

ST. JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

England & Wales · Charity number 1157030

Details

Other names	ST. JOHN'S HOSPICE
Status	Registered
Legal form	CIO
Registered	2014-05-13
Register	View on the Charity Commission register

Contact

Address	St John's Hospice Slyne Road Lancaster LA2 6ST
Phone	01524382538
Email	finance@sjhospice.org.uk
Website	www.sjhospice.org.uk

Activities

Objects: (A) THE RELIEF AND CARE OF PERSONS OF EITHER SEX (WITHOUT REGARD TO RACE OR CREED) WHO ARE SUFFERING FROM ANY CHRONIC OR TERMINAL ILLNESS OR FROM ANY DISABILITY OR DISEASE. (B) FOR SUCH OTHER CHARITABLE PURPOSES OR CHARITABLE OBJECTS ASSOCIATED WITH THE RESIDENTIAL ESTABLISHMENT AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION SEE FIT.

Activities: The charity was established to: ~ provide, maintain, and operate a purpose built hospice ~ provide care for patients with life limiting conditions regardless of sex, race or creed ~ provide and develop a range of services to support this care.0001

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Other Charitable Purposes
- **Who:** Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Cumbria
- Lancashire
- North Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,446,449	£8,026,351	£16,132,026	221
2024-03-31	£7,741,210	£7,483,581	£15,688,438	213
2023-03-31	£6,651,584	£6,510,699	£15,103,969	142
2022-03-31	£8,226,189	£5,762,154	£15,244,859	141
2021-03-31	£3,041,860	£5,413,543	£12,838,767	160

Trustees

Name	Role	Appointed
Alison Bargh		2022-06-07
CAROLINE ANNE BOCKING REDHEAD		2014-05-13
Dr JOHN YARNALL		2021-03-09
Dr NICK SAYER		2021-03-09
Emma Bales		2019-03-05
FIONA INGLIS		2015-02-24
Gillian Hope Granger		2024-06-04
Hilary Sarah Fordham		2023-12-12
JOHN SHARPLES		2015-02-24
Joann Mary Morse		2024-06-04
KAMAL ESSA		2021-03-09
MARK CULLINAN		2014-05-13
Richard John Gaskell		2019-03-05

Accounts



Trustees' Report and Financial Statements

For the year ended 31 March 2025



St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation registered in England with charity number 1157030

ST JOHN’S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES’ ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2025

BACKGROUND TO THE CHARITY

St John's Hospice North Lancashire and South Lakes ("the Charity") was founded on 1 April 2014 as a charitable incorporated organisation ("CIO") and registered with the Charity Commission on 13 May 2014 with Charity Number 1157030. The CIO was formed to take over the assets and undertakings of North Lancashire and Lakeland Continuing Care Trust, an unincorporated charity with charity number 510667 that was founded in 1980 to establish a hospice for residents of North Lancashire and the South Lakes. These assets and undertakings were transferred on 1 October 2014. The objectives and trading name of the new CIO are identical to those of the unincorporated charity, which was removed from the Register of Charities. The Charity is known as St John's Hospice ("the Hospice").

The principal object of St John's Hospice, which opened its doors to patients in December 1985, is the relief and care of persons of either sex (without regard to race or creed) who are suffering from any chronic or terminal illness or from any disability or disease. These aims are achieved by inpatient care, outpatient clinics, day hospice, domiciliary care and associated educational initiatives.

The running costs of the Hospice are met by discretionary grants from the Lancashire and South Cumbria Integrated Care Board (ICB) and by funds raised by the Charity supported by the remarkable generosity of the local community.

The Hospice places great value on its connections with a number of public sector and voluntary organisations that cooperate with it and at times provide joint services.

Our Vision

Putting local patients and families at the heart of everything we do will ensure that on the journey towards the end of life and throughout bereavement, we provide the right care, in the right place, at the right time.



ST JOHN’S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES’ ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Our Values

Care – We will provide first class care, delivered by competent, committed people who put the patient at the heart of all we do

Compassion – We will treat everyone with respect, dignity and empathy

Collaboration – We will work with others to ensure that patients and families receive the best end of life care possible

Charity – We will provide care free of charge to patients and families and will connect with our local communities so that they continue to finance our present and our future

Celebration – We will celebrate the abilities of the people we care for, however limited they may be.

When people are bereaved, we will support them to celebrate the lives of people they have lost

“St John’s Hospice - Built by the people for the people”

LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity's official name is St John’s Hospice North Lancashire and South Lakes, though it is better known as St John's Hospice. The Charity is a charitable incorporated organisation governed by a Foundation Model Constitution dated 1 April 2014 under the terms of which the Trustees operate. Its charity registration number is 1157030. The Charity has 3 wholly owned subsidiaries. St John’s Hospice Lancaster Limited (company number 7216444) was established to promote the sale of Hospice goods. St John’s Hospice Shops Limited (company number 2490956) operates charity shops in the area selling donated goods and furniture. St John’s Hospice Catering Limited (company number 10911525) runs the café at the Hospice and provides event catering.

Trustees

Governance of the Charity is the responsibility of the Board of Trustees. Trustees who have served in office from 1 April 2024 until the date of signing this report are set out below.

Mrs C Heginbotham (Chair)	Ms F Inglis
Ms A Bargh	Mrs J Morse (appointed 4 June 2024)
Mrs E Bales	Dr C Redhead
Mr M Cullinan	Dr N Sayer
Mr K Essa	Mr J Sharples
Ms H Fordham	Mrs S Smith (resigned 6 May 2025)
Mr R Gaskell	Dr J Yarnall
Dr G Granger (appointed 4 June 2024)	

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

In accordance with the Constitution, new Trustees are appointed by the existing Trustees and for a term of four years by Board resolution. In selecting new Trustees, the existing Trustees have regard to the skills, knowledge and experience needed for the effective administration of the Charity. On appointment new Trustees complete an induction programme that includes familiarisation with the purposes and operations of the Charity, appreciation of current issues and guidance on relevant policies.

The Board ordinarily meets every three months and has an additional full day strategy meeting per annum to review the strategy and operation of the Charity, including a rigorous review of the corporate risks affecting the Charity. Three regular sub-committees are in place to review specific areas of activity. These comprise Finance & Resources, Care, Quality & Services, and Fundraising & Communications. These sub-committees each meet every three months and report to the full Board meetings. A Remuneration sub-committee meets at least annually. Trustees are encouraged to take an interest in individual areas of Hospice activity. Performance of Trustees is subject to an annual review by the Chair. Trustees also communicate with each other and the Senior Management Team in the event that consideration of any issue is required between Board and/or sub-committee meetings.

Trustee	Care, Quality & Services sub-committee	Fundraising & Communications sub-committee	Finance & Resources sub-committee	Remuneration sub-committee
Mrs C Heginbotham (Chair)	✓	✓	✓	✓
Ms A Bargh		✓		
Mrs E Bales			✓	
Mr M Cullinan		✓	✓	✓
Mr K Essa			✓	
Ms H Fordham	✓	✓		
Mr R Gaskell		✓	✓	✓
Dr G Granger (from 04.06.04)	✓			
Ms F Inglis			✓	✓
Mrs J Morse (from 04.06.04)	✓		✓	
Mrs C Redhead	✓			
Dr N Sayer	✓			
Mr J Sharples			✓	
Mrs S Smith (to 06.05.25)	✓			✓
Dr J Yarnall	✓			

In this year, the commissioning structure continued to undergo significant change with the development of the Integrated Care board (ICB) which operates on a regional footprint. To ensure the local hospices' presence was felt, the formation of the Lancashire & South Cumbria Hospice Alliance has been key. The CEO is the Chair of the Alliance, and all members of the senior team take an active part in its activities and programmes. The CEO also attends the Northwest Hospice Network Group, working closely with Hospice UK, the national umbrella organisation representing hospice care.

ST JOHN’S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES’ ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

CHARITY DETAILS

Principal Office	St John's Hospice, Slyne Road, Lancaster
Bankers	Barclays Bank plc, Market Street, Lancaster
Auditors	MHA, Winckley Square, Preston
Investment Managers	Evelyn Partners, London
	Brewin Dolphin, Manchester

OPERATIONAL MANAGEMENT

The general operation of Hospice matters is devolved to the Senior Management Team which during the year comprised of

- Ms S McGraw (*Chief Executive Officer*)
- Dr A Bacon (*Medical Director*)
- Mrs M Bass (*Director of Nursing and Quality*)
- Mrs V Askham (*Director of Finance and Resources*)
- Mrs C Butterworth (*Director of Income Generation*)
- Mrs S Horner (*Director of Marketing, Communications & Engagement*).

The Senior Management Team reports to the Board of Trustees and attends regular meetings of the Board.

Operational risk is managed through the Senior Management Team, with key reference to the Care, Quality and Services sub-committee. The Senior Management Team meets weekly.

Pay for the Senior Management Team is set by the Trustees having regard to the job scoring matrix used throughout the Hospice to evaluate pay for all jobs and having regard to market salary rate.

VOLUNTEER SUPPORT AT ST JOHN’S HOSPICE



The Charity is heavily dependent on, and very thankful for, the support it receives from volunteers, who work to support the operation of the Hospice in a wide variety of ways, from helping to provide direct care, supporting income generation by fundraising or working in the charity shops, serving as Trustees, or in a host of other capacities. During 2024/25 it was pleasing to see the number of volunteers continue to rise in roles across the breadth of the Hospice services.

During 2024/2025 the number of volunteer hours in the Hospice increased from around 78,000 hours to 81,000 hours. This would suggest an economic value of £1,340,000 to the Charity when calculated using the average staff cost of the department in which the volunteer works, compared to £1,215,000 last year.

There are many more informal volunteers who help out with numerous fundraising and publicity events. The value of this support is incalculable but could easily double the value of the input of the more formal volunteers.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES INCLUDING PUBLIC BENEFIT

The Charities Act 2011 requires charities to report on the public benefit of their activities. The Trustees have had regard to the Charity Commission's guidance on public benefit and believe that an appreciation of the Charity's public benefit can be obtained from the following review of its achievements and performance.

ACHIEVEMENTS AND PERFORMANCE 2024/2025

Clinical

217 patients were admitted to the ward with an average length of stay of 14.4 days, 726 patients were cared for by our Hospice at Home team and 447 patients were seen by one of our Clinical Nurse Specialists. 766 patients received bereavement and spiritual care support and 187 people took part in one of our day service activities.

In the year, all our Registered Nurses completed a Registered Nurse development programme and, by the end of the year, most of our Health Care Assistants had undertaken training specifically tailored to suit their role. Our Registered Nurses undertook advanced communications skills training and the Medical Director, one of our Advanced Clinical Practitioners and the Palliative Care Educator are now accredited to deliver this training externally.

To further improve patient safety, the Hospice invested in e-prescribing, the system went live on 7th November 2024.

2 ST4 (Consultant trainee) doctors worked at the Hospice as part of their palliative medicine training for 6 months each.

Fundraising

Our fundraising team generate the majority of the money we need to operate and, each year, they work hard to harness the generosity of our community to ensure our work continues. By the end of the year, the fundraising team were 2% up on their challenging annual target. So many events and income streams contributed to this; but the India trek, the rebranded and re-launched Moonlight Walk and the focus on corporate support – in particular our innovative "Jail and Bail" event held at Lancaster Castle – all contributed to a successful year of income generation.

In February 2025, the Hospice took part in the first national hospice TV advertising Legacy campaign, 142 hospices took part. Timed to run just afterwards, a local campaign "I'll always remember" was launched to appeal to local people who may want to leave a gift in their will.

Hospitality & Retail

Our Courtyard Café's popularity grew this year and the knock-on effect was that our Reception shop and plants made record sales.

Our charity shops struggled, as so many high street stores did this year, but we re-structured the team, re-branded the stores and introduced an online "widget" to encourage internet sales. As the year ended, green shoots of recovery were starting to be seen.

Volunteering

In this year our volunteer numbers returned to the level they were at pre-Covid. Around 500 people regularly support the Hospice by providing their skills and time free of charge. The Board recognised that managing a volunteer workforce of this size requires management and support. Resources were allocated to enhance the volunteer management team with the strategic intention to utilise volunteers more effectively in the next few financially challenging years.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Strategic Achievements

The biennial Staff Survey took place in May 2024 and provided valuable feedback, highlighting areas of strength and opportunities for improvement. Key indicators were:

- 100% of respondents would recommend the Hospice if a loved one needed care
- 100% of respondents enjoy the work they do

A Project Manager was appointed by the Board in February 2025 to oversee the refurbishment of the Hospice over the next few years. The Project Manager will appoint architects and planning consultants to ensure this "once in a generation" project is well resourced and professionally run.

Last Days Matter, a 3-hour education programme developed by the Hospice to help non-clinical people support a loved one who is dying, was delivered to over 200 people from Scotland to Cornwall and was nominated for a national award.

Migration to Microsoft 365 took place and a comprehensive training programme was delivered.

Working with members of the multi-faith "Communities Together" forum, the Hospice chapel was refurbished and an additional space – The Sanctuary – was developed. The Sanctuary will allow those with no faith or any faith to spend time in a dedicated quiet space in the centre of the Hospice.

The Hospice achieved Veteran Awareness status at the Bronze level.

Fashion from our retail chain was modelled at the annual "Festival of Culture" event held at Lancaster Town Hall with 500 attendees from all major faith and community groups locally.

FINANCIAL REVIEW

The budget for the current financial year was set at a deficit of £358,558, which reflected the ongoing challenge of maintaining services within the context of continued upward pressure on costs and an awareness that our generous supporters are also seeing an increase in their cost of living. As Trustees, we fully appreciate the objective of running balanced budgets year on year, but we recognised that this was another year when we might need to draw on our reserves to fund anticipated shortfalls in income and increases in costs.

Unlike in recent years, the amount of legacy income received in 2024-25 fell short of budget, which illustrates the uncertainty in both the amount and the timing of this much-needed source of income. We received a major donation of £225,000 towards our planned building refurbishment project and £126,624 as our share of the £100M Capital Grant from the Department of Health and Social Care. We also realised some staffing savings due to delays in recruitment.

As a result of this higher than expected income we have recorded consolidated net income of £420,098 before investment gains, and a surplus of £443,588 after investment gains.

Consolidated income for the year totalled £8,446,449 with the local ICB providing £1,172,385 to fund our core work and a further £879,824 to fund specific project initiatives. The remaining £6,394,240 was generated from our loyal supporters, specific funding initiatives and our investments.

Consolidated expenditure for the year totalled £8,026,351. Expenditure on charitable activities totalled £5,824,797 of which 82% was spent on staffing costs. The remaining £2,201,554 has been spent on raising funds.

Our investment portfolio saw realised gains of £82,460 on the sale of investments and unrealised losses of £58,970 on the revaluation of investments.

Full details of the Charity's financial position and of its income and expenditure are set out in the Statements of Financial Activities, Balance Sheets and related notes which form part of these financial statements

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The continued uncertainty around the increased cost of living and rising inflation has again meant that setting a budget for 2025/2026 has been challenging as per previous years. Soaring costs, coupled with increases in the living and real living wage, have been reflected in the deficit budget that has been set at £493,106 for the year which includes £268,533 of compelling projects. The Trustees are committed to using reserves to fund this deficit and the Senior Management Team is working closely with the Board to generate new funding streams and manage costs in line with anticipated future revenues.

We are indebted again to our grant funders who have supported us during the financial year, many of whom have supported us in the past. All funds received have been spent on the projects they were intended for. For those projects where grant funding has been received in advance, but the costs have not yet been incurred, any grant monies received have been carried forward to the coming financial year.

During the year ended 31 March 2025 we have received the following grants:

Unconditional/Core funding

- The Albert Hunt Trust gave us an unconditional grant which we used towards our nursing care costs.
- The Brownlie Charitable Trust gave us an unconditional grant which we used towards our nursing care costs.
- The Ambleside Welfare Charity gave us an unconditional grant which we used towards community patient care.
- The Farrer Family Trust gave us an unconditional grant which we used towards our community nursing costs.
- The Billhope Charitable Trust gave us an unconditional grant which we used towards our community nursing costs.
- ShareGift gave us an unconditional grant which we used towards our core nursing costs.
- Beaverbrooks Charitable Foundation gave us an unconditional grant which we used towards our community nursing costs.
- The Persimmon Homes Community Champions Programme gave us an unconditional grant which we used towards our nursing care costs
- The Herd Lawson and Muriel Lawson Charitable Trust gave us an unconditional grant which we used towards our in-patient unit nursing costs

Conditional funding

- Nationwide Colleague Grants gave us funding to support our Grief Café and the work of our Forget me Not Family Support service
- The Frieda Scott Charitable Trust gave us funding to develop the work of our Family Support and Bereavement service in South Lakes
- Lancashire County Council Local Members Grant scheme funding enabled us to purchase specialist equipment, bedding and towels for our in-patient unit
- The Hadfield Trust gave us funding to support the work of our Hospice at Home nursing team in South Lakes

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- The James Tudor Foundation gave us funding to support the cost of our in-patient nursing team
- The Francis C Scott Charitable Trust gave us funding to support the work of our children's and young people family support and bereavement service
- Lancaster District Mobility Trust donated funding towards our Hospice at Home transport costs.
- The Lupton Tower Trust funding enabled us to purchase syringe drivers which are used within our community services team.
- Lancashire County Council Champion Grant scheme (Mental Health) enabled us to purchase replacement wood to rebuild our Hospice garden's raised beds where we grow produce for our Hospice kitchen and plug plants and seeds for our gardens and hospice grounds.
- Lancashire County Council Champion Grant scheme (Young People) enabled us to attend British Sign Language training to support children and young people
- The Areti Charitable Trust gave us funding to develop our Forget me Not Centre's Outdoor Therapy and Bereavement area
- Hospice Aid UK funding enabled us to purchase specialist equipment for our in-patient unit
- The Harold & Alice Bridges Charity gave us funding to purchase specialist equipment for our in-patient unit
- The Moto Foundation donated funding towards our Hospice at Home transport costs.
- Lancaster Community Fund funded specialist equipment for our in-patient unit
- The McClay Dementia Trust funded specialist training in Talking Mats for our day service and nursing teams
- Storth Community Co-operative donated funding towards our Hospice at Home transport costs.
- The Norman Whiteley Trust gave us funding towards the development and refurbishment of our Hospice Chapel.
- Springfields Charity Trust Fund gave us funding to purchase specialist equipment for our in-patient unit.
- The Medcash Foundation gave us funding towards our Hospice at Home transport costs.
- Lancaster University Community Benefits Fund gave us funding to develop our Forget me Not Centre's Outdoor Therapy and Bereavement area.
- The Hospital Saturday Fund gave us funding to purchase specialist equipment for our in-patient unit.
- The Creative Health Trust kindly funded the purchase of memory making and craft materials for our Forget me Not Centre.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

RISK MANAGEMENT

The Trustees consider and assess on an on-going basis the major risks to which the Charity may be exposed. All risks identified are set out and monitored using the corporate risk register. Systems are in place to mitigate those risks. Where they are financial it is believed that the reserves policy and financial controls minimise the potential risks. In non-financial matters there are reviews, appraisals and regulatory procedures in place.

