



# Report of the Trustees and Consolidated Financial Statements

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**For the Year Ended 31 March 2023**

Company Registration Number: 06187174  
Registered Charity No. 1119499

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## Reference and administrative details

<b>Company registration number</b>	06187174
<b>Charity number</b>	1119499
<b>Registered office</b>	Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY
<b>Board of Trustees</b>	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
<b>Chief Executive</b>	Mrs J Turner
<b>Bankers</b>	Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD
<b>Auditors</b>	Azets Audit Services Suites B & D Burnham Yard Beaconsfield HP9 2JH
<b>Investment advisors</b>	Schroder & Co. (Trading as Cazenove Capital) 1 London Wall Place London EC27 5AU
<b>Website address</b>	<a href="http://www.fnhospice.org.uk">www.fnhospice.org.uk</a>

# 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

- FNN@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. FNN@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 27<sup>th</sup> 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"> <li>• additional palliative care services need to be provided,</li> <li>• proactive initiatives should be devised to offer Hospice care to those who aren't reached currently and</li> <li>• capital improvements need to be made at the Hospice to benefit patients &amp; staff.</li> </ul>	<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

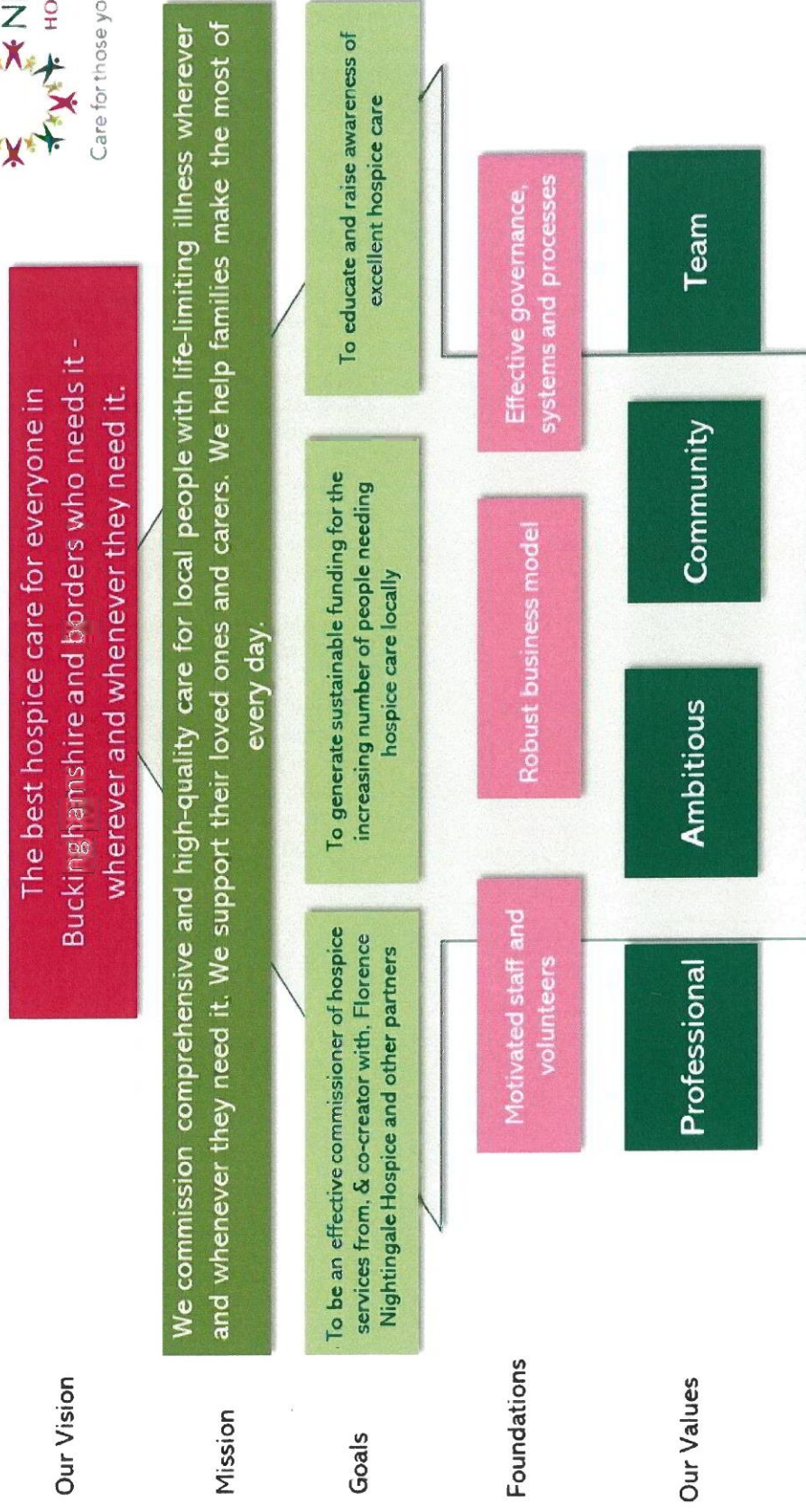
	<p>cope with the demand for care. As a result, the Charity has commissioned two additional Clinical Nurse Specialists for the FNH@Home team, an additional nurse for the Lymphoedema service, a Therapy Support Worker and additional Occupational Therapy hours. It is expected that these additional roles 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>
To review the Charity's strategic focus	<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"> <li>• greater demand for care from a growing and ageing population,</li> <li>• patients having more complex needs (perhaps caused by having more than one chronic condition or experiencing late diagnoses during the pandemic period),</li> <li>• greater need for bereavement support following the pandemic,</li> <li>• the NHS and its workforce facing extreme stresses, and</li> <li>• some groups being under-represented amongst hospice patients currently.</li> </ul> <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



