net movement in funds £	At 31 March 2025 £
Unrestricted funds	2,370,992	(1,199,658)	1,171,334
Designated funds	5,903,872	988,332	6,892,204
Restricted funds	90,406	(13,607)	76,799
Total funds	<u>8,365,270</u>	<u>(224,933)</u>	<u>8,140,337</u>

Charity

	At 1 April 2024 £	Net movement in funds £	At 31 March 2025 £
Unrestricted funds	2,220,277	(1,860,040)	360,237

Notes to the financial statements (continued)

Designated funds	5,903,872	988,332	6,892,204
Restricted funds	90,406	(13,607)	76,799
Total funds	<u>8,214,555</u>	<u>(885,315)</u>	<u>7,329,240</u>

Designated funds have been established for:

The funding of:

- The Charity's contractual commitments to the services delivered by the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, in 2024/25 and 2025/26.
- Two years' estimated cost for new agreed services not currently contracted,
- The annual hospice building capital budget.
- Rentals due on the Charity's HQ building and its current portfolio of shops to the break points in their leases, and
- An estimate of the rentals due on new shop leases likely to be acquired in 2024/25.

Restricted funds

During the year the group and the charitable company received donations that the donors had specified to be spent on certain areas of the Charity's expenditure. These are classified as restricted funds as follows:

	At 1 April 2024 £	Monies received £	Expenditure in year £	At 31 March 2025 £
Staff Benefit	33,894	6,220	(5,353)	34,761
FNH@Home	-	113,576	(113,508)	68
Day Hospice	-	21,985	(985)	21,000
Lymphoedema	-	6,442	(1,632)	4,810
Florrie's Children's Team	-	261	(261)	-
IPU Community Fund	10,705	8,870	(16,920)	2,655
IPU (Sahara)	-	11,665	(3,348)	8,317
Bereavement Project	-	797	(797)	-
Discharge Liaison Nurse	1,449	-	(1,449)	-
Therapy Support Worker	621	-	(621)	-
Carrington Trust	21	-	(21)	-
VR Headset	121	450	(383)	188
E-Van	12,200	20,000	(32,200)	-
Riser Recliner Chairs	-	45,100	(45,100)	-
AVCO Concert	-	5,000	-	5,000
General Restricted	31,395	-	(31,395)	-
	<u>90,406</u>	<u>240,366</u>	<u>(253,973)</u>	<u>76,799</u>

	At 1 April 2023 £	Monies received £	Expenditure in year £	At 31 March 2024 £
Staff Benefit	28,046	8,920	(3,072)	33,894
FNH@Home	-	106,578	(106,578)	-
Day Hospice	-	511	(511)	-
Lymphoedema	-	1,639	(1,639)	-

Notes to the financial statements (continued)

Florrie's Children's Team	-	87	(87)	-
Volunteering	-	10,000	(10,000)	-
IPU Community Fund	-	18,623	(7,918)	10,705
Bereavement Project	18,425	-	(18,425)	-
Discharge Liaison Nurse	25,114	-	(23,665)	1,449
Nativity	4,800	-	(4,800)	-
Lymph Scanners	-	2,145	(2,145)	-
Therapy Support Worker	10,000	935	(10,314)	621
Carrington Trust	-	500	(479)	21
VR Headset	-	500	(379)	121
Wiz	-	18,000	(18,000)	-
E-Van	-	12,200	-	12,200
General Restricted	-	31,395	-	31,395
	86,385	212,033	(208,012)	90,406

The Charity is grateful for the support received from Charitable Trusts & Foundations that have made grants during the financial year. Larger grants were received from The Albert Hunt Trust, Fairhive, Shanly Foundation, Morrison Foundation, B&Q Foundation, Screwfix Foundation, Thomas Hickman Charity, and Hacker Young Wolfson Foundation.

17 Related party transactions

The group and the charitable company received income from The Hospice Lottery Partnership Limited of which it is a shareholder, totalling £209,926 in the year (2024: £200,184). At the year-end there was a balance of £nil (2024: £540) owed from The Hospice Lottery Partnership Limited to the group and the charitable company.

Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports, benefitting from a contribution to our funds of £3,237,464 (2024: £3,027,464) since that time. There are now seven hospices which are supported through this company. Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised.

During the year, APS Accountancy Limited, donated £1,460 (2024: £1,200) to the charity. Mr C Shennan, a Trustee, is also a Director of APS Accountancy Limited.

Notes to the financial statements (continued)

18 Operating lease commitments

As at 31 March 2024 the Charity had total commitments under non-cancellable leases as follows:

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Within one year	460,191	316,765	386,541	223,750
Between one and five years	1,462,986	1,071,204	1,081,017	758,675
In more than five years	828,209	685,889	761,683	694,045
	<u>2,751,386</u>	<u>2,073,858</u>	<u>2,229,241</u>	<u>1,676,470</u>

19 Outstanding membership liability

Each member gives a guarantee to contribute a sum, not exceeding £10, to the Charity should it be wound up.

20 Financial instruments

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Financial assets measured at fair value through net income/expenditure				
Fixed asset investments	<u>6,772,701</u>	<u>6,772,703</u>	<u>6,401,257</u>	<u>6,401,259</u>
Financial assets measured at amortised cost				
Fixed asset investments	<u>16,679</u>	<u>16,679</u>	<u>16,679</u>	<u>16,679</u>
Debt instruments measured at amortised cost				
Other debtors	414,228	246,490	560,630	514,270
Amounts owed by group undertakings	-	367,156	-	909,482
	<u>414,228</u>	<u>613,646</u>	<u>560,630</u>	<u>1,423,752</u>
Financial liabilities measured at amortised cost				
Trade creditors	83,791	50,088	17,785	11,840
Other creditors	580,713	487,108	534,648	450,464
	<u>664,504</u>	<u>537,196</u>	<u>552,433</u>	<u>462,304</u>

Notes to the financial statements (continued)

The income, expenses, net gains and losses attributable to the Charity's financial instruments are summarised as follows:

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Income and expenses				
Financial assets measured at fair value through net income/expenditure	<u>279,238</u>	<u>279,238</u>	<u>226,775</u>	<u>226,775</u>
Net gains and losses (including changes in fair value)				
Financial assets measured at fair value through net income/expenditure	<u>(162,530)</u>	<u>(162,530)</u>	<u>263,820</u>	<u>263,820</u>

21 Comparative statement of financial activities

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2024 £
Income					
Donations, Legacies and Grants	1	1,776,789	-	212,032	1,988,821
Income from other trading activities	2	2,369,687	-	-	2,369,687
Income from investments	3	226,776	-	-	226,776
Total income		<u>4,373,252</u>	<u>-</u>	<u>212,032</u>	<u>4,585,284</u>
Expenditure					
Costs of raising funds:					
Fundraising	4	703,446	-	-	703,446
Shops Trading	4	1,811,172	-	-	1,811,172
Support staff costs	4	154,224	-	-	154,224
Expenditure on charitable activities	5	1,229,231	-	208,010	1,437,241
Total resources expended		<u>3,898,073</u>	<u>-</u>	<u>208,010</u>	<u>4,106,083</u>
Taxation	11	-	-	-	-

Notes to the financial statements (continued)

Net income before gains/ (losses) on investments		475,179	-	4,022	479,201
Unrealised gains/(losses) on investment assets	13	263,820	-	-	263,820
Net income/expenditure		738,999	-	4,022	743,021
Transfers between funds		23,477	(23,477)	-	-
Net movement in funds	17	762,476	(23,477)	4,022	743,021
Reconciliation of funds					
Total funds brought forward at 1 st April		1,608,516	5,927,349	86,384	7,622,249
Total funds carried forward at 31st March	17	<u>2,370,992</u>	<u>5,903,872</u>	<u>90,406</u>	<u>8,365,270</u>

22 Events after the balance sheet date

Details of the potential merger of Florence Nightingale Hospice Charity and South Bucks Hospice are given in the trustees' report, on page 14.

FLORENCE NIGHTINGALE HOSPICE CHARITY

England & Wales - Charity number 1119499

Accounts



Florence
Nightingale
HOSPICE CHARITY

Report of the Trustees and Consolidated Financial Statements

For the Year Ended 31 March 2024

Company Registration Number: 06187174
Registered Charity No. 1119499

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Reference and administrative details

Company registration number	06187174
Charity number	1119499
Registered office	Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY
Board of Trustees	Mr N Ratcliffe (Chair) Mr P Bridgman Mr P Cotton Mrs D Earnshaw Mr M Fabes Mr S Jones Mr J Leggett Ms J Naismith Ms T O'Hara Mr C Shennan Dr D Straker (appointed on 17 June 2024) Mr N Thompson (appointed on 17 June 2024)
Chief Executive	Mrs J Turner
Bankers	Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD
Auditors	Azets Audit Services Gladstone House 77-79 High Street Egham Surrey TW20 9HY
Investment advisors	Schroder & Co. (Trading as Cazenove Capital) 1 London Wall Place London EC27 5AU
Website address	www.fnhospice.org.uk

Report of the trustees

Report of the trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2024.

Objectives and activities for the public benefit

The Charity's vision is to provide the best hospice care for everyone in Buckinghamshire and bordering areas who needs it, wherever and whenever they need it.

The objects of Florence Nightingale Hospice Charity (the Charity or FNHC) as stated in our Memorandum and Articles of Association are to promote the relief of people who are suffering from any chronic or terminal illness, disability or disease, or other physical or mental infirmity by:

- Providing care for persons who are suffering as aforesaid by establishing, maintaining and conducting one or more residential nursing homes in England or Wales and by providing medical or other treatment and attention for any persons in their own homes and to provide assistance to other bodies or persons in achieving such provisions;
- Conducting, promoting or encouraging research into care and treatment of persons suffering any illness, disability, disease or infirmity, particularly into the care and treatment of persons suffering from cancer or terminal illness;
- Promoting, encouraging or assisting in the teaching or training of the medical and clinical professions or allied services;
- Providing, assisting or encouraging the provision of spiritual help and guidance for any persons resident (either as patients or otherwise), visiting, or working in any such home or homes as aforesaid;
- Providing, encouraging or accessing the provision of psychosocial support to families when needed.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities for the year.

Florence Nightingale Hospice Charity's Strategy

The Charity's strategy is summarised below and focuses on commissioning the best hospice care for local people in Buckinghamshire and borders, and offering choice by providing that care wherever and whenever it is needed. The approach is holistic and includes support for patients' families and carers. Our mission follows the ethos of the Hospice movement, which is to help families make the most of every day. Overall, the approach is to actively influence excellent hospice care in the local area.

Our supporting goals require us to be an effective commissioner of services. The Florence Nightingale Hospice, which is part of Buckinghamshire Healthcare NHS Trust (BHT), will always be our primary delivery partner, but our Memorandum and Articles of Association do not preclude us from working with other organisations.

We aim to generate sustainable funding to help meet the growing need for hospice care locally and to introduce innovative projects. We also educate and raise awareness of excellent hospice care. Our website and social media are means of delivering this as well as attendance at community events and talks delivered by our ambassadors.

The foundations underpinning the strategy are motivated staff and volunteers, a robust business model and effective governance, systems and processes. Our organisational values are to be: Professional, Ambitious for achieving the Charity's vision, Community-focused and working collaboratively as part of the wider Team.

Report of the trustees



Report of the trustees

In order to deliver our objectives, the Charity works in partnership with Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, and commissions services from them by funding or part-funding specific services, teams, individual posts and equipment including:

Working in the Florence Nightingale Hospice based at Stoke Mandeville Hospital

- In-Patient Unit: the Charity commissions additional staffing to cover absences thereby protecting and maintaining appropriate staffing levels within the 12 bed In-Patient Unit.
- Day Hospice: the Charity commissions a Day Hospice service to improve the personal wellbeing of patients through symptom management advice, psychological and therapeutic support, diversional techniques and complementary therapies.
- Lymphoedema Clinic: the Charity commissions this service which provides specialist assessments of patients' symptoms (such as swelling, pain, loss of function of a limb and skin infections) and treatment through massage and specialist compression bandaging.
- Discharge Liaison Nurse: the Charity provides this post which assesses and co-ordinates the timely discharge of patients from the Hospice and, where necessary, plans packages of palliative care on discharge; therefore facilitating patients' preferred place of care.
- Triage Nurse: the Charity provides a Triage Nurse who manages patients requiring telephone support, and also makes first contact with patients referred to assess their needs and to start symptom control as soon as possible.
- Therapy Worker: the Charity provides this post to help smooth the transition of patients entering the IPU for respite care by assessing their specific needs and preferences, and to provide rehabilitation in order for them to return home.
- Capital costs: the Charity provides specific clinical equipment and also the refurbishment of parts of the Hospice building as identified by the clinical leads. The Charity provides for the upkeep of the Hospice's courtyard garden, therapeutic and diversionary materials and additional food and beverages provided for patients and visitors.

In the community

- FNH@Home: the Charity commissions a team of qualified nurses and carers who administer palliative care across the Aylesbury Vale in patients' homes. FNH@Home was established in 2019 incorporating the Healthcare Assistants formerly known as Nightingale 24/7. They work alongside the Clinical Nurse Specialists so that patients receive the same level of care and medical attention as they would receive in the In-Patient Unit at the Hospice at the end of life. This year, the Charity funded two extra Clinical Nurse Specialist roles to meet the demand of more complex and challenging cases.
- Florrie's Children's Team: the Charity provides this small team which delivers respite care for families of children with life-limiting illness in their own homes.
- Support: the Charity commissions additional resource in this team and provides around 60 Volunteer Bereavement Listeners who support adults and children pre- and post-bereavement.

Other

- Education: the Charity purchases specialist training and professional development for Hospice professionals through the Henderson Fund which was created in memory of husband and wife, Karen and Jim Henderson. Karen was a former Matron at the Hospice and Jim a former Trustee of the Charity, and their combined contribution to the development of the Hospice was enormous.
- Volunteers: the Charity also meets the costs of the Volunteers who contribute to hospice care and income generation, specifically mileage costs incurred whilst driving patients.

Report of the trustees

Structure, governance and management

Governance

Florence Nightingale Hospice Charity is a charitable company limited by guarantee; incorporated and registered with the Charity Commission on 27th March 2007. It is governed under its Memorandum and Articles of Association. The liability of the members is limited to an amount not exceeding £10.

Organisational structure

The full Trustee Board meets quarterly with the Chief Executive and other members of the Senior Management Team as required, to review the strategic plan and operational activities of the Charity and the trading subsidiary. Day-to-day management is delegated to the Chief Executive, Jo Turner. The Chief Executive presents comprehensive reports on activity, policy papers and financial updates in advance of each meeting to ensure the Trustees are fully informed of the operational, financial, and wider policy context. The Board also has responsibility for overseeing the Charity's investments.

The Trustees who have served during the year are listed below. They have served throughout the entire year except where stated.

Mr N Ratcliffe (Chair)
Mr P Bridgman
Mr P Cotton
Mrs D Earnshaw
Mr M Fabes
Mr S Jones (Treasurer)
Mr J Leggett
Dr (M) R Mason (Resigned December 2023)
Ms J Naismith
Mrs Tracey O'Hara (Co-opted May 23)
Ms S Plumridge (Resigned January 2024)
Mr C Shennan
Dr D Straker (Co-opted March 2024)
Mr N Thompson (Co-opted March 2024)

The Trustees have approved a delegated responsibility to four sub-committees.

The Governance sub-committee meets quarterly, or as required, to address governance issues, assess risks and mitigations, and approve policies. Trustees in attendance are John Leggett (Chair), Noel Ratcliffe, Peter Cotton, Tracey O'Hara and Dr Diana Straker.

The Finance and Audit committee meets quarterly, or as required, to review and monitor management reports and cash flow and evaluate new income generation initiatives with the Chief Executive, Head of Finance, Head of Fundraising and other members of the senior management team as appropriate. Trustees in attendance are Simon Jones (Chair), Noel Ratcliffe, Chris Shennan and Nigel Thompson. This committee also oversees FNHC's investments by receiving reports from Cazenove and an in-person briefing from our Investment Manager every six months.

A Pay and Reward Committee advises on remuneration and is attended by the Chair, the Chairs of each sub-committee, our HR trustee and the Chief Executive.

Lastly, the Board of Florence Nightingale Hospice Shops Limited also reports to the Trustees on the retail activities of the business.

Report of the trustees

Dr Ruth Mason and Sarah Plumridge stepped down from the Board in the year. We are grateful to them for their contribution to the Charity. Dr Diana Straker joined in March 2024 bringing extensive experience from General Practice in the north of Buckinghamshire. Nigel Thompson, a retired solicitor specialising in corporate and commercial law and former Partner at Birketts LLP, also joined in March 2024. Noel Ratcliffe's three year term as Chair ends in the autumn of 2024 and he was unanimously re-elected at the March 2024 Board meeting and thanked for his dedication.

Florence Nightingale Hospice Charity complies with all recommended codes of practice. We are a member of Hospice UK, the Fundraising Regulator, the Fundraising Preference Service, the Charity Retail Association, the National Council for Voluntary Organisations and the Association of Chief Executives of Voluntary Organisations. During the year the CEO kept up-to-date with developments in the hospice and wider charity sector by attending national and regional sessions led by Hospice UK and other groups including an informal group of Charities Supporting NHS Hospices that she helped to form in 2020. She is also Vice Chair of the Buckinghamshire, Oxfordshire and West Berkshire Voluntary sector Health Alliance Ageing Well action group.

Recruitment and appointment of new Trustees

FNHC's Trustee selection process requires those who are being considered for joining the Board to be interviewed by a panel of not fewer than two, and no more than three, current Trustees who are nominated by the Chair according to circumstances. The interview panel submits a recommendation to the Board of Trustees for a final decision. However, if a candidate has been recommended or introduced by a particular Trustee, then that Trustee will not form part of the interview panel.

Induction and training of new Trustees

New Trustees receive an induction pack including a copy of the Charity Commission's Guide "The Essential Trustee", the Charity's Memorandum and Articles of Association, the latest financial statements, confidentiality and conflict of interest documents and organisational information. They also have a briefing session with the Senior Management Team and visit the Hospice if they wish.

Related parties

Florence Nightingale Hospice Shops Limited (FNHS) is the wholly owned trading subsidiary of Florence Nightingale Hospice Charity. As a result of donated goods, the charity received donations under the gift aid scheme of £672,883 (2023: £441,864). Accordingly, the total surplus generated from retail related activities for the year amounted to £866,464 (2023: £471,469).

Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised. Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports. FNHC has benefited from contributions to our funds of £3,027,464 since that time. For many years five Hospices have been supported through this company. Since 2019-20, Associate Partners are being recruited to expand the partnership and its long-term income potential.

Florence Nightingale Hospice Charity has from time to time used the services of Parrott and Coales LLP for legal advice and to process property leases. In addition, the Charity has had the longstanding benefit of at least one Parrott and Coales member of staff serving on the Board of Trustees. These Trustees do not take part in any negotiations or discussions in regard to awarding work to Parrott and Coales and remove themselves from any discussion where a conflict of interest may occur. Parrott and Coales closed in April 2023 so we no longer have this related party.

Report of the trustees

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The overall management of risk is the responsibility of the Chief Executive.

The organisational Risk Register is reviewed on an annual basis through the Governance sub-committee. The document follows a weighted likelihood versus impact approach, with an overall risk score and RAG rating for each risk. The key risks for the organisation are:

A regulatory breach (such as safeguarding, health and safety, data protection) leads to harm to stakeholders, legal action, fines or reputational loss. This is mitigated through governance policies and processes. A Compliance Manager joined the Charity team in 2023.

A business continuity situation causes disruption (e.g. data/income loss). This is addressed through planning and for IT, through cloud back up via our IT provider.

We know that our mission to enable comprehensive hospice care for local people will be affected by greater demand for care and bereavement support from a growing and ageing population; patients having more complex needs perhaps caused by more than one chronic condition; the NHS and its workforce facing extreme stresses; and some groups being under-represented amongst hospice patients currently. There is a risk therefore that demand for hospice services exceeds capacity. We keep this under review with our partners at Buckinghamshire Healthcare NHS Trust and anticipate commissioning additional services, particularly based in the community.

Like all charities we are also focused on how the challenging economic environment impacts our ability to raise funds. We address this through our fundraising and retail strategies, and careful management of our investments.

Overall, we are confident that we have procedures and resources in place to address these risks.

Achievement and performance

Main objectives for the Florence Nightingale Hospice Charity in 2023/24

Objectives for year	Achievements over the past year
<p>To continue to provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by commissioning services from the Florence Nightingale Hospice and potentially other providers, to be delivered both in the Hospice building and in the community.</p> <p>We will explore whether:</p> <ul style="list-style-type: none"> • additional palliative care services need to be provided, • proactive initiatives should be devised to offer accessible Hospice care to those who aren't reached currently and 	<p>In the year the Charity has continued to commission a full range of Hospice services and individual posts (as listed on pages 3 and 4 of this report) from Buckinghamshire Healthcare NHS Trust (BHT) which are delivered at the Florence Nightingale Hospice and in the community. Our largest commissions are the FNH@Home service, Lymphoedema clinic and the Day Hospice. The relationship between the Charity and BHT is governed by a Memorandum of Understanding. Commissioned services and posts are defined by Service Level Agreements with agreed KPIs.</p> <p>During 2023-24, 328 patients were cared for by the In-Patient Unit at the Hospice. The Charity also commissioned the FNH@Home team of registered nurses and healthcare assistants providing practical nursing, symptom and pain management advice and support, medication review and personal care to adults in their own home. FNH@Home cared for 693 patients in the community.</p>

Report of the trustees

<ul style="list-style-type: none">capital improvements need to be made at the Hospice to benefit patients & staff.	<p>286 people were supported by the Lymphoedema Clinic. 56 people attended the Day Hospice. The Bereavement Service supported 287 people. 21 families of infants, children and young people living with a life-threatening or life-shortening illness were supported by the Florrie's Children's respite service.</p> <p>Hospice services received 254 written accolades last year thanking staff for the excellent care that they had received.</p> <p>A review was conducted in the Spring/Summer of 2022 into how services were operating after the worst of the Covid-19 pandemic had passed. This showed that some areas needed more staff to cope with the demand for care. As a result, the Charity commissioned two additional Clinical Nurse Specialists for the community nursing team, an additional nurse for the Lymphoedema service, a Therapy Support Worker and additional Occupational Therapy hours. Difficulty in recruitment into the new roles and long notice periods meant that the posts remained vacant until the autumn/winter 2023. However, we are now benefiting from all of these roles.</p> <ul style="list-style-type: none">A community nurse was recruited into the Lymphoedema post who underwent intensive training in palliative care and specialist training in lymphoedema. She is now working independently with further training planned for 24/25 and a succession plan for the current Lymphoedema Service Lead now in place.The Hospice was fortunate in recruiting two highly experienced palliative care CNSs into the team. These CNSs have already positively impacted the number of patients the team can care for and an increase in patient face-to-face contact time.Patient anxiety coming into the IPU for respite and being discharged home has been alleviated by the new Therapy Worker role and she continues to also work alongside the Occupational Therapist with patients attending Day Hospice. <p>A Project Manager position was created at the Charity to help research the need for and then co-create new palliative and end of life services with our partners at the Florence Nightingale Hospice to meet the changing needs of our local communities. These proposals are discussed at the joint Steering Group that meets every two months before being taken to the Charity's Board of Trustees for approval. Key activities of the PM over the year:</p> <ul style="list-style-type: none">Preparing draft Service Level Agreements for each service or post the charity funds and working with hospice staff to set key performance indicators.Analysis of hospice performance data to prepare visual reports and recommendations for the Charity's Board of Trustees.Researching groups within Buckinghamshire that appear to not be currently accessing the hospice's care and starting to forge community connections. Researching other national initiatives to improve access of these groups to hospice care.Develop the business case and project management plan of a befriending service in Buckinghamshire.
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Report of the trustees

	<ul style="list-style-type: none"> • Forging relationships within the hospice to help develop the service or improve the patient and staff experience and environment e.g. develop plans to re-fit the day hospice kitchen. • Provide due diligence of quarterly hospice expenditure and performance. <p>No major capital works were required at the Hospice in the year. However, the Charity purchased a lymph scanner that our Lymphoedema nurses use to identify fluid from tissue and hence determine the most effective treatment. The Charity was also awarded a generous donation of around £30,000 from Buckinghamshire Freemasons and other supporters enabling the hospice to identify the need for two 'cuddle beds' for the IPU. Due to their long lead time, they are not expected to be delivered until late summer 2024. With Virtual Reality technology now becoming more accessible, a Meta Quest 3 VR Headset was purchased for use by patients in the Day Hospice and IPU.</p> <p>The Charity's Henderson Education £10,000 Fund pays for specialist palliative care education and training for Hospice staff. It enables nurses and other healthcare professionals to benefit from specialist training courses and conferences helping them to further their knowledge of palliative care and providing them with the latest pain management techniques. In the year we funded palliative care and specialist training for the new Lymphoedema Specialist, various courses to upskill the CNSs and our Deputy Bereavement Listening Lead commenced a Level 3 certificate in Counselling. The Charity also funded the Physiotherapist to attend a day conference in palliative care for patients with neurological diseases.</p>
<p>To deliver further income growth from the Charity's Retail operation, including new shops, online sales, and Gift Aid; to ensure the continual delivery of sustainable retail income from a larger portfolio of shops.</p>	<p>After the continued strong Retail performance in 22/23, there was good reason to be optimistic for Retail turnover, and the year started with ambitious targets of £2.43m which included the opening of two new shops, and full year trade for the two shops opened in 22/23.</p> <p>The year ended with a Retail turnover of £2.6m which is +9% on budget and +43% up on 22/23. This income is made up of £2.08m from the existing shop portfolio, and £546k additional income from the four new shops opened in 22/23 and during 23/24.</p> <p>All of the shops delivered significant growth on the previous year and the majority performed well above the budget set. Online sales grew 94% against 22/23.</p> <p>Two new shops were opened during the year – Hazlemere in April 2023 and Princes Risborough in August 2023.</p> <p>Gift Aid performance continued to improve resulting in a possible Gift Aid claim of £130k compared to £87k in 22/23.</p> <p>The total profit raised by Retail (before transfer to Charity) was £866k which is +58% against budget and +85% against the previous year.</p> <p>Overall, 23/24 was another very successful year for Retail and there is optimism to grow income further. The key objectives for 24/25 will be to grow Retail income from the current portfolio and online to</p>

Report of the trustees

	<p>£2.86m; continue retail expansion by acquiring or relocating up to three more new shops; implement an improved till system to improve reporting and drive Gift Aid; and generate sufficient donated stock from the local community to ensure the continual delivery of sustainable retail income from a larger portfolio of shops.</p>
<p>To increase income from Fundraising across all areas, with a particular focus on completing the diversification project by increasing income across charitable Trusts, Major Gifts, In Memory, Corporate and Regular Giving. In addition to continue the approach of 'fewer, bigger' events, including expanding the Onstage theatre productions and Forever Flowers.</p>	<p>23/24 has been a better year than 22/23, with fundraising income (excluding legacies) up 3% compared to prior year, as the new fundraising team has settled and stabilised.</p> <p>Activities are now diversified, with trust fundraising, major gifts, in memory giving, corporate giving and regular giving all continuing to grow.</p> <p>The Wiz performance at the Aylesbury Waterside was a huge success with 139 local children taking part, including 32 funded by Buckinghamshire Council's Community Board in Aylesbury, for children who would otherwise not be able to afford a place. Two performances took place watched by 1,247 local people. Nativity! The Musical at the Wycombe Swan was equally well attended, with 100 local children taking part. who were watched by an incredible 1,570 people over two performances. Together these shows provide an amazing opportunity to dispel the myths of hospice care and raise awareness amongst young people.</p> <p>614 forget-me-not metal flowers were dedicated in memory of loved ones at our Forever Flowers display at Waddesdon Manor in 2023. This was an increase of 115 from the 2022 showing and marked a wonderful adoption of this very precious In Memory event which has become an important part of our events calendar. Other events such as FlorenceFest and Walk of Light were introduced into the calendar.</p> <p>Significant progress was made with Gift Aid, with a record claim being made in the year, following an extensive review of existing gifts and the huge support given by valued supporters who are current UK taxpayers.</p>
<p>To support all the Volunteers who offer their time and expertise to support the Hospice and Charity, and to recruit additional ones to assist with Hospice services and the growth of the Charity. This will include recruiting volunteers from communities and groups who are currently under-represented.</p>	<p>We are extremely grateful to the 769 volunteers who have supported us throughout 2023/24. This is a 24% increase in our volunteer workforce since last year. Our volunteers support the Hospice directly in numerous ways: such as supporting patients in the In-patient Unit and Day Hospice, by driving them to and from the Day Hospice, covering reception, looking after the garden, offering therapies including touch therapies and Reiki and as bereavement listeners. Many of the patients and families have shared how valuable our volunteers are to the Hospice. The clinical staff at the Hospice greatly appreciate the support and time given by the volunteers. On the Charity-side, volunteers carry out admin and other specialist roles at Head Office, as well as supporting Fundraising events. Volunteers working in our charity shops sort donations, operate the till, merchandise the shop and windows and we have a team of volunteers who work with our online sales team. Retail volunteers made up 65.6% of the Volunteer workforce in 2023/24 and this group gave an amazing 60,902.30 hours in total for the year. The Charity and Hospice could not deliver or fund all that we deliver without this huge volunteering effort.</p>

Report of the trustees

	<p>In Summer 2023 the Volunteering Engagement Managers carried out a Volunteer Engagement and Diversity survey receiving 175 responses. The survey told us that 84.5% of those who responded rated their feeling of being valued as 8 or above out of 10. 60% of the volunteers gave 10/10 for feeling proud to volunteer for Florence Nightingale. The survey also provided some insight into the diversity within the volunteer workforce, of those who responded 8.5% were from a non-white British ethnic group.</p> <p>Our current Volunteer Engagement Team have been in post since January 2024. They support the recruitment, retention, and engagement of volunteers across the Charity. They are the main contacts for all volunteering matters and work on enhancing the overall volunteer experience, to ensure the Charity and Hospice offer rewarding, productive and fulfilling environments for volunteers. The team also support Charity and Hospice staff to effectively manage their volunteering teams. The 'Nightingale' eNewsletter is issued to volunteers every month, which shares news from the Hospice and the Charity as well as information directly related to volunteering. Volunteer service certificates, badges and gifts are awarded to mark significant anniversaries. These continue to be gratefully received by our volunteers. We also nominate Volunteers for local and national awards. Thank you events were held for our volunteers as part of Volunteers' Week and also at Christmas-time.</p> <p>We remain extremely grateful to the Rothschild Foundation for part-funding one of the Volunteer Engagement Manager roles. One of the objectives of their grant is to recruit additional volunteers from communities and groups who are currently under-represented. These include those with disabilities, minority ethnic communities, ex-offenders, and younger people.</p> <p>We have been particularly successful in recruiting volunteers from underrepresented groups within our shops. This includes the relationship the online team have with a local SEN school, the shops who have been involved with the community payback scheme working with the probation service, our shops who are able to support Duke of Edinburgh volunteering placements for those who are 14 years old and the shops who support volunteers with additional needs.</p>
<p>To continue with the Charity's IT modernisation programme by reviewing our Finance system and Retail EPoS system to make our Charity better connected and drive business efficiencies.</p>	<p>The project to select a new EPOS system is well advanced. Needs have been identified and two systems shortlisted. Final checks are underway before making a decision. Implementation and training for staff and volunteers will then commence. Likely benefits are increased gift aid income, better communications with those donating goods under the charity retail scheme and improved financial analysis. The Charity's finance system will be reviewed in Quarter 3.</p>

Report of the trustees

Main objectives for the Florence Nightingale Hospice Charity in 2024/25

- To continue to provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by commissioning services from the Florence Nightingale Hospice and potentially other providers, to be delivered in the Hospice building and in the community.
 - We will explore whether additional palliative care services need to be provided such as a community outreach/befriending scheme to offer support to people touched by end of life issues and facing loneliness and isolation. One option being considered is to follow the Compassionate Neighbours approach which has these objectives.
 - We will also assess whether any capital improvements or purchases of equipment need to be made at the Hospice to benefit patients & staff. Specialist chairs are being purchased for patients in the In-patient unit and we are likely to refit the Day Hospice kitchen.
- To deliver further income growth from the Charity's Retail operation, including two new shops at Gatehouse Way and Jansel Square in Aylesbury, online sales, improving Gift Aid income and deriving other improvements from an improved EPOS system; and generating sufficient donated stock from the local community to ensure the continual delivery of sustainable retail income from a larger portfolio of shops.
- To increase fundraising profitability in every area of fundraising, including bringing back Strictly Florence, a Gala Dinner and the Midnight Walk into the events programme for the Hospice's 35th anniversary. To prioritise excellent supporter care across every aspect of fundraising, including holding more supporter celebration events and improving the information we send to our supporters. Finally, to maximise the value of every pound given to us by continuing to promote the benefits of Gift aid to supporters.
- To meet our goal of education and raising awareness of excellent hospice care through the information and case studies on our website and social media, at community events and by refreshing the Hospice's leaflets for patients. The Marketing Department will also promote our income generation and we will participate in Hospice UK's national Legacy marketing campaign.
- To support all the Volunteers who offer their time and expertise to support the Hospice and Charity, and to recruit additional ones to assist with Hospice services and the growth of the Charity. This will include recruiting volunteers from communities and groups who are currently under-represented. This year a new Volunteer Strategy will be written and launched focusing on the foundations for a positive volunteering experience as well as a project on implementing a VSM (Volunteer Management System) to support the growing volunteer workforce.
- To continue with the Charity's IT modernisation programme to increase business efficiency by selecting and implementing a new Retail EPOS system and a new Finance system.