By far the biggest risk to the Hospice currently is the long-term financial sustainability of the charity. A 1.9% uplift from the NHS, rising inflation, public sector industrial action and on-going debates about public sector pay awards all impact on the work of the Hospice.

Continuous monitoring of expenditure is now in place and the SMT meet weekly to oversee staffing and other costs rigorously.

The Hospice's governance handbook has been reviewed by the Chair of Trustees and the Chief Executive, and a robust governance team ensures all policies and procedures are reviewed in a timely manner across the Hospice.

Staff receive appropriate annual mandatory training covering health and safety issues such as fire safety, moving and handling, basic food hygiene, safeguarding, information confidentiality and infection control.

Along with all charitable organisations, the Hospice has a number of regulators, the principal two being the Charity Commission and the Care Quality Commission (CQC). The Hospice complies with all Charity Commission requirements.

The Care Quality Commission regularly inspects the operations of the Hospice, either through self-assessment or visits and their last routine unannounced inspection visit was in December 2023 when the Hospice was rated overall as "Good" with a rating of "Outstanding" for responsiveness.

In particular, the inspectors highlighted the following:

- The innovative hospice-organised senior advice line, with senior palliative medicine physicians available out of hours to provide specialist palliative care advice to GPs and senior hospital doctors within the locality.
- Clinical Nurse Specialists working jointly with the most socially deprived GP Practices in the area.
- St John's Hospice's delivery of an award winning 8-week schools programme for children who had suffered loss.
- Close Partnerships e.g. with faith leaders, a local University, VOICE, health and social care colleagues etc.
- The visit of horses to the inpatient garden area so a patient could see his beloved animals.
- The good levels of maintenance and cleanliness in the areas they inspected
- High rates of compliance and scores in audits e.g. 98.77% for cleanliness, 100% for food tasting and 100% for dementia care in the annual NHS Place audit
- Safe staffing levels for nursing and medical services to keep patients safe, provide the right care and treatment and person-centred care plans.
- Health promotion e.g. Day Therapy Groups, the Grief Cafe and significant investment into family support and bereavement services

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- Positive patient and relative feedback about the quality of food offered and options for specific requirements, with support to eat and drink given by hospitality staff
- A caring culture with staff reporting the Hospice being a "fabulous place to work" and feeling "very proud to work here" and a sense of "the hospice wrapping its arms around you" when staff needed extra support.

The annual Data Security & Protection Toolkit was completed in line with the NHS's deadline of 30th June 2024.

The Hospice produced a Quality account in line with the NHS's deadline of 30th June 2024.

Serious Incidents

There are no serious incidents to report.

FUNDRAISING



With around 25% of our funding being received from the ICB, fundraising is an integral part of the work we do at the Hospice to ensure that our services can continue to be provided free of charge. We are grateful for the support of the very many people and organisations within our community who raise funds on our behalf.

We take our responsibilities towards fundraising very seriously and are committed to ensuring that the standards we adopt for fundraising mirror our vision and values treating everyone with care and compassion.

The Director of Income Generation and the Director of Marketing and Communications are responsible for devising and delivering the annual Income Generation, Communications and Engagement strategy.

Income Generation fundraising activities cover

- Individual giving
- Community and corporate fundraising
- Fundraising events organised by the Hospice
- Sourcing of grants
- Legacy fundraising
- Operation of a lottery
- Selling secondhand goods through our charity shops
- Operating a café within the Hospice
- Operating a gift shop within the Hospice

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees are ultimately responsible for our fundraising activity and so review and approve the strategy and budget each year. The Director of Income Generation reports to the Board of Trustees through the quarterly Fundraising and Communications sub-committee and at the full Board meetings on performance and any relevant issues.

As well as fundraisers who are either employed by, or volunteer for, the Hospice we currently have arrangements with the following commercial participators/professional fundraisers:

Organisation	Type	Nature of relationship	How we oversee and monitor their work
Furness Building Society	Commercial participator	Charity Affinity account	Contract in place and regular monitoring and reviews.
Integrated Promotions Ltd/SEC Fundraising	Professional fundraiser	Provision of canvassing services	Contract in place. Licensed and regulated by the Gambling Commission. Bound by the Code of Practice of the Fundraising Regulator. Regular training and updates for canvassers. Regular communication, feedback and meetings. Quality monitoring. Complaints procedure in situ.
Global Adventure Challenges	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 6506.

To ensure that we protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate:

- We are registered with the Fundraising Regulator and committed to adhering to all recognised standards in relation to our fundraising activity
- Staff ensure that all fundraising activity complies with the Fundraising Regulator's Code of Fundraising Practice and the Fundraising Promise
- Staff are trained in their responsibilities in relation to fundraising regulation and legislation upon induction and periodically thereafter as required. Volunteers are also trained in compliance where necessary for their role
- In line with GDPR and the Fundraising Preference Service we promptly action any requests for removal from our mailing lists by amending their contact preferences.
- We do not sell the data of any of our donors and supporters to any third parties under any circumstances

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- We comply with all the fundraising requirements of the General Data Protection Regulation
- We only use professional fundraising agencies who can demonstrate a track record of best practice in the sector and compliance with the Fundraising Regulator's code of conduct.

In addition, we have a Risk Management Policy so as to minimise or, as far as it reasonably practicable, eliminate any risks to patients, staff, volunteers, supporters, members of the public or the organisation's reputation in relation to our fundraising activity. Staff identify and assess risks and put any necessary preventative controls in place.



PLANS FOR THE FUTURE

Trustees attend a Board Away Day annually, part of that time is spent reviewing the priorities in the Strategic Plan and making plans for the future. Key projects planned for the year ahead are:

“Fit for the Future” – Hospice Refurbishment Project

The Hospice building is now 40 years old and is in need of significant refurbishment. Whilst the patient areas look well cared for and welcoming, the infrastructure needs an overhaul – the roof in particular needs attention and some of the pipework which runs beneath the floors has started to fail. The Board have been preparing for this major refurbishment for a number of years, setting aside funds from reserves to contribute towards the costs.

Throughout the year, the team took part in engagement sessions to establish what a modern hospice building might look like for the next 40 years. Colleagues were asked “If we were starting again, what would be important from a patient and family point of view” and also “If we were starting again, what would be important from the team's point of view”. All the feedback was collated and formed a major part of the recruitment of a Project Manager to oversee the refurbishment of the Hospice. In the last quarter of the year, six potential Project Management companies bid for the work and one, Trevor Dawson Consulting and Building, was successful.

In the year ahead, architects will be selected, designs will be drawn up and the planning process will begin.

Focus on South Lakes

The Hospice covers a vast area of around 500 square miles. An analysis of our donors, donations and gifts in wills shows that the majority of these come from the North Lancashire part of our patch. The Trustees have set aside additional funding to allow the Director of Income Generation and her team to focus on raising awareness and funding in South Lakes. A number of major and innovative initiatives are being planned for the future.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

40th Anniversary

In 2026, the Hospice will be 40 years old. A year of "Ruby celebrations" is being planned; not only to thank our community for their tremendous contribution, but to generate new income from new sources where possible.

Building positive relationships with the ICB via the Hospice Collaborative

In 2021, commissioning arrangements changed as CCGs disbanded and ICBs formed. ICBs will work at scale across a much bigger patch covering the whole of Lancashire & South Cumbria – a population of 1.8 million people. The formation of the Hospice Collaborative has been fundamental to this new relationship. The CEO is on the Board of the new Integrated Care Partnership and is working closely with new members of the ICB Board to ensure hospices are not forgotten during this period of fast-paced change.

FINANCIAL REVIEW

Reserves policy

At 31 March 2025 the Hospice's reserves comprise: -

Total funds	£16,132,026
Of which:	
Tangible fixed assets	£5,003,258
Designated funds	£5,452,307
Restricted income funds	£258,062
Unallocated free reserves	£5,418,399

The Hospice could not do what it does without its dedicated team of around 200 skilled and professional staff. The Hospice seeks to employ managers and staff that have both the necessary skills and experience and the right values and attitudes to provide its very special service and it is their employment costs that make up the vast majority of the Hospice's running costs.

This year with so much uncertainty the Trustees have remained very mindful of the need to maintain sufficient reserves to meet the working capital needs of the Charity, fund unexpected expenditure and shortfalls in income and to allow appropriate and monitored service expansion. Furthermore, to ensure the financial security of the Charity no new service developments are introduced unless the Trustees are confident that they are both affordable and sustainable. In addition, we always consider the revenue consequences of any capital expenditure.

The Trustees monitor the level of reserves each quarter through the Finance and Resources sub-committee and continuously review its reserves policy. At the Board's Away Day on 20 October 2025, the Trustees agreed to maintain the policy of retaining unrestricted reserves (comprising unallocated free reserves and designated funds) to cover 12-18 months' full operating costs.

Unallocated and designated reserves at 31 March 2025 amounted to £10,870,706 which represents 16 months' full operating costs.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Investment policy

The investment policy of the Charity is to ring fence monies held in respect of grants received in advance or required for known capital and major repair expenditure. Additional funds are invested in equities, gilts, fixed interest and property funds with the intention of covering future inflation in running costs.

The Charity has a policy to maintain reserves for the purposes given above. The reserves are to be invested for the long term in portfolios and financial instruments which the Trustees deem to represent an acceptable level of risk combined with the aim of providing a reasonable return on the funds.

Investment criteria:

- Capital preservation of adequate reserves for known and unforeseen shorter term needs
- Balance of reserves invested with the potential of growth above inflation over the longer term
- Assets where less than 10% of income are from one restricted assets (tobacco; gambling; pornography; alcohol; armaments) are regarded as acceptable.

The investment policy and performance of funds against the policy is reviewed at each sub-committee meeting with investment managers instructed to carry out any recommended changes as to the investment instruments. The managers are instructed to keep a balanced portfolio to spread the risk and maximise capital growth without jeopardising revenue income.

The Trustees are satisfied with the performance of the investment portfolio over the period.

TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity, and of the income and expenditure of the Charity, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

ST JOHN’S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES’ ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charity’s governing document, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

AUDITORS

MHA previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP. MHA have indicated their willingness to be reappointed as statutory auditors.

December 19, 2025
The Trustees Report was approved on and was signed on behalf of the Trustees by:

Christine Heginbotham

.....
C Heginbotham
Chair – Board of Trustees

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of St John's Hospice North Lancashire and South Lakes (the 'parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated balance sheet, the charity balance sheet, the group and charity cash flow statements and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, set out on pages 16-17, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made or having effect thereunder.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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

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

- Auditing the risk of fraud in income, including through the testing of the cut-off of income at the year end and sales transaction testing to ensure income is complete in the financial statements and recognised in the correct accounting period.
- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the charity's internal control environment; and
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



MHA Chartered Accountants and Statutory Auditor

14 Mannin Way
Lancaster Business Park
Lancaster
LA1 3SW

December 22, 2025
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MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

MHA is eligible for appointment as auditor of the group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	2,177,227	225,000	2,402,227	2,451,551
Charitable activities	4	2,324,028	-	2,324,028	2,236,478
Other trading activities	5	3,359,011	86,632	3,445,643	2,840,431
Investments	6	228,529	-	228,529	186,936
Other	7	46,022	-	46,022	25,814
Total		8,134,817	311,632	8,446,449	7,741,210
Expenditure on:					
Charitable activities	9	5,759,673	65,124	5,824,797	5,513,956
Raising funds	10	2,201,554	-	2,201,554	1,969,625
Total		7,961,227	65,124	8,026,351	7,483,581
Net income before other gains		173,590	246,508	420,098	257,629
Net gains on investments		23,490	-	23,490	326,840
Net income before transfers		197,080	246,508	443,588	584,469
Transfer between funds	25	(3,850)	3,850	-	-
Net movement in funds		193,230	250,358	443,588	584,469
Reconciliation of funds:					
Total funds brought forward		15,680,734	7,704	15,688,438	15,103,969
Total funds carried forward	27	15,873,964	258,062	16,132,026	15,688,438

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies		2,177,227	225,000	2,402,227	2,451,551
Charitable activities		2,324,028	-	2,324,028	2,236,478
Other trading activities		2,110,185	86,632	2,196,817	1,656,935
Investments		228,520	-	228,520	186,810
Other		174,628	-	174,628	113,417
Total		7,014,588	311,632	7,326,220	6,645,191
Expenditure on:					
Charitable activities		5,749,589	65,124	5,814,713	5,505,249
Raising funds		1,132,128	-	1,132,128	968,821
Total		6,881,717	65,124	6,946,841	6,474,070
Net income before other gains		132,871	246,508	379,379	171,121
Net gains on investments		23,490	-	23,490	326,840
Net income before transfers		156,361	246,508	402,869	497,961
Transfer between funds	25	(3,850)	3,850	-	-
Net movement in funds		152,511	250,358	402,869	497,961
Reconciliation of funds:					
Total funds brought forward		15,678,030	7,704	15,685,734	15,187,773
Total funds carried forward	27	15,830,541	258,062	16,088,603	15,685,734

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**CONSOLIDATED BALANCE SHEET****AS AT 31 MARCH 2025**

		2025	2024
		£	£
Fixed assets			
Tangible assets	15	5,003,258	5,153,917
Investments	16	4,670,933	4,405,150
		<u>9,674,191</u>	<u>9,559,067</u>
Current assets			
Stock		7,790	8,283
Debtors	17	412,329	308,622
Cash at bank and in hand		6,627,337	6,168,874
Cash held with investment managers		85,349	232,306
		<u>7,132,805</u>	<u>6,718,085</u>
Creditors: amounts falling due within one year	18	(674,970)	(588,714)
		<u>6,457,835</u>	<u>6,129,371</u>
Net current assets			
		<u>16,132,026</u>	<u>15,688,438</u>
Total assets less current liabilities			
		<u>16,132,026</u>	<u>15,688,438</u>
Net assets			
		<u>16,132,026</u>	<u>15,688,438</u>
Funds:			
Unrestricted funds	23	10,421,657	10,228,427
Designated funds	23	5,452,307	5,452,307
Restricted funds	25	258,062	7,704
		<u>16,132,026</u>	<u>15,688,438</u>
Total funds			
		<u>16,132,026</u>	<u>15,688,438</u>

December 19, 2025

These accounts were approved by the Trustees and authorised for issue on, and are signed on their behalf by:

Christine Heginbotham

.....
C Heginbotham
 Chair – Board of Trustees



.....
M Cullinan
 Chairman – Finance and Resources Committee

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**CHARITY BALANCE SHEET****AS AT 31 MARCH 2025**

		2025	2024
		£	£
Fixed assets			
Tangible assets	15	4,976,316	5,117,604
Investments	16	4,740,936	4,475,153
		<u>9,717,252</u>	<u>9,592,757</u>
Current assets			
Stock		-	-
Debtors	17	1,208,316	1,390,088
Cash at bank and in hand		5,687,245	4,983,210
Cash held with investment managers		85,349	232,306
		<u>6,980,910</u>	<u>6,605,604</u>
Creditors: amounts falling due within one year	18	(609,559)	(512,627)
		<u>6,371,351</u>	<u>6,092,977</u>
Net current assets			
		<u>16,088,603</u>	<u>15,685,734</u>
Total assets less current liabilities			
		<u>16,088,603</u>	<u>15,685,734</u>
Net assets			
		<u>16,088,603</u>	<u>15,685,734</u>
Funds:			
Unrestricted funds	27	10,378,234	10,225,723
Designated funds	27	5,452,307	5,452,307
Restricted funds	25	258,062	7,704
		<u>16,088,603</u>	<u>15,685,734</u>
Total funds			
		<u>16,088,603</u>	<u>15,685,734</u>

December 19, 2025

These accounts were approved by the Trustees and authorised for issue on, and are signed on their behalf by:

Christine Heginbotham

.....
C Heginbotham
 Chair – Board of Trustees



.....
M Cullinan
 Chairman – Finance and Resources Committee

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

GROUP AND CHARITY CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash generated in operating activities	224,103	381,472	466,658	(135,873)
Cashflows from investing activities				
Investment income	228,529	186,936	228,520	186,810
Purchase of fixed assets (including investments)	(1,217,221)	(2,941,688)	(1,214,195)	(2,924,507)
Receipts from sale of fixed assets (including investments)	1,076,095	2,850,981	1,076,095	2,850,981
Cash provided by/(used in) investing activities	311,506	477,701	557,078	(22,589)
Increase in cash and cash equivalents in the year	311,506	477,701	557,078	(22,589)
Cash and cash equivalents brought forward	6,401,180	5,923,479	5,215,516	5,238,105
Cash and cash equivalents carried forward	6,712,686	6,401,180	5,772,594	5,215,516
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	443,588	584,469	402,869	497,961
Gains on investments	(23,490)	(326,840)	(23,490)	(326,840)
Investment income received	(228,529)	(186,936)	(228,520)	(186,810)
Gain on sale of tangible fixed assets	(72,635)	-	(72,635)	-
Depreciation and amortisation	122,127	117,219	109,730	108,297
(Increase)/Decrease in stock	493	1,622	-	3,052
(Increase)/Decrease in debtors	(103,707)	(30,426)	181,772	(424,101)
Increase/(Decrease) in creditors	158,364	219,160	103,528	192,009
Increase/(Decrease) in deferred income	(72,108)	3,204	(6,596)	559
Net cash generated in operating activities	224,103	381,472	466,658	(135,873)
Components of cash and cash equivalents				
Cash at bank and in hand	6,627,337	6,168,874	5,687,245	4,983,210
Cash held with investment managers	85,349	232,306	85,349	232,306
	6,712,686	6,401,180	5,772,594	5,215,516

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Basis of accounting

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation (CIO) registered in the United Kingdom. The address of the CIO, the nature of its operations and its principal activities are all detailed in the Trustees' report of these financial statements.