## 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

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.

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.

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.

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.

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.

'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.

## 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 2<sup>nd</sup> August 2023 and signed on their behalf by:

A handwritten signature in blue ink, appearing to read 'Noel Ratcliffe', written in a cursive style.

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](http://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 £
<b>Income</b>						
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
<b>Total income</b>		<b>3,639,631</b>	<b>-</b>	<b>246,510</b>	<b>3,886,141</b>	<b>4,347,304</b>
<b>Expenditure</b>						
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
<b>Total resources expended</b>		<b>3,116,466</b>	<b>-</b>	<b>250,159</b>	<b>3,366,625</b>	<b>2,940,092</b>
Taxation	11	-	-	-	-	(16,851)
<b>Net income before gains/(losses) on investments</b>		<b>523,165</b>	<b>-</b>	<b>(3,649)</b>	<b>519,516</b>	<b>1,390,361</b>
Unrealised gains/(losses) on investment assets	13	(202,002)	-	-	(202,002)	436,891
<b>Net income/expenditure</b>		<b>321,163</b>	<b>-</b>	<b>(3,649)</b>	<b>317,514</b>	<b>1,827,252</b>
Transfers between funds		(934,462)	934,462	-	-	-
<b>Net movement in funds</b>	<b>17</b>	<b>(613,299)</b>	<b>934,462</b>	<b>(3,649)</b>	<b>317,514</b>	<b>1,827,252</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 <sup>st</sup> April		2,221,815	4,992,887	90,033	7,304,735	5,477,483
<b>Total funds carried forward at 31<sup>st</sup> March</b>	<b>17</b>	<b>1,608,516</b>	<b>5,927,349</b>	<b>86,384</b>	<b>7,622,249</b>	<b>7,304,735</b>

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

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
	Note					
<b>Fixed assets</b>						
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>
<b>Current assets</b>						
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>
<b>Creditors</b>						
Amounts falling due within one year	16	(498,509)	-	-	(498,509)	(340,011)
<b>Net current assets</b>		<u>1,126,395</u>	<u>690,957</u>	<u>86,384</u>	<u>1,903,736</u>	<u>1,662,742</u>
<b>Total assets less current liabilities</b>		<u>1,608,516</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,622,249</u>	<u>7,304,735</u>
<b>Net Assets</b>		<u>1,608,516</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,622,249</u>	<u>7,304,735</u>
<b>Funds</b>						
Unrestricted funds					1,608,516	2,221,815
Designated funds					5,927,349	4,992,887
Restricted funds					86,384	90,033
<b>Total funds</b>	17				<u>7,622,249</u>	<u>7,304,735</u>

These financial statements were approved by the Board of Trustees on ...2<sup>nd</sup> 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 £
<b>Fixed assets</b>						
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>
<b>Current assets</b>						
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>
<b>Creditors</b>						
Amounts falling due within one year	16	(406,538)	-	-	(406,538)	(299,027)
<b>Net current assets</b>		<u>1,593,884</u>	<u>690,957</u>	<u>86,384</u>	<u>2,371,225</u>	<u>1,979,851</u>
<b>Total assets less current liabilities</b>		<u>1,649,412</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,663,145</u>	<u>7,377,208</u>
<b>Net Assets</b>		<u>1,649,412</u>	<u>5,927,349</u>	<u>86,384</u>	<u>7,663,145</u>	<u>7,377,208</u>
<b>Funds</b>						
Unrestricted funds					1,649,412	2,294,288
Designated funds					5,927,349	4,992,887
Restricted funds					86,384	90,033
<b>Total funds</b>	17				<u>7,663,145</u>	<u>7,377,208</u>