Financial review

The results for the year ended 31 March 2024 are given in the Consolidated Statement of Financial Activities together with the Consolidated Balance Sheet giving details of the assets and liabilities. The comparative figures are for the year ended 31 March 2023.

The Charity made a profit before investment gains and losses of £479,201 compared with a profit in 2023 of £519,516, a small decrease of £40,315. Net income after investment losses and gains was £743,021 (2023: £317,514).

Legacy income received in the year was £588,260 (2023: £621,991). In common with other charities legacies are recognised when certain criteria are achieved: the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty.

Report of the trustees

The cost of services commissioned from Buckinghamshire Healthcare NHS Trust increased by £128,920 to £1,200,990. (The Charity had in fact budgeted for the higher sum of £1,529,200 but vacancies in the Hospice team meant that some costs were lower). In addition, a further £25,061 was provided for specific Hospice projects and purchases (2023: £27,269). Overall expenditure on charitable activities increased by £146,400 to £1,437,241 (2023: £1,290,841).

The sum of £51,000 which was accrued in the previous year (for backpay related to the NHS 2022/23 pay increase and cost of living payment made to the NHS staff whose services were commissioned by the Charity) was released when it was confirmed that the NHS had met this cost.

The Charity's bank balance as at 31 March 2024 was £1,286,809 (2023: £1,377,571). This includes committed funds to cover the Quarter 4 payment to Buckinghamshire Healthcare NHS Trust of £348,416 which was paid in May 2024.

Post Balance Sheet Events

None to report.

Investments Performance Review

The Charity's investment portfolio is managed by Cazenove Capital Management Limited. The care of the investment portfolio comes under the remit of the main Board with the detail reviewed by the Finance Committee. A Cazenove Capital management representative attends that Committee every six months to review the performance of the Charity's investments.

The Investment Policy was reviewed by Trustees in May 2024. The Policy seeks to invest in an Ethical Portfolio seeking to 'Do no harm', with a specific barrier on investing in tobacco or other carcinogenic industries given the proven link to cancers. We also seek to produce the best financial return within an acceptable level of risk. The investment objective for the long-term designated reserves is to generate a return in excess of inflation over the long term in order to cover the long-term off-balance sheet liabilities as well as provide capital growth for the expansion of the Charity's operations. A total return approach to investment is appropriate as short-term income is not the main objective. The investment objective for the short-term reserves is to preserve capital value with minimum level of risk. Assets should be readily available to meet anticipated cash flow requirements.

The year was characterized by the following trends. Global equity markets continued their positive run from the end of 2023 driven predominantly by the US and Emerging Markets as Continental Europe dragged. High performing technology and Artificial Intelligence companies pushed stock prices higher. Bond markets were more volatile. Commodities had a strong period led by copper and other industrial and precious metals, whilst energy prices were more mixed. Holdings in energy transition and water fell behind broader equity markets. Holdings in gold as well as the Schroder Sustainable Diversified Alternative Assets fund also helped boost overall returns over the period.

The value of the investments at 29 March 2024 was £6,417,936 (2023: £5,236,392). This included a cash inflow of £700,000. The Charity's investments were revalued at 29 March 2024 at a market value in accordance with the accounting policies, resulting in an unrealised gain of £263,820 (2023: loss of £202,002)

As noted above, the main focus is on long term capital growth rather than income generation, the sustainable multi asset fund which the assets are now invested in distributes 1% per quarter and the intention is to reinvest these into the portfolio unless otherwise required. The portfolio is showing a return of 3.7% to March 2024.

Report of the trustees

The Total Return on the portfolio over the 12-month period to 29 March 2024 was 8.5% (versus 9.3% for the ARC PCI Growth Index). Our deliberate lack of exposure to Mining, Oil and Gas has had a slightly negative but hopefully short-term impact on returns because of the global context described above.

Reserves policy

The Charity's Reserves policy (based on the Charity Commission's Guidance CC19) reflects our long-term financial commitments and the Trustees' desire to commission additional Hospice-related services in the medium to long term.

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The starting point for calculating the amount of free reserves held is therefore the amount of unrestricted funds held by a charity. However, some or all of the unrestricted funds of a charity may not be readily available for spending. This is because spending those funds may adversely impact on the charity's ability to deliver its aims. In accordance with the Charity Commission guidance, the items that should be excluded from free reserves are:

Commitments that have not been provided for as a liability in the accounts:

- The Florence Nightingale Hospice Charity generally has in place a series of three-year service level agreements with Buckinghamshire Healthcare NHS Trust (BHT) for the provision of various services at or connected to the Florence Nightingale Hospice. These contracts have staggered dates and therefore on average have eighteen months to two years unexpired term; and
- The Charity has long-term financial commitments on the leases on its shops and head office premises.
- Designated funds set aside to meet essential future spending, such as funding a project that could not be met from current income. An example of this was the FNH@Home service.

The remaining unrestricted reserves, 'free reserves', should be adequate to cover fluctuations in the Charity's finances brought about by the unpredictability of income sources or unexpected costs that might arise. The Covid-19 pandemic and cost of living crisis have shown that some of the Charity's income streams are susceptible to fluctuation, which along with the unpredictable nature of legacy income, results in a degree of volatility of income.

The Trustees continue to believe that the Charity should aim to hold free reserves of between six and twelve-months running costs, alongside designated reserves to cover the long-term financial commitments and future essential project funding.

Designated reserves at 31 March 2024 were £5,903,872 (2023: £5,927,349). Target free reserves are in the range £1,334,000 - £2,669,000. At 31 March 2024 free reserves were £2,461,398 (2023: £1,608,516). Strong financial performance in 2024 means that the Charity has improved its free reserves alongside increased commissioning of Hospice services and the additional lease liabilities caused by acquiring further shops to grow income. We are in the process of exploring additions to services, particularly the FNH@Home service, to help us meet increasing demand for care. This will call on our increased free reserves.

Fundraising standards information

The Fundraising Strategy, which identifies our income streams and the approach taken for each activity in line with the Code of Fundraising Practice, was reviewed and approved by the Trustees as part of budgeting in February 2024.

Report of the trustees

The Charity is registered with the Fundraising Regulator. The Fundraising Regulator holds the Code of Fundraising Practice for the UK. We follow the Code and ensure that our fundraising is respectful, open, honest and accountable to the public. Fundraising is done in-house or with a small number of trusted external providers. In 2023/24 we worked with a third party on a telephone campaign to promote regular giving. Calling took place in April 2024 and as a result the charity acquired 60 new regular supporters.

All fundraising activity is carried out within the terms of the Charity's Vulnerable Person Policy, which places a strict duty on staff as regards to appropriate communication and behaviour. The charity prevents unreasonable intrusion and persistent approaches by excluding recently bereaved individuals from fundraising appeals for 1 year. Supporters can also opt-in or opt-out of fundraising communications. As frontline fundraisers routinely work with bereaved people, bereavement training forms part of the induction process of new fundraisers and is refreshed annually.

The Charity has not received any complaints regarding its fundraising efforts in the year ended 31 March 2024 or to the date of this report.

In all our policies and practices, we have not actively sought additional data that is not already in the public domain. We only record data that people opt to provide to us.

Going Concern

The financial statements have been prepared on a going concern basis. Although the financial climate remains challenging, the planned diversification of our income streams and level of free reserves mean Going Concern remains the appropriate basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Volunteers

The Charity benefits from the support of around 769 volunteers of all ages who use their skills and experience to work alongside Charity staff on retail and fundraising activities, and with the Hospice team providing patient and family support directly.

Without the time and expertise of our volunteers we could not support and enhance the lives of local patients and families or raise the funds needed to secure vital palliative care services for our community. We are extremely grateful for their huge contribution. Trustees recognise and appreciate the value of our volunteers who support hospice services, income generation and back-office functions.

Staff

Trustees would like to record their sincere thanks to all of the staff of Florence Nightingale Hospice who deliver such skilled and compassionate palliative and end of life care for local people at times of greatest need.

The Trustees would also like to thank all of the staff of Florence Nightingale Hospice Charity for their hard work and the dedication shown over the year. The Charity team commission Hospice services and help promote the importance of excellent palliative care, as well as raising and administering the funds needed.

The directors, who are the Charity's trustees, the Chief Executive and the senior management team (see below) comprise the senior management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

Report of the trustees

The Senior Management Team comprises the Chief Executive; the Heads of Retail, Fundraising and Finance; and the senior managers leading Staff, Volunteers, Marketing & Comms and Hospice Projects. In the year, Nicky Saunders was promoted to Head of Finance and Su Bennett joined as Volunteering Engagement Manager.

Pay policy for Charity staff

A committee comprising the Chairman, Chairs of the sub-committees, the HR Trustee and the CEO reviews pay and reward for all staff. To set a pay increase, the Committee considers the results of an independent benchmarking of pay rates. Following a review, improvements were made to Staff benefits including pension contributions and maternity/paternity leave. A new performance development system was devised and rolled out.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that year.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the exemptions provided by section 415A of the Companies Act 2006. Preparing the accounts of a small company does not require the preparation of a Strategic Report, although much of the typical content of such a report is included within the Trustees Report.

Report of the trustees

Approved by the Board of Trustees on 28 August 2024 and signed on their behalf by:



Noel Ratcliffe
Chair of Trustees

Independent Auditors Report to the Members and Trustees of Florence Nightingale Hospice Charity

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2024 and the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

Independent Auditors Report to the Members and Trustees of Florence Nightingale Hospice Charity

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 obtained all the information and explanations necessary for the purposes of our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditors Report to the Members and Trustees of Florence Nightingale Hospice Charity

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the group and charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the group and charitable company that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the group and charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Azets Audit Services

Paul Creasey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services, Statutory Auditor
Heathrow

Date: *29 August 2024*

Principal accounting policies

General Information

Florence Nightingale Hospice Charity is a company limited by guarantee incorporated and domiciled in England. Its registered office address is Unit 2 Walton Lodge, Walton Street, Aylesbury, Buckinghamshire, HP21 7QY.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Public benefit

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

Going concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In making this assessment, the Trustees have considered the level of funds held and the expected levels of income and expenditure for the 12-month period after approving these financial statements. The budgeted level of income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Accounting convention

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

The consolidated statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking on a line-by-line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and as permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

All income is included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable, and the amount involved can be quantified with reasonable certainty. They are included in the statement of financial activities.

Cash collected to which the Charity is legally entitled but which has not been received at the year-end is included as income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when donations are received.

Principal accounting policies

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value

is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed, and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Investment Income

Investment income, including associated income tax recoveries, is recognised when receivable.

Government Grants

The Charity has received government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants is recognised at fair value when the charity has entitlement after any Performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is allocated between: -

- **Costs of raising funds** - These include costs of generating donations and legacies, costs of fundraising trading and costs of managing investments.
- **Charitable activities** - These comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives.
- **Governance costs** - These include the costs of governance arrangements which relate to the general running of the Charity and the compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Principal accounting policies

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value, after due regard for obsolete and slow-moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	Straight Line over the lower of 10 years or the life of the lease
Fixtures & fittings	20% Straight Line
Computer equipment	20% Straight Line
Vans	20% Straight Line

Capital expenditure over £1,000 is capitalised.

Tangible assets are stated at cost less accumulated depreciation.

Investments

Assets held for investment purposes are valued at market value at the balance sheet date. Traded securities are valued at their market quotation as at the year-end date.

Unlisted investments are stated at cost at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

Other financial instruments

a) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

b) Other debtors

Other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing rate of interest.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Taxation

The Charity can take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the Charity's subsidiary company because the

Principal accounting policies

directors of this company have indicated that they intend to make donations each year to the Charity equal to the taxable profits of the company under the Gift Aid scheme.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are monies earmarked by the Trustees for specific purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a Stakeholder pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Estimations

Support costs are those which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Consolidated statement of financial activities

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income						
Donations, Legacies and Grants	1	1,776,789	-	212,032	1,988,821	1,908,982
Income from other trading activities	2	2,369,687	-	-	2,369,687	1,886,415
Income from investments	3	226,776	-	-	226,776	90,744
Total income		4,373,252	-	212,032	4,585,284	3,886,141
Expenditure						
Costs of raising funds:						
Fundraising	4	703,446	-	-	703,446	529,286
Shops Trading	4	1,811,172	-	-	1,811,172	1,386,933
Support staff costs	4	154,224	-	-	154,224	159,565
Expenditure on charitable activities	5	1,229,231	-	208,010	1,437,241	1,290,841
Total resources expended		3,898,073	-	208,010	4,106,083	3,366,625
Taxation	11	-	-	-	-	-
Net income before gains/ (losses) on investments		475,179	-	4,022	479,201	519,516
Unrealised gains/(losses) on investment assets	12	263,820	-	-	263,820	(202,002)
Net income/expenditure		738,999	-	4,022	743,021	317,514
Transfers between funds		23,477	(23,477)	-	-	-
Net movement in funds	16	762,476	(23,477)	4,022	743,021	317,514
Reconciliation of funds						
Total funds brought forward at 1 st April		1,608,516	5,927,349	86,384	7,622,249	7,304,735
Total funds carried forward at 31st March	16	2,370,992	5,903,872	90,406	8,365,270	7,622,249

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All the above results are derived from continuing activities. All gains and losses recognised in the year are included.

Consolidated balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Fixed assets						
Tangible assets	11	489,890	-	-	489,890	482,121
Investments	12	-	6,417,936	-	6,417,936	5,236,392
		<u>489,890</u>	<u>6,417,936</u>	<u>-</u>	<u>6,907,826</u>	<u>5,718,513</u>
Current assets						
Stocks	13	6,415	-	-	6,415	11,668
Debtors	14	716,653	-	-	716,653	1,013,006
Cash at bank and in hand		1,710,467	(514,064)	90,406	1,286,809	1,377,571
		<u>2,433,535</u>	<u>(514,064)</u>	<u>90,406</u>	<u>2,009,877</u>	<u>2,402,245</u>
Creditors						
Amounts falling due within one year	15	(552,433)	-	-	(552,433)	(498,509)
Net current assets		<u>1,881,102</u>	<u>(514,064)</u>	<u>90,406</u>	<u>1,457,444</u>	<u>1,903,736</u>
Total assets less current liabilities		<u>2,370,992</u>	<u>5,903,872</u>	<u>90,406</u>	<u>8,365,270</u>	<u>7,622,249</u>
Net Assets		<u>2,370,992</u>	<u>5,903,872</u>	<u>90,406</u>	<u>8,365,270</u>	<u>7,622,249</u>
Funds						
Unrestricted funds					2,370,992	1,608,516
Designated funds					5,903,872	5,927,349
Restricted funds					90,406	86,384
Total funds	16				<u>8,365,270</u>	<u>7,622,249</u>

These financial statements were approved by the Board of Trustees on 28 Aug 24 and were signed on their behalf by:



Noel Ratcliffe
Chairman of Trustees

Charity balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Fixed assets						
Tangible Assets	11	56,102	-	-	56,102	55,526
Investments	12		6,417,938	-	6,417,938	5,236,394
		<u>56,102</u>	<u>6,417,938</u>	<u>-</u>	<u>6,474,040</u>	<u>5,291,920</u>
Current assets						
Debtors	14	1,472,943	-	-	1,472,943	1,608,805
Cash at bank and in hand		1,153,536	(514,066)	90,406	729,876	1,168,958
		<u>2,626,479</u>	<u>(514,066)</u>	<u>90,406</u>	<u>2,202,819</u>	<u>2,777,763</u>
Creditors						
Amounts falling due within one year	15	(462,304)	-	-	(462,304)	(406,538)
Net current assets		<u>2,164,175</u>	<u>(514,066)</u>	<u>90,406</u>	<u>1,740,515</u>	<u>2,371,225</u>
Total assets less current liabilities		<u>2,220,277</u>	<u>5,903,872</u>	<u>90,406</u>	<u>8,214,555</u>	<u>7,663,145</u>
Net Assets		<u>2,220,277</u>	<u>5,903,872</u>	<u>90,406</u>	<u>8,214,555</u>	<u>7,663,145</u>
Funds						
Unrestricted funds					2,220,277	1,649,412
Designated funds					5,903,872	5,927,349
Restricted funds					90,406	86,384
Total funds	16				<u>8,214,555</u>	<u>7,663,145</u>

These financial statements were approved by the Board of Trustees on 28 Aug 24 and were signed on their behalf by:

Noel Ratcliffe
Chairman of Trustees

Consolidated Cash flow statement

	2024 £	2023 £
Cash flows from operating activities:		
Net cash provided / (used in) by operating activities (analysed below)	<u>924,254</u>	<u>1,344,295</u>
	<u>924,254</u>	<u>1,344,295</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(97,292)	(274,294)
Purchase of investments	(6,335,672)	(1,288,810)
Proceeds from sale of investments	5,417,948	1,220,892
Net cash used in investing activities	<u>(1,015,016)</u>	<u>(342,212)</u>
Change in cash and cash equivalents in the reporting period	(90,762)	1,002,083
Cash and cash equivalents at the beginning of the reporting period	<u>1,377,571</u>	<u>375,488</u>
Cash and cash equivalents at the end of the reporting period	<u><u>1,286,809</u></u>	<u><u>1,377,571</u></u>

Note:

Reconciliation of net movement in funds	2024 £	2023 £
Net movement in funds for the reporting period (as per the statement of financial activities)	743,021	317,514
Adjustments for:		
Depreciation charges	89,523	63,692
Unrealised investment gains	(263,820)	202,002
Movement in stocks	5,253	(5,407)
Movement in debtors	296,353	607,996
Movement in creditors	53,924	158,498
Net cash provided by / (used in) operating activities	<u><u>924,254</u></u>	<u><u>1,344,295</u></u>

Analysis of changes in net funds

	2023 £	Cash Flows £	2024 £
Cash and cash equivalents	<u>1,377,571</u>	<u>(90,762)</u>	<u>1,286,809</u>

Notes to the financial statements (continued)

1 Donations, Legacies and Grants

	2024 £	2023 £
Donations (including In Memory and grants from Charitable Trusts)	1,400,561	1,070,252
Legacies	588,260	621,991
Other grants	-	216,739
	<u>1,988,821</u>	<u>1,908,982</u>

2 Income from other trading activities

	2024 £	2023 £
Fundraising from mass-participation and community events	348,574	370,290
Shop income	1,820,929	1,316,486
Lottery	200,184	199,639
	<u>2,369,687</u>	<u>1,886,415</u>

3 Income from investments

	2024 £	2023 £
Bank interest received	10,268	13,720
Dividends received	216,508	77,024
	<u>226,776</u>	<u>90,744</u>

4 Costs of raising funds

	2024 £	2023 £
Fundraising		
Direct staff costs (note 7)	398,697	305,518
Fundraising expenses and promotion	122,440	107,112
Support other costs	182,309	116,656
	<u>703,446</u>	<u>529,286</u>
Shops Trading		
Staff costs (note 7)	1,095,615	799,760
Other costs	715,557	587,173
	<u>1,811,172</u>	<u>1,386,933</u>
Support staff costs (note 7)	<u>154,224</u>	<u>159,565</u>

Notes to the financial statements (continued)

5 Expenditure on charitable activities

	2024 £	2023 £
Grant funding to staff and services delivered by Florence Nightingale Hospice	1,200,990	1,072,070
	1,200,990	1,072,070
Other direct costs	25,061	27,269
Staff costs (note 7)	112,060	82,573
Governance (note 6)	99,130	108,929
	1,437,241	1,290,841

6 Governance costs

	2024 £	2023 £
Staff costs (note 7)	45,763	44,145
Legal and professional fees	26,520	42,546
Auditors' remuneration	17,950	17,278
Auditors' remuneration for non-audit services	8,897	4,960
	99,130	108,929

7 Allocation of staff costs

2024:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2024 Total £
Payroll	383,406	1,081,194	44,503	105,081	151,406	1,765,590
Recruitment & Training	12,920	5,834	542	3,300	1,590	24,186
Other staff costs	2,371	8,587	718	3,679	1,228	16,583
	398,697	1,095,615	45,763	112,060	154,224	1,806,359
2023:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2023 Total £
Payroll	281,555	784,607	42,398	73,420	154,532	1,336,512
Recruitment & Training	21,583	5,358	923	5,328	4,263	37,455
Other staff costs	2,380	9,795	824	3,825	770	17,594
	305,518	799,760	44,145	82,573	159,565	1,391,561

The allocation of staff costs has been reviewed. A proportion of costs have been allocated to the Support function. This is defined as costs which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Notes to the financial statements (continued)

8 Net income

Net income is stated after charging

	2024	2023
	£	£
Auditors' remuneration: Group (Including Parent company)	17,950	16,980
Auditors' remuneration for non-audit services	8,898	4,960
Depreciation	89,523	63,692
Operating lease payments – land and buildings	<u>388,723</u>	<u>307,525</u>

9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 (2023: £nil).

Trustees' expenses

There were no expenses reimbursed to the Trustees in the year ended 31 March 2024 (2023: £nil).

There were no expenses in the year (2023: nil).

Donations from trustees

Donations from trustees totalled £269 in the year ended 31 March 2024 (2023: £734)

10 Staff costs

	2024	2023
	£	£
Wages and salaries	1,585,589	1,194,735
Social security costs	131,665	105,249
Pension costs	48,336	36,528
	<u>1,765,589</u>	<u>1,336,512</u>

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

	2024	2023	2024	2023
	FTE	FTE	No.	No.
Fundraising & Retail	33	30	49	40
Administration	6	5	9	7
Governance	1	1	1	1
Charitable activities	2	4	3	5
	<u>42</u>	<u>40</u>	<u>62</u>	<u>53</u>

Two employees earned more than £60,000 with one more than £70,000 during the year (2023: One).

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £430,453 (2023: £316,062).

Notes to the financial statements (continued)

11 Tangible fixed assets

Group	Short leasehold improvements £	Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2023	243,194	420,788	31,195	137,388	832,565
Additions	42,945	36,413	14,500	3,434	97,292
At 31 March 2024	<u>286,139</u>	<u>457,201</u>	<u>45,695</u>	<u>140,822</u>	<u>929,857</u>
Depreciation					
At 1 April 2023	43,047	189,489	31,194	86,714	350,444
Charge for the year	25,498	48,515	725	14,785	89,523
At 31 March 2024	<u>68,545</u>	<u>238,004</u>	<u>31,919</u>	<u>101,499</u>	<u>439,967</u>
Net Book Amount					
At 31 March 2024	<u>217,594</u>	<u>219,197</u>	<u>13,776</u>	<u>39,323</u>	<u>489,890</u>
At 31 March 2023	<u>200,147</u>	<u>231,299</u>	<u>1</u>	<u>50,674</u>	<u>482,121</u>
Charity					
		Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2023		29,483	18,245	81,811	129,539
Additions		15,308	-	-	15,308
At 31 March 2024		<u>44,791</u>	<u>18,245</u>	<u>81,811</u>	<u>144,847</u>
Depreciation					
At 1 April 2023					
Charge for the year		11,830	18,245	43,938	74,013
		4,396	-	10,336	14,732
At 31 March 2024		<u>16,226</u>	<u>18,245</u>	<u>54,274</u>	<u>88,745</u>
Net Book Amount					
At 31 March 2024		<u>28,565</u>	<u>-</u>	<u>27,537</u>	<u>56,102</u>
At 31 March 2023		<u>17,653</u>	<u>-</u>	<u>37,873</u>	<u>55,526</u>

Notes to the financial statements (continued)

12 Fixed asset investments

Group		Listed	Shares in	Totals
		Investments	participating	
		£	interests	£
Market value				
At 1 April 2023		5,219,713	16,679	5,236,392
Additions		6,335,672	-	6,335,672
Disposals		(5,417,948)	-	(5,417,948)
Investment gains		263,820	-	263,820
		<u>6,401,257</u>	<u>16,679</u>	<u>6,417,936</u>
At 31 March 2023		<u>6,401,257</u>	<u>16,679</u>	<u>6,417,936</u>
Net book value				
At 31 March 2024		<u>6,401,259</u>	<u>16,679</u>	<u>6,417,938</u>
At 31 March 2023		<u>5,219,713</u>	<u>16,679</u>	<u>5,236,392</u>
Charity	Shares in	Listed	Shares in	Totals
	group	Investments	participating	
	undertakings	£	interests	£
	£	£	£	£
Market value				
At 1 April 2023	2	5,219,713	16,679	5,236,394
Additions	-	6,335,672	-	6,335,672
Disposals	-	(5,417,948)	-	(5,417,948)
Investment gains	-	263,820	-	263,820
	<u>2</u>	<u>6,401,257</u>	<u>16,679</u>	<u>6,417,938</u>
At 31 March 2024	<u>2</u>	<u>6,401,257</u>	<u>16,679</u>	<u>6,417,938</u>
Net book value				
At 31 March 2024	<u>2</u>	<u>6,401,257</u>	<u>16,679</u>	<u>6,417,938</u>
At 31 March 2023	<u>2</u>	<u>5,219,713</u>	<u>16,679</u>	<u>5,236,394</u>

The historical cost of listed investments (for Group and Charity) held at the year-end was £5,503,452 (2023: £4,089,803).

The Company's investments at the balance sheet date in the share capital of group undertakings and participating interests comprise the following:

The Hospice Lottery Partnership Limited

At 31 March 2024 the charitable company owned fourteen shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales, carrying out fundraising for five hospices including Florence Nightingale Hospice Charity. Florence Nightingale Hospice Charity has held an interest in The Hospice Lottery Partnership Limited since its incorporation in 1997. The directors consider this an investment as they have no significant influence and have no management rights in the strategic, tactical or operational decisions made by The Hospice Lottery Partnership Limited. The value of the investment in the company is recognised at cost as the equity investment is unquoted and the value cannot be measured reliably. The group does not intend to dispose of the investment in the foreseeable future.

Notes to the financial statements (continued)

Florence Nightingale Hospice Shops Limited

Nature of business: Operating Charity shops

Class of share:	%	2024	2023
Ordinary	holding	£	£
	100		
Aggregate capital and reserves		<u>150,715</u>	<u>(42,866)</u>

The investment in group undertakings relates to the cost of the 2 ordinary shares of £1 each, being 100% of the issued share capital of Florence Nightingale Hospice Shops Limited, a company incorporated in England and Wales, which is the trading subsidiary of the charitable company.

A summary of the results of the subsidiary is shown below:

	2024	2023
	£	£
Gross turnover	2,593,901	1,777,927
Gift Aid donated to Florence Nightingale Hospice Charity	<u>672,883</u>	<u>441,864</u>
Turnover	1,921,018	1,336,063
Cost of sales	<u>(82,161)</u>	<u>(60,500)</u>
Gross profit	1,838,857	1,275,563
Administrative expenses	(1,652,627)	(1,277,992)
Other operating and interest income	<u>7,351</u>	<u>32,034</u>
Net profit before tax and after Gift Aid donation related to donated goods	193,581	29,605
Tax on profit/(loss)	-	-
Net profit after Gift Aid donation related to donated goods	<u>193,581</u>	<u>29,605</u>
The aggregate of the assets, liabilities and reserves was:		
Assets	1,150,328	814,102
Liabilities	<u>(999,613)</u>	<u>(856,968)</u>
Reserves	<u>150,715</u>	<u>(42,866)</u>

Income from the sale of gift aided donated goods is not included in the subsidiary company's profit and loss account.

Notes to the financial statements (continued)

13	Stocks		
		2024	2023
		£	£
	Group	6,415	11,668

14 Debtors: Amounts falling due within one year

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Amounts owed by group undertakings	-	909,482	-	763,023
Prepayments and accrued income	156,023	49,191	106,696	28,643
Other debtors	560,630	514,270	906,310	817,139
	<u>716,653</u>	<u>1,472,943</u>	<u>1,013,006</u>	<u>1,608,805</u>

15 Creditors: Amounts falling due within one year

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Trade creditors	17,785	11,840	22,322	9,596
Other creditors	534,648	450,464	476,187	396,942
	<u>552,433</u>	<u>462,304</u>	<u>498,509</u>	<u>406,538</u>

16 Movement in funds

Group	At 1 April 2023 £	Net movement in funds £	At 31 March 2024 £
Unrestricted funds	1,608,516	762,476	2,370,992
Designated funds	5,927,349	(23,477)	5,903,872
Restricted funds	86,384	4,022	90,406
Total funds	<u>7,622,249</u>	<u>743,021</u>	<u>8,365,270</u>

Notes to the financial statements (continued)

Charity	At 31 March 2023 £	Net movement in funds £	At 31 March 2024 £
Unrestricted funds	1,649,412	570,865	2,220,277
Designated funds	5,927,349	(23,477)	5,903,872
Restricted funds	86,384	4,022	90,406
Total funds	<u>7,663,145</u>	<u>551,410</u>	<u>8,214,555</u>

Designated funds have been established for:

The funding of:

- The Charity's contractual commitments to the services delivered by the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, in 2024/25 and 2025/26.
- Two years' estimated cost for new agreed services not currently contracted,
- The annual hospice building capital budget.
- Rentals due on the Charity's HQ building and its current portfolio of shops to the break points in their leases, and
- An estimate of the rentals due on new shop leases likely to be acquired in 2024/25.

Restricted funds

During the year the group and the charitable company received donations that the donors had specified to be spent on certain areas of the Charity's expenditure. These are classified as restricted funds as follows:

	At 1 April 2023 £	Monies received £	Expenditure in year £	At 31 March 2024 £
Staff Benefit	28,046	8,920	(3,072)	33,894
FNH@Home	-	106,578	(106,578)	-
Day Hospice	-	511	(511)	-
Lymphoedema	-	1,639	(1,639)	-
Florrie's Children's Team	-	87	(87)	-
Volunteering	-	10,000	(10,000)	-
IPU Community Fund	-	18,623	(7,918)	10,705
Bereavement Project	18,425	-	(18,425)	-
Discharge Liaison Nurse	25,114	-	(23,665)	1,449
Nativity	4,800	-	(4,800)	-
Lymph Scanners	-	2,145	(2,145)	-
Therapy Support Worker	10,000	935	(10,314)	621
Carrington Trust	-	500	(479)	21
VR Headset	-	500	(379)	121
Wiz	-	18,000	(18,000)	-
E-Van	-	12,200	-	12,200
General Restricted	-	31,395	-	31,395
	<u>86,385</u>	<u>212,033</u>	<u>(208,012)</u>	<u>90,406</u>

Notes to the financial statements (continued)

	At 1 April 2022 £	Monies received £	Expenditure in year £	At 31 March 2023 £
Staff Benefit	27,115	5,098	(4,167)	28,046
FNH@Home	-	109,632	(109,632)	-
Day Hospice	-	1,250	(1,250)	-
Lymphoedema	-	610	(610)	-
Florrie's Children's Team	-	21,000	(21,000)	-
Volunteering	5,833	10,000	(15,833)	-
Schools Project	-	-	-	-
IPU Community Fund	-	5,285	(5,285)	-
Bereavement Project	17,068	67,856	(66,499)	18,425
Discharge Liaison Nurse	40,017	-	(14,903)	25,114
Nativity	-	6,300	(1,500)	4,800
Bladder Scanners	-	9,479	(9,479)	-
Therapy Support Worker	-	10,000	-	10,000
	<u>90,033</u>	<u>246,510</u>	<u>250,158</u>	<u>86,385</u>

The Charity is grateful for the support received from Charitable Trusts & Foundations that have made grants during the financial year. Larger grants were received from The Albert Hunt Trust, The Rothschild Foundation, The Stratton No.2 Charitable Trust, Fairhive, The Childwick Trust, The Hodge Foundation, The Anthony V Martin Charitable Foundation, and William Harding's Charity.

17 Related party transactions

The group and the charitable company received income from The Hospice Lottery Partnership Limited of which it is a shareholder, totalling £200,184 in the year (2023: £199,639). At the year-end there was a balance of £540 (2023: £nil) owed from The Hospice Lottery Partnership Limited to the group and the charitable company.

Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports, benefitting from a contribution to our funds of £3,027,464 (2023: £2,827,464) since that time. There are now seven hospices which are supported through this company. Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised.