The CIO constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of St John's Hospice North Lancashire and South Lakes ("the Charity") and its three wholly owned subsidiary undertakings, St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited. The results of these subsidiaries are consolidated on a line by line basis.

Income

Income including donations and gifts receivable is credited to the Statement of Financial Activities in the period in which it is receivable.

Legacies are regarded as receivable once probate has been granted, there is sufficient evidence regarding the certainty of the receipt and there is a sufficiently reliable measurement of the amount in accordance with the recognition criteria of the SORP. In practice this is rarely before the receipt of a letter advising of an intended payment or transfer. Interim receipts are treated as being receivable on receipt. Where legacies have been notified to the Charity, or the Charity is aware of granting of probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material in note 3.

Funding received in advance including grants are treated as deferred income where the funding agency requires an ongoing service to be provided by expenditure in the future period to which the funding relates.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

- Expenditure on the provision of Hospice services and associated service costs
- Expenditure on raising funds

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

Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit is probable and that economic benefit can be reliably measured. In accordance with SORP (FRS 102) no amounts are included in the financial statements for services donated by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure on period of receipt.

Fixed assets

Fixed assets are stated at cost less depreciation. Potential capital items with a cost of less than £2,000 or items that are deemed to have no value once in use by the Hospice are expensed through the Statement of Financial Activities. Fixed assets are depreciated on a straight line basis over their anticipated useful lives.

Freehold land and buildings	-	1% per annum
Leasehold improvements	-	Over the course of the lease
Motor vehicles	-	25% per annum
Fixtures and equipment	-	20% per annum
IT equipment	-	25% per annum

Freehold land and buildings includes non-depreciable land, the cost of which is not considered material.

Investments

Investments are shown at their market value on the date of the balance sheet. Gains and losses on disposal and revaluation of assets are charged or credited to the Statement of Financial Activities.

Investments in subsidiaries are held at cost less amounts written off.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

Stock

Stocks consist of shop items purchased for resale and are stated at the lower of cost and net realisable value. The Charity adopts a cost formula of FIFO.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Pensions

The Hospice operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Certain eligible employees are members of the National Health Service Superannuation Scheme. Contributions to this are also charged in the Statement of Financial Activities as they become payable (see note 22).

Fund accounting

Unrestricted funds - general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds - restricted funds arise where there is a donor imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specific purpose.

Designated funds - designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Transfers are made from Restricted to Unrestricted funds where the expenditure has been fully made in accordance with the objects of the fund.

Cash and cash equivalents

Cash balances comprise amounts held on deposit with recognised banks and building societies.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Taxation

The Charity is exempt within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements (apart from those involving estimates) made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Charity's key estimates are considered to be depreciation charges which are explained in the fixed asset policy on page 28.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
General donations	750,955	225,000	975,955	545,013
Gift aid	123,828	-	123,828	134,125
Legacies	1,302,444	-	1,302,444	1,772,413
	2,177,227	225,000	2,402,227	2,451,551

Certain gifts are received with a request that the money be spent on specific items of equipment or for specific revenue purposes. The amounts so received are included in income and the cost of the related expenditure in the relevant category of expenditure. It is the Trustees' policy to spend all such gifts for the purpose requested.

At the period end, the Trustees had been notified of legacies approximating £23,000 which do not meet the criteria for inclusion in these financial statements under SORP (FRS 102) which is further explained in the accounting policies on page 27.

All income from donations and legacies in the comparative period was unrestricted.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
NHS core funding	1,172,385	-	1,172,385	1,165,392
NHS specific projects	879,824	-	879,824	887,891
Non-NHS income	271,819	-	271,819	183,195
	2,324,028	-	2,324,028	2,236,478

Income from charitable activities is spent in accordance with the terms of the agreement or contract under which it is received.

All income from charitable activities in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Fundraising events	1,090,313	-	1,090,313	572,871
Conditional grants	-	86,632	86,632	202,064
Lottery income	504,919	-	504,919	455,986
Retail activities	1,401,818	-	1,401,818	1,360,254
Café income	361,961	-	361,961	249,256
	3,359,011	86,632	3,445,643	2,840,431

Conditional grant income of £202,064 in the comparative period represented restricted income. All other income was unrestricted.

6 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Bank and investment interest receivable	207,903	-	207,903	100,324
Interest on Government securities and dividends received	20,626	-	20,626	86,612
	228,529	-	228,529	186,936

All income from investments in the comparative period was unrestricted.

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Other income	46,022	-	46,022	25,814
	46,022	-	46,022	25,814

All other income in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**NOTES TO THE ACCOUNTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2025**8 Income from subsidiaries' trading activities**

	2025	2024
	£	£
St John's Hospice Shops Limited (Company No. 02490956)		
Turnover	881,370	889,712
Cost of sales	(607,103)	(573,836)
Gross profit	274,267	315,876
Administration costs	(292,847)	(308,403)
Other operating income	19,835	14,958
Operating (loss)/profit	1,255	22,431
Interest receivable and similar income	9	11
Profit before charitable donation	1,264	22,442
Assets	745,849	831,531
Liabilities	(760,781)	(847,727)
Share capital and reserves	(14,932)	(16,196)
St John's Hospice Lancaster Limited (Company No. 07216444)	£	£
Turnover	80,295	64,907
Cost of sales	(38,035)	(28,850)
Gross profit	42,260	36,057
Administration costs	(3,659)	(2,562)
Operating profit	38,601	33,495
Profit before charitable donation	38,601	33,495
Assets	44,898	36,482
Liabilities	(6,296)	(2,986)
Share capital and reserves	38,602	33,496

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**NOTES TO THE ACCOUNTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2025**8 Income from subsidiaries trading activities (continued)**

	2025	2024
St John's Hospice Shops Catering (Company No. 10911525)	£	£
Turnover	361,961	249,256
Cost of sales	(276,007)	(190,193)
Gross profit/(loss)	85,954	59,063
Administration costs	(13,198)	(10,934)
Other operating income	2,898	1,821
Operating profit/(loss)	75,654	49,950
Profit/(loss) before charitable donation	75,654	49,950
Assets	268,298	448,333
Liabilities	(178,542)	(392,926)
Share capital and reserves	89,756	55,407

The results presented above represent the results for the wholly owned subsidiaries for the year to 31 March 2025.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****9 Expenditure on charitable activities**

Activity	Provision of Hospice Services £	Total 2025 £	Total 2024 £
Staffing costs	4,802,558	4,802,558	4,548,083
Non salary costs of employment	46,759	46,759	58,087
Medical supplies, equipment and services costs	257,917	257,917	220,401
Food and nutrition	155,915	155,915	126,819
Transport	16,759	16,759	12,836
Premises	116,561	116,561	98,414
Depreciation	109,730	109,730	108,297
Profit on disposal of fixed assets	(72,635)	(72,635)	-
Utilities	145,582	145,582	145,308
Management and professional costs	48,346	48,346	40,066
Admin and support costs	144,444	144,444	124,231
Education costs	32,546	32,546	13,057
Audit fees	20,315	20,315	18,357
	5,824,797	5,824,797	5,513,956

Of the above expenditure £65,124 (2024: £172,231) is made against restricted income funds. All other expenditure was unrestricted.

10 Expenditure on raising funds

	Total 2025 £	Total 2024 £
Staffing costs	1,431,229	1,258,197
Fundraising costs	201,511	128,099
Lottery costs	91,705	117,786
Investment manager costs	21,281	26,009
Shop purchases	38,035	28,850
Transport	69,290	67,093
Premises	12,477	12,615
Depreciation	12,397	8,922
Utilities	42,475	68,779
Rent	166,215	139,771
Professional costs	1,519	13,923
Admin and support	6,488	14,649
Other costs	106,932	84,932
	2,201,554	1,969,625

All expenditure on raising funds was unrestricted in the current and prior year.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

11 Net (income)/expenditure

	2025 £	2024 £
Net income is stated after charging/(crediting):		
Depreciation	122,127	117,219
Auditor's remuneration		
- audit of the financial statements	14,450	12,175
- other non audit services	5,865	6,182

12 Analysis of staff costs and the cost of key management personnel

Total staff costs were as follows:	Total 2025 £	Total 2024 £
Wages and salaries	5,300,552	4,951,238
Social security costs	440,889	394,559
Pension costs	492,346	460,483
	6,233,787	5,806,280

Excluding the costs of staff recharged, the remuneration of employees who received employee benefits more than £60,000 is as follows:

	2025 No	2024 No
£90,000 - £100,000	-	1
£100,000 - £110,000	1	-

The total amount of employee benefits received by key management personnel, as determined by the Charity, is £116,106 (2024: £117,549) during the current period.

ST JOHN’S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

12 Analysis of staff costs and the cost of key management personnel (continued)

Particulars of employees:

The average number of permanent employees paid directly by the Hospice during the year, calculated on the basis of full-time equivalents, was as follows:

	2025 No	2024 No
Doctors	2	2
Nurse practitioners and nurse management	2	2
Inpatient unit	32	32
Hospice at home	23	23
Day hospice	2	2
Family support and spiritual	4	4
Complementary therapists	1	1
Clinical nurse specialists	6	6
Administrative and HR	11	11
Domestic and maintenance	8	8
Finance	2	2
Catering and ward hospitality	12	11
Marketing and communication	2	2
Fundraising (including Shops)	42	38
Volunteers	1	1
Lottery	3	2
Governance	2	2
IT	4	4
	159	153

Total head count staff number for the year was 221 (2024: 213).

The number of employees does not include the considerable number of unpaid voluntary helpers to whom the Trustees are indebted nor those who are employed by third parties and to which the Charity contributes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

13 Trustee remuneration and related party transactions

No remuneration is paid to any Trustees in their capacity as Trustees.

No travel and related expenses were reimbursed to any Trustees during the period. Insurance costs included £5,382 (2024: £5,382) insurance premium paid for Trustees and Officer Insurance.

No trustee of other person related to the Charity had any personal interest in any contract of transaction entered into by the Charity during the period. No material donations were made by Trustees to the Charity.

There was no ultimate controlling party during the current or prior period.

14 Taxation

St John's Hospice North Lancashire and South Lakes is a registered charity, number 1157030. All the Charity's income is applied to its charitable objectives and the Charity is therefore exempt under current legislation from most forms of taxation. Value added tax on expenditure that cannot be recovered is included in the cost of the expenditure on which it is charged.

15 Tangible fixed assets

Group	Land and Buildings £	Motor Vehicles £	Fixtures & Equipment £	IT Equipment £	Totals £
Cost					
At 1 April 2024	6,402,990	118,464	886,677	-	7,408,131
Additions	35,706	18,333	36,446	60,203	150,688
Disposals	(218,309)	(18,100)	-	-	(236,409)
Transfers	-	-	-	-	-
At 31 March 2025	6,220,387	118,697	923,123	60,203	7,322,410
Depreciation					
At 1 April 2024	1,355,463	102,169	796,582	-	2,254,214
Charge for the year	68,245	11,559	40,575	1,748	122,127
Eliminated on disposals	(39,089)	(18,100)	-	-	(57,189)
At 31 March 2025	1,384,619	95,628	837,157	1,748	2,319,152
Net book value					
At 31 March 2025	4,835,768	23,069	85,966	58,455	5,003,258
At 1 April 2024	5,047,527	16,295	90,095	-	5,153,917

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Tangible fixed assets (continued)

Charity	Land and Buildings £	Motor Vehicles £	Fixtures & Equipment £	IT Equipment £	Totals £
Cost					
At 1 April 2024	6,379,857	83,914	832,862	-	7,296,633
Additions	32,680	18,333	36,446	60,203	147,662
Disposals	(218,309)	-	-	-	(218,309)
Transfers	-	-	-	-	-
At 31 March 2025	6,194,228	102,247	869,308	60,203	7,225,986
Depreciation					
At 1 April 2024	1,350,836	67,619	760,574	-	2,179,029
Charge for the year	61,578	11,559	34,845	1,748	109,730
Eliminated on disposals	(39,089)	-	-	-	(39,089)
At 31 March 2025	1,373,325	79,178	795,419	1,748	2,249,670
Net book value					
At 31 March 2025	4,820,903	23,069	73,889	58,455	4,976,316
At 1 April 2024	5,029,021	16,295	72,288	-	5,117,604

16 Fixed asset investments

Group	2025 £	2024 £
Valuation		
Balance brought forward	4,405,150	4,067,558
Acquisitions at cost	1,066,533	2,861,734
Receipts for sale of investments	(824,240)	(2,850,981)
Realised (losses)/gains on sale of investments	82,460	31,897
Unrealised (losses)/gains on investments	(58,970)	294,942
Total investments	4,670,933	4,405,150

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,617,498	2,004,369
Overseas listed equities and fixed interest securities	1,899,526	1,925,761
COIF property fund and other property investments	153,909	475,020
	4,670,933	4,405,150

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16 Fixed asset investments (continued)

Charity	2025 £	2024 £
Investment in subsidiary undertakings		
2 shares in St John's Hospice Shops Limited	70,001	70,001
1 share in St John's Hospice Lancaster Limited	1	1
1 share in St John's Hospice Catering Limited	1	1
	70,003	70,003
Other investments at Valuation		
Balance brought forward	4,405,150	4,067,558
Acquisitions at cost	1,066,533	2,861,734
Receipts for sale of investments	(824,240)	(2,850,981)
Realised gains on sale of investments	82,460	31,897
Unrealised gains/(losses) on investments	(58,970)	294,942
	4,670,933	4,405,150
Total investments	4,740,936	4,475,153

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,617,498	2,004,369
Overseas listed equities and fixed interest securities	1,899,526	1,925,761
COIF property fund and other property investments	153,909	475,020
Investments in subsidiary undertakings	70,003	70,003
	4,740,936	4,475,153

St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited are all wholly owned subsidiaries of the Charity. The principal activities of the former two companies are the operation of retail charity shops selling donated and new goods respectively, with the latter being the operation of a café and event catering. All exist to further the activities of St John's Hospice North Lancashire and South Lakes.

17 Debtors

Group	2025 £	2024 £
Management debtors	242,430	151,247
Prepayments	113,551	101,058
VAT recoverable	56,348	56,317
	412,329	308,622

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****17 Debtors (continued)**

Charity	2025	2024
	£	£
Management debtors	227,330	151,247
Prepayments	88,899	67,806
Amounts due from subsidiary undertakings	847,331	1,142,801
VAT recoverable	44,756	28,234
	1,208,316	1,390,088

18 Creditors: amounts falling due within one year

Group	2025	2024
	£	£
Management creditors	60,673	61,996
Taxation and social security	116,109	96,784
Accruals	243,095	221,224
Lottery members	38,225	33,528
Other creditors	75,678	27,396
Deferred income (note 19)	141,190	147,786
	674,970	588,714

Charity	2025	2024
	£	£
Management creditors	52,108	38,397
Taxation and social security	89,224	77,282
Accruals	184,478	168,288
Amounts due to subsidiary undertakings	32,877	24,751
Lottery members	38,225	33,528
Other creditors	71,457	22,595
Deferred income (note 19)	141,190	147,786
	609,559	512,627

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

19 Deferred income

	2025 £	2024 £
Balance brought forward	147,786	24,192
Event and course fees received in advance	89,578	28,655
Grants received in advance	39,062	114,890
Release of deferred income	(135,236)	(19,951)
	141,190	147,786

20 Commitments under operating leases

	2025 Land and Buildings £	2025 Other £	2024 Land and Buildings £	2024 Other £
Within 1 year	165,670	1,901	163,012	1,901
Within 2 to 5 years	257,500	1,901	234,417	3,802
After more than 5 years	-	-	3,000	-
	423,170	3,802	400,429	5,703

21 Capital commitments

There were capital commitments of £77,316 (2024: £nil) at the balance sheet date.

22 Pension schemes

The Hospice operates two pension schemes:

- A defined contribution group personal pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities when payable.
- For certain eligible employees a defined benefit pension scheme. The assets of the scheme are held separately by the National Health Service Superannuation Scheme. Contributions are charged in the Statement of Financial Activities as they become payable. This pension scheme does not have a real pension fund but, as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employers. As a result of the nature of the pension scheme there are no separately identifiable assets and liabilities which can be identified as relating to St John's Hospice, therefore as permitted by FRS 102, the scheme has been accounted for as a defined contribution scheme.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Analysis of unrestricted funds: current year

	At 1 April 2024 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2025 £
Unrestricted funds						
Designated funds	5,452,307	-	-	-	-	5,452,307
General reserves	10,228,427	8,134,817	(7,961,227)	23,490	(3,850)	10,421,657
Total funds	15,680,734	8,134,817	(7,961,227)	23,490	(3,850)	15,873,964

The Trustees agreed on designated reserves in order to fund a number of items across the Hospice:

- £2,822,000 for the Building Refurbishment Project.
- £1,500,000 to facilitate the roll out of the 2024-29 strategic plan.
- £51,915 to upgrade IT equipment and progress IT led projects to increase efficiency and productivity across the Hospice.
- £78,392 to invest in our staff in relation to training, CPD, health and wellbeing.
- £500,000 to use as matched funding when applying for bids in order to develop our Hospice.
- £500,000 for a legacies contingency reserve.