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



Noel Ratcliffe  
Chairman of Trustees

## Consolidated Cash flow statement

	2023 £	2022 £
<b>Cash flows from operating activities:</b>		
Net cash provided / (used in) by operating activities (analysed below)	1,344,295	(61,002)
	<u>1,344,295</u>	<u>(61,002)</u>
<b>Cash flows from investing activities:</b>		
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	1,220,892	1,183,531
<b>Net cash used in investing activities</b>	<u>(342,212)</u>	<u>223,688</u>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>1,002,083</b>	<b>162,686</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>375,488</b>	<b>212,802</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b><u>1,377,571</u></b>	<b><u>375,488</u></b>

### Note:

<b>Reconciliation of net movement in funds</b>	<b>2023 £</b>	<b>2022 £</b>
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	158,498	(257,241)
<b>Net cash provided by / (used in) operating activities</b>	<b><u>1,344,295</u></b>	<b><u>(61,002)</u></b>

### 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	-
<b>Government grants:</b>		
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 £
<b>Fundraising</b>		
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>
<b>Shops Trading</b>		
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	1,072,070	954,692
	<b>1,072,070</b>	<b>954,692</b>
Other direct costs	27,269	85,888
Staff costs (note 7)	82,573	64,263
Governance (note 6)	108,929	115,368
	<b>1,290,841</b>	<b>1,220,211</b>

### 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
	<b>108,929</b>	<b>115,368</b>

### 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
	<b>305,518</b>	<b>799,760</b>	<b>44,145</b>	<b>82,573</b>	<b>159,565</b>	<b>1,391,561</b>

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
	<b>249,760</b>	<b>643,720</b>	<b>43,342</b>	<b>64,263</b>	<b>112,252</b>	<b>1,113,337</b>

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
	<b>1,336,512</b>	<b>1,099,718</b>

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
	<b>40</b>	<b>32</b>	<b>53</b>	<b>49</b>

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 £
<b>Cost</b>					
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
<b>Depreciation</b>					
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
<b>Net Book Amount</b>					
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
<b>Charity</b>					
		Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
<b>Cost</b>					
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
<b>Depreciation</b>					
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
<b>Net Book Amount</b>					
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 £
<b>Market value</b>				
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>
<b>Net book value</b>				
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>
<b>Charity</b>	<b>Shares in group undertakings £</b>	<b>Listed Investments £</b>	<b>Shares in participating interests £</b>	<b>Totals £</b>
<b>Market value</b>				
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>
<b>Net book value</b>				
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

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

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:

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

### 14 Stocks

	<b>2023 £</b>	<b>2022 £</b>
Group	<b>11,668</b>	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:

	<b>Group 2023 £</b>	<b>Charity 2023 £</b>	<b>Group 2022 £</b>	<b>Charity 2022 £</b>
Within one year	<b>355,373</b>	<b>184,783</b>	245,797	97,207
Between one and five years	<b>1,071,593</b>	<b>642,820</b>	624,994	142,039
In more than five years	<b>825,384</b>	<b>697,622</b>	243,672	4,049
	<b><u>2,252,350</u></b>	<b><u>1,525,225</u></b>	<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>906,310</u>	<u>1,580,162</u>	<u>1,528,614</u>	<u>2,129,305</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>498,509</u>	<u>406,538</u>	<u>340,011</u>	<u>299,027</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 £
<b>Income</b>					
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
<b>Total income</b>		<b>3,998,292</b>	<b>-</b>	<b>349,012</b>	<b>4,347,304</b>
<b>Expenditure</b>					
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
<b>Total resources expended</b>		<b>2,648,394</b>	<b>-</b>	<b>291,698</b>	<b>2,940,092</b>
Taxation	11	(16,851)	-	-	(16,851)
<b>Net income before gains/ (losses) on investments</b>		<b>1,333,047</b>	<b>-</b>	<b>57,314</b>	<b>1,390,361</b>
Unrealised gains/(losses) on investment assets	13	436,891	-	-	436,891
<b>Net income/expenditure</b>		<b>1,769,938</b>	<b>-</b>	<b>57,314</b>	<b>1,827,252</b>
Transfers between funds		(1,047,114)	1,047,114	-	-
<b>Net movement in funds</b>	<b>17</b>	<b>722,824</b>	<b>1,047,114</b>	<b>57,314</b>	<b>1,827,252</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 <sup>st</sup> April		1,498,991	3,945,773	32,719	5,477,483
<b>Total funds carried forward at 31<sup>st</sup> March</b>	<b>17</b>	<b>2,221,815</b>	<b>4,992,887</b>	<b>90,033</b>	<b>7,304,735</b>