When needed, the Charity has utilised the services of Parrott and Coales LLP for legal advice and to process property leases. This entity closed in April 2023 and so the Charity will no longer be using their services. Mr J Leggett formerly from Parrott and Coales LLP is a Trustee. The value of the amount spent by the Charity with Parrott and Coales LLP for legal work in the year was £2,190+VAT (2023: £8,495+VAT).

During the year, APS Accountancy Limited, donated £1,200 (2023: £nil) to the charity. Mr C Shennan, a Trustee, is also a Director of APS Accountancy Limited.

Notes to the financial statements (continued)

18 Operating lease commitments

As at 31 March 2024 the Charity had total commitments under non-cancellable leases as follows:

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Within one year	386,541	223,750	355,373	184,783
Between one and five years	1,081,017	758,675	1,071,593	642,820
In more than five years	761,683	694,045	825,384	697,622
	<u>2,229,241</u>	<u>1,676,470</u>	<u>2,252,350</u>	<u>1,525,225</u>

19 Outstanding membership liability

Each member gives a guarantee to contribute a sum, not exceeding £10, to the Charity should it be wound up.

20 Financial instruments

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Financial assets measured at fair value through net income/expenditure				
Fixed asset investments	<u>6,401,257</u>	<u>6,401,259</u>	<u>5,219,713</u>	<u>5,219,715</u>
Financial assets measured at amortised cost				
Fixed asset investments	<u>16,679</u>	<u>16,679</u>	<u>16,679</u>	<u>16,679</u>
Debt instruments measured at amortised cost				
Other debtors	560,630	514,270	906,310	817,139
Amounts owed by group undertakings	-	909,482	-	763,023
	<u>560,630</u>	<u>1,423,752</u>	<u>906,310</u>	<u>1,580,162</u>
Financial liabilities measured at amortised cost				
Trade creditors	17,785	11,840	22,322	9,596
Other creditors	534,648	450,464	476,187	396,942
	<u>552,433</u>	<u>462,304</u>	<u>498,509</u>	<u>406,538</u>

Notes to the financial statements (continued)

The income, expenses, net gains and losses attributable to the Charity's financial instruments are summarised as follows:

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Income and expenses				
Financial assets measured at fair value through net income/expenditure	<u>226,775</u>	<u>226,775</u>	<u>90,744</u>	<u>90,744</u>
Net gains and losses (including changes in fair value)				
Financial assets measured at fair value through net income/expenditure	<u>263,820</u>	<u>263,820</u>	<u>(202,002)</u>	<u>(202,002)</u>

21 Comparative statement of financial activities

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2023 £
Income					
Donations, Legacies and Grants	1	1,662,472	-	246,510	1,908,982
Income from other trading activities	2	1,886,415	-	-	1,886,415
Income from investments	3	90,744	-	-	90,744
Total income		<u>3,639,631</u>	<u>-</u>	<u>246,510</u>	<u>3,886,141</u>
Expenditure					
Costs of raising funds:					
Fundraising	4	529,286	-	-	529,286
Shops Trading	4	1,386,933	-	-	1,386,933
Support staff costs	4	159,565	-	-	159,565
Expenditure on charitable activities	5	1,040,682	-	250,159	1,290,841
Total resources expended		<u>3,116,466</u>	<u>-</u>	<u>250,159</u>	<u>3,366,625</u>
Taxation	11	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

Net income before gains/ (losses) on investments		523,165	-	(3,649)	519,516
Unrealised gains/(losses) on investment assets	13	<u>(202,002)</u>	<u>-</u>	<u>-</u>	<u>(202,002)</u>
Net income/expenditure		321,163	-	(3,649)	317,514
Transfers between funds		<u>(934,462)</u>	<u>934,462</u>	<u>-</u>	<u>-</u>
Net movement in funds	17	(613,299)	934,462	(3,649)	317,514
Reconciliation of funds					
Total funds brought forward at 1 st April		2,221,815	4,992,887	90,033	7,304,735
Total funds carried forward at 31st March	17	<u>1,608,516</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,622,249</u>

FLORENCE NIGHTINGALE HOSPICE CHARITY

England & Wales - Charity number 1119499

Accounts



Florence
Nightingale
HOSPICE CHARITY

Report of the Trustees and Consolidated Financial Statements

For the Year Ended 31 March 2023

Company Registration Number: 06187174
Registered Charity No. 1119499

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Reference and administrative details

Company registration number	06187174
Charity number	1119499
Registered office	Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY
Board of Trustees	Mr P Bridgman Mr P Cotton Mrs D Earnshaw Mr M Fabes Mr S Jones Mr J Leggett Dr (M) R Mason Ms J Naismith Ms S Plumridge Mr N Ratcliffe (Chair) Mr C Shennan
Chief Executive	Mrs J Turner
Bankers	Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD
Auditors	Azets Audit Services Suites B & D Burnham Yard Beaconsfield HP9 2JH
Investment advisors	Schroder & Co. (Trading as Cazenove Capital) 1 London Wall Place London EC27 5AU
Website address	www.fnhospice.org.uk

Report of the trustees

Report of the trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2023.

Objectives and activities for the public benefit

The Charity's vision is to provide the best hospice care for everyone in Buckinghamshire and bordering areas who needs it, wherever and whenever they need it.

Objectives and aims

The objects of Florence Nightingale Hospice Charity (the Charity or FNHC) are to promote the relief of people who are suffering from any chronic or terminal illness, disability or disease, or other physical or mental infirmity by:

- Providing care for persons who are suffering as aforesaid by establishing, maintaining and conducting one or more residential nursing homes in England or Wales and by providing medical or other treatment and attention for any persons in their own homes and to provide assistance to other bodies or persons in achieving such provisions;
- Conducting, promoting or encouraging research into care and treatment of persons suffering any illness, disability, disease or infirmity, particularly into the care and treatment of persons suffering from cancer or terminal illness;
- Promoting, encouraging or assisting in the teaching or training of the medical and clinical professions or allied services;
- Providing, assisting or encouraging the provision of spiritual help and guidance for any persons resident (either as patients or otherwise), visiting, or working in any such home or homes as aforesaid;
- Providing, encouraging or accessing the provision of psychosocial support to families when needed.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities for the year.

In order to meet these objectives, the Charity works in partnership with Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, and commissions services from them by funding or part-funding specific services, teams, individual posts and equipment including:

Working in the Florence Nightingale Hospice based at Stoke Mandeville Hospital

- In-Patient Unit: the Charity commissions additional staffing to cover absences thereby protecting and maintaining appropriate staffing levels within the 12 bed In-Patient Unit.
- Day Hospice: the Charity commissions a Day Hospice which aims to improve the personal wellbeing of patients through symptom management advice, psychological and therapeutic support, diversional techniques and complementary therapies.
- Lymphoedema Clinic: the Charity commissions this service which provides specialist assessments of patients' symptoms (such as swelling, pain, loss of function of a limb and skin infections) and treatment through massage and specialist compression bandaging.
- Discharge Liaison Nurse: the Charity provides this post which assesses and co-ordinates the timely discharge of patients from the Hospice and, where necessary, plans packages of palliative care on discharge; therefore facilitating patients' preferred place of care.
- Triage Nurse: the Charity provides a Triage Nurse who manages patients requiring telephone support, and also makes first contact with patients referred to assess their needs and to start symptom control as soon as possible.
- Capital costs: the Charity provides specific clinical equipment and also the refurbishment of parts of the Hospice building as identified by the clinical leads. The Charity provides for the upkeep of the Hospice's

Report of the trustees

courtyard garden, therapeutic and diversionary materials and additional food and beverages provided for patients and visitors.

In the community

- **FNH@Home:** the Charity commissions a team of qualified nurses and carers who administer palliative care across the Aylesbury Vale in patients' homes so they can receive the same level of care and medical attention as they would receive in the In-Patient Unit at the Hospice. FNH@Home was established in 2019 and now incorporates the senior Community Palliative Care nurses and the Healthcare Assistants formerly known as Nightingale 24/7.
- **Florrie's Children's Team:** the Charity provides this small team which delivers respite care for children with life-limiting illness in their own homes in addition to offering support to parents and siblings.
- **Support:** the Charity commissions additional resource in this team and provides over 50 Volunteer Bereavement Listeners who support adults and children pre- and post-bereavement.

Other

- **Education:** the Charity purchases specialist training and professional development for Hospice professionals through the Henderson Fund which was created in memory of husband and wife, Karen and Jim Henderson. Karen was a former Matron at the Hospice and Jim a former Trustee of the Charity, and their combined contribution to the development of the Hospice was enormous.
- **Volunteers:** the Charity also meets the costs of the Volunteers who contribute to hospice care and income generation, specifically mileage costs incurred whilst driving patients.

Structure, governance and management

Governance

Florence Nightingale Hospice Charity is a charitable company limited by guarantee; incorporated and registered with the Charity Commission on 27th March 2007. It is governed under its Memorandum and Articles of Association. The liability of the members is limited to an amount not exceeding £10.

Organisational structure

The full Trustee Board meets quarterly with the Chief Executive and other members of the Senior Management Team as required, to review the strategic plan and operational activities of the Charity and the trading subsidiary. Day-to-day management is delegated to the Chief Executive, Jo Turner. The Chief Executive presents comprehensive reports on activity, policy papers and financial updates in advance of each meeting to ensure the Trustees are fully informed of the operational, financial, and wider policy context. The Board also has responsibility for overseeing the Charity's investments.

The Trustees who have served during the year are listed below. They have served throughout the entire year except where stated.

Dr Alan Watt (Retired 20 October 2022)
Mr N Ratcliffe (Chair)
Mr P Bridgman
Mr P Cotton
Mrs D Earnshaw
Mr M Fabes
Mr S Jones (Treasurer)
Mr J Leggett
Dr (M) R Mason (Co-opted 31 August 2022)
Ms J Naismith
Ms S Plumridge
Mr C Shennan

Report of the trustees

The Trustees have approved a delegated responsibility to three sub-committees.

The Governance sub-committee meets quarterly, or as required, to address governance issues. Trustees in attendance are John Leggett (Chair), Noel Ratcliffe, Peter Cotton, Dr Ruth Mason and Tracey O'Hara (joined as HR Trustee in July 2023).

Trustee reviews were conducted in the year by Mr Ratcliffe as Chair to discuss their experience of being on the Board and their thoughts about how the Charity delivers its purpose and relates to the Florence Nightingale Hospice as delivery partner. Findings were discussed at Governance Committee and the main Board. This exercise will be repeated periodically. In the year Governance Committee also completed a review of the Charity's complaints policy and process.

The Finance and Audit committee meets quarterly, or as required, to review and monitor management reports and cash flow and evaluate new income generation initiatives with the Chief Executive, Head of Finance, Head of Fundraising and other members of the senior management team as appropriate. Trustees in attendance are Simon Jones (Chair), Noel Ratcliffe, Sarah Plumridge and Chris Shennan. This committee also oversees FNHC's investments by receiving reports from Cazenove and an in-person briefing from our Investment Manager every six months. Our investments policy has been reviewed and revised.

A Pay and Reward Committee has been formed to advise on remuneration and is attended by the Chair, the Chairs of each sub-committee, the new HR trustee and the Chief Executive.

The Board of Florence Nightingale Hospice Shops Limited also reports to the Trustees on the retail activities of the business.

Dr Alan Watt stepped down from the Board at the AGM in October 2022 at the end of his 12-year term. He was Chair from 2017 until handing over to Noel Ratcliffe in 2021. We are immensely grateful to Alan, previously the senior partner at Waddesdon Surgery, for his huge contribution to the development of the Charity and its commissioning of excellent local Hospice care. In 2022/23 we recruited a new Trustee with senior experience of HR, volunteering and organisational change. Mrs Tracey O'Hara joined the FNHC Board in May 2023. She is the Deputy Director of People & Culture at the Teenage Cancer Trust and was previously Head of People & Development at FNHC until March 2019. We will soon commence the recruitment of a new Trustee with Fundraising expertise, to further widen the Board's skills.

Florence Nightingale Hospice Charity complies with all recommended codes of practice. We are a member of Hospice UK, the Fundraising Regulator, the Fundraising Preference Service, the Charity Retail Association, the National Council for Voluntary Organisations and the Association of Chief Executives of Voluntary Organisations. During the year the CEO kept up to date with developments in the hospice and wider charity sector by attending national and regional sessions led by Hospice UK and other groups including an informal group of Charities Supporting NHS Hospices that she helped to form in 2020.

Recruitment and appointment of new Trustees

FNHC's Trustee selection process requires those who are being considered for joining the Board to be interviewed by a panel of not fewer than two, and no more than three, current Trustees who are nominated by the Chair according to circumstances. The interview panel submits a recommendation to the Board of Trustees for a final decision. However, if a candidate has been recommended or introduced by a particular Trustee, then that Trustee will not form part of the interview panel.

Induction and training of new Trustees

New Trustees receive an induction pack including a copy of the Charity Commission's Guide "The Essential Trustee", the Charity's Memorandum and Articles of Association, the latest financial statements, confidentiality and conflict of interest documents and organisational information. They also have a briefing session with the Senior Management Team and visit the Hospice if they wish to.

Report of the trustees

Related parties

Florence Nightingale Hospice Shops Limited (FNHS) is the wholly owned trading subsidiary of Florence Nightingale Hospice Charity. As a result of donated goods, the charity received donations under the gift aid scheme of £441,864 (2022: £258,000). Accordingly, the total surplus generated from retail related activities for the year amounted to £471,469 (2022: £363,141).

Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised. Mrs Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports. FNHC has benefited from contributions to our funds of £2,800,918 since that time. For many years five Hospices have been supported through this company. Since 2019-20, Associate Partners are being recruited to expand the partnership and its long-term income potential.

Florence Nightingale Hospice Charity from time to time uses the services of Parrott and Coales LLP for legal advice and to process property leases. In addition, the Charity has had the longstanding benefit of at least one Parrott and Coales member of staff serving on the Board of Trustees. However, these Trustees do not take part in any negotiations or discussions in regard to awarding work to Parrott and Coales and remove themselves from any discussion where a conflict of interest may occur.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The organisational Risk Register is reviewed on an annual basis through the Governance sub-committee. The document follows a weighted likelihood versus impact approach, with an overall risk score and RAG rating for each risk.

In recent years the direct risks related to the Covid-19 pandemic have affected multiple aspects of the Charity's operation, including the delivery of Hospice services, safety of staff and volunteers, and income generation. While the extreme effects of Covid-19 appear to have subsided some of the higher risks we are facing are still influenced by the pandemic. The pandemic period disrupted health and hospice care and we reviewed staffing levels in summer 2022 with the Hospice's senior team and as a result commissioned additional resource in some teams, particularly FNH@Home, to help meet demand for specialist palliative and end of life care in the community.

The economic downturn and high inflation are affecting our goal of increasing sustainable income to fund the increased need for hospice care from a growing and ageing population. Some fundraising approaches such as public events are negatively impacted. As noted below, we are continuing with our strategy of diversifying and maturing the range of fundraising approaches that we pursue. We have recruited talented staff to help with this mission and have also invested in a new supporter database. We have acquired and refurbished additional shops across Buckinghamshire to increase unrestricted income from Retail. As shareholder partners we also benefit from regular income from the Hospice Lottery Partnership. Another mitigation is holding sufficient reserves. Our Reserves Policy protects the Charity's significant long-term commitment to fund existing Hospice services and other long-term financial commitments e.g., the leases on shops and head office. It also protects investment in additional Hospice related services over the medium to long term.

The tight labour market is affecting all organisations' ability to recruit and retain talented staff thus affecting our skills base, operations and morale of the wider team. We are addressing this by continuing to develop a positive organisational culture as we grow and developing our internal communications through face-to-face events and a monthly newsletter. We offer opportunities to hear from the front-line Hospice team about the difference FNHC is making. Training and development are on offer for staff of all grades and teams. We also benchmark our pay and benefits and review this with the Pay Committee.

Report of the trustees

Similarly, many Charities report that a significant proportion of volunteers decided not to return after an enforced break caused by the pandemic and they have struggled to recruit since. As explained below, we have worked hard to welcome back our volunteers who wanted to return and to recruit and retain others to help our growing organisation. It is our objective to embed a culture of professionalism, appreciation and support when working with volunteers.

The Charity is also exposed to other risks that could lead to significant disruption including:

- Emergencies (such as future pandemics, fires etc) affect Business Continuity and lead to loss of income and operations;
- Poor financial management and practices risk income and reputation;
- The possibility of breaching Health and Safety best practice risking the personal safety of staff, volunteers or the public, thus affecting the Charity's reputation and leading to financial compensation; and
- Employee relations issues risk reputation, lead to financial pay-outs and use a considerable amount of senior staff time.

Overall, we are confident that we have procedures and resources in place to address these risks.

Achievement and performance

Main objectives for the Florence Nightingale Hospice Charity in 2022/23

Objectives for year	Achievements over the past year
<p>To provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by commissioning services from the Florence Nightingale Hospice and potentially other providers, to be delivered both in the Hospice building and in the community.</p> <p>To explore whether:</p> <ul style="list-style-type: none"> • additional palliative care services need to be provided, • proactive initiatives should be devised to offer Hospice care to those who aren't reached currently and • capital improvements need to be made at the Hospice to benefit patients & staff. 	<p>In the year the Charity has continued to commission a full range of Hospice services and individual posts (as listed on pages 3 and 4 of this report) from Buckinghamshire Healthcare NHS Trust (BHT) which are delivered at the Florence Nightingale Hospice and in the community. Our largest commissions are the FNH@Home service, Lymphoedema clinic and the Day Hospice. The relationship between the Charity and BHT is governed by a Memorandum of Understanding which was updated in year. Commissioned services and posts are defined by Service Level Agreements to be agreed and in place by 2023/24.</p> <p>During 2022-23, 300 patients were cared for by the In-Patient Unit at the Hospice. The Charity also commissioned the FNH@Home team of registered nurses and healthcare assistants providing practical nursing, symptom and pain management advice and support, medication review and personal care to adults in their own home. FNH@Home cared for 700 patients in the community.</p> <p>275 people were supported by the Lymphoedema Clinic. 60 people attended the Day Hospice. The Bereavement Service supported 350 people. 30 families of infants, children and young people living with a life-threatening or life-shortening illness were supported by the Florrie's Children's respite service.</p> <p>Hospice services received 254 written accolades last year thanking staff for the excellent care that they had received.</p> <p>A review was conducted in the Spring/Summer of 2022 into how services were operating after the worst of the Covid-19 pandemic had passed. This showed that some areas needed more staff to</p>

Report of the trustees

	<p>cope with the demand for care. As a result, the Charity has commissioned two additional Clinical Nurse Specialists for the FNH@Home team, an additional nurse for the Lymphoedema service, a Therapy Support Worker and additional Occupational Therapy hours. It is expected that these additional roles will be in-post by summer 2023. In a full year they will cost an additional £217,000, taking our core funding of Hospice teams to over £1,500,000 in 2023/24 assuming there are no vacancies.</p> <p>A Project Manager position was created at the Charity to help research the need for and then co-create new palliative and end of life services with our partners at the Florence Nightingale Hospice to meet the changing needs of our local communities. These proposals will be discussed at the joint Steering Group that meets every two months before being taken to the Charity's Board of Trustees for approval.</p> <p>No major capital works were required at the Hospice in the year. However, the Charity purchased two portable bladder scanners using a generous donation of £10,000 from a company. Led by the Chaplain and Day Hospice Art Therapist, a new 'Living Memories' project has been created to help patients and families capture precious stories, images and messages. The Charity purchased the supplies needed including a professional camera, laptop and software for editing of video and stills, printer, USB memory boxes and hand-casting kits at a cost of £5,000.</p> <p>Our Henderson Education Fund which pays for specialist palliative care education and training for Hospice staff has been increased from £4,000 to £10,000 per year. This means that more nurses and other healthcare professionals will benefit from specialist training courses helping them to further their knowledge of palliative care and providing them with the latest pain management techniques.</p>
<p>To review the Charity's strategic focus</p>	<p>An away day was held in Spring 2022 for the Trustees, CEO and the Senior Management Team to review the Charity's strategic focus. Preparation of a summary strategy was then delegated to the Executive team and agreed by the full Board at their Autumn meeting.</p> <p>Our strategic drivers are:</p> <ul style="list-style-type: none"> • greater demand for care from a growing and ageing population, • patients having more complex needs (perhaps caused by having more than one chronic condition or experiencing late diagnoses during the pandemic period), • greater need for bereavement support following the pandemic, • the NHS and its workforce facing extreme stresses, and • some groups being under-represented amongst hospice patients currently. <p>The agreed 'strategy on a page' (below) includes a newly articulated vision and mission that deliberately focus the Charity on commissioning the best hospice care for local people in</p>

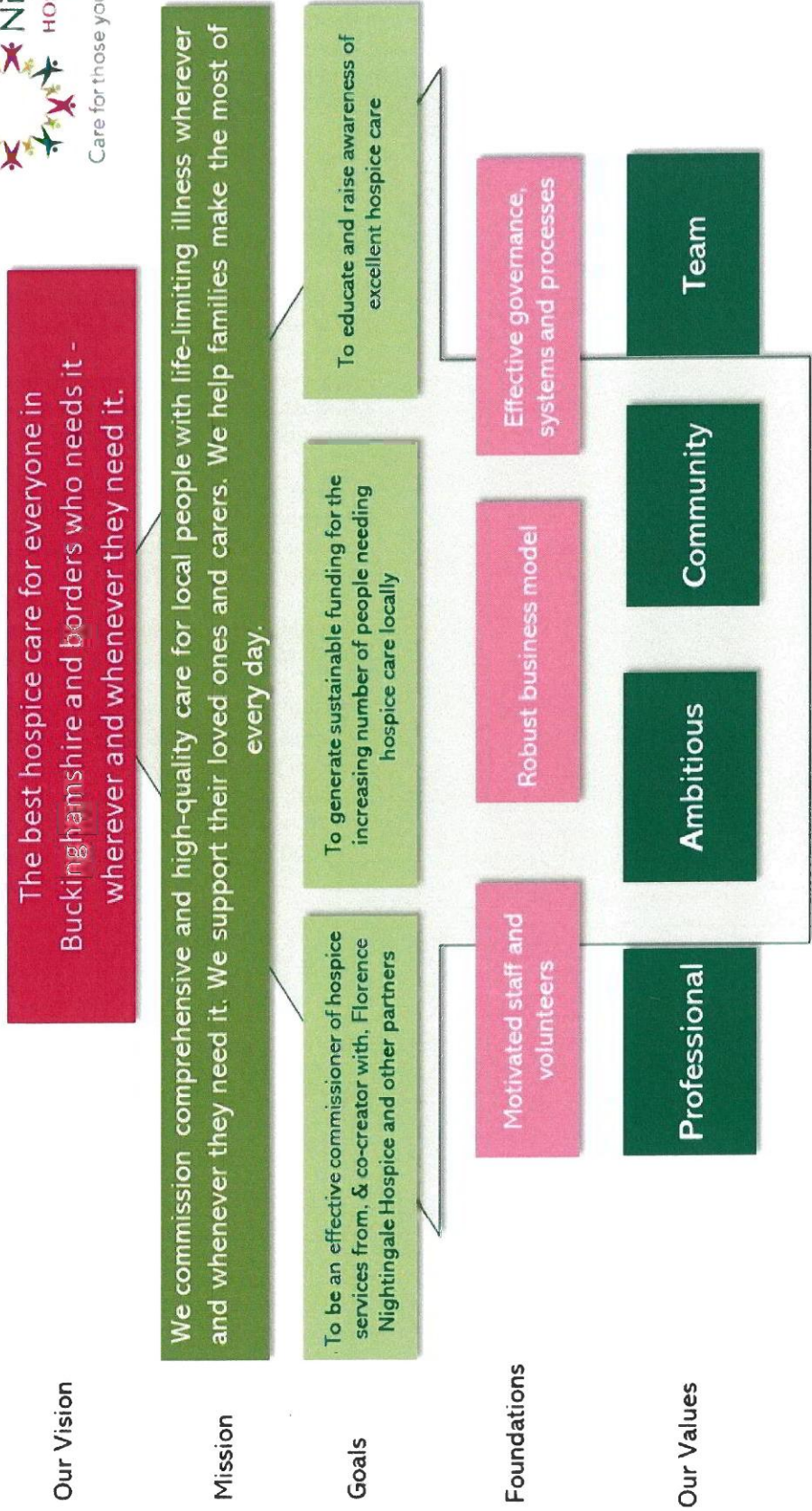
Report of the trustees

	<p>Buckinghamshire and borders, and offering choice by providing that care wherever and whenever it is needed. The approach is holistic and includes support for patients' families and carers. Our mission follows the ethos of the Hospice movement, which is to help families make the most of every day. Overall, the approach is to actively influence excellent hospice care in the local area.</p> <p>The supporting goals require us to be an effective commissioner of services. We expect the Florence Nightingale Hospice, which is part of Buckinghamshire Healthcare NHS Trust (BHT), to be our primary delivery partner but our Memorandum and Articles of Association do not preclude working with other agencies if identified.</p> <p>As mentioned, we have recruited a Project Manager to help research and co-create enhanced and new Hospice services. An aspect of this is exploring whether there are groups within the local community which are not accessing hospice care currently. We will do this by examining the data made available to us under the terms of our data-sharing agreement with BHT and also by looking at best practice in tackling healthcare inequalities in the hospice and other sectors.</p> <p>We aim to generate sustainable funding to help meet the growing need for hospice care locally and to introduce innovative projects.</p> <p>We also want to educate and raise awareness of excellent hospice care. Our new website is a means of delivering this as well as attendance at community events and talks delivered by our ambassadors. We have boosted our Marketing team to help meet this goal.</p> <p>The foundations underpinning the strategy are motivated staff and volunteers, a robust business model and effective governance, systems and processes.</p> <p>A business plan delivering phased activity and projects to make this strategy a reality is in preparation. Project leaders will be appointed from within the senior management team.</p> <p>Underpinning the strategy are our core values which were set when the organisational structure was updated in the light of the pandemic.</p> <p>The strategic approach and values are communicated to new staff and reinforced with the existing team.</p>
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Report of the trustees



Care for those you know and love



Report of the trustees

To deliver further income growth from the Charity's Retail operation, with a particular emphasis on new shops, online sales, and Gift Aid; as well as a focus on the support, development and continued engagement of the Retail team of staff and volunteers.

After the strong Retail performance in 21/22 (£1.46m), and the continuing growing popularity of charity shop shopping, there was good reason to be optimistic for Retail turnover, and the year started with ambitious targets of £1.53m and plans to open up to three new shops.

The year ended with a Retail turnover of £1.8m which is +17% on budget and +24% up on 21/22. This income is made up of £1.67m from the existing shop portfolio, and £105k from the new shops opened during the year.

All of the shops delivered significant growth on the previous year and performed well above the budget set.

Two new shops were opened during the year – Marlow in August 2022 and Beaconsfield in January 2023. Hazlemere was acquired during the year and opened in April 2023.

Online sales started slowly in 22/23 but staff changes and operational changes meant the year ended with online sales almost in line with the previous year, and the opportunity to substantially increase online sales income in 23/24.

Gift Aid performance improved resulting in a possible Gift Aid claim of £85.5k compared to £50k in 21/22.

Overall, 22/23 was a very successful year for Retail. The key objectives for 23/24 will be to grow Retail income to £2.4m (which includes full year income for the shops acquired in 22/23); continue retail expansion by opening up to three more new shops; and review the operational framework and support systems to ensure the continual delivery of sustainable retail income from a larger portfolio of shops.

Report of the trustees

<p>To increase income from Fundraising through the diversification programme, with a particular focus on increasing income from Charitable Trusts, Major Gifts, In Memory and Legacy fundraising. In addition, to continue the approach of 'fewer, bigger' events, including a high-profile event at the Waterside Theatre, and developing a new mass-participation event.</p>	<p>22/23 proved to be a more challenging year for the fundraising team, with fundraising income of £930k (excluding legacies), which is 9% below budget and 15% behind last year.</p> <p>Many of the challenges were due to difficulties finding skilled staff to fill vacancies in the team. To address this problem, we have sought candidates with significant commercial or public sector experience and transferable skills. This has worked well and the team is currently fully staffed.</p> <p>Diversification is working well. The target areas of trust fundraising, major gifts and In Memory fundraising provided 47% of fundraising income and are providing year-round income to support the charity, Diversification efforts in corporate fundraising and individual giving are also progressing, but are still in the early stages of development. Progress will be made throughout 23/24.</p> <p>Investment in fewer, bigger events is paying off. 'Nativity! The Musical' raised over £55k. To build on this success, the charity will deliver shows in both Aylesbury and High Wycombe in 23/24, combined with an enhanced programme of engagement with schools.</p> <p>'Walk of Light', a new, family friendly, mass participation event, was created during the year. It took place at Watermead Lake in June 2023. Over 400 walkers took part, with the potential to expand to more than 1,000 participants. This will become a fixed part of the fundraising calendar.</p>
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Report of the trustees

To support all the Volunteers who offer their time and expertise to support the Hospice and Charity, and to recruit additional ones to assist with Hospice services and the growth of the Charity. This will include recruiting volunteers from communities and groups who are currently under-represented.

We are extremely grateful to the 620 volunteers who have supported us in 2022/23. Our volunteers help the Hospice directly in numerous ways: by supporting patients in the In-patient Unit and Day Hospice, by driving them to and from the Hospice, manning reception in the evenings and weekends, tending the garden, offering therapies and as bereavement listeners. Many of the patients and families comment that this adds to the special nurturing environment at the Hospice. On the Charity-side, volunteers carry out admin and more specialist roles at Head Office, as well as supporting Fundraising day to day and at events. The volunteers working in our charity shops sort donations, man the tills and work with the online sales team. This group offered an amazing 48,000 hours with a monetary value in excess of £460,000. The Charity and Hospice could not deliver or fund all that we deliver without this huge volunteering effort.

Our volunteer engagement managers support the recruitment, retention, and engagement of volunteers across the Charity. They are the main contacts for all volunteering matters and work on improving the overall volunteer experience, to ensure the Charity and Hospice offer happy, productive and fulfilling environments for volunteers. They also support Charity and Hospice staff to work effectively with the volunteer team. The 'Nightingale' eNewsletter is issued to volunteers every month. A Volunteer Forum enables volunteers to exchange views and share ideas about their area of volunteering, thus helping to ensure we are meeting the needs of our volunteers. Volunteer service certificates and badges are awarded to mark significant anniversaries. Thank you parties were held for our volunteers at Christmas 2022 and July 2023.

We remain extremely grateful to the Rothschild Foundation for part-funding one of the Volunteer Engagement Manager roles for three years. One of the objectives of their grant is to recruit additional volunteers from communities and groups who are currently under-represented. These include those with disabilities, minority ethnic communities, ex-offenders, and younger people. We have been exploring these areas by working alongside schools, HMP Springhill and building links with the local Community Service officer. As well as this we are reaching out to religious groups, disability teams and attending local job and volunteer fairs in order to attract as many volunteers as possible from all backgrounds.

Report of the trustees

<p>To produce a new more accessible website that explains Hospice services and promotes the Charity's income generation.</p> <p>To continue with the Charity's IT modernisation programme by embedding the use of the new CRM and reviewing our Finance system, to drive business efficiencies.</p>	<p>Our new website was launched in January 2022 with refreshed and clear information about hospice services, how to make a referral and FAQs for patients and visitors. Visits to our Hospice services pages have increased by over 50% compared to the previous period. The website was developed by a local agency and incorporates all current accessibility guidelines.</p> <p>The Donorfy CRM was fully implemented during the year. This has brought significant administrative savings due to integrations with Justgiving, Eventbrite, Facebook and website donation forms meaning income is entered automatically. These integrations have increased the number of supporters we can contact by 20% in one year.</p> <p>Cyber security training has been a particular focus in 2022/23.</p> <p>We plan to review the Finance and EPoS systems in 2023/24.</p>
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Main objectives for the Florence Nightingale Hospice Charity in 2023/24

- To continue to provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by commissioning services from the Florence Nightingale Hospice and potentially other providers, to be delivered both in the Hospice building and in the community. We will explore whether:
 - additional palliative care services need to be provided,
 - proactive initiatives should be devised to offer accessible Hospice care to those who aren't reached currently and
 - capital improvements need to be made at the Hospice to benefit patients & staff.
- To deliver further income growth from the Charity's Retail operation, including new shops, online sales, and Gift Aid; as well as reviewing the operational framework and support systems to ensure the continual delivery of sustainable retail income from a larger portfolio of shops.
- To increase income from Fundraising across all areas, with a particular focus on completing the diversification project by increasing income across charitable Trusts, Major Gifts, In Memory, Corporate and Regular Giving. In addition to continue the approach of 'fewer, bigger' events, including expanding the theatre productions and Forever Flowers.
- To support all the Volunteers who offer their time and expertise to support the Hospice and Charity, and to recruit additional ones to assist with Hospice services and the growth of the Charity. This will include recruiting volunteers from communities and groups who are currently under-represented.
- To continue with the Charity's IT modernisation programme by reviewing our Finance system and Retail EPoS system to make our Charity better connected and drive business efficiencies.