24 Analysis of unrestricted funds: prior year

	At 1 April 2023 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2024 £
Unrestricted funds						
Designated funds	5,080,307	-	-	-	372,000	5,452,307
General reserves	9,983,914	7,539,146	(7,311,350)	326,840	(310,123)	10,228,427
Total funds	15,064,221	7,539,146	(7,311,350)	326,840	61,877	15,680,734

Details of the purpose of the designated funds at 31 March 2024 are included in note 23.

ST JOHN’S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

25 Analysis of restricted funds: current year

	At 1 April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
Restricted funds					
Fundraising grants	7,704	86,632	(65,124)	3,850	33,062
Major donations	-	225,000	-	-	225,000
Total funds	7,704	311,632	(65,124)	3,850	258,062

The restricted fundraising grants received were for the following purposes:

- Staffing costs
- Nourish and Seasons for Growth
- FMNC groups and resources
- Equipment costs
- Transport costs
- Ward bedding
- Ground improvements
- Training and event costs
- Development of South Lakes Hospice @ Home

The restricted major donation is to be used for the Building Refurbishment project.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025****26 Analysis of restricted funds: prior year**

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Restricted funds					
Fundraising grants	-	202,064	(172,231)	(22,129)	7,704
Forget Me Not Centre	39,748	-	-	(39,748)	-
Total funds	39,748	202,064	(172,231)	(61,877)	7,704

The restricted fundraising grants received were for the following purposes:

- Staffing costs
- FAB Groups
- Nourish and Seasons for Growth
- FMNC groups and resources
- Equipment costs
- Transport costs
- Therapy materials
- Development of South Lakes Hospice @ Home

The Forget Me Not Centre balance of £39,748 was the balance of our generous donor who paid for the majority of the capital build expenditure. The funding was split over 2020/21 and 2021/22 with the majority being in 2021/22. Amounts were transferred to unrestricted reserves as a result of the build being fully completed, with all final amounts being paid prior to 31 March 2024.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

27 Analysis of net assets between funds: current year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,452,307	-	5,452,307
General funds	5,003,258	4,670,933	747,466	-	10,421,657
Restricted funds					
Fundraising grants	-	-	33,062	-	33,062
Major donations	-	-	225,000	-	225,000
Total funds	5,003,258	4,670,933	6,457,835	-	16,132,026

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,452,307	-	5,452,307
General funds	4,976,316	4,740,936	660,982	-	10,378,234
Restricted funds					
Fundraising grants	-	-	33,062	-	33,062
Major donations	-	-	225,000	-	225,000
Total funds	4,976,316	4,740,936	6,371,351	-	16,088,603

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****28 Analysis of net assets between funds: prior year**

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,452,307	-	5,452,307
General funds	5,153,917	4,405,150	669,360	-	10,228,427
Restricted funds					
Fundraising grants	-	-	7,704	-	7,704
Total funds	5,153,917	4,405,150	6,129,371	-	15,688,438

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,452,307	-	5,452,307
General funds	5,117,604	4,475,153	632,966	-	10,225,723
Restricted funds					
Fundraising grants	-	-	7,704	-	7,704
Total funds	5,117,604	4,475,153	6,092,977	-	15,685,734

Accounts



Trustees' Report and Financial Statements

For the year ended 31 March 2024



**St John's Hospice North Lancashire and South Lakes is a charitable incorporated
organisation registered in England with charity number 1157030**

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES
TRUSTEES' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

BACKGROUND TO THE CHARITY

St John's Hospice North Lancashire and South Lakes ("the Charity") was founded on 1 April 2014 as a charitable incorporated organisation ("CIO") and registered with the Charity Commission on 13 May 2014 with Charity Number 1157030. The CIO was formed to take over the assets and undertakings of North Lancashire and Lakeland Continuing Care Trust, an unincorporated charity with charity number 510667 that was founded in 1980 to establish a hospice for residents of North Lancashire and the South Lakes. These assets and undertakings were transferred on 1 October 2014. The objectives and trading name of the new CIO are identical to those of the unincorporated charity, which was removed from the Register of Charities. The Charity is known as St John's Hospice ("the Hospice").

The principal object of St John's Hospice, which opened its doors to patients in December 1985, is the relief and care of persons of either sex (without regard to race or creed) who are suffering from any chronic or terminal illness or from any disability or disease. These aims are achieved by inpatient care, outpatient clinics, day hospice, domiciliary care and associated educational initiatives.

The running costs of the Hospice are met by discretionary grants from the Lancashire and South Cumbria Integrated Care Board (ICB) and by funds raised by the Charity supported by the remarkable generosity of the local community.

The Hospice places great value on its connections with a number of public sector and voluntary organisations that cooperate with it and at times provide joint services.

Our Vision

Putting local patients and families at the heart of everything we do will ensure that on the journey towards the end of life and throughout bereavement, we provide the right care, in the right place, at the right time.



ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Our Values

Care – We will provide first class care, delivered by competent, committed people who put the patient at the heart of all we do

Compassion – We will treat everyone with respect, dignity and empathy

Collaboration – We will work with others to ensure that patients and families receive the best end of life care possible

Charity – We will provide care free of charge to patients and families and will connect with our local communities so that they continue to finance our present and our future

Celebration – We will celebrate the abilities of the people we care for, however limited they may be.

When people are bereaved we will support them to celebrate the lives of people they have lost

“St John's Hospice - Built by the people for the people”

LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity's official name is St John's Hospice North Lancashire and South Lakes, though it is better known as St John's Hospice. The Charity is a charitable incorporated organisation governed by a Foundation Model Constitution dated 1 April 2014 under the terms of which the Trustees operate. Its charity registration number is 1157030. The Charity has 3 wholly owned subsidiaries. St John's Hospice Lancaster Limited (company number 7216444) was established to promote the sale of Hospice goods. St John's Hospice Shops Limited (company number 2490956) operates charity shops in the area selling donated goods and furniture. St John's Hospice Catering Limited (company number 10911525) runs the café at the Hospice and provides event catering.

Trustees

Governance of the Charity is the responsibility of the Board of Trustees. Trustees who have served in office from 1 April 2023 until the date of signing this report are set out below.

Mrs C Heginbotham (Chair)	Mr R Gaskell
Mrs S Smith (Vice-chair)	Ms F Inglis
Ms A Bargh	Mrs C Redhead
Mrs E Bales	Dr N Sayer
Mr M Cullinan	Mr J Sharples
Mr K Essa	Mrs F Ward (up until 19 th September 2023)
Ms H Fordham (appointed 6 th December 2023)	Dr J Yarnall

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

In accordance with the Constitution, new Trustees are appointed by the existing Trustees and for a term of four years by Board resolution. In selecting new Trustees, the existing Trustees have regard to the skills, knowledge and experience needed for the effective administration of the Charity. On appointment new Trustees complete an induction programme that includes familiarisation with the purposes and operations of the Charity, appreciation of current issues and guidance on relevant policies.

The Board ordinarily meets every three months and has an additional full day strategy meeting per annum to review the strategy and operation of the Charity, including a rigorous review of the corporate risks affecting the Charity. Three regular sub-committees are in place to review specific areas of activity. These comprise Finance & Resources, Care, Quality & Services, and Fundraising & Communications. These sub-committees each meet every three months and report to the full Board meetings. A Remuneration sub-committee meets at least annually. Trustees are encouraged to take an interest in individual areas of Hospice activity. Performance of Trustees is subject to an annual review by the Chair. Trustees also communicate with each other and the Senior Management Team in the event that consideration of any issue is required between Board and/or sub-committee meetings.

Trustee	Care, Quality & Services sub-committee	Fundraising & Communications sub-committee	Finance & Resources sub-committee	Remuneration sub-committee
Mrs C Heginbotham (Chair)	✓	✓	✓	✓
Mrs S Smith (Vice-chair)	✓			✓
Ms A Bargh		✓		
Mrs E Bales			✓	
Mr M Cullinan		✓	✓	✓
Mr K Essa			✓	
Ms H Fordham (from 6.12.23)	✓	✓		
Mr R Gaskell		✓	✓	✓
Ms F Inglis			✓	✓
Mrs C Redhead	✓			
Dr N Sayer	✓			
Mr J Sharples				
Mrs F Ward (to 19.09.23)		✓		
Dr J Yarnall	✓			

Throughout this year, Covid-19 still affected the Hospice. As healthcare organisations emerged from the pandemic, it was a good time to take stock and learn from the unprecedented experience. Some of what we learned will be built into the planned refurbishment and redevelopment of the site in the coming years. For example, the ward needs fewer communal bays and more individual rooms in the event of a future outbreak.

In this year, the commissioning structure underwent significant change with the move away from Clinical Commissioning Groups at a hyper-local level to the formation for the Integrated Care board (ICB) which operates on a more regional footprint. To ensure the local Hospices' presence was felt, the formation of the Lancashire & South Cumbria Hospice Alliance has been key. The CEO is the Chair of the Alliance and all members of the senior team take an active part in its activities and programmes. The CEO also attends the North West Hospice Network Group, working closely with Hospice UK, the national umbrella organisation representing Hospice care.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

CHARITY DETAILS

Principal Office	St John's Hospice, Slyne Road, Lancaster
Bankers	Barclays Bank plc, Market Street, Lancaster
Auditors	MHA, Winckley Square, Preston
Investment Managers	Evelyn Partners, London
Atomos Investments Limited, London	
Brewin Dolphin, Manchester	

OPERATIONAL MANAGEMENT

The general operation of Hospice matters is devolved to the Senior Management Team which during the year comprised of

Ms S McGraw (*Chief Executive Officer*)

Dr A Bacon (*Medical Director*)

Mrs M Bass (*Director of Nursing and Quality*)

Mrs T Scott (*Director of Finance and Resources – part year*)

Mrs V Askham (*Director of Finance and Resources – part year*)

Mrs C Butterworth (*Director of Income Generation*)

Mrs S Horner (*Director of Marketing, Communications & Engagement*).

The Senior Management Team reports to the Board of Trustees and attends regular meetings of the Board.

Operational risk is managed through the Senior Management Team, with key reference to the Care, Quality and Services sub-committee. The Senior Management Team meets weekly.

Pay for the Senior Management Team is set by the Trustees having regard to the job scoring matrix used throughout the Hospice to evaluate pay for all jobs and having regard to market salary rate.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

VOLUNTEER SUPPORT AT ST JOHN'S HOSPICE



The Charity is heavily dependent on, and very thankful for, the support it receives from volunteers, who work to support the operation of the Hospice in a wide variety of ways, from helping to provide direct care, supporting income generation by fundraising or working in the charity shops, serving as Trustees, or in a host of other capacities. During 2023/24 it was pleasing to see the number of Volunteers continue to rise in roles across the breadth of hospice services.

During 2023/2024 the number of volunteer hours in the hospice increased from around 64,000 hours to 78,000 hours. This would suggest an economic value of some £1,215k to the Charity when

calculated using the average staff cost of the department in which the volunteer works compared to £942k last year.

There are many more informal volunteers who help out with numerous fundraising and publicity events. The value of this support is incalculable but could easily double the value of the input of the more formal volunteers.

OBJECTIVES AND ACTIVITIES INCLUDING PUBLIC BENEFIT

The Charities Act 2011 requires charities to report on the public benefit of their activities. The Trustees have had regard to the Charity Commission's guidance on public benefit and believe that an appreciation of the Charity's public benefit can be obtained from the following review of its achievements and performance.

ACHIEVEMENTS AND PERFORMANCE 2023/2024

There were a number of achievements during 2023/24. The most significant being the development of a new 5-year strategy.

During the year the Hospice undertook a rigorous programme of public engagement and reviewed national, regional and local health and social care plans to ensure the new strategy took account of demographic, social and economic challenges.

Our Vision & Strategy for 2024-2029 was the result of conversations with community, health and social care partners and volunteers and staff at the Hospice. It was clear from these conversations that Hospice care in our community is valued, it is also clear that the price of providing increasingly costly services to more and more people is potentially unsustainable in the long-term and that the challenges we face require a courageous response.

We believe that a successful future for St John's demands a balance between stability and agility. Stability comes from the ethos of hospice care – what we are known for and the things we will not compromise such as excellence, compassion and dignity. However, we must also have the agility to respond to new opportunities in an innovative and progressive way, actively seeking out partnerships, trying out new ideas and being creative and compelling with our fundraising and communication messages.

At the heart of the Strategic plan is for the Hospice to continue to provide for the needs of those facing life limiting illnesses in the locality.

The Vision and Strategy identified the following four priorities in support of that mission.

- Develop and deliver 7-day, high quality end of life care services with the professional competence and unique ethos that make us outstanding
- Be prepared to be innovative, be creative and grasp the opportunities that come our way
- Ensure we are the charity of choice for our local community

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- Build on our financial, social and environmental sustainability

Each priority has a number of Key Performance Indicators that will be monitored by the Board at the relevant sub-committee meeting.

In addition to the new Strategic Plan, the Hospice produced a Quality Account. A Quality Account is an annual report to the public from providers of NHS healthcare about the quality of services they deliver. Despite the fact that less than one third of the care we provide is funded by the NHS, it is still a statutory requirement to produce one. The account must outline three key areas for improvement in the coming year.

In 2023/24 our priority areas were:

Priority 1 – The formation of the Lancashire and South Cumbria Education Alliance (LSCEA)

As part of the Lancashire and South Cumbria Hospice Alliance, an education alliance has been formed to seek to understand the current education and research capabilities across our region and to present a vision and business plan for shared improvement and delivery.

An Education and Research Strategy Board has been established and a key task is to develop a regional education strategy.

Working together should result in improved education and better standards of care for all.

The aims of the Education Alliance are to:

- Improve end-of-life quality of care through better training provision for hospices and our external partners, in particular, the care home sector
- Enhance use of existing resources, skills, and expertise (clinical and non-clinical)
- Provide more efficient and effective training and education for staff and volunteers
- Generate income through training programmes, study sessions, and conferences



Priority 2 – Investing in staff and volunteer well-being

The health and wellbeing of the Hospice team is paramount. The Hospice continues to embed recent actions and launch new initiatives so that health and wellbeing remains a priority across the organisation. This meant investment in three distinct areas:

Line manager training

HR Policies and Practices

Wellbeing

Priority 3 – Invest in in-house Clinical Education

Continuous professional development for Hospice clinical staff is key to the provision of good quality palliative care. Feedback from our staff makes clear that professional development is an important aspect of effective recruitment and retention.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

A new nurse preceptorship programme was developed by the Inpatient Unit management team and was successful in pilot form in 2022/23. This programme encourages newly qualified nurses to join our team and undergo a period of intense development in hospice care. This will now be available every other year as part of our commitment to 'growing our own' specialist staff and as mitigation for ever-present healthcare recruitment risk.

Following the success of, and feedback from, the in-house Registered Nurse Development Programme, we have embarked on delivering accredited Advanced Communication Skills Training to Hospice nursing staff and will look to extend this training to external staff once we have a robust team of trained Facilitators in place.

Building on the Nurse Development Programme, the Hospice designed a 2-day development programme for Health Care Assistants across the organisation.

FINANCIAL REVIEW

When we set the budget for the current financial year we were very aware of the difficulties in trying to quantify the effect the public sector pay settlement would have on the finances of the Hospice along with the impact of other external factors such as a significant increase in the national living wage, increases in utility costs and a feeling of austerity within the public. Whilst we fully appreciate that the Trustees have the ongoing objective of running balanced budgets year on year, we recognised that this was a year when we might need to draw on our reserves to fund anticipated shortfalls in income and increases in costs. This meant that we budgeted to make a deficit of £483,184.

During the financial year we received £567,963 more legacy income than had been budgeted, we saw a significant increase against budget of in-memoriam income – largely due to the increase in numbers on the inpatient unit – and we realized some staffing savings due to delays in recruitment.

As a result of this higher than expected income we have recorded consolidated net income of £257,629 before investment gains, and a surplus of £584,469 after investment gains.

Consolidated income for the year totalled £7,741,210 with the local ICB providing £1,165,392 to fund our core work and a further £887,891 to fund specific project initiatives. The remaining £5.6M was generated from our loyal supporters, specific funding initiatives and our investments.

Consolidated expenditure for the year totalled £7,483,581. Expenditure on charitable activities totalled £5,513,956 of which 82% was spent on staffing costs. The remaining £1,969,625 has been spent on raising funds.

Consolidated net income for the year was £257,629 pre investment gains and other losses, and a surplus of £584,469 after these adjustments. Our investment portfolio saw realised gains of £31,897 on the sale of investments and unrealised gains of £294,943 on the revaluation of investments.

Full details of the Charity's financial position and of its income and expenditure are set out in the Statements of Financial Activities, Balance Sheets and related notes which form part of these financial statements

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The continued uncertainty around the increased cost of living and rising inflation has again meant that setting a budget for 2024/2025 has been challenging as per previous years. Soaring costs, coupled with increases in the living and real living wage has been reflected in the deficit budget that has been set of £358,560 for the year which includes £186,977 of compelling projects. The Trustees are committed to using reserves to fund this deficit and the Senior Management Team is working closely with the Board to generate new funding streams and manage costs in line with anticipated future revenues.

We are indebted again to our grant funders who have supported us during the financial year, many of whom have supported us in the past. All funds received have been spent on the projects they were intended for. For those projects where grant funding has been received in advance but the costs have not yet been incurred, any grant monies received have been carried forward to the coming financial year.

During the year ended 31 March 2024 we have received the following grants:

Unconditional/Core funding

- The Albert Hunt Trust gave us an unconditional grant which we used towards our nursing care costs.
- The Ambleside Welfare Trust gave us an unconditional grant which we used towards community patient care.
- The Farrer Family Trust gave us an unconditional grant which we used towards our community nursing costs.
- The Michael Cornish Charitable Trust gave us an unconditional grant which we used towards our core nursing costs.
- Mrs S K West's Charitable Trust gave us an unconditional grant which we used towards patient care in our local community.
- The Silverdale Gospel Hall Trust gave us an unconditional grant which we used towards our community nursing costs.

Conditional funding

- An anonymous donation from the Pappagallino Fund through Cumbria Community Foundation directly supported our St John's care of South Lakes patients in their own homes.
- The Break the Mould grant programme offered in partnership with the Francis Scott Trust and Cumbria Youth Alliance kindly funded the launch of our Forget me Not Centre's young people's Voice Group.
- The Benefact Trust gave us funding to develop and refurbish our Hospice Chapel.
- Lancashire County Council Local Members Grant scheme funding enabled us to purchase syringe drivers which are used within our community services team.
- Lancaster District Mobility Trust donated funding towards our Hospice at Home transport costs.
- Lakeland Disability Support kindly funded the purchase of an Arjo Sara Flex standing and raising aid for our in-patient unit.
- Westmorland and Furness Council funded our Forget me Not Centre Family Support and Bereavement Service and the purchase of equipment for our in-patient unit.
- The Skipton Building Society Charitable Foundation kindly funded the purchase of a Rise and Recline specialist chair for our in patient unit.
- The Creative Health Trust kindly funded the purchase of memory making and craft materials for our Forget me Not Centre.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- The Elizabeth and Richard Wilson Charitable Trust gave us funding to support children and young people through our Family Support and Bereavement Service.

RISK MANAGEMENT

The Trustees consider and assess on an on-going basis the major risks to which the Charity may be exposed. All risks identified are set out and monitored using the corporate risk register. Systems are in place to mitigate those risks. Where they are financial it is believed that the reserves policy and financial controls minimise the potential risks. In non-financial matters there are reviews, appraisals and regulatory procedures in place.

By far the biggest risk to the Hospice currently is the long-term financial sustainability of the charity. A 0% uplift from the NHS, rising inflation, public sector industrial action and the pay awards this may lead to and the cost of living crisis all impact on the financial health of the Hospice.

Continuous monitoring of expenditure is now in place and the SMT meet weekly to oversee staffing and other costs rigorously.

The Hospice's governance handbook has been reviewed by the Chair of Trustees and the Chief Executive and a robust governance team ensures all policies and procedures are reviewed in a timely manner across the Hospice.

Staff receive appropriate annual mandatory training covering health and safety issues such as fire safety, moving and handling, basic food hygiene, safeguarding, information confidentiality and infection control.

Along with all charitable organisations, the Hospice has a number of regulators, the principal two being the Charity Commission and the Care Quality Commission (CQC). The Hospice complies with all Charity Commission requirements.

The Care Quality Commission regularly inspects the operations of the Hospice, either through self-assessment or visits and their last routine unannounced inspection visit was in December 2023 when the Hospice was rated overall as "Good" with a rating of "Outstanding" for responsiveness.

In particular, the inspectors highlighted the following:

- The innovative hospice-organised senior advice line, with senior palliative medicine physicians available out of hours to provide specialist palliative care advice to GPs and senior hospital doctors within the locality.
- Clinical Nurse Specialists working jointly with the most socially deprived GP Practices in the area.
- St John's Hospice's delivery of an award winning 8-week schools programme for children who had suffered loss.
- Close Partnerships e.g. with faith leaders, a local University, VOICE, health and social care colleagues etc.
- The visit of horses to the inpatient garden area so a patient could see his beloved animals.
- The good levels of maintenance and cleanliness in the areas they inspected
- High rates of compliance and scores in audits e.g. 98.77% for cleanliness, 100% for food tasting and 100% for dementia care in the annual NHS Place audit
- Safe staffing levels for nursing and medical services to keep patients safe, provide the right care and treatment and person-centred care plans.
- Health promotion e.g. Day Therapy Groups, the Grief Cafe and significant investment into

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

family support and bereavement services

- Positive patient and relative feedback about the quality of food offered and options for specific requirements, with support to eat and drink given by hospitality staff
- A caring culture with staff reporting the Hospice being a "fabulous place to work" and feeling "very proud to work here" and a sense of "the hospice wrapping its arms around you" when staff needed extra support.

The annual Data Security & Protection Toolkit was completed in line with the NHS's deadline of the 30th June 2024.

The Hospice produced a Quality account in line with the NHS's deadline of the 30th June 2023.

Serious Incidents

There are no serious incidents to report.

FUNDRAISING



With less than one third of our funding being received from the ICB, fundraising is an integral part of the work we do at the Hospice to ensure that our services can continue to be provided free of charge. We are grateful for the support of the very many people and organisations within our community who raise funds on our behalf.

We take our responsibilities towards fundraising very seriously and are committed to ensuring that the standards we adopt for fundraising mirror our vision and values treating everyone with care and

compassion.

The Director of Income Generation and the Director of Marketing and Communications are responsible for devising and delivering the annual Income Generation, Communications and Engagement strategy.

Income Generation fundraising activities cover

- Individual giving
- Community and corporate fundraising
- Fundraising events organised by the Hospice
- Sourcing of grants
- Legacy fundraising
- Operation of a lottery
- Selling second hand goods through our charity shops
- Operating a café within the Hospice

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- Operating a gift shop within the Hospice

The Trustees are ultimately responsible for our fundraising activity and so review and approve the strategy and budget each year. The Director of Income Generation reports to the Board of Trustees through the quarterly Fundraising and Communications sub-committee and at the full Board meetings on performance and any relevant issues.

As well as fundraisers who are either employed by, or volunteer for, the Hospice we currently have arrangements with the following commercial participators/professional fundraisers:

Organisation	Type	Nature of relationship	How we oversee and monitor their work
Furness Building Society	Commercial participator	Charity Affinity account	Contract in place and regular monitoring and reviews.
Integrated Promotions Ltd/SEC Fundraising	Professional fundraiser	Provision of canvassing services	Contract in place. Licensed and regulated by the Gambling Commission. Bound by the Code of Practice of the Fundraising Regulator. Regular training and updates for canvassers. Regular communication, feedback and meetings. Quality monitoring. Complaints procedure in situ.
Global Adventure Challenges	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 6506.

To ensure that we protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate:

- We are registered with the Fundraising Regulator and committed to adhering to all recognised standards in relation to our fundraising activity
- Staff ensure that all fundraising activity complies with the Fundraising Regulator's Code of Fundraising Practice and the Fundraising Promise
- Staff are trained in their responsibilities in relation to fundraising regulation and legislation upon induction and periodically thereafter as required. Volunteers are also trained in compliance where necessary for their role
- In line with GDPR and the Fundraising Preference Service we promptly action any requests for removal from our mailing lists by amending their contact preferences.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- We do not sell the data of any of our donors and supporters to any third parties under any circumstances
- We comply with all the fundraising requirements of the General Data Protection Regulation
- We only use professional fundraising agencies who can demonstrate a track record of best practice in the sector and compliance with the Fundraising Regulator's code of conduct.

In addition, we have a Risk Management Policy so as to minimise or, as far as it reasonably practicable, eliminate any risks to patients, staff, volunteers, supporters, members of the public or the organisation's reputation in relation to our fundraising activity. Staff identify and assess risks and put any necessary preventative controls in place.



PLANS FOR THE FUTURE

In the past 12 months, Trustees have conducted a skills gap analysis of the Board and recruited new Trustees with relevant skills and knowledge that will support our strategic aims. Our three strategic projects for the current year are:

SJH @40 Refurbishment Project

In the next 12 months, a project group will be formed to begin the refurbishment of our 40-year-old building. External expertise will be sought to project manage the refurbishment and the team and community will take part in an extensive engagement exercise to consider what needs to be included to ensure our building is "fit for the future".

Chapel Refurbishment and the introduction of a Sanctuary space

Our Hospice Chapel has been at the centre of the building for 40 years and is part of our heritage. However, as our community has changed in the past 40 years, the Chapel has been used less and less. After consultation with the Parish Priest, our team and the multi-faith Lancaster "Communities Together" forum, plans have been drawn to redevelop the chapel to include a small Catholic/Christian Chapel whilst developing a larger, more inclusive space that we have agreed will be accessible to all and will be called the Sanctuary. We have received grant funding for part of the work which will be undertaken in the next 12 months.

Building positive relationships with the ICB via the Hospice Collaborative

In 2021, commissioning arrangements changed as CCGs disbanded and ICBs formed. ICBs will work at scale across a much bigger patch covering the whole of Lancashire & South Cumbria – a population of 1.8million people. The formation of the Hospice collaborative has been fundamental to this new relationship. The CEO is on the Board of the new Integrated Care Partnership and is working closely with new members of the ICB Board to ensure Hospices are not forgotten during this period of fast-paced change.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Reserves policy

At 31 March 2024 the Hospice's reserves comprise: -

Total funds	£15,688,438
Of which:	
Tangible fixed assets	£5,153,917
Designated funds	£5,452,307
Restricted income funds	£7,704
Unallocated free reserves	£5,074,510

The Hospice could not do what it does without its dedicated team of around 200 skilled and professional staff. The Hospice seeks to employ managers and staff that have both the necessary skills and experience and the right values and attitudes to provide its very special service and it is their employment costs that make up the vast majority of the Hospice's running costs.

This year with so much uncertainty the Trustees have remained very mindful of the need to maintain sufficient reserves to meet the working capital needs of the Charity, fund unexpected expenditure and shortfalls in income and to allow appropriate and monitored service expansion. Furthermore, to ensure the financial security of the Charity no new service developments are introduced unless the Trustees are confident that they are both affordable and sustainable. In addition, we always consider the revenue consequences of any capital expenditure.

The Trustees monitor the level of reserves each quarter through the Finance and Resources sub-committee and continuously review its reserves policy. At the Board's Away Day on 14 October 2024, the Trustees agreed to maintain the policy of retaining unrestricted reserves (comprising unallocated free reserves and designated funds) to cover 12-18 months' full operating costs.

Unallocated and designated reserves at 31 March 2024 amounted to £10,526,817 which represents 17 months' full operating costs.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Investment policy

The investment policy of the Charity is to ring fence monies held in respect of grants received in advance or required for known capital and major repair expenditure. Additional funds are invested in equities, gilts, fixed interest and property funds with the intention of covering future inflation in running costs.

The Charity has a policy to maintain reserves for the purposes given above. The reserves are to be invested for the long term in portfolios and financial instruments which the Trustees deem to represent an acceptable level of risk combined with the aim of providing a reasonable return on the funds.

Investment criteria:

- Capital preservation of adequate reserves for known and unforeseen shorter term needs
- Balance of reserves invested with the potential of growth above inflation over the longer term
- Assets where less than 10% of income are from one restricted assets (tobacco; gambling; pornography; alcohol; armaments) are regarded as acceptable.

The investment policy and performance of funds against the policy is reviewed at each sub-committee meeting with investment managers instructed to carry out any recommended changes as to the investment instruments. The managers are instructed to keep a balanced portfolio to spread the risk and maximise capital growth without jeopardising revenue income.

The Trustees are satisfied with the performance of the investment portfolio over the period.

TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity, and of the income and expenditure of the Charity, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

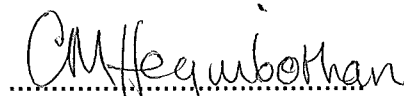
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charity's governing document, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

AUDITORS

Following the merger of MHA Moore and Smalley with MHA, the group's independent auditor has now become MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

The Trustees Report was approved on 10/12/24 and was signed on behalf of the Trustees by:



C Heginbotham

Chair – Board of Trustees

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of St John's Hospice North Lancashire and South Lakes (the 'parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated balance sheet, the charity balance sheet, the group and charity cash flow statements and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent Charity's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, set out on page 16, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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

- Auditing the risk of fraud in income, including through the testing of the cut-off of income at the year end and sales transaction testing to ensure income is complete in the financial statements and recognised in the correct accounting period.
- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the charity's internal control environment; and
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent Charity to cease to continue as a going concern.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



MHA
Chartered Accountants and Statutory Auditor

14 Mannin Way
Lancaster Business Park
Lancaster
LA1 3SW

11 December 2024
.....

MHA is eligible for appointment as auditor of the group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	2,451,551	-	2,451,551	1,838,097
Charitable activities	4	2,236,478	-	2,236,478	2,130,087
Other trading activities	5	2,638,367	202,064	2,840,431	2,561,405
Investments	6	186,936	-	186,936	111,748
Other	7	25,814	-	25,814	10,247
Total		7,539,146	202,064	7,741,210	6,651,584
Expenditure on:					
Charitable activities	9	5,341,725	172,231	5,513,956	4,838,131
Raising funds	10	1,969,625	-	1,969,625	1,672,568
Total		7,311,350	172,231	7,483,581	6,510,699
Gain/(loss) on revaluation of investments		294,943	-	294,943	(210,088)
Net income/(expenditure)		522,739	29,833	552,572	(69,203)
Transfer between funds	25	61,877	(61,877)	-	-
Other recognised gains/(losses)					
Gains/(losses) on disposal of investments		31,897	-	31,897	(71,687)
Net movement in funds		616,513	(32,044)	584,469	(140,890)
Reconciliation of funds:					
Total funds brought forward		15,064,221	39,748	15,103,969	15,244,859
Total funds carried forward	27	15,680,734	7,704	15,688,438	15,103,969

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies		2,451,551	-	2,451,551	1,838,097
Charitable activities		2,236,478	-	2,236,478	2,130,087
Other trading activities		1,454,871	202,064	1,656,935	1,605,485
Investments		186,810	-	186,810	111,748
Other		113,417	-	113,417	78,135
Total		6,443,127	202,064	6,645,191	5,763,552
Expenditure on:					
Charitable activities		5,333,018	172,231	5,505,249	4,831,171
Raising funds		968,821	-	968,821	736,236
Total		6,301,839	172,231	6,474,070	5,567,407
Gain/(loss) on revaluation of investments		294,943	-	294,943	(210,088)
Net income/(expenditure)		436,231	29,833	466,064	(13,943)
Transfer between funds	25	61,877	(61,877)	-	-
Other recognised gains/(losses)					
Gains/(losses) on disposal of investments		31,897	-	31,897	(71,687)
Net movement in funds		530,005	(32,044)	497,961	(85,630)
Reconciliation of funds:					
Total funds brought forward		15,148,025	39,748	15,187,773	15,273,403
Total funds carried forward	27	15,678,030	7,704	15,685,734	15,187,773

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 27 to 48 form part of these financial statements.

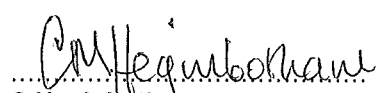
ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2024

		2024	2023
		£	£
Fixed assets			
Tangible assets	15	5,153,917	5,191,181
Investments	16	4,405,150	4,067,558
		<u>9,559,067</u>	<u>9,258,739</u>
Current assets			
Stock		8,283	9,905
Debtors	17	308,622	278,196
Cash at bank and in hand		6,168,874	5,741,098
Cash held with investment managers		232,306	182,381
		<u>6,718,085</u>	<u>6,211,580</u>
Creditors: amounts falling due within one year	18	(588,714)	(366,350)
		<u>6,129,371</u>	<u>5,845,230</u>
Net current assets			
		<u>15,688,438</u>	<u>15,103,969</u>
Total assets less current liabilities			
		<u>15,688,438</u>	<u>15,103,969</u>
Net assets			
		<u>15,688,438</u>	<u>15,103,969</u>
Funds:			
Unrestricted funds	23	10,228,427	9,983,914
Designated funds	23	5,452,307	5,080,307
Restricted funds	25	7,704	39,748
		<u>15,688,438</u>	<u>15,103,969</u>
Total funds			
		<u>15,688,438</u>	<u>15,103,969</u>

These accounts were approved by the Trustees and authorised for issue on 10/12/24, and are signed on their behalf by:


C Heginbotham
 Chair – Board of Trustees


M Cullinan
 Chairman – Finance and Resources Committee

The notes on page 27 to 48 form part of these financial statements.