Report of the trustees

Financial review

The results for the year ended 31 March 2023 are given in the Consolidated Statement of Financial Activities together with the Consolidated Balance Sheet giving details of the assets and liabilities. The comparative figures are for the year ended 31 March 2022.

The Charity made a profit before investment gains and losses of £519,516 compared with a profit in 2022 of £1,390,361, a decrease of £870,845. Net income after investment losses and gains was £317,514 (2022: £1,827,252).

Legacy income received in the year was £621,991 (2022: £1,488,510). In common with other charities legacies are recognised when certain criteria are achieved: the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty.

The Charity lobbied for Charity/NHS Hospice partnerships to be eligible for a share of the Government's NHS Covid-19 Hospice compensation scheme which commenced in 2020 and was administered by Hospice UK. We were unsuccessful initially but delighted to be awarded £216,739 in October 2022 from the final tranche of Covid emergency funding which enabled hospices to provide additional support to their communities over the winter of 2021/22 and to ensure acute services were not overwhelmed by the Omicron COVID-19 variant.

The cost of services commissioned from Buckinghamshire Healthcare NHS Trust increased by £117,378 to £1,072,070. (The Charity had in fact budgeted for the higher sum of £1,216,428 but vacancies in the Hospice team meant that some costs were lower). In addition, a further £27,269 was provided for specific Hospice projects and purchases (2022: £85,888). Overall expenditure on charitable activities increased by £70,630 to £1,290,841 (2022: £1,220,211).

The Charity's bank balance as at 31 March 2023 was £1,377,570 (2022: £375,488). This includes committed funds to cover the Quarter 4 payment to Buckinghamshire Healthcare NHS Trust for £274,606 which was paid in July 2023. Other funds awaited investment following the new investment policy agreed by Trustees (see below).

Post Balance Sheet Events

A sum of £51,000 has been accrued for backpay related to the recently agreed NHS 2022/23 pay increase and cost of living payment made to the NHS staff whose services were commissioned by the Charity. It is likely that the Charity will be invoiced for this sum in quarter 1 of 2023/24.

Investments Performance Review

The Charity's investment portfolio is managed by Cazenove Capital Management Limited. The care of the investment portfolio comes under the remit of the main Board with the detail reviewed by the Finance Committee. A Cazenove Capital management representative attends that Committee at least annually to review the performance of the Charity's investments.

A new Investment Policy was agreed by Trustees in May 2023 and will be reviewed annually. The Policy seeks to invest in an Ethical Portfolio seeking to 'Do no harm', with a specific barrier on investing in tobacco or other carcinogenic industries given the proven link to cancers. We also seek to produce the best financial return within an acceptable level of risk. The investment objective for the long-term designated reserves is to generate a return in excess of inflation over the long term in order to cover the long-term off-balance sheet

liabilities as well as provide capital growth for the expansion of the Charity's operations. A total return approach to investment is appropriate as short-term income is not the main objective. The investment

Report of the trustees

objective for the short-term reserves is to preserve capital value with minimum level of risk. Assets should be readily available to meet anticipated cash flow requirements.

The portfolio has been positioned in response to the uncertain economic outlook and, in general, the more sustainable approach, quality bias and the shift to a more defensive stance over the course of the year has helped protect assets.

The value of the investments at 31 March 2023 was £5,236,394 (2022: £5,370,478). The Charity's investments were revalued at 31 March 2023 at a market value in accordance with the accounting policies resulting in unrealised loss of £202,002 (2022: unrealised gain of £436,891). As noted above, the main focus is on long term capital growth rather than income generation, although £88,836 was received in the year and reinvested by our Investment Manager. The portfolio is showing a marginal negative return so far in 2023/24.

The income on our investments was 1.68%, £77,024 dividends on £4,593,408 total value (2022: £71,327 on £4,867,542). The Total Return on the portfolio over the 12-month period to 31st March 2023 was -2.4% (versus +2.8% for the FTSE All Share and -4.52% for the ARC PCI Growth Index).

Reserves policy

The Charity's Reserves policy (based on the Charity Commission's Guidance CC19) reflects our long-term financial commitments and the Trustees' desire to commission additional Hospice-related services in the medium to long term.

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The starting point for calculating the amount of free reserves held is therefore the amount of unrestricted funds held by a charity. However, some or all of the unrestricted funds of a charity may not be readily available for spending. This is because spending those funds may adversely impact on the charity's ability to deliver its aims. In accordance with the Charity Commission guidance, the items that should be excluded from free reserves are:

Commitments that have not been provided for as a liability in the accounts:

- The Florence Nightingale Hospice Charity generally has in place a series of three-year contracts with Buckinghamshire Healthcare NHS Trust (BHT) for the provision of various services at or connected to the Florence Nightingale Hospice. These contracts have staggered dates and therefore on average have eighteen months to two years unexpired term; and
- The Charity has long-term financial commitments on the leases on its shops and head office premises.
- Designated funds set aside to meet essential future spending, such as funding a project that could not be met from current income. A recent example of this was the FNH@Home service.

The remaining unrestricted reserves, 'free reserves', should be adequate to cover fluctuations in the Charity's finances brought about by the unpredictability of income sources or unexpected costs that might arise. The Covid-19 pandemic and cost of living crisis have shown that some of the Charity's income streams are susceptible to fluctuation, which along with the unpredictable nature of legacy income, results in a degree of volatility of income.

The trustees continue to believe that the Charity should aim to hold free reserves of between six and twelve-months running costs, alongside designated reserves to cover the long-term financial commitments and future essential project funding.

Designated reserves at 31 March 2023 were £5,927,349 (2022: £4,992,887). Target free reserves are in the range £1,056,000 - £2,111,000. At 31 March 2023 free reserves were £1,608,516 (2022: £2,221,815). The reduction in free reserves results from the Charity's increased commissioning of Hospice services following the summer 2022 review and the additional lease liabilities caused by acquiring further shops to grow income.

Report of the trustees

Fundraising standards information

The Fundraising Strategy, which identifies our income streams and the approach taken for each activity in line with the Code of Fundraising Practice, was reviewed and approved by the Trustees as part of budgeting in February 2023.

The Charity is registered with the Fundraising Regulator. The Fundraising Regulator holds the Code of Fundraising Practice for the UK. We follow the Code and ensure that our fundraising is respectful, open, honest and accountable to the public. Fundraising is done in-house or with a small number of trusted external providers.

All fundraising activity is carried out within the terms of the Charity's Vulnerable Person Policy, which places a strict duty on staff as regards to appropriate communication and behaviour. The charity prevents unreasonable intrusion and persistent approaches by excluding recently bereaved individuals from mass communications for 1 year. Supporters also receive a maximum of four fundraising appeals a year and have the ability to opt-in or opt-out of fundraising communications. As frontline fundraisers routinely work with bereaved individuals, regular bereavement training is compulsory for all fundraising staff and forms part of the induction process of new fundraisers.

The Charity has not received any complaints regarding its fundraising efforts in the year ended 31 March 2023 or to the date of this report.

In all our policies and practices, we have not actively sought additional data that is not already in the public domain. We only record data that people opt to provide to us.

Going Concern

The financial statements have been prepared on a going concern basis. While the continuing troubling financial climate poses some risks, the planned diversification of our income streams and level of free reserves mean Going Concern remains the appropriate basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Volunteers

The Charity benefits from the support of around 620 volunteers of all ages who use their skills and experience to work alongside Charity staff on retail and fundraising activities, and with the Hospice team providing patient and family support directly.

Like so many Charities that benefit from volunteers to deliver services and assist with income generation, the normal pattern of regular volunteering was very disrupted during the worst times of the Covid-19 pandemic. We are so grateful for all of the volunteers who have returned and the new ones who have joined subsequently, for example to join our new shops.

Without the time and expertise of our volunteers we could not support and enhance the lives of local patients and families or raise the funds needed to secure vital palliative care services for our community. We are extremely grateful for their huge contribution.

Report of the trustees

Staff

The Trustees would like to thank all of the staff of Florence Nightingale Hospice Charity for their hard work and the dedication shown over the year. The Charity team commission Hospice services and help promote the importance of excellent palliative care, as well as raising and administering the funds needed.

Trustees would also like to record their sincere thanks to all of the staff of Florence Nightingale Hospice who deliver such skilled and compassionate palliative and end of life care for local people at times of greatest need.

Pay policy for Charity staff

The directors, who are the Charity's trustees, the Chief Executive and the senior management team (see below) comprise the senior management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

In the year, the Senior Management Team consists of the Chief Executive; the Heads of Retail, Fundraising and Finance; and the senior managers leading People, Marketing & Comms and Hospice Projects. Saheeda Hussein joined to lead the HR function and Clare Joyce as Hospice Project Manager.

A committee comprising the Chairman, Chairs of the sub-committees and the CEO reviews pay and reward for all staff. It considered the results of an independent benchmarking of pay rates. Ensuring that the Charity's salaries are comparable with similar-sized local organisations is one of our strategies for dealing with the current competitive job market which poses risks to the recruitment and retention of staff. A non-consolidated payment of £750 was offered to all staff in April 2023 to help them contend with the cost of living crisis.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that year.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the

assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Report of the trustees

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the exemptions provided by section 415A of the Companies Act 2006. Preparing the accounts of a small company does not require the preparation of a Strategic Report, although much of the typical content of such a report is included within the Trustees Report.

Approved by the Board of Trustees on 2nd August 2023 and signed on their behalf by:



Noel Ratcliffe
Chair of Trustees

Independent Auditors Report to the Members and Trustees of Florence Nightingale Hospice Charity

Opinion

We have audited the financial statements of Florence Nightingale Hospice Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, Charity balance sheet, Consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2023 and the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

Independent Auditors Report to the Members and Trustees of Florence Nightingale Hospice Charity

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 obtained all the information and explanations necessary for the purposes of our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditors Report to the Members and Trustees of Florence Nightingale Hospice Charity

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the group and charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the group and charitable company that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the group and charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Azets Audit Services

Paul Creasey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services, Statutory Auditor
Beaconsfield

Date: *9 August 2023*

Principal accounting policies

General Information

Florence Nightingale Hospice Charity is a company limited by guarantee incorporated and domiciled in England. Its registered office address is Unit 2 Walton Lodge, Walton Street, Aylesbury, Buckinghamshire, HP21 7QY.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Public benefit

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

Going concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In making this assessment, the Trustees have considered the level of funds held and the expected levels of income and expenditure for the 12-month period after approving these financial statements. The budgeted level of income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Accounting convention

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

The consolidated statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking on a line-by-line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and as permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

All income is included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable, and the amount involved can be quantified with reasonable certainty. They are included in the statement of financial activities.

Cash collected to which the Charity is legally entitled but which has not been received at the year-end is included as income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when donations are received.

Principal accounting policies

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value

is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed, and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Investment Income

Investment income, including associated income tax recoveries, is recognised when receivable.

Government Grants

The Charity has received government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants is recognised at fair value when the charity has entitlement after any Performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is allocated between: -

- **Costs of raising funds** - These include costs of generating donations and legacies, costs of fundraising trading and costs of managing investments.
- **Charitable activities** - These comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives.
- **Governance costs** - These include the costs of governance arrangements which relate to the general running of the Charity and the compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Principal accounting policies

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable

value, after due regard for obsolete and slow-moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	Straight Line over the lower of 10 years or the life of the lease
Fixtures & fittings	20% Straight Line
Computer equipment	20% Straight Line
Vans	20% Straight Line

Capital expenditure over £1,000 is capitalised.

Tangible assets are stated at cost less accumulated depreciation.

Investments

Assets held for investment purposes are valued at market value at the balance sheet date. Traded securities are valued at their market quotation as at the year-end date.

Unlisted investments are stated at cost at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

Other financial instruments

a) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

b) Other debtors

Other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing rate of interest.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Taxation

The Charity can take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the Charity's subsidiary company because the

Principal accounting policies

directors of this company have indicated that they intend to make donations each year to the Charity equal to the taxable profits of the company under the Gift Aid scheme.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are monies earmarked by the Trustees for specific purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a Stakeholder pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Estimations

Support costs are those which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Consolidated statement of financial activities

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income						
Donations, Legacies and Grants	1	1,662,472	-	246,510	1,908,982	2,538,462
Income from other trading activities	2	1,886,415	-	-	1,886,415	1,737,371
Other income		-	-	-	-	-
Income from investments	3	90,744	-	-	90,744	71,471
Total income		3,639,631	-	246,510	3,886,141	4,347,304
Expenditure						
Costs of raising funds:						
Fundraising	4	529,286	-	-	529,286	495,143
Shops Trading	4	1,386,933	-	-	1,386,933	1,112,486
Support staff costs	4	159,565	-	-	159,565	112,252
Expenditure on charitable activities	5	1,040,682	-	250,159	1,290,841	1,220,211
Total resources expended		3,116,466	-	250,159	3,366,625	2,940,092
Taxation	11	-	-	-	-	(16,851)
Net income before gains/ (losses) on investments		523,165	-	(3,649)	519,516	1,390,361
Unrealised gains/(losses) on investment assets	13	(202,002)	-	-	(202,002)	436,891
Net income/expenditure		321,163	-	(3,649)	317,514	1,827,252
Transfers between funds		(934,462)	934,462	-	-	-
Net movement in funds	17	(613,299)	934,462	(3,649)	317,514	1,827,252
Reconciliation of funds						
Total funds brought forward at 1 st April		2,221,815	4,992,887	90,033	7,304,735	5,477,483
Total funds carried forward at 31st March	17	1,608,516	5,927,349	86,384	7,622,249	7,304,735

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All the above results are derived from continuing activities. All gains and losses recognised in the year are included.

Consolidated balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Fixed assets						
Tangible assets	12	482,121	-	-	482,121	271,519
Investments	13	-	5,236,392	-	5,236,392	5,370,476
		<u>482,121</u>	<u>5,236,392</u>	<u>-</u>	<u>5,718,513</u>	<u>5,641,995</u>
Current assets						
Stocks	14	11,668	-	-	11,668	6,261
Debtors	15	1,013,006	-	-	1,013,006	1,621,002
Cash at bank and in hand		600,230	690,957	86,384	1,377,571	375,488
		<u>1,624,904</u>	<u>690,957</u>	<u>86,384</u>	<u>2,402,245</u>	<u>2,002,751</u>
Creditors						
Amounts falling due within one year	16	(498,509)	-	-	(498,509)	(340,011)
Net current assets		<u>1,126,395</u>	<u>690,957</u>	<u>86,384</u>	<u>1,903,736</u>	<u>1,662,742</u>
Total assets less current liabilities		<u>1,608,516</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,622,249</u>	<u>7,304,735</u>
Net Assets		<u>1,608,516</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,622,249</u>	<u>7,304,735</u>
Funds						
Unrestricted funds					1,608,516	2,221,815
Designated funds					5,927,349	4,992,887
Restricted funds					86,384	90,033
Total funds	17				<u>7,622,249</u>	<u>7,304,735</u>

These financial statements were approved by the Board of Trustees on ...2nd August 2023....and were signed on their behalf by:



Noel Ratcliffe
Chairman of Trustees

Charity balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Fixed assets						
Tangible Assets	12	55,526	-	-	55,526	26,879
Investments	13	2	5,236,392	-	5,236,394	5,370,478
		<u>55,528</u>	<u>5,236,392</u>	<u>-</u>	<u>5,291,920</u>	<u>5,397,357</u>
Current assets						
Debtors	15	1,608,805	-	-	1,608,805	2,160,559
Cash at bank and in hand		391,617	690,957	86,384	1,168,958	118,319
		<u>2,000,422</u>	<u>690,957</u>	<u>86,384</u>	<u>2,777,763</u>	<u>2,278,878</u>
Creditors						
Amounts falling due within one year	16	(406,538)	-	-	(406,538)	(299,027)
Net current assets		<u>1,593,884</u>	<u>690,957</u>	<u>86,384</u>	<u>2,371,225</u>	<u>1,979,851</u>
Total assets less current liabilities		<u>1,649,412</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,663,145</u>	<u>7,377,208</u>
Net Assets		<u>1,649,412</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,663,145</u>	<u>7,377,208</u>
Funds						
Unrestricted funds					1,649,412	2,294,288
Designated funds					5,927,349	4,992,887
Restricted funds					86,384	90,033
Total funds	17				<u>7,663,145</u>	<u>7,377,208</u>

These financial statements were approved by the Board of Trustees on... 2nd August 2023... and were signed on their behalf by:

Noel Ratcliffe
Chairman of Trustees

Consolidated Cash flow statement

	2023 £	2022 £
Cash flows from operating activities:		
Net cash provided / (used in) by operating activities (analysed below)	<u>1,344,295</u>	<u>(61,002)</u>
	<u>1,344,295</u>	<u>(61,002)</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(274,294)	(26,562)
Proceeds from sale of fixed assets	-	800
Purchase of investments	(1,288,810)	(934,081)
Proceeds from sale of investments	<u>1,220,892</u>	<u>1,183,531</u>
Net cash used in investing activities	<u>(342,212)</u>	<u>223,688</u>
Change in cash and cash equivalents in the reporting period	1,002,083	162,686
Cash and cash equivalents at the beginning of the reporting period	<u>375,488</u>	<u>212,802</u>
Cash and cash equivalents at the end of the reporting period	<u><u>1,377,571</u></u>	<u><u>375,488</u></u>

Note:

Reconciliation of net movement in funds	2023 £	2022 £
Net movement in funds for the reporting period (as per the statement of financial activities)	317,514	1,827,252
Adjustments for:		
Depreciation charges	63,692	53,432
Unrealised investment gains	202,002	(436,891)
Movement in stocks	(5,407)	(3,368)
Movement in debtors	607,996	(1,244,186)
Movement in creditors	<u>158,498</u>	<u>(257,241)</u>
Net cash provided by / (used in) operating activities	<u><u>1,344,295</u></u>	<u><u>(61,002)</u></u>

Analysis of changes in net funds

	2022 £	Cash Flows £	2023 £
Cash and cash equivalents	<u>375,488</u>	<u>1,002,083</u>	<u>1,377,571</u>

Notes to the financial statements (continued)

1 Donations, Legacies and Grants

	2023	2022
	£	£
Donations (including In Memory and grants from Charitable Trusts)	1,070,252	1,020,132
Legacies	621,991	1,488,510
Other grants	216,739	-
Government grants:		
Furlough receipts for Shops	-	485
Local Authority Covid-19 Shops Grants	-	29,335
	<u>1,908,982</u>	<u>2,538,462</u>

2 Income from other trading activities

	2023	2022
	£	£
Fundraising from mass-participation and community events	370,290	367,035
Shop income	1,316,486	1,168,909
Lottery	199,639	201,427
	<u>1,886,415</u>	<u>1,737,371</u>

3 Income from investments

	2023	2022
	£	£
Bank interest received	13,720	144
Dividends received	77,024	71,327
	<u>90,744</u>	<u>71,471</u>

4 Costs of raising funds

	2023	2022
	£	£
Fundraising		
Direct staff costs (note 7)	305,518	249,760
Fundraising expenses and promotion	107,112	107,507
Support other costs	116,656	137,876
	<u>529,286</u>	<u>495,143</u>
Shops Trading		
Staff costs (note 7)	799,760	643,720
Other costs	587,173	468,766
	<u>1,386,933</u>	<u>1,112,486</u>
Support staff costs (note 7)	<u>159,565</u>	<u>112,252</u>

Notes to the financial statements (continued)

5 Expenditure on charitable activities

	2023 £	2022 £
Grant funding to staff and services delivered by Florence Nightingale Hospice	<u>1,072,070</u>	<u>954,692</u>
	1,072,070	954,692
Other direct costs	27,269	85,888
Staff costs (note 7)	82,573	64,263
Governance (note 6)	108,929	115,368
	<u>1,290,841</u>	<u>1,220,211</u>

6 Governance costs

	2023 £	2022 £
Staff costs (note 7)	44,145	43,342
Legal and professional fees	42,546	56,210
Auditors' remuneration	17,278	12,516
Auditors' remuneration for non-audit services	4,960	3,300
	<u>108,929</u>	<u>115,368</u>

7 Allocation of staff costs

2023:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2023 Total £
Payroll	281,555	784,607	42,398	73,420	154,532	1,336,512
Recruitment & Training	21,583	5,358	923	5,328	4,263	37,455
Other staff costs	2,380	9,795	824	3,825	770	17,594
	<u>305,518</u>	<u>799,760</u>	<u>44,145</u>	<u>82,573</u>	<u>159,565</u>	<u>1,391,561</u>
2022:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2022 Total £
Payroll	240,158	643,552	40,551	63,752	111,705	1,099,718
Recruitment & Training	8,816	-	1,544	-	-	10,360
Other staff costs	786	168	1,247	511	547	3,259
	<u>249,760</u>	<u>643,720</u>	<u>43,342</u>	<u>64,263</u>	<u>112,252</u>	<u>1,113,337</u>

The allocation of staff costs has been reviewed. A proportion of costs have been allocated to the Support function. This is defined as costs which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Notes to the financial statements (continued)

8 Net income

Net income is stated after charging

	2023	2022
	£	£
Auditors' remuneration: Group (Including Parent company)	16,980	12,516
Auditors' remuneration for non-audit services	4,960	3,300
Depreciation	63,692	53,432
Operating lease payments – land and buildings	307,525	263,310

9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 (2022: £nil).

Trustees' expenses

There were no expenses reimbursed to the Trustees in the year ended 31 March 2023 (2022: £nil).

There were no expenses in the year (2022: £172 incurred in respect of trustees leaving meal and gift).

Donations from trustees

Donations from trustees totalled £734 in the year ended 31 March 2023 (2022: £1,811)

10 Staff costs

	2023	2022
	£	£
Wages and salaries	1,194,735	985,533
Social security costs	105,249	81,295
Pension costs	36,528	32,890
	<u>1,336,512</u>	<u>1,099,718</u>

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

	2023	2022	2023	2022
	FTE	FTE	No.	No.
Fundraising & Retail	30	24	40	41
Administration	5	2	7	2
Governance	1	1	1	1
Charitable activities	4	5	5	5
	<u>40</u>	<u>32</u>	<u>53</u>	<u>49</u>

One employee earned more than £60,000 but not more than £70,000 during the year (2022: one).

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £316,062 (2022: £273,416).

Notes to the financial statements (continued)

11 Taxation

The taxation charge in the prior year represents deferred tax adjustments in relation to tax losses incurred by the trading subsidiary.

12 Tangible fixed assets

Group	Short leasehold improvements £	Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2022	41,135	379,923	31,195	106,018	558,271
Additions	202,059	40,865	-	31,370	274,294
At 31 March 2023	243,194	420,788	31,195	137,388	832,565
Depreciation					
At 1 April 2022	32,474	150,636	31,194	72,445	286,749
Charge for the year	10,573	38,853	-	14,269	63,695
At 31 March 2023	43,047	189,489	31,194	86,714	350,444
Net Book Amount					
At 31 March 2023	200,147	231,299	1	50,674	482,121
At 31 March 2022	8,661	229,288	1	33,570	271,519
Charity					
		Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2022		12,109	18,245	59,250	89,604
Additions		17,374	-	22,561	39,935
At 31 March 2023		29,483	18,245	81,811	129,539
Depreciation					
At 1 April 2022		11,513	18,245	32,966	62,724
Charge for the year		317	-	10,972	11,289
At 31 March 2023		11,830	18,245	43,938	74,013
Net Book Amount					
At 31 March 2023		17,653	-	37,873	55,526
At 31 March 2022		596	-	26,284	26,880

Notes to the financial statements (continued)

13 Fixed asset investments

Group		Listed Investments £	Shares in participating interests £	Totals £
Market value				
At 1 April 2022		5,353,797	16,679	5,370,476
Additions		1,288,810	-	1,288,810
Disposals		(1,220,892)	-	(1,220,892)
Investment (losses)		(202,002)	-	(202,002)
At 31 March 2023		<u>5,219,713</u>	<u>16,679</u>	<u>5,236,392</u>
Net book value				
At 31 March 2023		<u>5,219,713</u>	<u>16,679</u>	<u>5,236,392</u>
At 31 March 2022		<u>5,353,797</u>	<u>16,679</u>	<u>5,370,476</u>
Charity				
	Shares in group undertakings £	Listed Investments £	Shares in participating interests £	Totals £
Market value				
At 1 April 2022	2	5,353,797	16,679	5,370,478
Additions	-	1,288,810	-	1,288,810
Disposals	-	(1,220,892)	-	(1,220,892)
Investment (losses)	-	(202,002)	-	(202,002)
At 31 March 2023	<u>2</u>	<u>5,219,713</u>	<u>16,679</u>	<u>5,236,394</u>
Net book value				
At 31 March 2023	<u>2</u>	<u>5,219,713</u>	<u>16,679</u>	<u>5,236,394</u>
At 31 March 2022	<u>2</u>	<u>5,353,797</u>	<u>16,679</u>	<u>5,370,478</u>

The historical cost of listed investments (for Group and Charity) held at the year-end was £4,089,803 (2022: £3,971,951).

The Company's investments at the balance sheet date in the share capital of group undertakings and participating interests comprise the following:

The Hospice Lottery Partnership Limited

At 31 March 2023 the charitable company owned fourteen shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales, carrying out fundraising for six hospices including Florence Nightingale Hospice Charity. Florence Nightingale Hospice Charity has held an interest in The Hospice Lottery Partnership Limited since its incorporation in 1997. The directors consider this an investment as they have no significant influence and have no management rights in the strategic, tactical or operational decisions made by The Hospice Lottery Partnership Limited. The value of the investment in the company is recognised at cost as the equity investment is unquoted and the value cannot be measured reliably. The group does not intend to dispose of the investment in the foreseeable future.

Notes to the financial statements (continued)

Florence Nightingale Hospice Shops Limited

Nature of business: Operating Charity shops

Class of share:	% holding	2023 £	2022 £
Ordinary	100		
Aggregate capital and reserves		<u>(42,866)</u>	<u>(72,471)</u>

The investment in group undertakings relates to the cost of the 2 ordinary shares of £1 each, being 100% of the issued share capital of Florence Nightingale Hospice Shops Limited, a company incorporated in England and Wales, which is the trading subsidiary of the charitable company.

A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	1,336,063	1,120,611
Cost of sales	(60,500)	(56,739)
Gross profit	1,275,563	1,063,872
Administrative expenses	(1,277,992)	(1,037,392)
Other operating and interest income	32,034	78,661
Net profit before taxation	29,605	105,141
Tax on profit/(loss)	-	(16,851)
Profit for the financial year	29,605	88,290
The aggregate of the assets, liabilities and reserves was:		
Assets	814,102	584,012
Liabilities	(856,968)	(656,483)
Reserves	(42,866)	(72,471)

14 Stocks	2023 £	2022 £
Group	11,668	6,261

Notes to the financial statements (continued)

15 Debtors: Amounts falling due within one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Amounts owed by group undertakings	-	763,023	-	615,500
Prepayments and accrued income	106,696	28,643	92,388	31,254
Other debtors	906,310	817,139	1,528,614	1,513,805
	<u>1,013,006</u>	<u>1,608,805</u>	<u>1,621,002</u>	<u>2,160,559</u>

16 Creditors: Amounts falling due within one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade creditors	22,322	9,596	11,891	4,761
Other creditors	476,187	396,942	328,120	294,266
	<u>498,509</u>	<u>406,538</u>	<u>340,011</u>	<u>299,027</u>

17 Movement in funds

Group

	At 1 April 2022 £	Net movement in funds £	At 31 March 2023 £
Unrestricted funds	2,221,815	(613,299)	1,608,516
Designated funds	4,992,887	934,462	5,927,349
Restricted funds	90,033	(3,649)	86,384
Total funds	<u>7,304,735</u>	<u>317,514</u>	<u>7,622,249</u>

Charity

	At 1 April 2022 £	Net movement in funds £	At 31 March 2023 £
Unrestricted funds	2,294,288	(644,876)	1,649,412
Designated funds	4,992,887	934,462	5,927,349
Restricted funds	90,033	(3,649)	86,384
Total funds	<u>7,377,208</u>	<u>285,937</u>	<u>7,663,145</u>

Notes to the financial statements (continued)

Designated funds have been established for:

The funding of:

- The Charity's contractual commitments to the services delivered by the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, in 2023/24 and 2024/25,
- Two years' estimated cost for new agreed services not currently contracted,
- An estimated £10,000 annual contribution to upgrading the Hospice building,
- Rentals due on the Charity's HQ building and its current portfolio of shops to the break points in their leases, and
- An estimate of the rentals due on new shop leases likely to be acquired in 2023/24.

Restricted funds

During the year the group and the charitable company received donations that the donors had specified to be spent on certain areas of the Charity's expenditure. These are classified as restricted funds as follows:

	At 1 April 2022 £	Monies received £	Expenditure in year £	At 31 March 2023 £
Staff Benefit	27,115	5,098	(4,167)	28,046
FNH@Home	-	109,632	(109,632)	-
Day Hospice	-	1,250	(1,250)	-
Lymphoedema	-	610	(610)	-
Florrie's Children's Team	-	21,000	(21,000)	-
Volunteering	5,833	10,000	(15,833)	-
Schools Project	-	-	-	-
IPU Community Fund	-	5,285	(5,285)	-
Bereavement Project	17,068	67,856	(66,499)	18,425
Discharge Liaison Nurse	40,017	-	(14,903)	25,114
Nativity	-	6,300	(1,500)	4,800
Bladder Scanners	-	9,479	(9,479)	-
Therapy Support Worker	-	10,000	-	10,000
	<u>90,033</u>	<u>246,510</u>	<u>250,159</u>	<u>86,384</u>

	At 1 April 2021 £	Monies received £	Expenditure in year £	At 31 March 2022 £
Staff Benefit	29,254	97,102	(99,241)	27,115
FNH@Home	-	133,850	(133,850)	-
Day Hospice	1,300	1,275	(2,575)	-
Lymphoedema	2,165	9,845	(12,010)	-
Florrie's Children's Team	-	22,056	(22,056)	-
Volunteering	-	10,000	(4,167)	5,833
Schools Project	-	4,500	(4,500)	-
IPU Community Fund	-	4,260	(4,260)	-
Bereavement Project	-	26,107	(9,039)	17,068
Discharge Liaison Nurse	-	40,017	-	40,017
	<u>32,719</u>	<u>349,012</u>	<u>(291,698)</u>	<u>90,033</u>

Notes to the financial statements (continued)

The Charity is grateful for support from Charitable Trusts and Foundations which have made grants during the financial year. Larger grants were received from the: Albert Hunt Foundation, Ashwells Charitable Trust, Rothschild Foundation, Sisters of Holy Cross and Stratton No2 Charitable Fund.

18 Related party transactions

The group and the charitable company received income from The Hospice Lottery Partnership Limited of which it is a shareholder, totalling £199,639 in the year (2022: £201,427). At the year-end there was a balance of £nil owed from The Hospice Lottery Partnership Limited to the group and the charitable company (2022: nil).

Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports, benefitting from a contribution to our funds of £2,800,918 (2022: £2,601,279) since that time. There are now six hospices which are supported through this company. Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised.

When needed, the Charity utilises the services of Parrott and Coales LLP for legal advice and to process property leases. Mr J Leggett from Parrott and Coales LLP is a Trustee. The value of the amount spent by the Charity with Parrott and Coales LLP for legal work in the year was £8,495+VAT (2022: £5,502+VAT).

19 Operating lease commitments

As at 31 March 2023 the Charity had total commitments under non-cancellable leases as follows:

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Within one year	355,373	184,783	245,797	97,207
Between one and five years	1,071,593	642,820	624,994	142,039
In more than five years	825,384	697,622	243,672	4,049
	<u>2,252,350</u>	<u>1,525,225</u>	<u>1,114,463</u>	<u>243,295</u>

20 Outstanding membership liability

Each member gives a guarantee to contribute a sum, not exceeding £10, to the Charity should it be wound up.