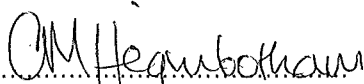
ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

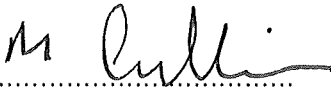
CHARITY BALANCE SHEET

AS AT 31 MARCH 2024

		2024	2023
		£	£
Fixed assets			
Tangible assets	15	5,117,604	5,163,127
Investments	16	4,475,153	4,137,561
		<u>9,592,757</u>	<u>9,300,688</u>
Current assets			
Stock		-	3,052
Debtors	17	1,390,088	965,987
Cash at bank and in hand		4,983,210	5,055,724
Cash held with investment managers		232,306	182,381
		<u>6,605,604</u>	<u>6,207,144</u>
Creditors: amounts falling due within one year	18	(512,627)	(320,059)
		<u>6,092,977</u>	<u>5,887,085</u>
Net current assets			
		<u>15,685,734</u>	<u>15,187,773</u>
Total assets less current liabilities			
		<u>15,685,734</u>	<u>15,187,773</u>
Net assets			
		<u>15,685,734</u>	<u>15,187,773</u>
Funds:			
Unrestricted funds	27	10,225,723	10,067,718
Designated funds	27	5,452,307	5,080,307
Restricted funds	25	7,704	39,748
		<u>15,685,734</u>	<u>15,187,773</u>
Total funds			
		<u>15,685,734</u>	<u>15,187,773</u>

These accounts were approved by the Trustees and authorised for issue on 10/12/24 and are signed on their behalf by:


 C Heginbotham
 Chair – Board of Trustees


 M Cullinan
 Chairman – Finance and Resources Committee

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

GROUP AND CHARITY CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Cash generated in operating activities	381,472	1,661,423	(135,873)	1,303,023
Cashflows from investing activities				
Investment income	186,936	111,748	186,810	111,748
Purchase of fixed assets (including investments)	(2,941,688)	(595,001)	(2,924,507)	(569,594)
Receipts from sale of fixed assets (including investments)	2,850,981	429,090	2,850,981	429,090
Cash provided by/(used in) investing activities	477,701	1,607,260	(22,589)	1,274,267
Increase in cash and cash equivalents in the year	477,701	1,607,260	(22,589)	1,274,267
Cash and cash equivalents brought forward	5,923,479	4,316,219	5,238,105	3,963,838
Cash and cash equivalents carried forward	6,401,180	5,923,479	5,215,516	5,238,105
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	552,572	(69,203)	466,064	(13,943)
Loss (gain) on revaluation of investments	(294,943)	210,088	(294,943)	210,088
Investment income received	(186,936)	(111,748)	(186,810)	(111,748)
Depreciation and amortisation	117,219	101,925	108,297	98,362
(Increase)/Decrease in stock	1,622	254	3,052	-
(Increase)/Decrease in debtors	(30,426)	1,622,513	(424,101)	1,230,907
Increase/(Decrease) in creditors	219,160	(57,685)	192,009	(34,162)
Increase/(Decrease) in deferred income	3,204	(34,721)	559	(76,481)
Net cash generated in operating activities	381,472	1,661,423	(135,873)	1,303,023
Components of cash and cash equivalents				
Cash at bank and in hand	6,168,874	5,741,098	4,983,210	5,055,724
Cash held with investment managers	232,306	182,381	232,306	182,381
	6,401,180	5,923,479	5,215,516	5,238,105

The notes on page 27 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Basis of accounting

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation (CIO) registered in the United Kingdom. The address of the CIO, the nature of its operations and its principal activities are all detailed in the Trustees' report of these financial statements.

The CIO constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of St John's Hospice North Lancashire and South Lakes ("the Charity") and its three wholly owned subsidiary undertakings, St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited. The results of these subsidiaries are consolidated on a line by line basis.

Income

Income including donations and gifts receivable is credited to the Statement of Financial Activities in the period in which it is receivable.

Legacies are regarded as receivable once probate has been granted, there is sufficient evidence regarding the certainty of the receipt and there is a sufficiently reliable measurement of the amount in accordance with the recognition criteria of the SORP. In practice this is rarely before the receipt of a letter advising of an intended payment or transfer. Interim receipts are treated as being receivable on receipt. Where legacies have been notified to the Charity, or the Charity is aware of granting of probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material in note 3.

Funding received in advance including grants are treated as deferred income where the funding agency requires an ongoing service to be provided by expenditure in the future period to which the funding relates.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

- Expenditure on the provision of Hospice services and associated service costs
- Expenditure on raising funds

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

Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit is probable and that economic benefit can be reliably measured. In accordance with SORP (FRS 102) no amounts are included in the financial statements for services donated by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure on period of receipt.

Fixed assets

Fixed assets are stated at cost less depreciation. Potential capital items with a cost of less than £2,000 or items that are deemed to have no value once in use by the Hospice are expensed through the Statement of Financial Activities. Fixed assets are depreciated on a straight line basis over their anticipated useful lives.

Freehold land and buildings	-	1% per annum
Leasehold improvements	-	Over the course of the lease
Motor vehicles	-	25% per annum
Fixtures and equipment	-	20% per annum

Freehold land and buildings includes non-depreciable land, the cost of which is not considered material.

Investments

Investments are shown at their market value on the date of the balance sheet. Gains and losses on disposal and revaluation of assets are charged or credited to the Statement of Financial Activities.

Investments in subsidiaries are held at cost less amounts written off.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

Stock

Stocks consist of shop items purchased for resale and are stated at the lower of cost and net realisable value. The Charity adopts a cost formula of FIFO.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Pensions

The Hospice operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Certain eligible employees are members of the National Health Service Superannuation Scheme. Contributions to this are also charged in the Statement of Financial Activities as they become payable (see note 22).

Fund accounting

Unrestricted funds - general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds - restricted funds arise where there is a donor imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specific purpose.

Designated funds - designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Transfers are made from Restricted to Unrestricted funds where the expenditure has been fully made in accordance with the objects of the fund.

Cash and cash equivalents

Cash balances comprise amounts held on deposit with recognised banks and building societies.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Taxation

The Charity is exempt within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements (apart from those involving estimates) made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Charity's key estimates are considered to be depreciation charges which are explained in the fixed asset policy on page 28.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
General donations	545,013	-	545,013	565,529
Gift aid	134,125	-	134,125	146,670
Legacies	1,772,413	-	1,772,413	1,125,898
	2,451,551	-	2,451,551	1,838,097

Certain gifts are received with a request that the money be spent on specific items of equipment or for specific revenue purposes. The amounts so received are included in income and the cost of the related expenditure in the relevant category of expenditure. It is the Trustees' policy to spend all such gifts for the purpose requested.

At the period end, the Trustees had been notified of legacies approximating £752,000 which do not meet the criteria for inclusion in these financial statements under SORP (FRS 102) which is further explained in the accounting policies on page 27.

Legacy income of £12,500 in the comparative period represented restricted income. All other income was unrestricted.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
NHS core funding	1,165,392	-	1,165,392	1,167,070
NHS specific projects	887,891	-	887,891	812,298
Non-NHS income	183,195	-	183,195	150,719
	2,236,478	-	2,236,478	2,130,087

Income from charitable activities is spent in accordance with the terms of the agreement or contract under which it is received.

All income from charitable activities in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Fundraising events	572,871	-	572,871	716,764
Conditional grants	-	202,064	202,064	146,570
Lottery income	455,986	-	455,986	417,892
Retail activities	1,360,254	-	1,360,254	1,130,316
Café income	249,256	-	249,256	149,863
	2,638,367	202,064	2,840,431	2,561,405

Conditional grant income of £146,570 in the comparative period represented restricted income. All other income was unrestricted.

6 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Bank and investment interest receivable	100,324	-	100,324	26,866
Interest on Government securities and dividends received	86,612	-	86,612	84,882
	186,936	-	186,936	111,748

All income from investments in the comparative period was unrestricted.

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Other income	25,814	-	25,814	10,247
	25,814	-	25,814	10,247

All other income in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Income from subsidiaries' trading activities

	2024 £	2023 £
St John's Hospice Shops Limited (Company No. 02490956)		
Turnover	889,712	784,368
Cost of sales	(573,836)	(584,176)
Gross profit	315,876	200,192
Administration costs	(308,403)	(274,080)
Other operating income	14,969	5,385
Operating (loss)/profit	22,442	(68,503)
(Loss)/profit before charitable donation	22,442	(68,503)
Assets	831,531	571,641
Liabilities	(847,727)	(610,279)
Share capital and reserves	(16,196)	(38,638)
St John's Hospice Lancaster Limited (Company No. 07216444)		
Turnover	64,907	49,363
Cost of sales	(28,850)	(28,319)
Gross profit	36,057	21,044
Administration costs	(2,562)	(1,665)
Operating profit	33,495	19,379
Profit before charitable donation	33,495	19,379
Assets	36,482	21,720
Liabilities	(2,986)	(2,340)
Share capital and reserves	33,496	19,380

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Income from subsidiaries trading activities (continued)

	2024 £	2023 £
St John's Hospice Shops Catering (Company No. 10911525)		
Turnover	249,256	149,863
Cost of sales	(190,193)	(125,324)
Gross profit/(loss)	59,063	24,539
Administration costs	(10,934)	(8,023)
Other operating income	1,821	1,022
Operating profit/(loss)	49,950	17,538
Profit/(loss) before charitable donation	49,950	17,538
Assets	448,333	190,311
Liabilities	(392,926)	(184,854)
Share capital and reserves	55,407	5,457

The results presented above represent the results for the wholly owned subsidiaries for the year to 31 March 2024.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Expenditure on charitable activities

Activity	Provision of Hospice Services £	Total 2024 £	Total 2023 £
Staffing costs	4,548,083	4,548,083	4,004,546
Non salary costs of employment	58,087	58,087	44,750
Medical supplies, equipment and services costs	220,401	220,401	192,114
Food and nutrition	126,819	126,819	98,752
Transport	12,836	12,836	13,887
Premises	98,414	98,414	78,251
Depreciation	108,297	108,297	98,362
Profit on disposal of fixed assets	-	-	(4,000)
Utilities	145,308	145,308	139,393
Management and professional costs	40,066	40,066	27,351
Admin and support costs	124,231	124,231	103,061
Education costs	13,057	13,057	25,279
Audit fees	18,357	18,357	16,385
	5,513,956	5,513,956	4,838,131

Of the above expenditure £172,231 (2023: £102,211) is made against restricted income funds. All other expenditure was unrestricted.

10 Expenditure on raising funds

	Total 2024 £	Total 2023 £
Staffing costs	1,258,197	891,517
Fundraising costs	128,099	173,479
Lottery costs	117,786	104,476
Investment manager costs	26,009	19,125
Shop purchases	28,850	28,319
Transport	67,093	98,909
Premises	12,615	12,089
Depreciation	8,922	3,563
Utilities	68,779	85,180
Rent	139,771	142,835
Professional costs	13,923	6,180
Admin and support	14,649	13,863
Other costs	84,932	93,033
	1,969,625	1,672,568

All expenditure on raising funds was unrestricted in the current and prior year.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Net (income)/expenditure

	2024 £	2023 £
Net income is stated after charging/(crediting):		
Depreciation	117,219	103,360
Auditor's remuneration		
- audit of the financial statements	12,175	9,500
- other non audit services	6,182	6,050

12 Analysis of staff costs and the cost of key management personnel

Total staff costs were as follows:	Total 2024 £	Total 2023 £
Wages and salaries	4,951,238	4,144,966
Social security costs	394,559	351,954
Pension costs	460,483	399,143
	5,806,280	4,896,063

Excluding the costs of staff recharged, the remuneration of employees who received employee benefits more than £60,000 is as follows:

	2024 No	2023 No
£90,000 - £100,000	1	1

The total amount of employee benefits received by key management personnel, as determined by the Charity, is £117,549 (2023: £112,973) during the current period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

12 Analysis of staff costs and the cost of key management personnel (continued)

Particulars of employees:

The average number of permanent employees paid directly by the Hospice during the year, calculated on the basis of full-time equivalents, was as follows:

	2024 No	2023 No
Doctors	2	3
Nurse practitioners and nurse management	2	1
Inpatient unit	32	31
Hospice at home	23	20
Day hospice	2	2
Family support and spiritual	4	4
Complementary therapists	1	1
Clinical nurse specialists	6	7
Administrative and HR	11	14
Domestic and maintenance	8	6
Finance	2	2
Catering and ward hospitality	11	9
Marketing and communication	2	2
Fundraising (including Shops)	38	32
Physiotherapy and occupational therapy	-	1
Volunteers	1	1
Lottery	2	1
Governance	2	2
IT	4	3
	153	142

Total head count staff number for the year was 213 (2023: 195).

The number of employees does not include the considerable number of unpaid voluntary helpers to whom the Trustees are indebted nor those who are employed by third parties and to which the Charity contributes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Trustee remuneration and related party transactions

No remuneration is paid to any Trustees in their capacity as Trustees.

No travel and related expenses were reimbursed to any Trustees during the period. Insurance costs included £5,382 (2023: £5,382) insurance premium paid for Trustees and Officer Insurance.

No trustee of other person related to the Charity had any personal interest in any contract of transaction entered into by the Charity during the period. No material donations were made by Trustees to the Charity.

There was no ultimate controlling party during the current or prior period.

14 Taxation

St John's Hospice North Lancashire and South Lakes is a registered charity, number 1157030. All the Charity's income is applied to its charitable objectives and the Charity is therefore exempt under current legislation from most forms of taxation. Value added tax on expenditure that cannot be recovered is included in the cost of the expenditure on which it is charged.

15 Tangible fixed assets

Group	Land and Buildings £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost				
At 1 April 2023	6,376,682	118,464	833,030	7,328,176
Additions	26,308	-	53,647	79,955
Disposals	-	-	-	-
Transfers	-	-	-	-
At 31 March 2024	6,402,990	118,464	886,677	7,408,131
Depreciation				
At 1 April 2023	1,288,509	89,033	759,453	2,136,995
Charge for the year	66,954	13,136	37,129	117,219
Eliminated on disposals	-	-	-	-
At 31 March 2024	1,355,463	102,169	796,582	2,254,214
Net book value				
At 31 March 2024	5,047,527	16,295	90,095	5,153,917
At 1 April 2023	5,088,173	29,431	73,577	5,191,181

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Tangible fixed assets (continued)

Charity	Land and Buildings £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost				
At 1 April 2023	6,362,330	83,914	787,615	7,233,859
Additions	17,527	-	45,247	62,774
Disposals	-	-	-	-
Transfers	-	-	-	-
At 31 March 2024	6,379,857	83,914	832,862	7,296,633
Depreciation				
At 1 April 2023	1,287,074	54,483	729,175	2,070,732
Charge for the year	63,762	13,136	31,399	108,297
Eliminated on disposals	-	-	-	-
At 31 March 2024	1,350,836	67,619	760,574	2,179,029
Net book value				
At 31 March 2024	5,029,021	16,295	72,288	5,117,604
At 1 April 2023	5,075,256	29,431	58,440	5,163,127

16 Fixed asset investments

Group	2024 £	2023 £
Valuation		
Balance brought forward	4,067,558	4,347,152
Acquisitions at cost	2,861,734	431,271
Receipts for sale of investments	(2,850,981)	(429,090)
Realised (losses)/gains on sale of investments	31,897	(71,687)
Unrealised (losses)/gains on investments	294,942	(210,088)
Total investments	4,405,150	4,067,558

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,004,369	2,083,369
Overseas listed equities and fixed interest securities	1,925,761	1,453,059
COIF property fund and other property investments	475,020	531,130
	4,405,150	4,067,558

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

16 Fixed asset investments (continued)

Charity	2024 £	2023 £
Investment in subsidiary undertakings		
2 shares in St John's Hospice Shops Limited	70,001	70,001
1 share in St John's Hospice Lancaster Limited	1	1
1 share in St John's Hospice Catering Limited	1	1
	70,003	70,003
Other investments at Valuation		
Balance brought forward	4,067,558	4,347,152
Acquisitions at cost	2,861,734	431,271
Receipts for sale of investments	(2,850,981)	(429,090)
Realised gains on sale of investments	31,897	(71,687)
Unrealised gains/(losses) on investments	294,942	(210,088)
	4,405,150	4,067,558
Total investments	4,475,153	4,137,561

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,004,369	2,083,369
Overseas listed equities and fixed interest securities	1,925,761	1,453,059
COIF property fund and other property investments	475,020	531,130
Investments in subsidiary undertakings	70,003	70,003
	4,475,153	4,137,561

St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited are all wholly owned subsidiaries of the Charity. The principal activities of the former two companies are the operation of retail charity shops selling donated and new goods respectively, with the latter being the operation of a café and event catering. All exist to further the activities of St John's Hospice North Lancashire and South Lakes.

17 Debtors

Group	2024 £	2023 £
Management debtors	151,247	196,632
Prepayments	101,058	32,809
VAT recoverable	56,317	48,755
	308,622	278,196

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Debtors (continued)

Charity	2024 £	2023 £
Management debtors	151,247	196,632
Prepayments	67,806	4,935
Amounts due from subsidiary undertakings	1,142,801	739,581
VAT recoverable	28,234	24,839
	1,390,088	965,987

18 Creditors: amounts falling due within one year

Group	2024 £	2023 £
Management creditors	61,996	37,572
Taxation and social security	96,784	86,793
Accruals	221,224	121,027
Lottery members	33,528	30,814
Other creditors	27,396	65,952
Deferred income (note 19)	147,786	24,192
	588,714	366,350

Charity	2024 £	2023 £
Management creditors	38,397	37,474
Taxation and social security	77,282	72,858
Accruals	168,288	81,500
Amounts due to subsidiary undertakings	24,751	11,565
Lottery members	33,528	30,814
Other creditors	22,595	61,656
Deferred income (note 19)	147,786	24,192
	512,627	320,059

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

19 Deferred income

	2024 £	2023 £
Balance brought forward	24,192	100,673
Event and course fees received in advance	28,655	13,242
Grants received in advance	114,890	10,950
Release of deferred income	(19,951)	(100,673)
	147,786	24,192

20 Commitments under operating leases

	2024 Land and Buildings £	2024 Other £	2023 Land and Buildings £	2023 Other £
Within 1 year	163,012	1,901	80,021	5,402
Within 2 to 5 years	234,417	3,802	172,813	5,119
After more than 5 years	3,000	-	-	-
	400,429	5,703	252,834	10,521

21 Capital commitments

There were no (2023: £39,748) capital commitments at the balance sheet date.

22 Pension schemes

The Hospice operates two pension schemes:

- A defined contribution group personal pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities when payable.
- For certain eligible employees a defined benefit pension scheme. The assets of the scheme are held separately by the National Health Service Superannuation Scheme. Contributions are charged in the Statement of Financial Activities as they become payable. This pension scheme does not have a real pension fund but, as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employers. As a result of the nature of the pension scheme there are no separately identifiable assets and liabilities which can be identified as relating to St John's Hospice, therefore as permitted by FRS 102, the scheme has been accounted for as a defined contribution scheme.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

23 Analysis of unrestricted funds: current year

	At 1 April 2023 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2024 £
Unrestricted funds						
Designated funds	5,080,307	-	-	-	372,000	5,452,307
General reserves	9,983,914	7,539,146	(7,311,350)	326,840	(310,123)	10,228,427
Total funds	15,064,221	7,539,146	(7,311,350)	326,840	61,877	15,680,734

The Trustees agreed on designated reserves in order to fund a number of items across the Hospice:

- £2,622,000 for the SJH@40 project.
- £1,500,000 to facilitate the roll out of the 2024-29 strategic plan.
- £51,915 to upgrade IT equipment and progress IT led projects to increase efficiency and productivity across the Hospice.
- £78,392 to invest in our staff in relation to training, CPD, health and wellbeing.
- £500,000 to use as matched funding when applying for bids in order to develop our Hospice.
- £500,000 for a legacies contingency reserve.

24 Analysis of unrestricted funds: prior year

	At 1 April 2022 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2023 £
Unrestricted funds						
Designated funds	4,266,000	-	(335,693)	-	1,150,000	5,080,307
General reserves	10,295,167	6,492,514	(6,072,795)	(281,775)	(449,197)	9,983,914
Total funds	14,561,167	6,492,514	(6,408,488)	(281,775)	700,803	15,064,221

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

24 Analysis of unrestricted funds: prior year (continued)

At 31 March 2023, the Trustees had agreed on designated reserves in order to fund a number of items across the Hospice:

- £200,000 to upgrade the premises. The Hospice is now 37 years old and advanced maintenance is required.
- £2,000,000 to replace the roof. The roof is becoming past its useful life and needs a major repair or replacement.
- £51,915 to upgrade IT equipment and progress IT led projects to increase efficiency and productivity across the Hospice.
- £78,392 to invest in our staff in relation to training, CPD, health and wellbeing.
- £100,000 to upgrade our electrics in order to reduce future electricity spend.
- £1,500,000 to use as matched funding when applying for bids in order to develop our Hospice into its 40th year and beyond.
- £1,000,000 for a legacies equalisation reserve.
- £150,000 for the main electricity board in the hospice which requires a major upgrade.

25 Analysis of restricted funds: current year

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Restricted funds					
Fundraising grants	-	202,064	(172,231)	(22,129)	7,704
Forget Me Not Centre	39,748	-	-	(39,748)	-
Total funds	39,748	202,064	(172,231)	(61,877)	7,704

The restricted fundraising grants received were for the following purposes:

- Staffing costs
- FAB Groups
- Nourish and Seasons for Growth
- FMNC groups and resources
- Equipment costs
- Transport costs
- Therapy materials
- Development of South Lakes Hospice @ Home

The Forget Me Not Centre balance of £39,748 was the balance of our generous donor who paid for the majority of the capital build expenditure. The funding was split over 2020/21 and 2021/22 with the majority being in 2021/22. Amounts were transferred to unrestricted reserves in the year as a result of the build now being fully completed, with all final amounts being paid.

The legacy received was that for the funding of items of necessity for direct patient care.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

26 Analysis of restricted funds: prior year

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Restricted funds					
Fundraising grants	5,281	146,570	(89,711)	(62,140)	-
Forget Me Not Centre	678,411	-	-	(638,663)	39,748
NHSE funding	-	12,500	(12,500)	-	-
Total funds	683,692	159,070	(102,211)	(700,803)	39,748

The restricted fundraising grants received were for internal furniture, TV equipment, children's books and external garden furniture and plants.

The Forget Me Not Centre balance of £39,748 was the balance of our generous donor who paid for the majority of the capital build expenditure. The funding was split over 2020/21 and 2021/22 with the majority being in 2021/22. Amounts were transferred to unrestricted reserves in the year as a result of the build being completed, with the remaining funds relating to costs withheld until after the year end.

The legacy received was that for the funding of items of necessity for direct patient care.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

27 Analysis of net assets between funds: current year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,452,307	-	5,452,307
General funds	5,153,917	4,405,150	669,360	-	10,228,427
Restricted funds					
Fundraising grants	-	-	7,704	-	7,704
Forget me not centre	-	-	-	-	-
Total funds	5,153,917	4,405,150	6,129,371	-	15,688,438

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,452,307	-	5,452,307
General funds	5,117,604	4,475,153	632,966	-	10,225,723
Restricted funds					
Fundraising grants	-	-	7,704	-	7,704
Forget me not centre	-	-	-	-	-
Total funds	5,117,604	4,475,153	6,092,977	-	15,685,734

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

28 Analysis of net assets between funds: prior year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,080,307	-	5,080,307
General funds	5,191,181	4,067,558	725,175	-	9,983,914
Restricted funds					
Fundraising grants	-	-	39,748	-	-
Forget me not centre	-	-	-	-	39,748
Total funds	5,191,181	4,067,558	5,845,230	-	15,103,969

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,080,307	-	5,080,307
General funds	5,163,127	4,137,561	767,030	-	10,067,718
Restricted funds					
Fundraising grants	-	-	-	-	-
Forget me not centre	-	-	39,748	-	39,748
Total funds	5,163,127	4,137,561	5,887,085	-	15,187,773

Accounts



Trustees' Report and Financial Statements

For the year ended 31 March 2023



St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation registered in England with charity number 1157030

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

BACKGROUND TO THE CHARITY

St John's Hospice North Lancashire and South Lakes ("the Charity") was founded on 1 April 2014 as a charitable incorporated organisation ("CIO") and registered with the Charity Commission on 13 May 2014 with Charity Number 1157030. The CIO was formed to take over the assets and undertakings of North Lancashire and Lakeland Continuing Care Trust, an unincorporated charity with charity number 510667 that was founded in 1980 to establish a hospice for residents of North Lancashire and the South Lakes. These assets and undertakings were transferred on 1 October 2014. The objectives and trading name of the new CIO are identical to those of the unincorporated charity, which was removed from the Register of Charities. The Charity is known as St John's Hospice ("the Hospice").

The principal object of St John's Hospice, which opened its doors to patients in December 1985, is the relief and care of persons of either sex (without regard to race or creed) who are suffering from any chronic or terminal illness or from any disability or disease. These aims are achieved by inpatient care, outpatient clinics, day hospice, domiciliary care and associated educational initiatives.

The running costs of the Hospice are met by discretionary grants from the Integrated Care Board (ICB) and by funds raised by the Charity supported by the remarkable generosity of the local community.

The Hospice places great value on its connections with a number of public sector and voluntary organisations that cooperate with it and at times provide joint services.

Our Vision

Putting local patients and families at the heart of everything we do will ensure that on the journey towards the end of life, we provide the right care, in the right place, at the right time.

Our Mission

Ensuring our services are clearly understood and accessible to those in need where and when required.



ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Our Values

Care – We will provide first class care, delivered by competent, committed people who put the patient at the heart of all we do

Compassion – We will treat everyone with respect, dignity and empathy

Collaboration – We will work with others to ensure that patients and families receive the best end of life care possible

Charity – We will provide care free of charge to patients and families and will connect with our local communities so that they continue to finance our present and our future

Celebration – We will celebrate the abilities of the people we care for, however limited they may be. When people are bereaved we will support them to celebrate the lives of people they have lost

“St John's Hospice - Built by the people for the people”

LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity's official name is St John's Hospice North Lancashire and South Lakes, though it is better known as St John's Hospice. The Charity is a charitable incorporated organisation governed by a Foundation Model Constitution dated 1 April 2014 under the terms of which the Trustees operate. Its charity registration number is 1157030. The Charity has 3 wholly owned subsidiaries. St John's Hospice Lancaster Limited (company number 7216444) was established to promote the sale of Hospice goods. St John's Hospice Shops Limited (company number 2490956) operates charity shops in the area selling donated goods and furniture. St John's Hospice Catering Limited (company number 10911525) runs the café at the Hospice and provides event catering.

Trustees

Governance of the Charity is the responsibility of the Board of Trustees. Trustees who have served in office from 1 April 2022 until the date of signing this report are set out below.

Mrs C Heginbotham - Chair	Mrs C Redhead
Mr M Cullinan - Vice Chair (up until 7 th June 2022)	Dr N Sayer
Mrs E Bales	Mr J Sharples
Mr K Essa	Mrs S Smith (Vice-Chair from 7 th June 2022)
Mr R Gaskell	Mrs F Ward
Ms F Inglis	Dr J Yarnall
Ms A Bargh (Appointed 7 June 2022)	

In accordance with the Constitution, new Trustees are appointed by the existing Trustees and for a term of four years by Board resolution. In selecting new Trustees, the existing Trustees have regard to the skills, knowledge

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

and experience needed for the effective administration of the Charity. On appointment new Trustees complete an induction programme that includes familiarisation with the purposes and operations of the Charity, appreciation of current issues and guidance on relevant policies.

The Board ordinarily meets every three months and has two additional strategy meetings per annum to review the strategy and operation of the Charity including a rigorous review of the corporate risks affecting the Charity. Three regular sub-committees are in place to review specific areas of activity. These comprise Finance and Resources; Care, Quality and Services; and Fundraising and Communications. These sub-committees each meet every three months and report to the full Board meetings. A Remuneration sub-committee meets at least annually. Trustees are encouraged to take an interest in individual areas of Hospice activity. Performance of Trustees is subject to periodic review by the Chair. Trustees also communicate with each other and the Senior Management Team in the event that consideration of any issue is required between Board and/or sub-committee meetings. The Hospice is an active participant in the North West Hospices Network Group and the newly formed Lancashire & South Cumbria Hospice Alliance, of which the CEO is the current Chair.

CHARITY DETAILS

Principal Office	St John's Hospice, Slyne Road, Lancaster
Bankers	Barclays Bank plc, Market Street, Lancaster
Auditors	MHA Moore and Smalley, Priory Close, Lancaster
Investment Managers	Evelyn Partners, London Atomos Investments Limited, London

OPERATIONAL MANAGEMENT

The general operation of Hospice matters is devolved to the Senior Management Team which during the year comprised of Ms S McGraw (*Chief Executive Officer*), Dr S Edgecombe (*Medical Director – part year*), Dr A Bacon (*Medical Director – part year*), Mrs M Bass (*Director of Nursing and Quality*), Mrs T Scott (*Director of Finance and Resources*), Mrs C Butterworth (*Director of Income Generation*) and Mrs S Horner (*Director of Marketing, Communications & Engagement*).

The Senior Management Team reports to the Board of Trustees and attends regular meetings of the Board.

Operational risk is managed through the Senior Management Team, with key reference to the Care, Quality and Services sub-committee. The Senior Management Team meets weekly.

Pay for the Senior Management Team is set by the Trustees having regard to the job scoring matrix used throughout the Hospice to evaluate pay for all jobs and having regard to market salary rates.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

VOLUNTEER SUPPORT AT ST JOHN'S HOSPICE



The Charity is heavily dependent on, and very thankful for, the support it receives from volunteers, who work to support the operation of the Hospice in a wide variety of ways, from helping to provide direct care, supporting income generation by fundraising or working in the charity shops, serving as Trustees, or in a host of other capacities. During 2022/23 Covid restrictions were eased which meant we could welcome back our volunteers. It was also a year of additional services, such as the bereavement service at the newly opened Forget Me Not Centre. We were delighted to see an influx of volunteers to support this new service.

During 2022/2023 the number of volunteer hours in the hospice increased compared with 2021/2022, due to the opening up of some services after the pandemic. Compared with 2021/2022 when we received the support of almost 40,000 volunteer hours, this year it was closer to 97,000 hours. This would suggest an economic value of some £1,392k to the Charity when calculated using the average staff cost of the department in which the volunteer works compared to £529k last year.

There are many more informal volunteers who help out with numerous fundraising and publicity events. The value of this support is incalculable but could easily double the calculated value of the input of the more formal volunteers.

OBJECTIVES AND ACTIVITIES INCLUDING PUBLIC BENEFIT

The Charities Act 2011 requires charities to report on the public benefit of their activities. The Trustees have had regard to the Charity Commission's guidance on public benefit and believe that an appreciation of the Charity's public benefit can be obtained from the following review of its achievements and performance.

ACHIEVEMENTS AND PERFORMANCE 2022/2023

There were a number of achievements during 2022/23. The most significant being the opening of the Forget Me Not Centre.

During the year we reviewed the Strategic Plan for 2020-2023. Our Vision & Strategy for 2020-2023 was the result of conversations with our community, health and social care partners and volunteers and staff at the Hospice. It was clear from these conversations that Hospice care in our community is valued, it is also clear that the price of providing increasingly costly services to more and more people is potentially unsustainable in the long-term and that the challenges we face require a courageous response.

We believe that a successful future for St John's demands a balance between stability and agility. Stability comes from the ethos of hospice care – what we are known for and the things we will not compromise such as excellence, compassion and dignity. However, we must also have the agility to respond to new opportunities in an innovative and progressive way, actively seeking out partnerships, trying out new ideas and being creative and compelling with our fundraising and communication messages.

At the heart of the Strategic plan is for the Hospice to continue to provide for the needs of those facing life limiting illnesses in the locality.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Vision and Strategy identified the following six priorities in support of that mission.

- Develop and deliver high quality end of life care services with the professional competence and unique ethos that make us outstanding
- Proactively seek opportunities for collaborative working where appropriate
- Be an employer and volunteer base of choice
- Develop innovative, ethical and sustainable levels of resource to meet the service needs of our community
- Ensure St John's is the charity of choice for our local community
- Ensure St John's is the end of life charity of choice for providers.

To support the delivery of the 6 strategic priorities, we are required each year to produce a Quality Account outlining three key areas for improvement in the coming year.

The three key priorities for improvement were:

Priority 1 – The formation of the Lancashire & south Cumbria Hospice Alliance

There are 8 adult Hospices and 2 children's Hospices covering the new Lancashire and South Cumbria Integrated Care Board (ICB) footprint. During the pandemic, Hospices came together each Thursday lunchtime to share learning, updates and information. From this informal arrangement, a more formal collaboration began. In April 2022, the Lancashire & South Cumbria Hospice Collaborative was formed, its mission is "To ensure the population of Lancashire & South Cumbria receive the very best end of life and palliative care available".



The Hospice collaborative aims:

- To influence and shape the future commissioning and delivery of integrated Palliative and End of Life Care (PaEOLC).
- To develop qualitative, person-centred outcome measures.
- To support the implementation of outcomes linked to the Ambitions Framework NICE guidance palliative and end of life care.
- To act as the infrastructure that delivers Lancashire & South Cumbria's aspirations, standards and frameworks at a local level.
- To share and review data.
- To tackle inequality of access to Palliative and End of Life Care.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- To ensure we continue to deliver the very best specialist PaEOLC to all adults, young people and children who need us - overcoming constraints both financial and workforce-related - by coming together, acting together and achieving together.
- To enable hospices to survive and thrive, whilst maintaining our identity, independence and freedom to innovate.
- To encourage shared innovation and learning.
- To reduce needless duplication, and share resources (staff, costs) wherever appropriate and feasible, so that every pound is stretched as far as possible for the people who need us.
- To advocate for a compassionate regional strategy.

Each Hospice contributed funding to recruit a Lancashire & South Cumbria Hospice Collaborative Strategic Lead. The purpose of this role is to ensure the collaborative is seen as "one voice" by the ICB and to ensure all opportunities for "strength in numbers" are grasped.

Our CEO is the chair of the Hospice Collaborative and, because of this role, attends the Integrated Care Partnership Board of the ICB.

A link to the Collaborative's website can be seen here:

LSC Hospices Together (lscht.org.uk)

Priority 2 – SJH @ 40 – Developing a sustainable Hospice for the Future

Our Hospice was built in the 1980s and will be 40 years' old in 2026. The building is beginning to show signs of age, not only physically but also operationally. Whilst there is no sense of patients and families being concerned about this, the Trustees know we must plan for the future of Hospice care, and this cannot be done in a building that was designed decades ago.

In January 2023, a team engagement process began. We asked the team two questions:

- If we were starting again, what would the building look like in terms of patients and families?
- If we were starting again, what would the building look like in terms of team well-being?

We had a remarkable response to this with some key themes emerging:

- Clinical services should be co-located
- We should really think about quiet space for the team
- We must move the mortuary

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

At the Board meeting in March, it was agreed that a steering group should be formed to progress this work. The steering group will consist of Trustees and team members. It was also agreed that the work should not be rushed. Whilst the idea of having the building project completed by our 40th anniversary in 2026 may seem attractive, in the current economic climate cost, in terms of materials and labour, must be a consideration for the steering group.

Priority 3 – Development of an Education Strategy and Structure to support end of life care beyond the Hospice walls

In COVID we were unable to continue the previous education offering and the Learning and Development team roles were made redundant bar one person who co-ordinated mandatory training compliance. With the continuing pressure on NHS services, feedback from staff and the importance of effective recruitment and retention, it is clear that continuous professional development for our team and colleagues is key to ensuring the fundamentals of palliative care can be undertaken to ensure resources are utilised better.

With local ICB funding, the Hospice will be recruiting to a nurse specialist level education post. This post will work in one part of our catchment, the South Lakes, with our community, domiciliary agency and care home partners, to ensure the workforce understand how to identify palliative patients, give them the best fundamental care they can, and refer to St John's Hospice for support and guidance.

The postholder will link with a similar post in the acute hospitals to ensure the same courses are offered, ensuring the consistent and ongoing education and support required. There will also be firmer links made with education strategy groups and the wide Health Education England, to ensure relevant guidance and procedures are included in the education.

We will also be working in partnership with neighbouring Hospices to jointly recruit a Hospice Collaborative Strategic Education Lead.

FINANCIAL REVIEW

When we set the budget for the current financial year we were very aware of the difficulties in trying to quantify the effect the pandemic would have on the finances of the Hospice along with the impact of external factors such as a significant increase in the national minimum wage, increases in utility costs and a feeling of austerity within the public. Whilst we fully appreciate that the Trustees have the ongoing objective of running balanced budgets year on year, we recognised that this was a year we would need to draw on our reserves to fund anticipated shortfalls in income and increases in costs. This meant that we budgeted to make a deficit of £494,400.