Notes to the financial statements (continued)

21 Financial instruments

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Financial assets measured at fair value through net income/expenditure				
Fixed asset investments	<u>5,219,713</u>	<u>5,219,715</u>	<u>5,353,797</u>	<u>5,353,797</u>
Financial assets measured at amortised cost				
Fixed asset investments	<u>16,679</u>	<u>16,679</u>	<u>16,179</u>	<u>16,179</u>
Debt instruments measured at amortised cost				
Other debtors	<u>906,310</u>	<u>817,139</u>	<u>1,528,614</u>	<u>1,513,805</u>
Amounts owed by group undertakings	<u>-</u>	<u>763,023</u>	<u>-</u>	<u>615,500</u>
	<u><u>906,310</u></u>	<u><u>1,580,162</u></u>	<u><u>1,528,614</u></u>	<u><u>2,129,305</u></u>
Financial liabilities measured at amortised cost				
Trade creditors	<u>22,322</u>	<u>9,596</u>	<u>11,891</u>	<u>4,761</u>
Other creditors	<u>476,187</u>	<u>396,942</u>	<u>328,120</u>	<u>294,266</u>
	<u><u>498,509</u></u>	<u><u>406,538</u></u>	<u><u>340,011</u></u>	<u><u>299,027</u></u>

The income, expenses, net gains and losses attributable to the Charity's financial instruments are summarised as follows:

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Income and expenses				
Financial assets measured at fair value through net income/expenditure	<u>90,744</u>	<u>90,744</u>	<u>71,471</u>	<u>71,471</u>
Net gains and losses (including changes in fair value)				
Financial assets measured at fair value through net income/expenditure	<u>(202,002)</u>	<u>(202,002)</u>	<u>436,891</u>	<u>436,891</u>

Notes to the financial statements (continued)

22 Comparative statement of financial activities

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £
Income					
Donations, Legacies and Grants	1	2,189,450	-	349,012	2,538,462
Income from other trading activities	2	1,737,371	-	-	1,737,371
Other income		-	-	-	-
Income from investments	3	71,471	-	-	71,471
Total income		3,998,292	-	349,012	4,347,304
Expenditure					
Costs of raising funds:					
Fundraising	4	495,143	-	-	495,143
Shops Trading	4	1,112,486	-	-	1,112,486
Support staff costs	4	112,252	-	-	112,252
Expenditure on charitable activities	5	928,513	-	291,698	1,220,211
Total resources expended		2,648,394	-	291,698	2,940,092
Taxation	11	(16,851)	-	-	(16,851)
Net income before gains/ (losses) on investments		1,333,047	-	57,314	1,390,361
Unrealised gains/(losses) on investment assets	13	436,891	-	-	436,891
Net income/expenditure		1,769,938	-	57,314	1,827,252
Transfers between funds		(1,047,114)	1,047,114	-	-
Net movement in funds	17	722,824	1,047,114	57,314	1,827,252
Reconciliation of funds					
Total funds brought forward at 1 st April		1,498,991	3,945,773	32,719	5,477,483
Total funds carried forward at 31st March	17	2,221,815	4,992,887	90,033	7,304,735

FLORENCE NIGHTINGALE HOSPICE CHARITY

England & Wales - Charity number 1119499

Accounts



Florence
Nightingale
HOSPICE CHARITY

Report of the Trustees and Consolidated Financial Statements

For the Year Ended 31 March 2022

Company Registration Number: 06187174
Registered Charity No. 1119499

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Reference and administrative details

Company registration number	06187174
Charity number	1119499
Registered office	Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY
Board of Trustees	Mr P Bridgman Mr P Cotton Mrs D Earnshaw Mr M Fabes Mr S Jones Mr J Leggett Ms J Naismith Ms S Plumridge Mr N Ratcliffe (Chairman) Mr C Shennan Dr A Watt
Chief Executive	Mrs J Turner
Bankers	Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD
Auditors	Azets Audit Services Suites B & D Burnham Yard Beaconsfield HP9 2JH
Investment advisors	Schroder & Co. (trading as Cazenove Capital) 1 London Wall Place London EC27 5AU
Website address	www.fnhospice.org.uk

Report of the trustees

Report of the trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2022.

Objectives and activities for the public benefit

The Charity's vision is to provide the best hospice care for local people in Buckinghamshire and bordering areas, both within a Hospice setting and in the community.

Objectives and aims

The objects of Florence Nightingale Hospice Charity (the Charity or FNHC) are to promote the relief of people who are suffering from any chronic or terminal illness, disability or disease, or other physical or mental infirmity by:

- Providing care for persons who are suffering as aforesaid by establishing, maintaining and conducting one or more residential nursing homes in England or Wales and by providing medical or other treatment and attention for any persons in their own homes and to provide assistance to other bodies or persons in achieving such provisions;
- Conducting, promoting or encouraging research into care and treatment of persons suffering any illness, disability, disease or infirmity, particularly into the care and treatment of persons suffering from cancer or terminal illness;
- Promoting, encouraging or assisting in the teaching or training of the medical and clinical professions or allied services;
- Providing, assisting or encouraging the provision of spiritual help and guidance for any persons resident (either as patients or otherwise), visiting, or working in any such home or homes as aforesaid;
- Providing, encouraging or accessing the provision of psychosocial support to families when needed.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities for the year.

In order to meet these objectives, the Charity works in partnership with the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, and commissions services from them by funding or part-funding specific services, teams, individual posts and equipment including:

Working in the Hospice

- In-Patient Unit: the Charity commissions additional staffing to cover absences thereby protecting and maintaining appropriate staffing levels within the 12 bed In-Patient Unit.
- Day Hospice: the Charity commissions a Day Hospice which aims to improve the personal wellbeing of patients through symptom management advice, psychological and therapeutic support, diversional techniques and complementary therapies.
- Lymphoedema Clinic: the Charity commissions this service which provides specialist assessments of patients' symptoms (such as swelling, pain, loss of function of a limb and skin infections) and treatment through massage and specialist compression bandaging.
- Discharge Liaison Nurse: the Charity provides this post which assesses and co-ordinates the timely discharge of patients from the Hospice and, where necessary, plans packages of palliative care on discharge; therefore facilitating patients' preferred place of care.
- Triage Nurse: the Charity provides a Triage Nurse who manages patients requiring telephone support, and also makes first contact with patients referred to assess their needs and to start symptom control as soon as possible.
- Capital costs: the Charity provides specific clinical equipment and also the refurbishment of parts of the Hospice building as identified by the clinical leads. The Charity provides for the upkeep of the Hospice's

Report of the trustees

courtyard garden, therapeutic and diversionary materials and additional food and beverages provided for patients and visitors.

In the community

- **FNH@Home:** the Charity commissions a team of qualified nurses and carers who administer palliative care across the Aylesbury Vale in patients' homes so they can receive the same level of care and medical attention as they would receive in the In-Patient Unit at the Hospice. FNH@Home was established in 2019 and incorporates the Healthcare Assistants formerly known as Nightingale 24/7.
- **Community Palliative Care Team:** the Charity commissions additional resource in this team of senior nurses who support patients at their homes in the Aylesbury Vale.
- **Florrie's Children's Team:** the Charity provides this team which provides respite and care for children with life-limiting illness in their own homes in addition to offering support to parents and siblings.
- **Bereavement Support:** the Charity commissions additional resource in this team and provides over 40 Volunteer Bereavement Listeners who support adults and children pre- and post-bereavement.

Other

- **Education:** the Charity purchases specialist training and professional development for Hospice professionals through the Henderson Fund which was created in memory of husband and wife, Karen and Jim Henderson. Karen was a former Matron at the Hospice and Jim a former Trustee of the Charity, and their combined contribution to the development of the Hospice was enormous.
- **Volunteers:** the Charity also meets the costs of the Volunteers who contribute to hospice care and income generation, specifically mileage costs incurred whilst driving patients.

Structure, governance and management

Governance

Florence Nightingale Hospice Charity is a charitable company limited by guarantee; incorporated and registered with the Charity Commission on 27th March 2007. It is governed under its Memorandum and Articles of Association. The liability of the members is limited to an amount not exceeding £10.

Organisational structure

The full Trustee Board meets quarterly with the Chief Executive and other members of the Senior Management Team as required, to review the strategic plan and operational activities of the Charity and the trading subsidiary. Day-to-day management is delegated to the Chief Executive, Jo Turner. The Chief Executive presents comprehensive reports on activity, policy papers and financial updates in advance of each meeting to ensure the Trustees are fully informed of the operational, financial, and wider policy context. The Board also has responsibility for overseeing the Charity's investments.

The Trustees who have served during the year are listed below. They have served throughout the entire year except where stated.

Dr Alan Watt (Chair until the AGM held on 22 September 2021 but remains on the Board)
Mr N Ratcliffe (Chair from 22 September 2021)
Mr M Bennett (Retired 22 September 2021)
Mr P Bridgman
Mr P Cotton
Mrs D Earnshaw
Mr M Fabes
Mr S Jones
Mr J Leggett
Ms J Naismith
Ms S Plumridge

Report of the trustees

Mr C Shennan (Co-opted 16 March 2022)

The Trustees have approved a delegated responsibility to two sub-committees.

The Governance sub-committee meets quarterly, or as required, to address governance issues. Trustees in attendance are John Leggett (Chair), Noel Ratcliffe, Alan Watt and Peter Cotton.

Trustee reviews were conducted in the year. Trustees met either Mr Ratcliffe or Dr Watt to discuss their experience of being on the Board and their thoughts on how the Charity delivers on its purpose and relates to the Florence Nightingale Hospice as delivery partner. Findings were discussed at Governance Committee and the main Board. This exercise was considered to be very worthwhile and will be repeated in 2022/23.

In the year Governance Committee also reviewed and revised the Charity's complaints procedure and, as recommended to all charities, considered the lessons learned section of the Charities Commission's Inquiry into the failure of Kids Company which was published in February 2022.

The Finance and Audit committee meets quarterly, or as required, to review and monitor management reports and cash flow and evaluate new income generation initiatives with the Chief Executive, Head of Finance, Head of Fundraising and other members of the senior management team as appropriate. Trustees in attendance are Simon Jones (Chair), Noel Ratcliffe, Sarah Plumridge and Chris Shennan.

The Board of Florence Nightingale Hospice Shops Limited also reports to the Trustees on the retail activities of the business.

Dr Watt stepped down from the Chair role at the AGM in September 2021 but remains on the Board for the remaining year of his permitted term to support his successor. Noel Ratcliffe, who has been a Trustee of FNHC since 2016, was selected by Trustees to be the new Chair. Mr Ratcliffe is a nurse by training and worked in palliative care for 9 years including as Director of Nursing for Iain Rennie Hospice at Home and Director of Clinical Services at the Peace Hospice. More recently he has been GP Practice Manager at the Norden House Surgery, Winslow, where he led the complex project to merge three GP Practices before retiring in 2021.

Michael Bennett retired from the Board in September 2021 after completing a full 12-year term, including a period as Chair. We are extremely grateful for the huge contribution Mr Bennett made to stewarding the Charity during a period of growth which has seen the Charity's support of the Hospice grow enormously.

Chris Shennan FCCA joined the Board in March 2022. Mr Shennan is Managing Director of APS Accountancy, a well-regarded local practice which he started in 2011, working with SMEs. He has supported the Charity for several years in a fundraising capacity.

Dr Watt will reach the end of his maximum 12-year term at the AGM in October. Dr Ruth Mason is joining from August 2022 as the expert on General Practice. She has recently retired from the Norden House Surgery in Winslow where she has been a Partner since 1991. Dr Mason believes strongly in the benefits of high-quality palliative care for patients and their families.

In 2022/23 the Charity will be advertising for two additional Trustees with HR/cultural change and Fundraising expertise, to further develop the Board's skills.

Florence Nightingale Hospice Charity is a member of Hospice UK, the Fundraising Regulator, the Chartered Institute of Fundraising, the Fundraising Preference Service, the Charity Retail Association, the National Council for Voluntary Organisations and the Association of Chief Executives of Voluntary Organisations. During the year the CEO kept up to date with developments in the hospice and wider charity sector by attending national and regional sessions led by Hospice UK and other groups including an informal group of charities commissioning NHS Hospice services formed in 2020.

Report of the trustees

The Charity complies with all recommended codes of practice and does not outsource any form of fundraising to commercial companies.

Recruitment and appointment of new Trustees

FNHC's Trustee selection process requires those who are being considered for joining the Board to be interviewed by a panel of not fewer than two, and no more than three, current Trustees who are nominated by the Chair according to circumstances. The interview panel submits a recommendation to the Board of Trustees for a final decision. However, if a candidate has been recommended or introduced by a particular Trustee, then that Trustee will not form part of the interview panel.

Induction and training of new Trustees

New Trustees receive an induction pack including a copy of the Charity Commission's Guide "The Essential Trustee", the Charity's Memorandum and Articles of Association, the latest financial statements, confidentiality and conflict of interest documents, organisational information and a programme of meetings with key members of staff.

Related parties

Florence Nightingale Hospice Shops (FNHS) Limited is the wholly owned trading subsidiary of Florence Nightingale Hospice Charity. As a result of donated goods, the charity received donations under the gift aid scheme of £258,000 (2021: £55,000). Accordingly, the total surplus generated from retail related activities for the year amounted to £363,141 (2021: deficit of £113,958).

Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised. Mrs Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports. FNHC has benefited from contributions to our funds of £2,601,279 since that time. For many years five Hospices have been supported through this company. Since 2019-20, Associate Partners are being recruited to expand the partnership and its long-term income potential. East & North Hertfordshire Hospitals' Charity and Harlington Hospice joined as Associate Partners in 2021.

Florence Nightingale Hospice Charity from time to time uses the services of Parrott and Coales LLP for legal advice and to process property leases. In addition, the Charity has had the longstanding benefit of at least one Parrott and Coales member of staff serving on the Board of Trustees. However, these Trustees do not take part in any negotiations or discussions in regard to awarding work to Parrott and Coales and remove themselves from any discussion where a conflict of interest may occur.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The organisational Risk Register is reviewed on an annual basis through the Governance sub-committee. The document follows a weighted likelihood versus impact approach, with an overall risk score and RAG rating for each risk.

Since early 2020 the most significant risks facing the Charity have been those posed by the Covid-19 pandemic. This has affected multiple areas of operation including the safety and wellbeing of staff, volunteers and supporters, the impact on income generation from fundraising and retail, and of course the delivery of Hospice services. The risks posed by possible future waves of Covid-19 (or other pandemics and emergencies) to business continuity remain high on our Risk Register. However, the measures taken to respond to the pandemic in the 2020-22 period mean that we feel more confident about effective responses. Mitigations would be likely to include:

Report of the trustees

- Maintaining a focus on good governance, for example by reviving the Emergency Committee of Chair and Chairs of sub-Boards authorised to make decisions, while keeping the other Trustees connected.
- Assessing the impact on the Charity's finances and responding accordingly.
- Adjusting income generation activity to the most appropriate and postponing or stopping unnecessary activities.
- Devising a crisis communication plan for staff, volunteers and supporters.
- Supporting staff who might need to work differently.

Following the Charity Commission advice to the sector, we are amending our Memorandum and Articles of Association at the 2022 AGM to allow online meetings.

The pandemic has exacerbated the risk of insufficient Hospice care being available for those who need it. This is because of the disruption to healthcare and the reported late diagnoses of severe illness for some people, in addition to the existing pressures related to a growing and ageing population. We are addressing this risk with our partners at Buckinghamshire Healthcare NHS Trust by reviewing the current palliative care services and augmenting them or investigating new ways of delivering care. (See more below on page 9).

The current economic downturn and cost of living crisis risks the Charity's income generation and potentially our ability to meet the future costs of hospice services. We are addressing this risk by improving and diversifying fundraising approaches, making shops more profitable and acquiring new ones, raising profile through events and marketing, seeking the help of volunteers to benefit from their skills; whilst also controlling costs and seeking value for money. Another mitigation is holding sufficient reserves. The Charity revised its Reserves Policy last year in the light of the pandemic which showed fragility to some income streams. The new Reserves Policy better protects the Charity's significant long-term commitment to fund existing Hospice services and other long term financial commitments e.g., the leases on shops and head office. It also protects investment in additional Hospice related services over the medium to long term.

The current job market is also posing the risk that a failure to recruit and retain high performing staff could lead to loss of income, poor morale and threaten operations and reputation. We are mitigating against this with measures aimed at existing staff (such as a focus on developing a positive organisational culture as we grow, good internal communications, chances for staff to hear from the frontline Hospice team about the difference the Charity is making through the commissioning of services, and annual benchmarking of pay and benefits). We are also assessing our recruitment process to ensure that it is efficient and roles are advertised widely.

The Charity is also exposed to other risks that could lead to significant disruption including:

- Poor financial management and practices risk income and reputation.
- The Charity breaches Health and Safety best practice risking the personal safety of staff, volunteers or the public, thus affecting the Charity's reputation and leading to financial compensation.
- Inadequate vetting and reference procedures for relevant staff and volunteers leads to safeguarding and reputational risks.
- The Charity's fundraising programme for 2022 includes a production of 'Nativity the Musical'. We have sought specialist advice to produce a Child Protection policy and risk avoidance processes as this project includes children from age 6 upwards attending auditions, autumn half term rehearsals and a performance on 30th October at the Waterside theatre in Aylesbury.

Overall, we are confident that we have procedures and resources in place to address these risks.

Report of the trustees

Achievement and performance

Main objectives for the Florence Nightingale Hospice Charity in 2021-22

Objectives for year	Achievements over the past year
<p>To continue the provision of high-quality specialist palliative care delivered by the Florence Nightingale Hospice both in the Hospice building and in the community.</p> <p>To explore if other palliative care services need to be provided or if any capital improvements need to be made at the Hospice to benefit patients & staff.</p> <p>To set a 3-year strategy for the Charity's operations.</p> <p>To further develop the financial and operational oversight of FNHC commissioned services and projects undertaken by Buckinghamshire Healthcare NHS Trust. This will include jointly producing a Service Level Agreement for each service provided.</p>	<p>The Charity has increased provision of hospice care during the year thus enabling a range of services to be delivered for local people at the Florence Nightingale Hospice (FNH) and in the community.</p> <p>During 2021-22, 314 patients were cared for by the In-Patient Unit. The Charity also commissioned palliative care in the community which supported 994 people. 746 people were supported by our Community Palliative Care Specialist services, including FNH@Home and Florrie's Children's Team. 255 people were supported by the Lymphoedema Clinic. 44 people were supported by the Day Hospice. These hospice services received 209 written accolades last year thanking staff for the excellent care that they had received.</p> <p>The services offered by FNH continued to be affected by Covid-19 to varying degrees. For example, the team needed to handle very sensitively the restrictions on the number of visitors allowed into the Hospice building as required by NHS guidance. It was positive news though that many services were able to operate more normally. Respite patients could be admitted into the In-Patient Unit again. The Day Hospice service resumed, and its team received an award from Buckinghamshire Healthcare NHS Trust for how they had imaginatively adapted their services to cope with the pandemic restrictions.</p> <p>The FNH@Home service, comprising qualified nurses and Healthcare Assistants, was set up in 2019 to serve the Aylesbury Vale area. Despite the inevitable difficulties faced in establishing a new hospice at home service during the pandemic, the Charity is delighted that it is already regarded as an essential part of the expert palliative care available in the area. FNH@Home has continued its pilot during 2021-22 and was reviewed at a steering group in July 2021. Due to the increasing caseload and complexity of patients cared for, the Charity took the decision to boost the team with an additional Band 5 nurse.</p> <p>The Bereavement service provided invaluable support throughout the Covid-19 pandemic, supporting hundreds of people across the county through their grief at a time when traditional family and friend support networks were limited. During 2021/22, once Covid restrictions were lifted, new volunteer Listeners were recruited by the Charity and face-to-face Bereavement Support meetings and the drop-in Bereavement support cafe were re-started.</p>

Report of the trustees

	<p>The service benefited from a grant from NHS Charities Together which meant that the Bereavement Listening Lead could increase her hours and a Deputy be recruited. This will enable the service to respond more quickly to requests for support as well as proactively reaching out to vulnerable and marginal groups who may benefit from bereavement support.</p> <p>A project costing £7,000 to refurbish the Lymphoedema clinic was completed. The room had not been updated since construction in 2000, so needed substantial refurbishment to create a better environment for patients and to store equipment appropriately.</p> <p>The Florence Nightingale Hospice senior management team has recently reviewed how the services it delivers have fared as we emerge from the pandemic which disrupted healthcare so significantly. Other pressures that pre-date the pandemic are also having a major impact, including an increasing and ageing population, patients often having more than one complex condition, and an ageing workforce with expert staff retiring or approaching retirement. Using available funds, Trustees will be making decisions very soon about using some of the Charity's free reserves in order to augment or provide additional services to address these demands. Service Level Agreements will be revised in the light of these decisions.</p> <p>While the aim was to produce a 3-year strategy for the Charity in 2021-22, it was decided to wait for the service review first. The strategy will now be completed in 2022-23. Trustees are keen for this to articulate the Charity's ambitious approach to providing the best Hospice care for local people in Buckinghamshire and borders, to develop more proactive services for groups that currently may not benefit from Hospice care and to raise the necessary funds to support sustainable services.</p>
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Report of the trustees

To enable income from the Charity's Retail operation to recover and increase: through our current portfolio of shops, online sales and by acquiring & opening additional shops.

All of the shops reopened after the final lockdown on 12th April 2021, so had almost a whole year's trading in 21/22.

The Retail team was in good shape following a restructure in autumn 2020, and significant recruitment in the final months of 20/21. This included the appointment of an experienced Area Manager and a Senior Showroom Manager to help manage the safe reopening of shops and drive the income growth required.

Due to the training and preparations made for reopening in the final quarter of 20/21, the shops were able to trade well from reopening. Footfall quickly recovered to pre-pandemic levels and sales were consistently strong throughout the whole of 21/22.

There was high sales performance across most of the portfolio, with almost all of the shops and Showroom performing very well above 19/20 and the budget set. As well as the considerable hard work and efforts of the Retail team, this is a result of a number of factors, including the relocations in Haddenham and Showroom; management changes across a lot of the shops, and stronger volunteer teams, all of which put Retail in a strong position to benefit from the increased popularity of charity shop shopping.

In 21/22, we budgeted for an ambitious Retail turnover which was 25% higher than the pre-pandemic year in 19/20. The year ended with a turnover 12% higher than budget, and 40% higher than 19/20.

We had allowed for opening up to 3 new shops in 21/22 but were unable to find any suitable available units. The situation started to improve towards the end of the year, and we have already identified several potential units allowing the Retail expansion into South Buckinghamshire. The first of these is a shop opening in Marlow on 19th August.

Overall, 21/22 was a very successful year for Retail, which is extremely welcome after the challenges of 20/21. The key objectives for 22/23 will be to deliver further income growth, with a particular focus on new shops, online sales, and Gift Aid; and a continuing focus on the support, development and engagement of the Retail team of staff and volunteers.

Report of the trustees

To increase income generation from Fundraising by continuing to diversify income streams and reintroducing public fundraising when restrictions allow.

21/22 was a strong year for fundraising, being the best year for gross and net fundraising income achieved at the Charity.

This was achieved by a strong performance in traditional areas of events and community fundraising. Examples include Not the Midnight Walk raising over £90,000 as well as smaller activities such as the Schools Santa Dash, virtual Run 50 and Walk 100 as well as Open Gardens, with each raising over £5,000.

The Charity's volunteer fundraising groups also had a strong year, with the Haddenham Community Support Group raising over £6,000. The charity continues to rely on committed and passionate volunteers across Buckinghamshire to deliver its fundraising commitments.

The income diversification programme also performed strongly. Trust and Grant fundraising received 8 donations each exceeding £10,000. In Memory income was also £40,000 ahead of budget, due in part to the very successful 'Forever Flowers' display at Waddesdon Manor, with 499 snowdrops sold in just six weeks. These metal flowers made a lasting impression, with the public display lasting for two weeks before the flowers were packaged away and sent to their owners.

Nightingale's Rainbow is now complete. This very large and impressive steel and tile rainbow at Stoke Mandeville Hospital is a fitting tribute to the thousands of acts of kindness which took place in Buckinghamshire during the COVID 19 pandemic. Already, patients, staff and visitors tell us how the rainbow makes them feel, particularly during the night when each colour is lit. More than 4,000 tiles have been purchased to date. To read some of the truly humbling messages of thanks they contain, and buy a tile to leave your own message, visit www.nightingalesrainbow.org.uk

Report of the trustees

To attract additional Volunteers to support the Hospice and income generation following some long-standing members of the team standing down because of the pandemic.

Volunteering was very disrupted during the worst phase of the pandemic in 2020 and 2021 with the Hospice limiting on site attendance, our shops needing to shut and public fundraising curtailed. The Trustees would like to thank our volunteers for returning when that became possible, and for their continuing commitment and dedication.

Work was done to review the specialist volunteering roles at the Hospice and to offer updated training. Attracting additional volunteers was also a priority in 2021-22 and continues to be so. We now have two Volunteer Engagement Managers who lead the recruitment, retention, and engagement of volunteers across the Charity. They are the main contacts for all volunteering matters and work on improving the overall volunteer experience, to ensure the Charity and Hospice offer happy, productive and fulfilling environments for volunteers. They also support Charity and Hospice staff to work effectively with the volunteer team. A Volunteer Forum has been restarted. This enables volunteers to exchange views and share ideas about their area of volunteering, thus helping to ensure we are meeting the needs of our volunteers.

After a two-year gap caused by covid restrictions, we were delighted to be able to host a summer party in July 2022 to thank our volunteers in person. We are also marking long service with certificates and badges.

We are extremely grateful to the Rothschild Foundation for part funding one of the Volunteer Engagement Manager roles for three years. One of the objectives of their grant is to recruit additional volunteers from communities and groups who are currently under-represented. These include those with disabilities, minority ethnic communities, ex-offenders, and younger people. We have been exploring these areas by working alongside schools, HMP Springhill and building links with the local Community Service officer. As well as this we are reaching out to religious groups, disability teams and attending local job and volunteer fairs in order to attract as many volunteers as possible from all backgrounds.

Report of the trustees

<p>To implement improvements to the Charity's IT systems and hardware in order to drive business efficiencies.</p>	<p>The IT modernisation programme is advancing well. All databases and documents are now stored on the cloud and all office-based staff use a laptop, which allows a much more flexible approach to working.</p> <p>The Charity's new IT supplier, Alcom IT, has updated hardware and software, and also increased the security of our internet. Improved wifi has been installed in all shops. The Charity has also moved to internet telephony.</p> <p>Following a process of implementation, the charity moved to a new, cloud based, CRM/database called Donorfy. This new system is much more user-friendly and accessible. It also integrates with online suppliers, such as Eventbrite and Stripe. This has removed the need for a great deal of manual data entry, saving time and increasing accuracy.</p> <p>In the year we also moved to the ADP combined HR and payroll system.</p> <p>A shortlisting process for a new website supplier was carried out and work to design a new, more accessible website, that integrates with the Donorfy CRM, is under way.</p>
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Main objectives for the Florence Nightingale Hospice Charity in 2022-23

- To provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by commissioning services from the Florence Nightingale Hospice and potentially other providers, to be delivered both in the Hospice building and in the community. Service Level Agreements will be reviewed for all commissioned services in 2022/23.
- To explore whether:
 - additional palliative care services need to be provided,
 - proactive initiatives should be devised to offer Hospice care to those who aren't reached currently and
 - capital improvements need to be made at the Hospice to benefit patients & staff.
- To finalise a 3-year strategy for the Charity's operations.
- To deliver further income growth from the Charity's Retail operation, with a particular emphasis on new shops, online sales, and Gift Aid; as well as a focus on the support, development and continued engagement of the Retail team of staff and volunteers.
- To increase income from Fundraising through the diversification programme, with a particular focus on increasing income from Charitable Trusts, Major Gifts, In Memory and Legacy fundraising. In addition, to continue the approach of 'fewer, bigger' events, including a high-profile event at the Waterside Theatre, and developing a new mass-participation event.
- To support all the Volunteers who offer their time and expertise to support the Hospice and Charity, and to recruit additional ones to assist with Hospice services and the growth of the Charity. This will include recruiting volunteers from communities and groups who are currently under-represented.

Report of the trustees

- To continue with the Charity's IT modernisation programme by embedding the use of the new CRM and reviewing our Finance system, to drive business efficiencies.
- To produce a new more accessible website that explains Hospice services and promotes the Charity's income generation.

Financial review

The results for the year ended 31 March 2022 are given in the Consolidated Statement of Financial Activities together with the Consolidated Balance Sheet giving details of the assets and liabilities. The comparative figures are for the year ended 31 March 2021.

The Charity made a profit before investment gains or losses of £1,390,361, compared to a deficit in 2021 of £378,356, an increase of £1,768,717. Net income after significant investment gains/(losses) was £1,827,252 (2021: £624,052).

Legacy income received in the year was £1,488,510 (2021: £107,518). In common with other charities Legacies are recognised when certain criteria are achieved: the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty.

The cost of services commissioned from Buckinghamshire Healthcare NHS Trust increased by £67,455 to £954,693. (The Charity had in fact budgeted for the higher sum of £1,020,208 but vacancies in the Hospice team, mainly related to pandemic effects, meant that some costs were lower). In addition, a further £21,722 was provided for specific Hospice projects and purchases (2021: £97,238). Overall expenditure on charitable activities increased by £104,149 to £1,220,211 (2021: £1,116,062).

There was a significant spend on IT modernisation. As noted, the Charity invested in new hardware and systems, and paid for support for the implementation at an overall cost of £26,562.

The Charity's bank balance as at 31 March 2022 was £375,488 (2021: £212,802). This includes committed funds to cover the Quarter 4 payment to Buckinghamshire Healthcare NHS Trust for £244,049 which was paid in July 2022.

Post Balance Sheet Events

Previously our Charity/NHS partnership was not eligible for the Government's NHS Covid-19 Hospice compensation scheme which commenced in 2020 and was administered by Hospice UK. £255 million was made available to protect independent hospices from the financial implications of the pandemic. Our Charity helped to establish an informal group of Charities which partner with NHS Hospices in 2020, partly to lobby for access to this funding. We were pleased to be invited by Hospice UK to apply to the final tranche of Covid emergency funding (£100m) to enable hospices to provide additional support to their communities over the winter of 2021/22 and to ensure acute services were not overwhelmed by the Omicron COVID-19 variant. At this point we are still waiting for news about whether a grant will be awarded.

In July 2022 we completed on a lease for an additional shop in West Street, Marlow which was fitted out and opened in August. As explained on page 10, other shops are under negotiation as part of our strategy to increase income to provide further hospice care.

Investments Performance Review

The Charity's investment portfolio is managed by Cazenove Capital Management Limited. The assets are invested in accordance with the investment managers 'progressive' mandate, this being a portfolio which can invest in an array of asset classes including but not limited to equities, fixed income, commercial property,

Report of the trustees

portfolio funds and hedge funds primarily through Common Investment Funds and Open-ended Investment Companies, to provide both income and capital appreciation. Investment parameters are set within this mandate for each asset class. The Charity does not invest in tobacco companies.

The Florence Nightingale Hospice Charity portfolio continues to remain well diversified within the confines of the mandate. The Charity's investments were revalued at 31 March 2022 at a market value in accordance with the accounting policies resulting in significant unrealised gain of £436,891 (2021: unrealised gain of £1,002,408).

The portfolio has had a very strong period versus its benchmarks (almost 6% ahead of the ARC index), benefitting from the more sustainable stance adopted in a period when oil stocks in particular performed poorly, although this has clearly not been the case in more recent months. The quality bias and shift to a more defensive stance over the course of this year has helped protect assets in the recent sell-off and the portfolio is only showing a marginal negative return so far in 2022. The value of the investments at 31 March 2022 was £5,370,478 (2021: £5,183,035).

The main focus is on long term capital growth rather than income generation, although £71,471 was received in the year and reinvested by our Investment Manager.

The income on our investments was 1.46% on £4,867,542 total value (20-21: £96,246 on £4,604,000). The Total Return on the portfolio over the 12-month period to 31st March 2022 was 10.4% (versus 12.98% for the FTSE All Share and 4.64% for the ARC PCI Growth Index).

The care of the investment portfolio comes under the remit of the main Board though it has been agreed that in future the detail will be reviewed by the Finance Committee. The Finance Committee will be undertaking a review of the Investment Policy during 2022/23. A Cazenove Capital management representative attends the Board twice yearly to review the performance of the Charity's investments.

Reserves policy

As noted in our 2020-21 Accounts, the Trustees have reviewed the Charity's Reserves policy in light of recent experience during the pandemic, the long-term financial commitments of the Charity, and the Trustees' desire to commission additional Hospice related services in the medium to long term. A reserves policy was formulated, informed by the Charity Commission's Guidance on reserves (CC19). The policy has been reviewed as part of the preparation of these Accounts.

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The starting point for calculating the amount of free reserves held is therefore the amount of unrestricted funds held by a charity. However, some or all of the unrestricted funds of a charity may not be readily available for spending. This is because spending those funds may adversely impact on the charity's ability to deliver its aims. In accordance with the Charity Commission guidance, the items that should be excluded from free reserves are:

Commitments that have not been provided for as a liability in the accounts:

- The Florence Nightingale Hospice Charity generally has in place a series of three-year contracts with Buckinghamshire Healthcare NHS Trust (BHT) for the provision of various services at or connected to the Florence Nightingale Hospice. These contracts have staggered dates and therefore on average have eighteen months to two years unexpired term; and
- The Charity has long term financial commitments on the leases on its shops and head office premises.
- Designated funds set aside to meet essential future spending, such as funding a project that could not be met from future income:
- A recent example of this was the FNH@Home service.

Report of the trustees

The remaining unrestricted reserves, 'free reserves', should be adequate to cover fluctuations in the Charity's finances brought about by the unpredictability of income sources or unexpected costs that might arise. The recent pandemic has shown that some of the Charity's income streams are susceptible to fluctuation e.g., shop income, which along with the unpredictable nature of legacy income, results in a degree of volatility of income.

The trustees continue to believe that the Charity should aim to hold free reserves of between six and twelve-months running costs, alongside designated reserves to cover the long-term financial commitments and future essential project funding.

Designated reserves at 31 March 2022 were £4,992,887 (2021: 3,945,773). The increase in our designated reserves reflects our investment in the development of hospice care including three additional community nurses, a Lymphoedema nurse, a Therapy Support Worker and the Deputy Bereavement service Lead. In addition, we are investing in further shops, mainly in south Buckinghamshire, to generate sustainable income for the long term.

Target free reserves are in the range £860,000 - £1,720,000. At 31 March 2022 free reserves were £2,221,815, partly caused by the welcome increase in legacy income. Trustees are comfortable that this exceeds the higher end of our target free reserves at this point. As noted on page 9, the Charity will be producing a three-year strategy in 2022/23 that will set out its ambition to provide additional services to meet the increasing need for Hospice care caused mainly by demographic changes. We envisage calling on the free reserves in response to this strategy.

Fundraising standards information

The Fundraising Strategy, which identifies our income streams and the approach taken for each activity in line with the Code of Fundraising Practice, was reviewed and approved by the Trustees as part of budgeting in February 2022.

The Charity is registered with the Fundraising Regulator. The Fundraising Regulator holds the Code of Fundraising Practice for the UK. We follow the Code and ensure that our fundraising is respectful, open, honest and accountable to the public. All fundraising is done in-house and not outsourced to any professional fundraisers or commercial partners.

All fundraising activity is carried out within the terms of the Charity's Vulnerable Person Policy, which places a strict duty on staff as regards to appropriate communication and behaviour. The charity prevents unreasonable intrusion and persistent approaches by excluding recently bereaved individuals from mass communications for 1 year. Supporters also receive a maximum of four fundraising appeals a year. Supporters also have the ability to opt-in or opt-out of fundraising communications. As frontline fundraisers routinely work with bereaved individuals, regular bereavement training is compulsory for all fundraising staff and forms part of the induction process of new fundraisers.

The Charity has not received any complaints regarding its fundraising efforts in the year ended 31 March 2022 or to the date of this report.

In all our policies and practices we have not actively sought additional data that is not already in the public domain. We only record data that people opt to provide to us. We do not run face to face or telephone fundraising campaigns.

Going Concern

The Covid-19 pandemic had a profound impact on the Charity's income streams and operations in 2020 and 2021. We set a cautious budget for 2021/22 because of the continuing uncertainties (such as the possibility of further lockdowns) but as explained in this Report, we are pleased to report that income generation

Report of the trustees

exceeded expectations with Retail and Fundraising reporting their most profitable year. Our shops traded consistently well from the point that they reopened in mid-April 2021 and also benefited from Government Restart grants of £29,820 and a business continuity insurance payment of £48,728. Fundraising also performed very strongly. Major donor, Trusts & Foundations and In Memory income streams were particularly profitable and we were able to introduce in-person community and events fundraising from the summer of 2021. Relatively low legacy income had been received in 2020/21, probably as a result of delays to the Probate system and solicitor's practices being affected by the pandemic. However, in 2021/22 the Charity was very grateful to receive £1,488,510 in legacy payments/notifications as well as further legacy notifications post year end.

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. While the periodic reoccurrence of Covid-19 cases poses some risks to operations, the Charity can call on the experience of handling the pandemic in 2020-22. This and our free reserves mean Going Concern remains the appropriate basis.

Volunteers

The Charity benefits from the support of around 450 volunteers of all ages who use their skills and experience to work alongside Charity staff on retail and fundraising activities, and with the Hospice team providing patient and family support directly.

As noted above, in common with all Charities which benefit from volunteers to deliver services and assist with income generation, the normal pattern of regular volunteering was very disrupted in 2020 and 2021. The Trustees would like to thank our volunteers for returning when that became possible, and for their continuing commitment and dedication. We also welcome new volunteers who have joined us more recently.

Without the time, expertise and compassion of our volunteers we could not support and enhance the lives of local patients and families or raise the funds needed to secure vital palliative care services for our community. We are extremely grateful for their huge contribution.

Staff

The Trustees would like to thank all of the staff of Florence Nightingale Hospice Charity for their hard work and the dedication shown over the year. The Charity team commission Hospice services and help promote the importance of excellent palliative care, as well as raising and administering the funds needed.

Trustees would also like to record their sincere thanks to all of the staff of Florence Nightingale Hospice who continued to deliver skilled and compassionate care for local people despite the continuing challenges posed by the Covid-19 pandemic and other pressures.

In particular we congratulate Liz Monaghan, Matron for Palliative and End of Life Care, who received the prestigious Chief Nursing Officer's Silver Award in March 2022 for being an outstanding, kind and caring leader.

Pay policy for senior staff

The directors, who are the Charity's trustees, the Chief Executive and the senior management team (see below) comprise the senior management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

In the year, the Senior Management Team consists of the Chief Executive and the Heads of Retail, Fundraising, Finance and HR & Volunteering. Mrs Penny Bradshaw resigned as Head of HR & Volunteering

Report of the trustees

in June 2022. Volunteering is now reporting into our Head of Retail who is very experienced in this area, and an HR Manager is being recruited.

A new committee comprising the Chairman, Chairs of the sub-committees and the CEO was formed in the summer of 2021 to review pay and reward for all staff. It considered the results of an independent benchmarking of pay rates. Ensuring that the Charity's salaries are comparable with similar-sized local organisations is one of our strategies for dealing with the current competitive job market which poses risks to the recruitment and retention of staff.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that year.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the exemptions provided by section 415A of the Companies Act 2006. Preparing the accounts of a small company does not require the preparation of a Strategic Report, although much of the typical content of such a report is included within the Trustees Report.

Approved by the Board of Trustees on 31 August 2022 and signed on their behalf by:



Noel Ratcliffe
Chair of Trustees

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

Opinion

We have audited the financial statements of Florence Nightingale Hospice Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, Charity balance sheet, Consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2022 and the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 obtained all the information and explanations necessary for the purposes of our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the group and charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the group and charitable company that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the group and charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Azets Audit Services

Paul Creasey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services, Statutory Auditor
Beaconsfield

Date: *31 August 2022*

Principal accounting policies

General Information

Florence Nightingale Hospice Charity is a company limited by guarantee incorporated and domiciled in England. Its registered office address is Unit 2 Walton Lodge, Walton Street, Aylesbury, Buckinghamshire, HP21 7QY.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Public benefit

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

Going concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In making this assessment, the Trustees have considered the level of funds held and the expected levels of income and expenditure for the 12-month period after approving these financial statements. The budgeted level of income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Accounting convention

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

The consolidated statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking on a line-by-line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and as permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

All income is included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable, and the amount involved can be quantified with reasonable certainty. They are included in the statement of financial activities.

Cash collected to which the Charity is legally entitled but which has not been received at the year-end is included as income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when donations are received.

Principal accounting policies

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value

is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed, and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Investment Income

Investment income, including associated income tax recoveries, is recognised when receivable.

Government Grants

The Charity has received government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants is recognised at fair value when the charity has entitlement after any Performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Expenditure is allocated between: -

- **Costs of raising funds** - These include costs of generating donations and legacies, costs of fundraising trading and costs of managing investments.
- **Charitable activities** - These comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives.
- **Governance costs** - These include the costs of governance arrangements which relate to the general running of the Charity and the compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Principal accounting policies

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable

value, after due regard for obsolete and slow-moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	Straight Line over the lower of 10 years or the life of the lease
Fixtures & fittings	20% Straight Line
Computer equipment	20% Straight Line
Vans	20% Straight Line

Capital expenditure over £1,000 is capitalised.

Tangible assets are stated at cost less accumulated depreciation.

Investments

Assets held for investment purposes are valued at market value at the balance sheet date. Traded securities are valued at their market quotation as at the year-end date.

Unlisted investments are stated at cost at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

Other financial instruments

a) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

b) Other debtors

Other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing rate of interest.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Taxation

The Charity can take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the Charity's subsidiary company because the

Principal accounting policies

directors of this company have indicated that they intend to make donations each year to the Charity equal to the taxable profits of the company under the Gift Aid scheme.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are monies earmarked by the Trustees for specific purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a Stakeholder pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Estimations

Support costs are those which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Consolidated statement of financial activities

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income						
Donations, Legacies and Grants	1	2,189,450	-	349,012	2,538,462	1,163,274
Income from other trading activities	2	1,737,371	-	-	1,737,371	689,801
Other income		-	-	-	-	150
Income from investments	3	71,471	-	-	71,471	96,305
Total income		3,998,292	-	349,012	4,347,304	1,949,530
Expenditure						
Costs of raising funds:						
Fundraising	4	495,143	-	-	495,143	301,350
Shops Trading	4	1,112,486	-	-	1,112,486	825,050
Support staff costs	4	112,252	-	-	112,252	102,275
Expenditure on charitable activities	5	928,513	-	291,698	1,220,211	1,116,062
Total resources expended		2,648,394	-	291,698	2,940,092	2,344,737
Taxation	11	(16,851)	-	-	(16,851)	16,851
Net income before gains/ (losses) on investments		1,333,047	-	57,314	1,390,361	(378,356)
Unrealised gains/(losses) on investment assets	13	436,891	-	-	436,891	1,002,408
Net income/expenditure		1,769,938	-	57,314	1,827,252	624,052
Transfers between funds		-	-	-	-	-
Net movement in funds	17	1,769,938	-	57,314	1,827,252	624,052
Reconciliation of funds						
Total funds brought forward at 1 st April		1,498,991	3,945,773	32,719	5,477,483	4,853,431
Total funds carried forward at 31st March	17	3,268,929	3,945,773	90,033	7,304,735	5,477,483

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All the above results are derived from continuing activities. All gains and losses recognised in the year are included.

Consolidated balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Fixed assets						
Tangible assets	12	271,519	-	-	271,519	299,188
Investments	13	377,589	4,992,887	-	5,370,476	5,183,035
		<u>649,108</u>	<u>4,992,887</u>	<u>-</u>	<u>5,641,995</u>	<u>5,482,223</u>
Current assets						
Stocks	14	6,261	-	-	6,261	2,893
Debtors	15	1,621,002	-	-	1,621,002	376,816
Cash at bank and in hand		285,455	-	90,033	375,488	212,802
		<u>1,912,718</u>	<u>-</u>	<u>90,033</u>	<u>2,002,751</u>	<u>592,511</u>
Creditors						
Amounts falling due within one year	16	(340,011)	-	-	(340,011)	(597,251)
Net current assets / (liabilities)		<u>1,572,707</u>	<u>-</u>	<u>90,033</u>	<u>1,662,742</u>	<u>(4,740)</u>
Total assets less current liabilities		<u>2,221,815</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,304,735</u>	<u>5,477,483</u>
Net Assets		<u>2,221,815</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,304,735</u>	<u>5,477,483</u>
Funds						
Unrestricted funds					2,221,815	1,498,991
Designated funds					4,992,887	3,945,773
Restricted donations					90,033	32,719
Total funds	17				<u>7,304,735</u>	<u>5,477,483</u>

These financial statements were approved by the Board of Trustees on ... 31st August 2022....and were signed on their behalf by:

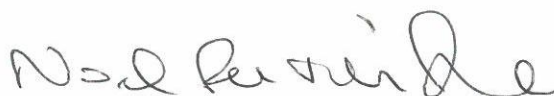


Noel Ratcliffe
Chairman of Trustees

Charity balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Fixed assets						
Tangible Assets	12	26,879	-	-	26,879	11,147
Investments	13	377,589	4,992,887	-	5,370,478	5,183,037
		<u>404,468</u>	<u>4,992,887</u>	<u>-</u>	<u>5,397,357</u>	<u>5,194,184</u>
Current assets						
Debtors	15	2,160,559	-	-	2,160,559	843,764
Cash at bank and in hand		28,286	-	90,033	118,319	179,323
		<u>2,188,845</u>	<u>-</u>	<u>90,033</u>	<u>2,278,878</u>	<u>1,251,340</u>
Creditors						
Amounts falling due within one year	16	(299,027)	-	-	(299,027)	(579,024)
Net current assets		<u>1,889,818</u>	<u>-</u>	<u>90,033</u>	<u>1,979,851</u>	<u>444,063</u>
Total assets less current liabilities		<u>2,294,286</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,377,208</u>	<u>5,638,247</u>
Net Assets		<u>2,294,286</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,377,208</u>	<u>5,638,247</u>
Funds						
Unrestricted funds:					2,294,286	1,659,755
Designated funds:					4,992,887	3,945,773
Restricted donations					90,033	32,719
Total funds	17				<u>7,377,208</u>	<u>5,638,247</u>

These financial statements were approved by the Board of Trustees on... 31st August 2022... and were signed on their behalf by:



Noel Ratcliffe
Chairman of Trustees

Consolidated Cash flow statement

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided / (used in) by operating activities (analysed below)	<u>(61,002)</u>	<u>(683,094)</u>
	<u>(61,002)</u>	<u>(683,094)</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(26,562)	(266,976)
Proceeds from sale of fixed assets	800	-
Purchase of investments	(934,081)	(1,755,796)
Proceeds from sale of investments	1,183,531	1,980,445
Net cash used in investing activities	<u>223,688</u>	<u>(42,327)</u>
Change in cash and cash equivalents in the reporting period	162,686	(725,421)
Cash and cash equivalents at the beginning of the reporting period	<u>212,802</u>	<u>938,223</u>
Cash and cash equivalents at the end of the reporting period	<u><u>375,488</u></u>	<u><u>212,802</u></u>

Note:

Reconciliation of net movement in funds	2022 £	2021 £
Net movement in funds for the reporting period (as per the statement of financial activities)	1,827,252	624,052
Adjustments for:		
Depreciation charges	53,432	46,714
Loss on disposal of fixed asset	-	-
Unrealised investment gains	(436,891)	(1,002,408)
Movement in stocks	(3,368)	2,117
Movement in debtors	(1,244,186)	24,043
Movement in creditors	(257,241)	(377,612)
Net cash provided by / (used in) operating activities	<u><u>(61,002)</u></u>	<u><u>(683,094)</u></u>

Analysis of changes in net funds

	2021 £	Cash Flows £	2022 £
Cash and cash equivalents	<u>212,802</u>	<u>162,686</u>	<u>375,488</u>

Notes to the financial statements (continued)

1 Donations, Legacies and Grants

	2022 £	2021 £
Donations (including In Memory and grants from Charitable Trusts)	1,020,132	630,942
Legacies	1,488,510	107,518
Government grants:		
Furlough receipts for Charity	-	29,860
Furlough receipts for Shops	485	138,130
Local Authority Covid-19 Shops Grants	29,335	256,824
	<u>2,538,462</u>	<u>1,163,274</u>

2 Income from other trading activities

	2022 £	2021 £
Fundraising from mass-participation and community events	367,035	216,140
Shop income	1,168,909	255,809
Lottery	201,427	217,852
	<u>1,737,371</u>	<u>689,801</u>

3 Income from investments

	2022 £	2021 £
Bank interest received	144	59
Dividends received	71,327	96,246
	<u>71,471</u>	<u>96,305</u>

4 Costs of raising funds

	2022 £	2021 £
Fundraising		
Direct staff costs (note 7)	249,760	203,189
Fundraising expenses and promotion	107,507	26,503
Support other costs	137,876	71,658
	<u>495,143</u>	<u>301,350</u>
Shops Trading		
Staff costs (note 7)	643,720	501,456
Other costs	468,766	323,594
	<u>1,112,486</u>	<u>825,050</u>
Support staff costs (note 7)	<u>112,252</u>	<u>102,275</u>

Notes to the financial statements (continued)

5 Expenditure on charitable activities

	2022 £	2021 £
Grant funding to staff and services delivered by Florence Nightingale Hospice	954,692	887,238
	954,692	887,238
Capital Improvements	-	36,882
Direct costs - Paravan	1,286	3,649
Direct costs – Specialist Palliative Care Education and Training	-	681
Other direct costs	84,602	26,167
Staff costs (note 7)	64,263	66,781
Governance (note 6)	115,368	94,664
	1,220,211	1,116,062

6 Governance costs

	2022 £	2021 £
Staff costs (note 7)	43,342	37,328
Legal and professional fees	56,210	47,356
Auditors' remuneration	12,516	9,230
Auditors' remuneration for non-audit services	3,300	750
	115,368	94,664

7 Allocation of staff costs

2022:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2022 Total £
Payroll	240,158	643,552	40,551	63,752	111,705	1,099,718
Recruitment & Training	8,816	-	1,544	-	-	10,360
Other staff costs	786	168	1,247	511	547	3,259
	249,760	643,720	43,342	64,263	112,252	1,113,337
2021:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2021 Total £
Payroll	201,215	501,456	37,328	65,186	102,275	907,460
Recruitment & Training	1,598	-	-	1,033	564	3,195
Other staff costs	376	-	-	562	47	985
	203,189	501,456	37,328	66,781	102,886	911,640

The allocation of staff costs has been reviewed. A proportion of costs have been allocated to the Support function. This is defined as costs which are necessary to deliver an activity, but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources, and premises costs. The costs have been allocated based on staff time spent.

Notes to the financial statements (continued)

8 Net income

Net income is stated after charging

	2022	2021
	£	£
Auditors' remuneration: Parent company	5,725	5,350
Auditors' remuneration: Group (Including Parent company)	12,516	9,230
Auditors' remuneration for non-audit services	3,300	750
Depreciation	53,432	46,714
Operating lease payments – land and buildings	263,310	220,460

9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 (2021: £nil).

Trustees' expenses

There were no expenses reimbursed to the Trustees in the year ended 31 March 2022 (2021: £nil).

There were expenses of £172 (2021: £nil) incurred in respect of a trustee's leaving meal and gift.

Donations from trustees

Donations from trustees totalled £1,811 in the year ended 31 March 2022 (2021: £845)

10 Staff costs

	2022	2021
	£	£
Wages and salaries	985,533	825,615
Social security costs	81,295	55,449
Pension costs	32,890	26,396
	<u>1,099,718</u>	<u>907,460</u>

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

	2022	2021	2022	2021
	FTE	FTE	No.	No.
Fundraising	24	26	41	35
Administration	2	3	2	7
Governance	1	1	1	1
Charitable activities	5	3	5	2
	<u>32</u>	<u>33</u>	<u>49</u>	<u>45</u>

One employee earned more than £60,000 but not more than £70,000 during the year (2021: nil).

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £273,416 (2021: £275,472).

Total redundancy payments amount to £0 (2021 - £59,833) and related to restructuring.

Notes to the financial statements (continued)

11 Taxation

The taxation charge represents deferred tax adjustments in relation to tax losses incurred by the trading subsidiary.

12 Tangible fixed assets

Group	Short leasehold improvements £	Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2021	41,935	379,923	30,259	80,392	532,509
Additions	-	-	-	26,562	26,562
Disposals	(800)	-	-	-	(800)
At 31 March 2022	<u>41,135</u>	<u>379,923</u>	<u>30,259</u>	<u>106,954</u>	<u>558,271</u>
Depreciation					
At 1 April 2021	30,367	110,980	26,609	65,365	233,231
Charge for the year	2,107	39,655	3,650	8,019	53,432
On disposal	-	-	-	-	-
At 31 March 2022	<u>32,474</u>	<u>150,635</u>	<u>30,259</u>	<u>73,384</u>	<u>286,751</u>
Net Book Amount					
At 31 March 2022	<u>8,661</u>	<u>229,288</u>	<u>-</u>	<u>33,570</u>	<u>271,519</u>
At 31 March 2021	<u>11,568</u>	<u>268,943</u>	<u>3,650</u>	<u>15,027</u>	<u>299,188</u>
Charity					
		Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2021		12,109	18,245	33,729	64,083
Additions		-	-	25,521	25,521
At 31 March 2022		<u>12,109</u>	<u>18,245</u>	<u>59,250</u>	<u>89,604</u>
Depreciation					
At 1 April 2021		10,742	14,596	27,598	52,936
Charge for the year		771	3,649	5,368	9,788
At 31 March 2022		<u>11,513</u>	<u>18,245</u>	<u>32,966</u>	<u>62,724</u>
Net Book Amount					
At 31 March 2022		<u>596</u>	<u>-</u>	<u>26,284</u>	<u>26,880</u>
At 31 March 2021		<u>1,367</u>	<u>3,649</u>	<u>6,131</u>	<u>11,147</u>

Notes to the financial statements (continued)

13 Fixed asset investments

Group		Listed Investments £	Shares in participating interests £	Totals £
Market value				
At 1 April 2021		5,166,356	16,679	5,183,035
Additions		934,081	-	934,081
Disposals		(1,183,531)	-	(1,183,531)
Investment gains / (losses)		436,891	-	436,891
At 31 March 2022		<u>5,353,797</u>	<u>16,679</u>	<u>5,370,476</u>
Net book value				
At 31 March 2022		<u>5,353,797</u>	<u>16,679</u>	<u>5,370,476</u>
At 31 March 2021		<u>5,166,356</u>	<u>16,679</u>	<u>5,183,035</u>
Charity				
	Shares in group undertakings £	Listed Investments £	Shares in participating interests £	Totals £
Market value				
At 1 April 2021	2	5,166,356	16,679	5,183,035
Additions	-	934,081	-	934,081
Disposals	-	(1,183,531)	-	(1,183,531)
Investment gains / (losses)	-	436,891	-	436,891
At 31 March 2022	<u>2</u>	<u>5,353,797</u>	<u>16,679</u>	<u>5,370,478</u>
Net book value				
At 31 March 2022	<u>2</u>	<u>5,353,797</u>	<u>16,679</u>	<u>5,370,478</u>
At 31 March 2021	<u>2</u>	<u>5,166,356</u>	<u>16,679</u>	<u>5,183,037</u>

The historical cost of listed investments (for Group and Charity) held at the year-end was £3,971,951 (2021: £4,015,539).

The Company's investments at the balance sheet date in the share capital of group undertakings and participating interests comprise the following:

The Hospice Lottery Partnership Limited

At 31 March 2022 the charitable company owned fourteen shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales, carrying out fundraising for six hospices including Florence Nightingale Hospice Charity. Florence Nightingale Hospice Charity has held an interest in The Hospice Lottery Partnership Limited since its incorporation in 1997. The directors consider this an investment as they have no significant influence and have no management rights in the strategic, tactical or operational decisions made by The Hospice Lottery Partnership Limited. The value of the investment in the company is recognised at

Notes to the financial statements (continued)

cost as the equity investment is unquoted and the value cannot be measured reliably. The group does not intend to dispose of the investment in the foreseeable future.

Florence Nightingale Hospice Shops Limited

Nature of business: Operating Charity shops

Class of share:	% holding	2022 £	2021 £
Ordinary	100		
Aggregate capital and reserves		<u>(72,471)</u>	<u>(160,761)</u>

The investment in group undertakings relates to the cost of the 2 ordinary shares of £1 each, being 100% of the issued share capital of Florence Nightingale Hospice Shops Limited, a company incorporated in England and Wales, which is the trading subsidiary of the charitable company.

A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	1,120,611	249,561
Cost of sales	(56,739)	(24,948)
Gross profit	1,063,872	224,613
Administrative expenses	(1,037,392)	(794,967)
Other operating and interest income	78,661	401,396
Net profit/(loss) before taxation	105,141	(168,958)
Tax on profit/(loss)	(16,851)	16,851
Profit/(loss) for the financial year	<u>88,290</u>	<u>(152,107)</u>
The aggregate of the assets, liabilities and reserves was:		
Assets	584,012	424,478
Liabilities	(656,483)	(585,239)
Reserves	<u>(72,471)</u>	<u>(160,761)</u>

14 Stocks	2022 £	2021 £
Group	<u>6,261</u>	<u>2,893</u>

Notes to the financial statements (continued)

15 Debtors: Amounts falling due within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Amounts owed by group undertakings	-	615,500	-	567,013
Prepayments and accrued income	92,388	31,254	122,778	58,699
Deferred tax asset	-	-	16,851	-
Other debtors	1,528,614	1,513,805	237,187	218,052
	<u>1,621,002</u>	<u>2,160,559</u>	<u>376,816</u>	<u>843,764</u>

16 Creditors: Amounts falling due within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade creditors	11,891	4,761	455,435	455,451
Taxation and social security	-	-	13,385	6,960
Other creditors	328,120	294,266	128,431	116,613
	<u>340,011</u>	<u>299,027</u>	<u>597,251</u>	<u>579,024</u>

17 Movement in funds

Group

	At 1 April 2021 £	Net movement in funds £	At 31 March 2022 £
Unrestricted funds	1,498,991	722,824	2,221,815
Designated funds	3,945,773	1,047,114	4,992,887
Restricted funds	32,719	57,314	90,033
Total funds	<u>5,477,483</u>	<u>1,827,252</u>	<u>7,304,735</u>

Charity

	At 1 April 2021 £	Net movement in funds £	At 31 March 2022 £
Unrestricted funds	1,659,755	634,531	2,294,286
Designated funds	3,945,773	1,047,114	4,992,887
Restricted funds	32,719	57,314	90,033
Total funds	<u>5,638,247</u>	<u>1,738,961</u>	<u>7,377,208</u>

Notes to the financial statements (continued)

Designated funds have been established for:

The funding of:

- The Charity's contractual commitments to the services delivered by the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, in 2022/23 and 2023/24,
- Two years estimated cost for new agreed services not currently contracted.
- An estimated £30,000 annual contribution to upgrading the Hospice building,
- Rentals due on the Charity's HQ building and its current portfolio of shops to the end of their leases, and
- An estimate of the rentals due on new shop leases likely to be acquired in 2022/23.

Restricted funds

During the year the group and the charitable company received donations that the donors had specified to be spent on certain areas of the Charity's expenditure. These are classified as restricted funds as follows:

	At 1 April 2021 £	Monies received £	Expenditure in year £	At 31 March 2022 £
Staff Benefit	29,254	97,102	(99,241)	27,115
FNH@Home	-	133,850	(133,850)	-
Day Hospice	1,300	1,275	(2,575)	-
Lymphoedema	2,165	9,845	(12,010)	-
Florrie's Children's Team	-	22,056	(22,056)	-
Volunteering	-	10,000	(4,167)	5,833
Schools Project	-	4,500	(4,500)	-
IPU Community Fund	-	4,260	(4,260)	-
Bereavement Project	-	26,107	(9,039)	17,068
Discharge Liaison Nurse	-	40,017	-	40,017
	<u>32,719</u>	<u>349,012</u>	<u>(291,698)</u>	<u>90,033</u>

	At 1 April 2020 £	Monies received £	Expenditure in year £	At 31 March 2021 £
Staff Benefit	2,182	62,400	(35,328)	29,254
FNH@Home	132,936	14,893	(147,829)	-
Day Hospice	1,300	-	-	1,300
Lymphoedema	-	2,901	(736)	2,165
Florrie's Children's Team	10,853	1,561	(12,414)	-
	<u>147,271</u>	<u>81,755</u>	<u>(196,307)</u>	<u>32,719</u>

The Charity is grateful for support from Charitable Trusts and Foundations which have made grants during the financial year, a significant proportion to develop the FNH@Home service. Larger grants were received from the: Albert Hunt Foundation, Aylesbury Town Council, Captain Tom Foundation, Childwick Trust, Fullagher Trust, Inman Charity, Mike & Claire Griffin Trust, Mulberry Trust via Heart of Bucks, Sisters of The Holy Cross and Stratton No 2 Charitable Fund.

Notes to the financial statements (continued)

18 Related party transactions

The group and the charitable company received income from The Hospice Lottery Partnership Limited of which it is a shareholder, totalling £201,427 in the year (2021: £217,852). At the year-end there was a balance of £nil owed from The Hospice Lottery Partnership Limited to the group and the charitable company (2021: £30,000).

Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports, benefitting from a contribution to our funds of £2,601,279 (2021: £2,399,852) since that time. There are now six hospices which are supported through this company. Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised.

When needed, the Charity utilises the services of Parrott and Coales LLP for legal advice and to process property leases. Mr J Leggett from Parrott and Coales LLP is a Trustee. The value of the amount spent by the Charity with Parrott and Coales LLP for legal work in the year was £5,502+VAT (2021: £12,312+VAT).

19 Operating lease commitments

As at 31 March 2022 the Charity had total commitments under non-cancellable leases as follows:

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Within one year	245,797	97,207	263,310	114,720
Between one and five years	624,994	142,039	761,328	211,156
In more than five years	243,672	4,049	353,135	21,549
	<u>1,114,463</u>	<u>243,295</u>	<u>1,377,773</u>	<u>358,015</u>

20 Outstanding membership liability

Each member gives a guarantee to contribute a sum, not exceeding £10, to the Charity should it be wound up.

Notes to the financial statements (continued)

21 Financial instruments

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Financial assets measured at fair value through net income/expenditure				
Fixed asset investments	<u>5,353,797</u>	<u>5,333,797</u>	<u>5,166,356</u>	<u>5,166,356</u>
Financial assets measured at amortised cost				
Fixed asset investments	<u>16,179</u>	<u>16,179</u>	<u>16,179</u>	<u>16,179</u>
Debt instruments measured at amortised cost				
Other debtors	1,528,614	1,513,805	254,038	218,052
Amounts owed by group undertakings	-	615,500	-	567,013
	<u>1,528,614</u>	<u>2,129,305</u>	<u>254,038</u>	<u>785,065</u>
Financial liabilities measured at amortised cost				
Trade creditors	11,891	4,761	455,435	455,451
Other creditors	328,120	294,266	128,431	116,613
	<u>340,011</u>	<u>299,027</u>	<u>583,866</u>	<u>572,064</u>

The income, expenses, net gains and losses attributable to the Charity's financial instruments are summarised as follows:

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Income and expenses				
Financial assets measured at fair value through net income/expenditure	<u>71,471</u>	<u>71,471</u>	<u>96,305</u>	<u>96,305</u>
Net gains and losses (including changes in fair value)				
Financial assets measured at fair value through net income/expenditure	<u>436,891</u>	<u>436,891</u>	<u>1,002,408</u>	<u>1,002,408</u>

Notes to the financial statements (continued)

22 Comparative statement of financial activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £
Income and endowments				
Donations and legacies	1,081,519	-	81,755	1,163,274
Income from other trading activities	689,801	-	-	689,801
Other income	150	-	-	150
Income from investments	96,305	-	-	96,305
Total income and endowments	<u>1,867,775</u>	<u>-</u>	<u>81,755</u>	<u>1,949,530</u>
Expenditure				
Costs of raising funds:				
Fundraising	301,350	-	-	301,350
Trading	825,050	-	-	825,050
Support staff costs	102,275	-	-	102,275
Expenditure on charitable activities	919,755	-	196,307	1,116,062
Total expenditure	<u>2,148,430</u>	<u>-</u>	<u>196,307</u>	<u>2,344,737</u>
Taxation	16,851	-	-	16,851
Net income/(expenditure) before gains and losses on investments	<u>(263,804)</u>	<u>-</u>	<u>(114,552)</u>	<u>(378,356)</u>
Net gains/(losses) on investments assets	1,002,408	-	-	1,002,408
Net income/(expenditure)	<u>738,604</u>	<u>-</u>	<u>(114,552)</u>	<u>624,052</u>
Transfers between funds	(1,805,556)	1,805,556	-	-
Net movement in funds	<u>(1,066,952)</u>	<u>1,805,556</u>	<u>(114,552)</u>	<u>624,052</u>
Reconciliation of funds				
Total funds brought forward	2,565,943	2,140,217	147,271	4,853,431
Total funds carried forward	<u><u>1,498,991</u></u>	<u><u>3,945,773</u></u>	<u><u>32,719</u></u>	<u><u>5,477,483</u></u>

FLORENCE NIGHTINGALE HOSPICE CHARITY

England & Wales - Charity number 1119499

Accounts



Florence
Nightingale
HOSPICE CHARITY

Report of the Trustees and Consolidated Financial Statements

For the Year Ended 31 March 2021

**Company Registration Number: 06187174
Registered Charity No. 1119499**

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Reference and administrative details

Company registration number	06187174
Charity number	1119499
Registered office	Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY
Board of Trustees	Mr M Bennett Mr P Bridgman Mr P Cotton Mrs D Earnshaw Mr M Fabes Mr S Jones Mr J Leggett Ms J Naismith Ms S Plumridge Mr N Ratcliffe Dr A Watt (Chairman)
Chief Executive	Mrs J Turner
Bankers	Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD
Auditors	Azets Audit Services The Mill House Boundary Road Loudwater High Wycombe HP10 9QN
Investment advisors	Cazenove Fund Management Limited Suite B 6 Worcester Street Gloucester Green Oxford OX1 2BX
Website address	www.fnhospice.org.uk

Report of the trustees

Report of the trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2021.

Objectives and activities for the public benefit

The Charity's vision is to support the best hospice care for local people both within a Hospice setting and in the community.

Objectives and aims

The objects of Florence Nightingale Hospice Charity (the Charity or FNHC) are to promote the relief of people who are suffering from any chronic or terminal illness, disability or disease, or other physical or mental infirmity by:

- 1) Providing care for persons who are suffering as aforesaid by establishing, maintaining and conducting one or more residential nursing homes in England or Wales and by providing medical or other treatment and attention for any persons in their own homes and to provide assistance to other bodies or persons in achieving such provisions;
- 2) Conducting, promoting or encouraging research into care and treatment of persons suffering any illness, disability, disease or infirmity, particularly into the care and treatment of persons suffering from cancer or terminal illness;
- 3) Promoting, encouraging or assisting in the teaching or training of the medical and clinical professions or allied services;
- 4) Providing, assisting or encouraging the provision of spiritual help and guidance for any persons resident (either as patients or otherwise), visiting, or working in any such home or homes as aforesaid;
- 5) Providing, encouraging or accessing the provision of psychosocial support to families when needed.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities for the year.

In order to meet these objectives, the Charity works in partnership with the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, and funds or part-funds specific services, teams, some individual posts and equipment including:

Working in the Hospice

- In-Patient Unit: the Charity funds additional staffing costs to cover absences thereby protecting and maintaining appropriate staffing levels within the 12 bed In-Patient Unit.
- Day Hospice: the Charity funds all costs of the Day Hospice which aims to improve the personal wellbeing of patients through symptom management advice, psychological and therapeutic support, diversional techniques and complementary therapies.
- Lymphoedema Clinic: the Charity funds all the costs of this service which provides specialist assessments of symptoms and treatment through massage and specialist compression bandaging.
- Discharge Liaison Nurse: the Charity funds this post which assesses and co-ordinates the timely discharge of patients from the Hospice and, where necessary, plans packages of palliative care on discharge; therefore facilitating patients' preferred place of care.
- Triage Nurse: the Charity funds a Triage Nurse who manages patients requiring telephone support, and also makes first contact with patients referred to assess their needs and to start symptom control as soon as possible.

Report of the trustees

- **Capital costs:** the Charity funds specific clinical equipment and also the refurbishment of parts of the Hospice building as identified by the clinical leads. The Charity pays for the upkeep of the Hospice's courtyard garden, therapeutic and diversionary materials and additional food and beverages provided for patients and visitors.

In the community

- **FNH@Home:** the Charity fully funds a team of qualified nurses and carers who administer palliative care across the Aylesbury Vale in patients' homes so they can receive the same level of care and medical attention as they would receive in the In-Patient Unit at the Hospice. FNH@Home was established in 2019 and incorporates the Healthcare Assistants formerly known as Nightingale 24/7.
- **Community Palliative Care Team:** the Charity part-funds this team of senior nurses who support patients at their homes in the Aylesbury Vale.
- **Florrie's Children's Team:** the Charity fully funds this team which provides respite and care for children with life-limiting illness in their own homes in addition to offering support to parents and siblings.
- **Bereavement Support:** the Charity fully funds the costs of 50 Volunteer Bereavement Listeners who provide support to adults and children pre- and post-bereavement.

Other

- **Education:** the Charity part-funds the provision of palliative care education to the clinical community locally and funds some specialist training and professional development for Hospice staff.
- **Volunteers:** the Charity also meets the costs of the Volunteers who contribute to hospice care and income generation, specifically mileage costs incurred whilst driving patients.

Structure, governance and management

Governance

Florence Nightingale Hospice Charity is a charitable company limited by guarantee; incorporated and registered with the Charity Commission on 27th March 2007. It is governed under its Memorandum and Articles of Association. The liability of the members is limited to an amount not exceeding £10.

Organisational structure

In normal circumstances, the full Trustee Board meets quarterly with the Chief Executive and other members of the Senior Management Team as required, to review the strategic plan and operational activities of the Charity and the trading subsidiary. Day-to-day management is delegated to the Chief Executive, Jo Turner. The Chief Executive presents comprehensive reports on activity, policy papers and financial updates in advance of each meeting to ensure the Trustees are fully informed of the operational, financial and wider policy context. The Board also has responsibility for overseeing the Charity's investments.

As the Charity contended with the challenges arising from the Covid-19 pandemic in 2020, normal Board meetings were suspended from April to October and replaced with regular meetings of an emergency committee attended by the Chair of Trustees, Chairs of the Finance, Governance and Retail Boards and the CEO. This allowed decisions to be taken quickly.

Report of the trustees

The Trustees who have served during the year are listed below. They have served throughout the year except where stated.

Dr Alan Watt (Chairman)
Mr M Bennett
Mr P Bridgman
Mr P Cotton
Mrs D Earnshaw
Mr M Fabes
Mr S Jones
Mr J Leggett
Ms J Naismith
Ms S Plumridge
Mr N Ratcliffe
Mrs A Tomkins – resigned 16 September 2020

The Trustees have approved a delegated responsibility to two sub-committees.

The Governance sub-committee meets quarterly, or as required, to address governance issues. Trustees in attendance are John Leggett (Chair), Alan Watt and Peter Cotton. In the year the Charity reviewed practice against the revised Charity Governance Code which has updated Integrity and Equality, diversity and inclusion principles. We also produced a protocol for the future appointment of a new Chair as well as writing a role description.

The Finance sub-committee meets quarterly, or as required, to review and monitor management reports and cash flow and evaluate new income generation initiatives with the Chief Executive, Finance Manager, Head of Fundraising and other members of the senior management team as appropriate. Trustees in attendance are Simon Jones (Chair), Alan Watt, Mike Bennett and Noel Ratcliffe. During the pandemic it received at least monthly cash flow forecasts.

The Board of Florence Nightingale Hospice Shops Limited also reports to the Trustees on the retail activities of the business.

Dr Watt will step down from the Chair role at the AGM in September 2021, but remain on the Board for the remaining year of his permitted term to support his successor. At the March 2021 Board of Trustees, Noel Ratcliffe, who has been a Trustee of FNHC for five years, was selected to be the new Chair. Mr Ratcliffe is a nurse by training and worked in palliative care for 9 years including as Director of Nursing for Iain Rennie Hospice at Home and Director of Clinical Services at the Peace Hospice. More recently he has been GP Practice Manager at the Norden House Surgery, Winslow, where he led the complex project to merge three GP Practices. He is passionate about the importance of hospice care and the support offered to families at very difficult times. In anticipation of his new position Mr Ratcliffe is now also attending the Governance sub-committee and Florence Nightingale Hospice Shops Board. He was already a member of Finance sub-committee.

Florence Nightingale Hospice Charity is a member of Hospice UK, the Fundraising Regulator, the Chartered Institute of Fundraising, the Fundraising Preference Service, the Charity Retail Association, the National Council for Voluntary Organisations and the Association of Chief Executives of Voluntary Organisations. During the year the CEO kept up to date with developments in the hospice and wider charity sector by attending national and regional sessions led Hospice UK and other groups. We also helped form a new informal group of charities supporting NHS Hospices.

Report of the trustees

The Charity complies with all recommended codes of practice and does not outsource any form of fundraising to commercial companies.

Recruitment and appointment of new Trustees

FNHC's Trustee selection process requires those who are being considered for joining the Board to be interviewed by a panel of not fewer than two, and no more than three, current Trustees who are nominated by the Chairman according to circumstances. The interview panel submits a recommendation to the Board of Trustees for a final decision. However, if a candidate has been recommended or introduced by a particular Trustee, then that Trustee will not form part of the interview panel.

Induction and training of new Trustees

New Trustees receive an induction pack including a copy of the Charity Commission's Guide "The Essential Trustee", the Charity's Memorandum and Articles of Association, the latest financial statements, confidentiality and conflict of interest documents, organisational information and a programme of meetings with key members of staff.

Related parties

Florence Nightingale Hospice Shops Limited is the wholly owned trading subsidiary of Florence Nightingale Hospice Charity. The Covid-19 lockdowns meant that our shops needed to close for much of 2020/21. Measures were taken to mitigate losses such as claiming Government grants for closed shops and furlough payments. Some landlords kindly offered rent reductions. A claim is being submitted for business interruption. There is more information below about how the Retail operation functioned in the year and the actions taken. It is encouraging that the trading subsidiary has started 2021/22 strongly.

Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised. Mrs Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports. FNHC has benefited from a contribution to our funds of £2,399,852 since that time. For many years five Hospices have been supported through this company. Since 2019-20, Associate partners are being recruited to expand the partnership and its long-term income potential. The organisation Reach (representing West Hertfordshire Hospitals) joined as an Associate partner in 2020.

Florence Nightingale Hospice Charity from time to time uses the services of Parrott and Coales LLP for legal advice and to process property leases. In addition, the Charity has had the longstanding benefit of at least one Parrott and Coales member of staff serving on the Board of Trustees. However, these Trustees do not take part in any negotiations or discussions in regard to awarding work to Parrott and Coales and remove themselves from any discussion where a conflict of interest may occur.

Trustee Peter Bridgman supports the Charity at no charge on property matters such as the acquisition of new shops and negotiation of leases. At the February 2020 Board meeting it was agreed that his firm (Brown & Lee) should be paid for costs incurred in preparing formal submissions and counter-submissions related to the independent rent review of our HQ office (Walton Lodge in Aylesbury). The review was concluded in the Charity's favour in October 2020. In considering this issue, Trustees and the CEO devised criteria for the rare occasions when Trustees might need to be paid, based on Charity Commission document CC29.

Report of the trustees

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Organisational Risk Register is reviewed on an annual basis through the Governance sub-committee. The document follows a weighted likelihood versus impact approach, with an overall risk score and RAG rating for each risk.

Since early 2020 the most significant risks facing the Charity are those posed by the Covid-19 pandemic. Common with all charities, these risks have affected multiple areas of operation from the safety and wellbeing of staff, volunteers and supporters, to the impact on income generation from fundraising and retail.

Handling these risks was the main focus of the previous year and the measures taken to address them are described in various parts of this report. They include:

- Identifying relevant compensation (furlough, grants for closed shops, insurance, rent reductions) and apply where eligible;
- Reforecasting budgets and monitoring cash flow on a more regular basis;
- Ensuring that our shops and head office were Covid-secure through risk assessment, training and the use of PPE;
- Enabling office-based staff to work from home; and
- Adjusting the fundraising plan to the most viable by limiting public events and focusing on other means.

Disruption to income generation is the most significant risk because it affects our ability to fund current and future commitments to hospice care to meet the needs of a growing and ageing population. We are addressing the risk by improving and diversifying fundraising approaches, making shops more profitable and acquiring new ones, raising profile through events and marketing, seeking the help of volunteers to benefit from their skills; whilst also controlling costs and seeking value for money. Another mitigation is holding sufficient reserves. The Charity has revised its Reserves Policy in the light of the pandemic which has shown fragility to income streams. The new Reserves Policy better protects the Charity's significant long-term commitment to fund existing Hospice services and other long term financial commitments e.g. the leases on shops and head office. It also protects funding of additional Hospice related services in the medium to long term.

The impact of the pandemic remains our top risk. During the current period footfall is affected in our shops and we have limited our public fundraising. A related high risk is the impact on our volunteers who provide essential support to the Hospice, income generation and head office. It is a nationwide trend that many people decided to stop volunteering following the enforced breaks required by the lockdowns. We totally understand this and thank all those who have decided to step down at this time for their contribution. A priority task is to recruit and support additional volunteers.

The Charity is also exposed to other risks that could lead to significant disruption including:

- The Hospice being unable to meet the demand for palliative care from local people affecting the reputation of, and support for, the Charity;
- Failure to recruit and retain high performing staff leads to loss of income, poor morale and risk to operations and reputation;
- A lack of a clear and agreed strategic direction and forward plan for the Charity which compromises its growth and financial potential;
- IT systems not being fit for purpose and limiting flexible and effective working; risking system failure, virus/ransomware attacks, data protection and as a result could affect income and reputation;

Report of the trustees

- Poor financial management and practices risk income and reputation; and
- The Charity breaches Health and Safety best practice risking the personal safety of staff, volunteers or the public, thus affecting the Charity's reputation and leading to financial pay-outs.

However, we are confident that we have procedures and resources in place to address these risks.

Achievement and performance

Main objectives for the Florence Nightingale Hospice Charity in 2020-21

Objectives for year	Achievements over the past year
<p>To continue to support the provision of high quality specialist palliative care delivered by the Florence Nightingale Hospice both in the Hospice building and in the community.</p> <p>This includes the continuing two-year pilot project to test 24/7 Hospice at Home care in the Aylesbury Vale which commenced in October 2019.</p>	<p>Despite the impact of the Covid-19 pandemic, the Charity has significantly increased its financial support of hospice care during the year thus enabling a range of services to be delivered for local people at the Florence Nightingale Hospice and in the community. This was possible despite the impact of Covid-19 on the Charity's income generation. Trustees took the decision to liquidate some investments. This was done in November 2020 when it was judged that investments had recovered sufficiently.</p> <p>The Florence Nightingale Hospice (FNH) needed to adjust its services appropriately as a response to Covid-19. This included the wearing of PPE, following NHS rules restricting the number of visitors allowed into the Hospice, the use of technology like iPads to connect patients and relatives, stopping the usual day hospice service and supporting those patients in other ways such as phone calls and delivering support packages. The Hospice and Charity kept in close touch through this difficult period.</p> <p>Some FNH staff funded by the Charity were reallocated to other Hospice teams as needed e.g. to cover sickness absence. The Charity agreed to be flexible on this given the challenges faced.</p> <p>The Charity manages the website that explains the hospice services (as well as income generation) and kept this and social media up to date with news e.g. about visiting rules and how individual services were affected.</p> <p>During 2020-21, 301 patients were cared for by the In-Patient Unit. The Charity also funded clinics and palliative care in the community which supported 990 people. 625 people were supported by the Community Palliative Care Specialist service. 318 people were supported by the Lymphoedema Clinic. 43 people were supported by the Day Hospice - this was fewer than the previous year because of the closure of the Day Hospice building for much of the year.</p>

Report of the trustees

	<p>Patient satisfaction surveys are given to patients and carers and routinely exceed the target of 90% of replies to be good or excellent.</p> <p>The FNH@Home service operating in the Aylesbury Vale continued its pilot during 2020-21. It comprises qualified nurses and the team of Healthcare Assistants who used to be known as the Nightingale 24/7. 161 people were supported by the FNH@Home service as demand grew during the pandemic.</p> <p>During the period FNH@Home was particularly appreciated as many patients approaching the end of life preferred to be supported at home due to the perceived risk of contracting Covid-19 in hospital and because they could better control who could visit. It was decided to postpone the start of the first review of the service from October 2020 to May 2021 as all of the FNH staff and services were under severe pressure. The service has been operating from 8am to 8pm but is due to increase to 'twilight' hours from 7am to 11pm soon. It remains the objective of the service to operate 24/7 when possible.</p>
<p>To explore if other palliative care services need to be funded or if any capital improvements need to be made at the Hospice to benefit patients & staff.</p>	<p>During the pandemic the Charity did not receive any bids to fund additional palliative care services delivered by the Florence Nightingale Hospice.</p> <p>A project to completely refurbish the In-patient bathroom was completed in March 2021. The Charity met the £37,000 cost which allowed works to be at a high specification in order to offer a more spa-like environment whilst meeting all infection control and patient needs (e.g. a specialist tilting bath with hoist).</p> <p>Other purchases were made to assist with handling the Covid-19 situation including new chairs for the In-patient Unit that met infection control rules and iPads to allow communication between patients and families who could not meet in person. Fans have also been purchased to improve temperature control.</p> <p>A project to refurbish the Lymphoedema clinic room has been planned for completion in 2021-22. It was not possible to scope further capital works last year because of the restrictions.</p> <p>External training opportunities were limited during the year so there were minimal calls on the Charity's Henderson education Fund.</p>

Report of the trustees

<p>To strengthen financial and operational oversight of FNHC funded services and projects undertaken by Buckinghamshire Healthcare NHS Trust.</p>	<p>Significant progress has been made in this area. A Memorandum of Understanding (MoU) was proposed by the Charity to set the scene for our partnership with Buckinghamshire Healthcare NHS Trust. This is part of a range of measures to make the relationship more business-like – ensuring that we have the correct level of oversight of the c.£1million annual grant as well as the required information for fundraising (especially from grant-makers) and marketing. The MoU includes the principle that all Hospice services funded by the Charity will have a periodic review at which time we could cease funding (with notice) or change the resourcing levels.</p> <p>Quarterly steering groups have now been set up which will be attended by Charity Trustees and the CEO and senior staff from Buckinghamshire Healthcare NHS Trust. The first took place in April 2021. At this meeting the MoU and a draft Service Level Agreement (SLA) for the FNH@Home service were agreed. This SLA format is more concise than the previous contracts and makes service objectives and key performance indicators much clearer. The first steering group also considered the first review of the FNH@Home pilot project.</p> <p>Buckinghamshire Healthcare NHS Trust’s Finance Department is now supplying financial backing data alongside their quarterly invoices and under the terms of the data sharing agreement, signed in 2019, FNHC now receives transfers of anonymised data about FNH services. The Charity has made grant payments for 2019-20 in response to all of these information and governance arrangements being put in place.</p> <p>The new style SLAs now need to be introduced for every service funded by the Charity.</p>
<p>Income generation in general.</p>	<p>The Covid-19 pandemic meant that the Charity made a loss of £378,356 before investment gains are taken into account. Forecasts during the year predicted a larger loss but this was reduced by efforts to manage costs, claim available compensations and raise income where this was possible.</p> <p>Trustees had agreed to the setting of a deficit budget for 20/21 to enable the Charity to invest in additional staff and skills in order to grow income for the medium term. This deficit was increased by the effects of the Covid-19 pandemic, particularly the enforced closure of non-essential retail.</p> <p>Despite the Government grants for closed shops and furlough income, our shops made a loss because they needed to be closed for such long periods. We are</p>

Report of the trustees

	<p>continuing to explore the possibility of a claim under business interruption insurance.</p> <p>Another factor leading to the deficit position was the lower than expected legacy income received in year. The main notification received in the year was received in March 2021.</p> <p>In addition our Charity/NHS partnership was not eligible for the Government's NHS Covid-19 Hospice compensation allocated by the sector organisation, Hospice UK. £325 million was made available to protect independent hospices from the financial implications of the pandemic, and we understand that many made substantial surpluses as a result. Some partnerships of NHS hospice and supporting charities like ours, were awarded additional funding by their supporting NHS Trust or Clinical Commissioning Group. Our efforts to lobby for the Florence Nightingale Hospice to be awarded Covid-19 funding to relieve some of the Charity's commitment in 20/21 were unfortunately unsuccessful.</p> <p>More positively, it was possible for fundraising to adjust its approach this year in order to reduce costs significantly and raise additional funds from virtual events and the crisis appeal. There is more information about shops and fundraising below.</p>
<p>To continue to generate sustainable income from our Retail operation, through online sales and the reopening of shops in a manner which complies with Covid-secure guidance; prioritising those with highest income potential.</p>	<p>The 20/21 financial year began with all of the shops closed, as mandated by the Government to help control the spread of Covid-19. This was particularly frustrating as the new Buckingham shop (acquired in early 2020) was due to open in March, and we had successfully acquired a new site for the Furniture Showroom.</p> <p>While the shops were closed, the focus was to maintain communications with volunteers and furloughed staff; mitigate financial losses; and make the complex preparations to reopen safely (starting with the shops with the highest income potential) which required detailed risk assessments, staff training, making significant changes to shop floors to allow for social distancing and the purchase of PPE. We are grateful for the advice provided by the Charity Retail Association which helped us to navigate the required changes.</p> <p>Wendover and Bradmoor reopened at the beginning of July 2020, with the new Showroom opening on 12th August. The shops were initially run by larger staff teams (from various shops), in order to manage the requirements to trade safely; train and build staff confidence to trade in very challenging circumstances; and because volunteers largely chose not return to the shops.</p>

Report of the trustees

	<p>Walton Court and Winslow reopened in October, although unfortunately all five of the shops were closed once again by the Government in November, and then again in December for the remainder of the financial year.</p> <p>When shops were allowed to open, the focus for the Retail Team was to trade in a Covid-secure way whilst creating an engaging retail offer for customers. Despite opening fewer days and shorter trading hours; limited customer numbers; and lower footfall, sales in the 5 shops trading in December 2020 were 16% up on the previous year. This was largely driven by strong performance in Bradmoor and Showroom, the relocations of which proved to be fortuitously timed. This gave confidence to make plans to reopen all of our shops as soon as we were able (which they did in April 2021).</p> <p>Thame, Chinnor, Buckingham and Aylesbury High Street remained closed throughout 20/21. This was to mitigate financial loss by saving payroll costs (all of the shops had vacancies) and because they had limited income potential due to size and location. It is considered that all four shops would have lost more money had they opened as the likely sales would not have covered the staff and operating costs.</p> <p>The Online Sales team continued to work throughout the year, including during each lockdown initially with staff and volunteers working at home. The operation was reduced due not being able to sell furniture (40% of sales in 2019) and an inconsistent supply of donations during the periods of lockdown.</p> <p>One of the biggest challenges for the Retail team during 20/21 was stock management due to the unprecedented amount of donations (which all had to be quarantined) alongside reduced waste and recycling collections. This extraordinary level of donations were managed through opening donation drop off points, timed bookings and an incredible amount of work by the Retail team. In the summer of 2020, we received support from landlords to help facilitate donations, by kindly being given use of a second unit in Bradmoor Farm at no cost, and being allowed to have a storage container positioned in the Walton Lodge HQ car park.</p> <p>We were also supported by landlords in Thame, Chinnor, Wendover and Buckingham with generous rent reductions.</p> <p>During the first lockdown, the majority of the Retail team were furloughed and some remained furloughed until the summer, allowing the charity to apply for available Government furlough payments. Following a restructure, a number of new staff joined the Retail team in the final</p>
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Report of the trustees

	<p>quarter of 20-21 and most other staff were flexi-furloughed – this time was used for induction and training, and prepare the shops for strong trade on re-opening.</p>
<p>To continue to generate sustainable income from our Fundraising operation, for example by prioritising approaches that are most promising at the current time.</p>	<p>The fundraising response to the pandemic was to downsize and restructure the fundraising team to diversify income and reduce activity and staffing in areas most affected by Covid-19.</p> <p>The community, challenge and events team significantly reduced in size and activity, whilst new positions were created in the areas of In Memory giving, Trust fundraising and Individual giving.</p> <p>The income diversification efforts meant income only fell £86,085 during the year, with savings to budget of £275,552 meaning the fundraising team generated an additional surplus of £189,438 compared to budget.</p> <p>The year contained two very successful initiatives, Not the Midnight Walk (NTMNW) and a Crisis appeal.</p> <p>Not the Midnight Walk took place in July 2020 at sunrise with no defined route. It attracted more than 800 walkers and raised over £120,000, nearly twice the amount of a usual Midnight Walk.</p> <p>The Crisis appeal took place in January, in response to the Charity facing a £1 million shortfall in income, whilst also receiving no legacy notifications at this point in the year. All supporters received a letter asking for donations, and more than 1,000 replied, donating more than £130,000.</p> <p>Together, these two initiatives contributed nearly a third of the fundraising team's income for the year, and show the incredible community support for Florence Nightingale Hospice in Buckinghamshire and its borders.</p> <p>During the year, progress was made preparing for Nightingale's Rainbow at Stoke Mandeville Hospital and the associated Nightingales Rainbow appeal</p> <p>www.nightingalesrainbow.org.uk raising funds for the Charity and the Buckinghamshire NHS Charitable Fund. The rainbow is due to be constructed in Summer 2021.</p>
<p>To continue to attract Volunteers to support the Hospice and income generation.</p>	<p>For much of 2020-21 most of our volunteers could not help in the usual way: whether that was in roles assisting patients directly, in our shops or supporting fundraising. The Charity stayed in touch with volunteers through phone calls and e-newsletters. Exceptions were the small group of volunteers who continued to support head office (for example by</p>

Report of the trustees

	<p>phoning other volunteers) and the bereavement listeners who continued to provide much needed support throughout the pandemic, either by telephone, or where Covid restrictions allowed, outside in gardens.</p> <p>Our volunteers returned to income generation and administrative roles when this became possible under the Government rules and following a risk assessment process.</p> <p>The gardening volunteers were the first to return to the Hospice in Spring 2021. Many of the volunteers who drive patients to Day Hospice and some of the volunteer therapists returned in June. We have taken the opportunity to revisit the Hospice volunteer roles so that they more accurately meet the needs of the patients. A plan for these roles to return to the Hospice is being devised and includes refreshed training.</p> <p>Since reopening in April 2021, our shops have been affected by a significant proportion of volunteers delaying their return (e.g. waiting for vaccinations) or deciding not to after a year's gap. The Charity Retail Association estimates that 40% of charity shop volunteers have decided to call it a day. Recruitment of new volunteers and training staff to be excellent managers of volunteers is therefore a priority. We have identified that additional Charity staffing will be required to do this.</p>
<p>To review the Charity's IT systems and hardware.</p>	<p>A substantial IT review was carried out by an external provider during 20/21 with a detailed implementation report produced, which recommended:</p> <ul style="list-style-type: none"> • new hardware and software improvements to replace unsupported equipment; • Cloud based computing on Microsoft 365, including internet telephony, Sharepoint for shared files and Teams for collaboration. <p>The implementation of this review has been put out for separate tender, with bids being considered over the summer of 2021 by a small group of trustees and SMT. The implementation project will be completed within the 2021/22 financial year.</p> <p>As part of the IT transformation, the charity's CRM, website and payment processing suppliers will also be reviewed during 2021/22.</p>

Report of the trustees

Main objectives for the Florence Nightingale Hospice Charity in 2021-22

- To continue to support the provision of high quality specialist palliative care delivered by the Florence Nightingale Hospice both in the Hospice building and in the community. This includes the continuing two-year pilot project to test Hospice at Home care in the Aylesbury Vale, with the objective in 2021-22 being to increase the hours of operation.
- To explore if other palliative care services need to be funded or if any capital improvements need to be made at the Hospice to benefit patients & staff.
- To set a 3 year strategy for the Charity's operations.
- To further develop the financial and operational oversight of FNHC funded services and projects undertaken by Buckinghamshire Healthcare NHS Trust. This will include jointly producing a Service Level Agreement for each service funded by the Charity.
- To enable income from the Charity's Retail operation to recover and increase: through our current portfolio of shops, online sales and by acquiring & opening additional shops.
- To increase income generation from Fundraising by continuing to diversify income streams and reintroducing public fundraising when restrictions allow.
- To attract additional Volunteers to support the Hospice and income generation following some long-standing members of the team standing down because of the pandemic.
- To implement improvements to the Charity's IT systems and hardware in order to drive business efficiencies.

Financial review

The results for the year ended 31 March 2021 are given in the Consolidated Statement of Financial Activities together with the Consolidated Balance Sheet giving details of the assets and liabilities. The comparative figures are for the year ended 31 March 2020.

The Charity had a deficit before investment gains or losses of £378,356 compared to a surplus in 2020 of £752,554, a fall of £1,130,910, which was largely attributable to the Covid pandemic. However, net income after significant investment gains/(losses) was £624,052 (2020: £113,392).

Legacy income received in the year was £107,518 (2020: £620,033). In common with other charities Legacies are recognised when certain criteria are achieved: the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty.

Grant payments made from the Charity to the Buckinghamshire Healthcare NHS Trust increased by £113,431 to £887,238. (The Charity had in fact budgeted for the higher sum of £1,010,686 but the Trust kept some vacancies unfilled e.g. in the Day Hospice team because normal operations could not be pursued during the pandemic. In addition to grant funding, a further £97,238 was provided to support the Hospice (2020: £149,903). Overall expenditure on charitable activities increased by £130,495 to £1,116,062.

Report of the trustees

There was significant fixed asset spend during the year of £268,943 (2020: £56,330) as the Charity invested in the large new Retail premises at Broadfields, Aylesbury and brought the Chinnor and Thame shops up to standard.

The Charity's bank balance as at 31 March 2020 was £212,802 (2020: £938,223). This includes committed funds to cover the Quarter 4 payment to Buckinghamshire Healthcare NHS Trust for £237,409 which was paid in June 2021.

Post Balance Sheet Events

As mentioned, Covid-19 is having a continuing impact on the Charity. Please see the Risk Management section (above) and Going Concern section (below) for more information.

The Charity is continuing to explore the possibility of a claim under business interruption insurance due to the continued closure of our shops in 2020/21.

Investments Performance Review

The Charity's investment portfolio is managed by Cazenove Capital Management Limited. The assets are invested in accordance with the investment managers 'progressive' mandate, this being a portfolio which can invest in an array of asset classes including but not limited to equities, fixed income, commercial property, portfolio funds and hedge funds primarily through Common Investment Funds and Open Ended Investment Companies, to provide both income and capital appreciation. Investment parameters are set within this mandate for each asset class. The Charity does not invest in tobacco companies.

The Florence Nightingale Hospice Charity portfolio continues to remain well diversified within the confines of the mandate. The Charity's investments were revalued at 31 March 2021 at a market value in accordance with the accounting policies resulting in a significant unrealised gain of £1,002,408 (2020: unrealised loss of £639,162). This reflects the recovery in investments that followed the temporary collapse triggered by the pandemic, followed by further growth. Given the financial impact of the pandemic, Trustees took the decision to encash £0.5 million of investments in November 2020 once markets had recovered, in order to meet the Charity's commitments to Buckinghamshire Healthcare NHS Trust. The value of the investments at 31 March 2021 was £5,183,035.

The main focus is on long term capital growth rather than income generation, although £96,246 was received in the year and reinvested by our Investment Manager. The income on our investments was 2.09% (£96,246 on £4,604,000) which is higher than the investment policy set by the Charity. The Total Return on the portfolio over the 12 month period to 31st March 2021 was 24.6%. (vs 26.67% for the FTSE All Share and 23.53% for the ARC PCI Growth Index.

The care of the investment portfolio comes under the remit of the main Board with the detail being reviewed by the Finance Committee. A Cazenove Capital management representative attends the Board twice yearly to review the performance of the Charity's investments.

Reserves policy

During 2020-21, the Trustees have reviewed the Charity's Reserves policy in light of recent experience during the pandemic, the long-term financial commitments of the Charity, and the Trustees' desire to fund additional Hospice related services in the medium to long term. In formulating a new reserves policy, the trustees have considered the Charity Commission Guidance on reserves (CC19).

Report of the trustees

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The starting point for calculating the amount of free reserves held is therefore the amount of unrestricted funds held by a charity. However, some or all of the unrestricted funds of a charity may not be readily available for spending. This is because spending those funds may adversely impact on the charity's ability to deliver its aims. In accordance with the Charity Commission guidance, the items that should be excluded from free reserves are:

- Commitments that have not been provided for as a liability in the accounts:
 - The Florence Nightingale Hospice Charity generally has in place a series of three-year contracts with Buckinghamshire Healthcare NHS Trust (BHT) for the provision of various services at or connected to the Florence Nightingale Hospice. These contracts have staggered dates and therefore on average have eighteen months to two years unexpired term; and
 - The Charity has long term financial commitments on the leases on its shops and head office premises.
- Designated funds set aside to meet essential future spending, such as funding a project that could not be met from future income:
 - A recent example of this was the FNH@Home service.

The remaining unrestricted reserves, 'free reserves', should be adequate to cover fluctuations in the Charity's finances brought about by the unpredictability of income sources or unexpected costs that might arise. The recent pandemic has shown that some of the Charity's income streams are susceptible to fluctuation e.g. shop income, which along with the unpredictable nature of legacy income, results in a degree of volatility of income. For much of the year the forecast loss was running at six months running costs, but ended up being four months running costs after the Charity received the equivalent of four months running costs in Government support (from the Job Retention Scheme and the grants for closed shops). In other words the real loss was eight months' worth of running costs.

We also anticipate a small loss next year as income recovers after the pandemic. In light of this experience, the trustees believe that the Charity should aim to hold free reserves of between six and twelve-months running costs, alongside designated reserves to cover the long-term financial commitments and future essential project funding.

Designated reserves at 31 March 2021 were £3,945,773 (2020: £2,140,217). Target free reserves are in the range £650,000 - £1,300,000. At 31 March 2021 free reserves were £1,498,991.

Fundraising standards information

The Fundraising Strategy, which identifies our income streams and the approach taken for each activity in line with the Code of Fundraising Practice, was reviewed and approved by the Trustees as part of budgeting in February 2021.

The Charity is registered with the Fundraising Regulator. The Fundraising Regulator holds the Code of Fundraising Practice for the UK. We follow the Code and ensure that our fundraising is respectful, open, honest and accountable to the public. All fundraising is done in-house and not outsourced to any professional fundraisers or commercial partners.

All fundraising activity is carried out within the terms of the Charity's Vulnerable Person Policy, which places a strict duty on staff as regards to appropriate communication and behaviour. The charity prevents

Report of the trustees

unreasonable intrusion and persistent approaches by excluding recently bereaved individuals from mass communications for 1 year. Supporters also receive a maximum of four fundraising appeals a year. Supporters also have the ability to opt-in or opt-out of fundraising communications. As frontline fundraisers routinely work with bereaved individuals, regular bereavement training is compulsory for all fundraising staff and forms part of the induction process of new fundraisers.

The Charity has not received any complaints regarding its fundraising efforts in the year ended 31 March 2021 or to the date of this report.

In all our policies and practices we have not actively sought additional data that is not already in the public domain. We only record data that people opt to provide to us. We do not run face to face or telephone fundraising campaigns.

Going Concern

As set out throughout this report, the Covid-19 pandemic had a profound impact on most of the Charity's income streams and operations in 2020/21. Challenges remain in 2021/22. These include the delayed relaxation of lockdown restrictions because of the prevalence of the Delta variant, the prediction that there will be increased cases of influenza in the winter, and the likelihood that any future Government financial compensations will be less generous along with insurers no longer offering cover against Covid-19 risks. Because of this we have budgeted for a small loss in 21/22. Profit exceeds budget for the first two months of the year.

Our approach to fundraising in 2021/22 includes a cautious return to more in-person community and events fundraising as this becomes possible. Because mass gatherings were not permitted until after the 19th July 2021, the flagship Midnight Walk took the form of 'Not the Midnight Walk' for a second year with participants walking from their own chosen location at dawn on 10th July. Our overall strategy involves continuing to develop the fundraising approaches that we invested in last year through the staffing restructure. The team is focussed on In Memory, individual giving, applying to charitable trusts and partnering with local companies. The Nightingale's Rainbow fundraising initiative with Buckinghamshire NHS Charitable Fund is also a priority.

As noted for Retail, when the Government restrictions lifted on 12th April 2021, 7 of our shops reopened as well as the Furniture Showroom. Three of these shops had not traded since March 2020. The new Buckingham shop opened for the first time on Thursday 15th April.

The focus for the Retail Team remains to trade in a Covid-secure way whilst creating an engaging retail offer for customers. As expected, social distancing, mandatory mask wearing for shoppers, challenges around handling donations and lower volunteer numbers remain significant challenges for the Retail operation and all have an impact on income. However, due to the investments made in people, property and product, Retail performance since reopening has been strong, and looks to be mitigating the impact on income that comes with the on-going pandemic situation.

The 2021/22 Retail budget has been set to allow for a gradual build in sales over the first 4 months to allow for these challenges. Profit has also been boosted by the Government Restart grants that were paid in April 2021, and the news that no business rates are payable in the year. It is hoped that sales will return to more normal levels as restrictions lift and vaccination numbers increase, and that the more optimistic performance originally planned for in 2020 will be realised in 2021/22.

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern despite the continuing

Report of the trustees

impact of Covid-19. The Charity can call on the experience of handling the unprecedented situation in 2020/21. This and our free reserves mean Going Concern remains the appropriate basis.

Volunteers

The Charity benefits from the support of around 450 volunteers of all ages who use their skills and experience to work alongside Charity staff on retail and fundraising activities, and with Hospice staff providing direct patient and family support.

As noted, volunteering was very disrupted in 2020/21 with the Hospice limiting on site attendance, our shops needing to shut and public fundraising curtailed. The Trustees would like to thank volunteers for returning when that became possible, and for their continuing commitment and dedication.

As noted, we have an objective to attract additional volunteers and this will be a priority in 2021-22. In doing so we will seek to increase the numbers of young volunteers, especially in our retail shops, as well as reaching out widely in order to more accurately reflect our community.

Without the time, expertise, generosity and compassion of our volunteers we could not support and enhance the lives of local patients and families or raise the funds needed to secure vital palliative care services for our community.

Staff

The Trustees would like to thank all of the staff of Florence Nightingale Hospice Charity for their hard work and dedication in raising and administering the funds needed by the Hospice during this most challenging time. The team showed great resilience and flexibility whether they worked throughout the pandemic period or needed to be furloughed. The CEO and senior management team issued frequent updates to staff during the year about the issues faced by the Charity. An employee consultative committee was created and a monthly e-newsletter.

As part of the Charity's growth strategy the original budget for 2020-21 had included some additional specialist posts to increase the profitability of retail and fundraising: specifically by diversifying our fundraising approaches and developing the retail management team prior to acquiring additional shops. When the severity of Covid-19 became clear in March 2020 this recruitment was put on hold. In the summer of 2020 Trustees and the senior management team agreed on a restructure programme because some existing roles could not be pursued successfully for the foreseeable future and in order to bring in the additional skills and experience already identified. Of the staff affected, some were successful in applying for newly created roles and others opted for voluntary redundancy. No compulsory redundancies were made. The cost of redundancies for the Charity and Shops in 2021/22 was £59,833. As part of this process contracts of employment were reviewed and updated.

Trustees would also like to record their sincere thanks to all of the staff of Florence Nightingale Hospice for how they adapted the delivery of their skilled and compassionate care for local people despite the challenges posed by the Covid-19 pandemic.

Pay policy for senior staff

The directors, who are the Charity's trustees, the Chief Executive and the senior management team (see below) comprise the senior management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

Report of the trustees

The Senior Management Team consists of the Chief Executive, Head of Retail, Head of Fundraising, Head of HR & Volunteering and Finance Manager. Mr Mike Stubberfield is retiring as Finance Manager in July 2021 and Trustees offer their thanks for his conscientious management of the Charity's finances over the last 6 years. Mrs Anne Roberts has joined as Head of Finance.

The pay of all staff is reviewed and benchmarked periodically against similar-sized charitable organisations within the sector. The salaries of the Senior Management Team will be benchmarked in 2021-22. We also plan to review the pay of the Retail team as both the Covid pandemic and Brexit have put pressure on wages.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that year.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the exemptions provided by section 415A of the Companies Act 2006. Preparing the accounts of a small company does not require the preparation of a Strategic Report, although much of the typical content of such a report is included within the Trustees Report.

Report of the trustees

Approved by the Board of Trustees on 4 August 2021 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Alan Watt', written in a cursive style.

Alan Watt
Chairman of Trustees

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

Opinion

We have audited the financial statements of Florence Nightingale Hospice Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, Charity balance sheet, Consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2021 and the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 obtained all the information and explanations necessary for the purposes of our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Paul Creasey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services, Statutory Auditor
High Wycombe

Date: 4 August 2021

Principal accounting policies

General Information

Florence Nightingale Hospice Charity is a company limited by guarantee incorporated and domiciled in England. Its registered office address is Unit 2 Walton Lodge, Walton Street, Aylesbury, Buckinghamshire, HP21 7QY.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Public benefit

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

Going concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In making this assessment, the Trustees have considered the level of funds held and the expected levels of income and expenditure for the 12 month period after approving these financial statements. Notwithstanding the ongoing impact of Covid-19 on the organisation as set out in the Trustees Report, the budgeted level of income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Accounting convention

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

The consolidated statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking on a line by line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and as permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

All income is included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty. They are included in the statement of financial activities.

Cash collected to which the Charity is legally entitled but which has not been received at the year-end is included as income.

Principal accounting policies

Donations under Gift Aid together with the associated income tax recoveries are credited as income when donations are received.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Investment Income

Investment income, including associated income tax recoveries, is recognised when receivable.

Government Grants

The Charity received government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants is recognised at fair value when the charity has entitlement after any Performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Expenditure is allocated between:-

- **Costs of raising funds** - These include costs of generating donations and legacies, costs of fundraising trading and costs of managing investments.
- **Charitable activities** - These comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives.
- **Governance costs** - These include the costs of governance arrangements which relate to the general running of the Charity and the compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Principal accounting policies

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	Straight Line over the lower of 10 years or the life of the lease
Fixtures & fittings	20% Straight Line
Computer equipment	20% Straight Line
Vans	20% Straight Line

Capital expenditure over £1,000 is capitalised.

Tangible assets are stated at cost less accumulated depreciation.

Investments

Assets held for investment purposes are valued at market value at the balance sheet date. Traded securities are valued at their market quotation as at the year-end date.

Unlisted investments are stated at cost at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

Other financial instruments

a) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

b) Other debtors

Other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing rate of interest.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Taxation

The Charity is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the Charity's subsidiary company because the

Principal accounting policies

directors of this company have indicated that they intend to make donations each year to the Charity equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are monies earmarked by the Trustees for specific purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a Stakeholder pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Estimations

Support costs are those which are necessary to deliver an activity but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources and premises costs. The costs have been allocated based on staff time spent.

Consolidated statement of financial activities

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income						
Donations, Legacies and Grants	1	1,081,519	-	81,755	1,163,274	1,468,956
Income from other trading activities	2	689,801	-	-	689,801	1,412,351
Other income		150	-	-	150	1,800
Income from investments	3	96,305	-	-	96,305	126,894
Total income		1,867,775	-	81,755	1,949,530	3,010,001
Expenditure						
Costs of raising funds:						
Fundraising	4	301,350	-	-	301,350	475,352
Shops Trading	4	825,050	-	-	825,050	796,528
Support staff costs	4	102,275	-	-	102,275	-
Expenditure on charitable activities	5	919,755	-	196,307	1,116,062	985,567
Total resources expended		2,148,430	-	196,307	2,344,737	2,257,447
Taxation	11	(16,851)	-	-	(16,851)	-
Net income before gains/ (losses) on investments		(263,804)	-	(114,552)	(378,356)	752,554
Unrealised gains/(losses) on investment assets	13	1,002,408	-	-	1,002,408	(639,162)
Net income/expenditure		738,604	-	(114,552)	624,052	113,392
Transfers between funds		(1,805,556)	1,805,556	-	-	-
Net movement in funds	17	(1,066,952)	1,805,556	(114,552)	624,052	113,392
Reconciliation of funds						
Total funds brought forward at 1 st April 2020		2,565,943	2,140,217	147,271	4,853,431	4,740,039
Total funds carried forward at 31st March	17	1,498,991	3,945,773	32,719	5,477,483	4,853,431

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All the above results are derived from continuing activities. All gains and losses recognised in the year are included.

Consolidated balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Fixed assets						
Tangible Assets	12	299,188	-	-	299,188	78,926
Investments	13	1,237,262	3,945,773	-	5,183,035	4,405,276
		<u>1,536,450</u>	<u>3,945,773</u>	<u>-</u>	<u>5,482,223</u>	<u>4,484,202</u>
Current assets						
Stocks	14	2,893	-	-	2,893	5,010
Debtors	15	376,816	-	-	376,816	400,857
Cash at bank and in hand		180,083	-	32,719	212,802	938,223
		<u>559,792</u>	<u>-</u>	<u>32,719</u>	<u>592,511</u>	<u>1,344,090</u>
Creditors						
Amounts falling due within one year	16	(597,251)	-	-	(597,251)	(974,861)
Net current (Liabilities)/Assets		<u>(37,459)</u>	<u>-</u>	<u>32,719</u>	<u>(4,740)</u>	<u>369,229</u>
Total assets less current liabilities		<u>1,498,991</u>	<u>3,945,773</u>	<u>32,719</u>	<u>5,477,483</u>	<u>4,853,431</u>
Net Assets		<u>1,498,991</u>	<u>3,945,773</u>	<u>32,719</u>	<u>5,477,483</u>	<u>4,853,431</u>
Funds						
Unrestricted funds:					1,498,991	2,565,943
Designated funds:					3,945,773	2,140,217
Restricted donations					32,719	147,271
Total funds	17				<u>5,477,483</u>	<u>4,853,431</u>

These financial statements were approved by the Board of Trustees on 4 August 2021...and were signed on their behalf by:




Alan Watt
Chairman of Trustees

Charity balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Fixed assets						
Tangible Assets	12	11,147	-	-	11,147	18,670
Investments	13	1,237,264	3,945,773	-	5,183,037	4,405,276
		<u>1,248,411</u>	<u>3,945,773</u>	<u>-</u>	<u>5,194,184</u>	<u>4,423,946</u>
Current assets						
Debtors	15	843,764	-	-	843,764	771,193
Cash at bank and in hand		146,604	-	32,719	179,323	480,147
		<u>990,368</u>	<u>-</u>	<u>32,719</u>	<u>1,023,087</u>	<u>1,251,340</u>
Creditors						
Amounts falling due within one year	16	(579,024)	-	-	(579,024)	(864,223)
Net current assets		<u>411,344</u>	<u>-</u>	<u>32,719</u>	<u>444,063</u>	<u>387,117</u>
Total assets less current liabilities		<u>1,659,755</u>	<u>3,945,773</u>	<u>32,719</u>	<u>5,638,247</u>	<u>4,811,063</u>
Net Assets		<u>1,659,755</u>	<u>3,945,773</u>	<u>32,719</u>	<u>5,638,247</u>	<u>4,811,063</u>
Funds						
Unrestricted funds:					1,659,755	2,523,575
Designated funds:					3,945,773	2,140,217
Restricted donations					32,719	147,271
Total funds	17				<u>5,638,247</u>	<u>4,811,063</u>

These financial statements were approved by the Board of Trustees on 4 August 2021 and were signed on their behalf by:


Alan Watt
Chairman of Trustees

Consolidated Cash flow statement

	2021 £	2020 £
Cash flows from operating activities:		
Net cash provided / (used in) by operating activities (analysed below)	<u>(683,094)</u>	<u>1,193,847</u>
	<u>(683,094)</u>	<u>1,193,847</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(266,976)	(25,461)
Purchase of investments	(1,755,796)	(2,091,957)
Proceeds from sale of investments	1,980,445	1,183,842
Net cash used in investing activities	<u>(42,327)</u>	<u>(933,576)</u>
Change in cash and cash equivalents in the reporting period	(725,421)	260,271
Cash and cash equivalents at the beginning of the reporting period	<u>938,223</u>	<u>677,952</u>
Cash and cash equivalents at the end of the reporting period	<u><u>212,802</u></u>	<u><u>938,223</u></u>

Note:

Reconciliation of net movement in funds

	2021 £	2020 £
Net movement in funds for the reporting period (as per the statement of financial activities)	624,052	111,392
Adjustments for:		
Depreciation charges	46,714	45,466
Loss on disposal of fixed asset	-	-
Unrealised investment gains	(1,002,408)	639,162
Movement in stocks	2,117	3,309
Movement in debtors	24,041	(165,196)
Movement in creditors	(377,610)	559,714
Net cash provided by / (used in) operating activities	<u><u>(683,094)</u></u>	<u><u>1,193,847</u></u>

Analysis of changes in net funds

	2020 £	Cash Flows £	2021 £
Cash and cash equivalents	<u><u>938,223</u></u>	<u><u>(725,421)</u></u>	<u><u>212,802</u></u>

Notes to the financial statements

1 Donations, Legacies and Grants

	2021	2020
	£	£
Donations (including In Memory and grants from Charitable Trusts)	630,942	848,923
Legacies	107,518	620,033
Government grants:		
Furlough receipts for Charity	29,860	-
Furlough receipts for Shops	138,130	-
Local Authority Covid-19 Shops Grants	256,824	-
	<u>1,163,274</u>	<u>1,468,956</u>

Government grants

The Charity has been eligible to claim additional funding in year from Government support schemes in response to the coronavirus outbreak. The Charity furloughed 34 employees under the Government's CJRS.

2 Income from other trading activities

	2021	2020
	£	£
Fundraising from mass-participation and community events	216,140	378,405
Shop income	255,809	808,946
Lottery	217,852	225,000
	<u>689,801</u>	<u>1,412,351</u>

3 Income from investments

	2021	2020
	£	£
Bank interest received	59	1,173
Dividends received	96,246	125,721
	<u>96,305</u>	<u>126,894</u>

Notes to the financial statements (continued)

4	Costs of raising funds	2021	2020
		£	£
	Fundraising		
	Direct staff costs (note 7)	203,189	252,628
	Fundraising expenses and promotion	26,503	102,569
	Support staff costs (note 7)	-	-
	Support other costs	71,658	120,155
		<u>301,350</u>	<u>475,352</u>
	Shops Trading		
	Staff costs (note 7)	501,456	456,265
	Other costs	323,594	340,263
		<u>825,050</u>	<u>796,528</u>
	Support staff costs (note 7)	<u>102,275</u>	-
5	Expenditure on charitable activities	2021	2020
		£	£
	Grant funding to staff and services delivered by Florence Nightingale Hospice	887,238	773,807
		<u>887,238</u>	<u>773,807</u>
	Capital Improvements	36,882	13,034
	Direct costs - Paravan	3,649	5,347
	Direct costs – Specialist Palliative Care Education and Training	681	9,044
	Other direct costs	26,167	22,586
	Staff costs (note 7)	66,781	112,927
	Governance (note 6)	94,664	48,823
		<u>1,116,062</u>	<u>985,568</u>
6	Governance costs	2021	2020
		£	£
	Staff costs (note 7)	37,328	15,701
	Legal and professional fees	47,356	21,991
	Auditors' remuneration	9,230	9,000
	Auditors' remuneration for non-audit services	750	2,131
		<u>94,664</u>	<u>48,823</u>

Notes to the financial statements (continued)

7	Allocation of staff costs 2021:	Fundraising	Shop	Governance	Charitable	Support	2021
		£	£	£	Activities	£	Total
					£		£
	Payroll	201,215	501,456	37,328	65,186	102,275	907,460
	Recruitment & Training	1,598	-	-	1,033	564	3,195
	Other staff costs	376	-	-	562	47	985
		<u>203,189</u>	<u>501,456</u>	<u>37,328</u>	<u>66,781</u>	<u>102,886</u>	<u>911,640</u>
	2020:	Fundraising	Shop	Governance	Charitable	Support	2020
		£	£	£	Activities	£	Total
					£		£
	Payroll	247,252	456,208	15,701	103,704	-	822,865
	Recruitment & Training	3,753	57	-	4,152	-	7,962
	Other staff costs	1,623	-	-	5,071	-	6,694
		<u>252,628</u>	<u>456,265</u>	<u>15,701</u>	<u>112,927</u>	<u>-</u>	<u>837,521</u>

The allocation of staff costs has been reviewed. A proportion of costs have been allocated to the Support function. This is defined as costs which are necessary to deliver an activity but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources and premises costs. The costs have been allocated based on staff time spent.

8 Net income

Net income is stated after charging

	2021	2020
	£	£
Auditors' remuneration: Parent company	5,350	5,250
Auditors' remuneration: Group (Including Parent company)	9,230	9,000
Auditors' remuneration for non-audit services	750	2,131
Depreciation	46,714	45,466
Operating lease payments – land and buildings	<u>220,460</u>	<u>219,088</u>

9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 (2020: nil).

Trustees' expenses

There were no expenses reimbursed to the Trustees in the year ended 31 March 2021 (2020: nil).

Donations from trustees

Donations from trustees totalled £845 in the year ended 31 March 2021 (2020: £4,767)

10 Staff costs

	2021	2020
	£	£
Wages and salaries	825,615	744,672
Social security costs	55,449	52,466
Pension costs	26,396	25,727
	<u>907,460</u>	<u>821,430</u>

Notes to the financial statements (continued)

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

	2021 FTE	2020 FTE	2021 No.	2020 No.
Fundraising	26	25	35	33
Administration	3	3	7	7
Governance	1	1	1	1
Charitable activities	3	2	2	2
	<u>33</u>	<u>31</u>	<u>45</u>	<u>43</u>

No employee earned more than £60,000 during the year (2019: nil).

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £275,472 (2020: £238,620).

Total redundancy payments amount to £ 59,833 (2020 - £Nil) and related to restructuring.

11 Taxation

The deferred tax asset arises on losses sustained by the trading subsidiary and is expected to be realised within the next 12 months.

12 Tangible fixed assets

Group	Short leasehold improvements £	Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost					
At 1 April 2020	29,913	131,826	30,259	73,535	265,533
Additions	12,022	248,097	-	6,857	266,976
Disposals	-	-	-	-	-
At 31 March 2021	<u>41,935</u>	<u>379,923</u>	<u>30,259</u>	<u>80,392</u>	<u>532,509</u>
Depreciation					
At 1 April 2020	27,318	75,496	22,960	60,833	186,607
Charge for the year	3,049	35,484	3,649	4,532	46,714
On disposal	-	-	-	-	-
At 31 March 2021	<u>30,367</u>	<u>110,980</u>	<u>26,609</u>	<u>65,365</u>	<u>233,321</u>
Net Book Amount					
At 31 March 2021	<u>11,568</u>	<u>268,943</u>	<u>3,650</u>	<u>15,027</u>	<u>299,188</u>
At 31 March 2020	<u>2,595</u>	<u>56,330</u>	<u>7,299</u>	<u>12,702</u>	<u>78,926</u>

Notes to the financial statements (continued)

Tangible fixed assets (continued)

Charity

	Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
Cost				
At 1 April 2020	12,109	18,245	33,729	64,083
Additions	-	-	-	0
At 31 March 2021	<u>12,109</u>	<u>18,245</u>	<u>33,729</u>	<u>64,083</u>
Depreciation				
At 1 April 2020	9,873	10,947	24,594	45,414
Charge for the year	869	3,649	3,004	7,522
At 31 March 2021	<u>10,742</u>	<u>14,596</u>	<u>27,598</u>	<u>52,936</u>
Net Book Amount				
At 31 March 2021	<u>1,367</u>	<u>3,649</u>	<u>6,131</u>	<u>11,147</u>
At 31 March 2020	<u>2,236</u>	<u>7,298</u>	<u>9,136</u>	<u>18,670</u>

13 Fixed asset investments

Group

	Listed Investments £	Shares in participating interests £	Totals £
Market value			
At 1 April 2020	4,388,597	16,679	4,405,276
Additions	1,755,796	-	1,755,796
Disposals	(1,980,445)	-	(1,980,445)
Investment gains / (losses)	1,002,408	-	1,002,408
At 31 March 2021	<u>5,166,356</u>	<u>16,679</u>	<u>5,183,035</u>
Net book value			
At 31 March 2021	<u>5,166,356</u>	<u>16,679</u>	<u>5,183,035</u>
At 31 March 2020	<u>4,388,597</u>	<u>16,679</u>	<u>4,405,276</u>

Notes to the financial statements (continued)

Fixed asset investments (continued)

Charity	Shares in group undertakings £	Listed Investments £	Shares in participating interests £	Totals £
Market value				
At 1 April 2020	2	4,388,597	16,679	4,405,278
Additions	-	1,755,796	-	1,755,796
Disposals	-	(1,980,445)	-	(1,980,445)
Investment gains/ (losses)	-	1,002,408	-	1,002,408
At 31 March 2020	<u>2</u>	<u>5,166,356</u>	<u>16,679</u>	<u>5,183,037</u>
Net book value				
At 31 March 2021	<u>2</u>	<u>5,166,356</u>	<u>16,679</u>	<u>5,183,037</u>
At 31 March 2020	<u>2</u>	<u>4,388,597</u>	<u>16,679</u>	<u>4,405,278</u>

The historical cost of listed investments (for Group and Charity) held at the year-end was £4,015,539 (2020: £4,294,786).

The Company's investments at the balance sheet date in the share capital of group undertakings include the following:

The Hospice Lottery Partnership Limited

At 31 March 2021 the charitable company owned fourteen shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales, carrying out fundraising for six hospices including Florence Nightingale Hospice Charity. Florence Nightingale Hospice Charity has held an interest in The Hospice Lottery Partnership Limited since its incorporation in 1997. The directors consider this an investment as they have no significant influence and have no management rights in the strategic, tactical or operational decisions made by The Hospice Lottery Partnership Limited. The value of the investment in the company is recognised at cost as the equity investment is unquoted and the value cannot be measured reliably. The group does not intend to dispose of the investment in the foreseeable future.

Florence Nightingale Hospice Shops Limited

Nature of business: Operating Charity shops

Class of share:	% holding	2021 £	2020 £
Ordinary	100	<u>(160,761)</u>	<u>42,372</u>
Aggregate capital and reserves			

The investment in group undertakings relates to the cost of the 2 ordinary shares of £1 each, being 100% of the issued share capital of Florence Nightingale Hospice Shops Limited, a company incorporated in England and Wales, which is the trading subsidiary of the charitable company.

Notes to the financial statements (continued)

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	249,561	808,945
Cost of sales	<u>(24,948)</u>	<u>(55,053)</u>
Gross profit	224,613	753,892
Administrative expenses	(794,967)	(713,571)
Other operating income, interest and Charity recharge receivable	<u>401,396</u>	<u>2,047</u>
Net (loss)/profit before taxation	(168,958)	42,368
Tax on (loss)/profit	<u>16,851</u>	<u>-</u>
(Loss)/profit for the financial year	<u><u>(152,107)</u></u>	<u><u>42,368</u></u>
The aggregate of the assets, liabilities and funds was:		
Assets	424,478	637,746
Liabilities	<u>(585,239)</u>	<u>(595,376)</u>
Deficit/Funds	<u><u>(160,761)</u></u>	<u><u>42,370</u></u>

14 Stocks

	2021 £	2020 £
Group	<u>2,893</u>	<u>5,010</u>

15 Debtors: Amounts falling due within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Amounts owed by group undertakings	-	567,013	-	562,739
Prepayments and accrued income	122,778	58,699	196,822	40,068
Deferred Tax Asset	16,851			
Other debtors	<u>237,187</u>	<u>218,052</u>	<u>204,035</u>	<u>168,386</u>
	<u><u>376,816</u></u>	<u><u>843,764</u></u>	<u><u>400,857</u></u>	<u><u>771,193</u></u>

16 Creditors: Amounts falling due within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	455,435	455,451	795,149	783,002
Taxation and social security	13,385	6,960	15,909	8,556
Other creditors	<u>128,431</u>	<u>116,613</u>	<u>163,803</u>	<u>72,665</u>
	<u><u>597,251</u></u>	<u><u>579,024</u></u>	<u><u>974,861</u></u>	<u><u>864,223</u></u>

Notes to the financial statements (continued)

17 Movement in funds

Group

	At 1 April 2020 £	Net movement in funds £	At 31 March 2021 £
Unrestricted funds	2,565,943	(1,066,952)	1,498,991
Designated funds	2,140,217	1,805,556	3,945,773
Restricted funds	147,271	(114,552)	32,719
Total funds	4,853,431	624,052	5,477,483

Charity

	At 1 April 2020 £	Net movement in funds £	At 31 March 2021 £
Unrestricted funds	2,523,575	(863,820)	1,659,755
Designated funds	2,140,217	1,805,556	3,945,773
Restricted funds	147,271	(114,552)	32,719
Total funds	4,811,063	827,184	5,638,247

Designated funds have been set up for:

1. An investment income fund to reflect the unrealised gains on the listed investment portfolio.
2. The funding of:
 - 2.1. The Charity's contribution to palliative and end of life services delivered by the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, in 2021/22 and 2022/23,
 - 2.2. A 5% overheads contribution to the cost of Hospice staff funded by the Charity,
 - 2.3. An estimated £30,000 annual contribution to upgrading the Hospice building,
 - 2.4. Rentals due on the Charity's HQ building and its current portfolio of shops to the end of their leases, and
 - 2.5. An estimate of the rentals due on new shop leases likely to be acquired in 2021/22.

Restricted funds

During the year the group and the charitable company received donations that the donors had specified to be spent on certain areas of the Charity's expenditure. These are classified as restricted funds as follows:

	At 1 April 2020 £	Monies received £	Expenditure in year £	At 31 March 2021 £
Staff Benefit	2,182	62,400	(35,328)	29,254
FNH@Home	132,936	14,893	(147,829)	-
Day Hospice	1,300	-	-	1,300
Lymphoedema	-	2,901	(736)	2,165
Florie's Children's Team	10,853	1,561	(12,414)	-
	147,271	81,755	(196,307)	32,719

Notes to the financial statements (continued)

17 Movement in funds (continued)

	At 1 April 2019 £	Monies received £	Expenditure in year £	At 31 March 2020 £
Staff Benefit	4,000	2,182	(4,000)	2,182
FNH@Home	-	229,500	(96,564)	132,936
Out of Hours Support	-	1,300	-	1,300
Lymphoedema	-	701	(701)	-
Florrie's Children's Team	-	35,913	(25,060)	10,853
	<u>4,000</u>	<u>269,596</u>	<u>(126,325)</u>	<u>147,271</u>

18 Related party disclosure

The group and the charitable company received monies from The Hospice Lottery Partnership Limited of which it is a shareholder, totalling in the year £217,852 (2020: £225,000). At the year-end there was a balance of £30,000 owed from The Hospice Lottery Partnership Limited to the Group and the Charitable Company (2020: £18,075).

Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports, benefitting from a contribution to our funds of £2,399,852 since that time. There are now six hospices which are supported through this company. Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised.

As mentioned, when needed the Charity use the services of Parrott and Coales LLP for legal advice and to process property leases. Mr J Leggett from Parrott and Coales LLP is a Trustee. The value of the amount spent by the Charity with Parrott and Coales LLP in 2020-21 is £12,312 + VAT for legal work. (2019-20 is £16,447 + VAT)

As mentioned, in 2020-21 the Charity has benefited from the services of Brown & Lee in preparing formal submissions and counter-submissions related to the rent review of its HQ office. A fee of £2,000 plus VAT was paid for this service on 19th October 2020. Currently Mr Peter Bridgman of Brown & Lee is a Trustee and other work on this case was carried out by him at no charge.

19 Operating lease commitments

As at 31 March 2021 the Charity had total commitments under non-cancellable leases as follows:

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Within one year	263,310	114,720	232,532	139,063
Between one and five years	761,328	221,746	711,156	388,796
In more than five years	353,135	21,549	188,694	39,037
	<u>1,377,773</u>	<u>358,015</u>	<u>1,132,382</u>	<u>566,896</u>

Notes to the financial statements (continued)

20 Outstanding membership liability

Each member gives a guarantee to contribute a sum, not exceeding £10, to the Charity should it be wound up.

21 Financial instruments

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Financial assets measured at fair value through net income/expenditure				
Fixed asset investments	<u>5,166,356</u>	<u>5,166,356</u>	<u>4,388,592</u>	<u>4,388,592</u>
Financial assets measured at amortised cost				
Fixed asset investments	<u>16,179</u>	<u>16,179</u>	<u>16,179</u>	<u>16,179</u>
Debt instruments measured at amortised cost				
Other debtors	254,038	218,052	204,035	168,386
Amounts owed by group undertakings	-	567,013	-	562,739
	<u>254,038</u>	<u>785,065</u>	<u>204,035</u>	<u>731,125</u>
Financial liabilities measured at amortised cost		-		
Trade creditors	455,435	455,451	795,149	783,002
Other creditors	128,431	116,613	163,803	72,665
	<u>583,866</u>	<u>572,064</u>	<u>974,861</u>	<u>864,223</u>

The income, expenses, net gains and losses attributable to the Charity's financial instruments are summarised as follows:

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Income and expenses				
Financial assets measured at fair value through net income/expenditure	<u>96,305</u>	<u>96,305</u>	<u>126,894</u>	<u>126,894</u>
Net gains and losses (including changes in fair value)				
Financial assets measured at fair value through net income/expenditure	<u>1,002,408</u>	<u>1,002,408</u>	<u>(639,162)</u>	<u>(639,162)</u>

Notes to the financial statements (continued)

22	Comparative statement of financial activities			
	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2020
	£	£	£	£
Income and endowments				
Donations and legacies	1,199,360	-	269,596	1,468,956
Income from other trading activities	1,412,351	-	-	1,412,351
Other income	1,800	-	-	1,800
Income from investments	126,894	-	-	126,894
Total income and endowments	2,740,405	-	269,596	3,010,001
Expenditure				
Costs of raising funds:				
Fundraising	475,352	-	-	475,352
Trading	769,528	-	-	796,528
Expenditure on charitable activities	859,242	-	126,325	985,567
Total expenditure	2,131,122	-	126,325	2,257,447
Net income/(expenditure) before gains and losses on investments	609,283	-	143,271	752,554
Net gains/(losses) on investments assets	(639,162)	-	-	(639,162)
Net income/(expenditure)	(29,879)	-	143,271	113,392
Transfers between funds	286,479	(286,479)	-	-
Net movement in funds	256,600	(286,479)	143,271	113,392
Reconciliation of funds				
Total funds brought forward	2,309,343	2,426,696	4,000	4,740,039
Total funds carried forward	2,565,943	2,140,217	147,271	4,853,431

23 Post Balance Sheet Events

Information relating to the ongoing impact of Covid-19 on the organisation is set out on pages 7–14 and pages 18-19 of the Trustees Report.

The Charity is pursuing a claim under business interruption insurance due to the closure of our shops in 2020/21.