During the financial year we received over £300,000 more legacy income than had been budgeted, a significant increase against budget of in-memoriam income, largely due to the increase in numbers on the inpatient unit and significant head of service staffing savings due to delays in recruitment.

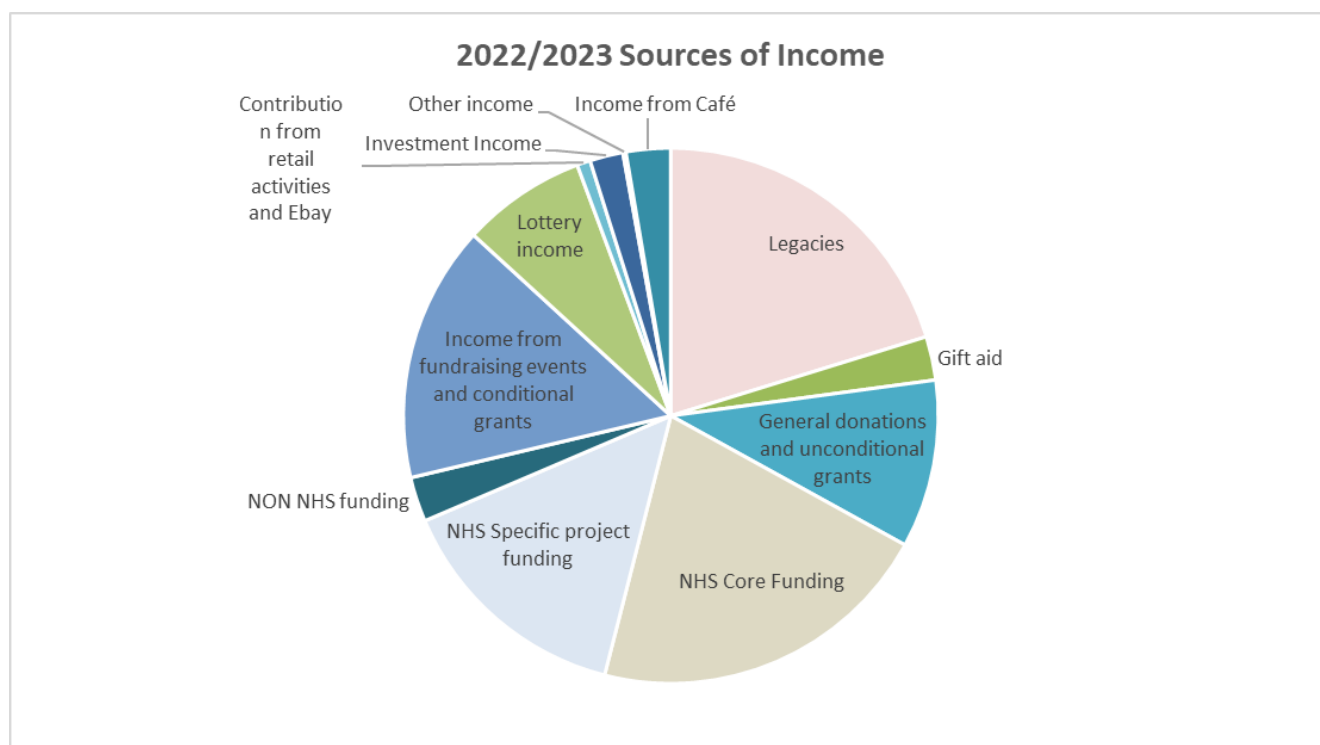
As a result of this higher than expected income we have recorded consolidated net income of £140,885 before investment losses and the deficit was restricted to £140,890 post investment gains.

Set out below is an analysis of the main sources of charity income.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023



Consolidated income for the year totalled £6,651,584 with the local ICB providing £1,167,070 to fund our core work and a further £963,017 to fund specific project initiatives. The remaining £4.5m was generated from our loyal supporters, specific funding initiatives and our investments.

Consolidated expenditure for the year totalled £6,510,699. Expenditure on charitable activities totalled £4,838,131 of which 83% was spent on staffing costs. The remaining £1,672,568 has been spent on raising funds.

Consolidated net income for the year was £140,885 pre investment gains and other losses, and a deficit of £140,890 after these adjustments. Our investment portfolio suffered from the change in the stock and financial markets around the world with losses of £281,775.

Full details of the Charity's financial position and of its income and expenditure are set out in the Statements of Financial Activities, Balance Sheets and related notes which form part of these financial statements.

The continued uncertainty around the increased cost of living and rising inflation has again meant that setting a budget for 2023/2024 has been challenging as per previous years. Soaring costs, coupled with increases in the minimum and real living wage has been reflected in the deficit budget that has been set of £483,184 for the year which includes £127,943 of compelling projects. The Trustees are committed to using reserves to fund this deficit and the Senior Management Team is working closely with the Board to generate new funding streams and manage costs in line with anticipated future revenues.

We are indebted again to our grant funders who have supported us during the financial year, many of whom have supported us in the past. All funds received have been spent on the projects they were intended for. For those projects where grant funding has been received in advance but the costs have not yet been incurred, any grant monies received have been carried forward to the coming financial year.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

During the year ended 31 March 2023 we have received the following grants:

- The Albert Hunt Trust kindly gave us an unconditional grant which we used towards staffing our ward and community services teams.
- Eric Wright Charitable Trust gave us an unconditional grant which was also used towards staffing our ward and community services teams.
- Brownlie Trust gave us an unconditional grant again that was used towards funding our ward and community services staffing
- HSBC Group kindly gave us funds in order to buy furniture at the Forget Me Not Centre
- Walney Extension gave us a grant for 18 months to cover a large element of the young people's Nourish project
- Sir John Fisher Fund gave us a grant towards the salary of a hospice at home nurse
- Morrisons Foundation paid for a cuddle bed for the ward
- Mr & Mrs Scholes kindly donated monies to build the Forget Me Not Centre
- Morecambe Men's Committee donated monies for syringe drivers which are used within our community services team
- Population Investment Fund gave us funding to provide 3 Fatigue and Breathlessness groups
- The Francis C. Scott Foundation donated funds to support our bereavement services within South Cumbria

RISK MANAGEMENT

The Trustees consider and assess on an on-going basis the major risks to which the Charity may be exposed. All risks identified are set out and monitored using the corporate risk register. Systems are in place to mitigate those risks. Where they are financial it is believed that the reserves policy and financial controls minimise the potential risks. In non-financial matters there are reviews, appraisals and regulatory procedures in place.

By far the biggest risk to the Hospice since the Covid-19 pandemic has been the cost of living crisis. There is uncertainty as to the levels of income whether these could be sustained and also be grown to meet the rising costs. Continuous monitoring of expenditure is now in place and the governance handbook has been reviewed by the Chair of the Trustees, the Chief Executive and the Director of Finance and Resources. The governance team has seen new staffing and all policies and procedures are being reviewed across the hospice.

Staff receive appropriate annual mandatory training covering health and safety issues such as fire safety, moving and handling, basic food hygiene, safeguarding, information confidentiality and infection control.

During the pandemic the Trustees were unable to visit the hospice. In December 2022 four Trustees did a walk about of the hospice and asked clinical and non-clinical staff about their experience in the hospice. The presence of the trustees within the hospice is seen by staff to be a benefit and shows staff that they are supported and being listened to. Further dates are planned during 2023/24.

Along with all charitable organisations, the Hospice has a number of regulators, the principal two being the Charity Commission and the Care Quality Commission (CQC). The Hospice complies with all Charity Commission requirements. The Care Quality Commission regularly inspects the operations of the Hospice, either through self-assessment or visits and their last routine unannounced inspection visit was on 26 July 2016 when the Hospice was rated overall as "Outstanding". The overview given by the inspectors was as follows:

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

"We spoke with people who used the service, relatives, staff and other professionals during this inspection. They told us the service provided an exemplary level of care and the leadership was exceptional. They spoke extremely highly of staff. One person told us, 'From being in despair I am now able to focus on what matters. All with the help from the staff.' A relative said, 'The support from the hospice staff exceeded anything we had hoped for. It was fantastic.'"

Care planning was extremely flexible, person centred and proactive. People and their families told us staff championed people's right to choose how, where and when they wanted their care provided. They said staff were especially proactive and 'made things happen' in order to provide exceptional care for people. We saw staff had to support people to attend special family events with staff support and helped patients with arrangements to marry in the hospice.

People said staff were extremely caring and respectful, listened to them and assisted them promptly. They told us staff always 'went that extra mile and beyond'. We saw end of life care plans were informative and personalised and staff were remarkable in their determination to help people to carry out their final wishes. This included providing advice, support and staff at a person's home so they could remain in the comfort of their home with loved ones.

Families told us staff were extremely competent and compassionate in the way they assisted people to have control of illness symptoms and pain. They commended staff for the practical, emotional and spiritual support provided and outstanding care that enabled their relative to have a dignified, peaceful and pain free death. Written comments from families included, 'Thank you for making the end of [family member's] life so calm and dignified and filled with love'. And 'You worked miracles and [person] died serenely and comfortably. Thank you.'

The management team and trustees worked collaboratively with other agencies to develop best practice, excellent partnership work and support for people. They carried out innovative research with local and national organisations and influenced best practice and policy-making. This further improved care practices and helped develop innovative support in the hospice and the community.

Other professionals were extremely complimentary about St John's Hospice, the staff attitudes and their competence. Staff demonstrated a highly sensitive and compassionate understanding of protecting and respecting people's human rights. We found staff were passionate about providing a non-discriminatory and tremendously supportive service. People who used the service, their families and staff were supported throughout their 'journey'. They were provided with complementary therapies such as reflexology and massage to assist with relaxation and reduce anxiety and distress. The care by hospice staff did not end when a person died; the hospice team continued to support families after their family member's death. They were offered bereavement counselling and support groups for emotional well-being."

In March 2020, the CQC suspended their routine inspection programme in response to Covid-19 and do not intend to resume it for the immediate future. They continue to use a mix of off-site and on-site monitoring to ensure the public have assurance to the safety and quality of the services they receive. They now carry out a monthly review of data available to them and have found no evidence our rating should change.

However, the Hospice is keen to assure itself that the quality of service is of the highest standard, so in August 2022 a team from Healthwatch Lancashire were invited to conduct an "Enter and View" inspection of ward services. Healthwatch looked at:

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- The external and internal environment – First Impressions
- Observation of corridors, toilets and bathrooms
- Lounges and public areas

They then observed patient and staff interactions and interviewed patients (as appropriate) and their family members and carers.

Healthwatch could find no areas for improvement stating:

"No areas for improvement were identified during the visit and the quality of service was deemed to be a prominent level".



Full details of the Charity Commission Report, the Healthwatch "Enter & View" Inspection report and Care Quality Commission's inspection can be found on the respective organisation's web-site.

The Hospice takes the role of clinical governance very seriously and monitors all areas to ensure clinical effectiveness; patient safety and patient experience are at the forefront of care. Our corporate and clinical governance structures ensure that we have both the systems and processes in place to maintain a viable and responsible operation, whilst ensuring that our services are of the highest quality and meet the aspirations of our vision.

The Integrated Governance Committee, which comprises all members of the Senior Management Team, oversees the development, implementation and monitoring of the Hospice's integrated governance arrangements. In addition it looks at the systems and processes by which the Hospice leads, directs and controls its functions in order to achieve strategic organisational objectives, assure safety and optimise quality of service. The Committee also seeks to ensure that all statutory responsibilities of the Hospice are covered appropriately and all requirements of our various regulators are met. The Committee reports directly to the relevant Board sub-committees.

The annual Data Security & Protection Toolkit was completed in line with the NHS's deadline of the 30th June 2023.

Serious Incidents

There are no serious incidents to report.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

FUNDRAISING

With less than one third of our funding being received from the ICB, fundraising is an integral part of the work we do at the Hospice to ensure that our services can continue to be provided free of charge. We are grateful for the support of the very many people and organisations within our community who raise funds on our behalf.

We take our responsibilities towards fundraising very seriously and are committed to ensuring that the standards we adopt for fundraising mirror our vision and values treating everyone with care and compassion.

The Director of Income Generation and the Director of Marketing and Communications are responsible for devising and delivering the annual Income Generation, Communications and Engagement strategy.

Income Generation fundraising activities cover:

- Individual giving
- Community and corporate fundraising
- Fundraising events organised by the Hospice
- Sourcing of grants
- Legacy fundraising
- Operation of a lottery
- Selling second hand goods through our charity shops
- Operating a café within the Hospice
- Operating a gift shop within the café.

The Trustees are ultimately responsible for our fundraising activity and so review and approve the strategy and budget each year. The Director of Income Generation reports to the Board of Trustees through the quarterly Fundraising and Communications sub-committee and at the full Board meetings on performance and any relevant issues.

As well as fundraisers who are either employed by, or volunteer for, the Hospice we currently have arrangements with the following commercial participants/professional fundraisers:

Organisation	Type	Nature of relationship	How we oversee and monitor their work
Furness Building Society	Commercial participant	Charity Affinity account	Contract in place and regular monitoring and reviews.
Integrated Promotions Ltd	Professional fundraiser	Provision of canvassing services	Contract in place. Licenced and regulated by the Gambling Commission.



ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

			Bound by the Code of Practice of the Fundraising Regulator. Regular training and updates for canvassers. Regular communication, feedback and meetings. Quality monitoring. Complaints procedure in situ.
Global Adventure Challenges	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 6506.

To ensure that we protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate:

- We are registered with the Fundraising Regulator and committed to adhering to all recognised standards in relation to our fundraising activity
- Staff ensure that all fundraising activity complies with the Fundraising Regulator's Code of Fundraising Practice and the Fundraising Promise
- Staff are trained in their responsibilities in relation to fundraising regulation and legislation upon induction and periodically thereafter as required. Volunteers are also trained in compliance where necessary for their role
- In line with GDPR and the Fundraising Preference Service we promptly action any requests for removal from our mailing lists by amending their contact preferences.
- We do not sell the data of any of our donors and supporters to any third parties under any circumstances
- We comply with all the fundraising requirements of the General Data Protection Regulation
- We only use professional fundraising agencies who can demonstrate a track record of best practice in the sector and compliance with the Fundraising Regulator's code of conduct.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

In addition we have a Risk Management Policy so as to minimise or, as far as it reasonably practicable, eliminate any risks to patients, staff, volunteers, supporters, members of the public or the organisation's reputation in relation to our fundraising activity. Staff identify and assess risks and put any necessary preventative controls in place.



PLANS FOR THE FUTURE

The pandemic has not stopped the Board of Trustees making plans for the Hospice's future. In the past 12 months, Trustees have conducted a skills gap analysis of the Board and recruited new Trustees with relevant skills and knowledge that will support our strategic aims. Our three strategic projects for the current year are:

Engagement with the public to develop a new Hospice Strategy

The current Hospice Strategy will end in 2023. Trustees are keen to hear from members of the public, our team and Volunteers to hear what matters most to them about the future of Hospice care. In December, January and February, more than 500 local people took part in an engagement roadshow. The clear message was that Hospice's are much needed but we need to provide more support in people's own homes through the night and for short respite breaks. The next Hospice strategy will be developed to reflect what we heard.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Preparation for the SJH @ 40 Building Project

In 2026 our Hospice building will be 40 years old. Before signs of wear become apparent, we are keen to undertake major, structural work to ensure our facility is fit for the future. A new clinical strategy is being developed, visits to new Hospice sites are being planned and a steering group of Trustees and key members of the Executive team have begun to plan for SJH @ 40.

Building positive relationships with the new ICB

In 2021, commissioning arrangements changed as CCGs disbanded and ICBs formed. ICBs will work at scale across a much bigger patch covering the whole of Lancashire & South Cumbria – a population of 1.8million people. The formation of the Hospice collaborative has been fundamental to this new relationship. The CEO is on the Board of the new Integrated Care Partnership and is working closely with new members of the ICB Board to ensure Hospices are not forgotten during this period of fast-paced change.

FINANCIAL REVIEW

Reserves policy

At 31 March 2023 the Hospice's reserves comprise: -

Total funds	£15,103,969
Of which:	
Tangible fixed assets	£5,191,181
Designated funds	£5,080,307
Restricted income funds	£39,748
Unallocated free reserves	£4,792,733

The Hospice could not do what it does without its dedicated team of around 195 skilled and professional staff. The Hospice seeks to employ managers and staff that have both the necessary skills and experience and the right values and attitudes to provide its very special service and it is their employment costs that make up the vast majority of the Hospice's running costs.

This year with so much uncertainty the Trustees have remained very mindful of the need to maintain sufficient reserves to meet the working capital needs of the Charity, fund unexpected expenditure and shortfalls in income and to allow appropriate and monitored service expansion. Furthermore to ensure the financial security of the Charity no new service developments are introduced unless the Trustees are confident that they are both affordable and sustainable. In addition we always consider the revenue consequences of any capital expenditure.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees monitor the level of reserves each quarter through the Finance and Resources sub-committee and continuously review its reserves policy. In 2021 the Trustees agreed to adopt a policy of retaining unallocated free reserves to cover 12-18 months' full operating costs and this was expanded further at a trustee away day in February 2023 to include a specific reserve for legacies, in case the budget is not met. This is in line with other hospices.

Unallocated and designated reserves at 31 March 2023 amounted to £9,873,040 which represents 18 months full operating costs.

Investment policy

The investment policy of the Charity is to ring fence monies held in respect of grants received in advance or required for known capital and major repair expenditure. Additional funds are invested in equities, gilts, fixed interest and property funds with the intention of covering future inflation in running costs.

The Charity has a policy to maintain reserves for the purposes given above. The reserves are to be invested for the long term in portfolios and financial instruments which the Trustees deem to represent an acceptable level of risk combined with the aim of providing a reasonable return on the funds.

Investment criteria:

- Capital preservation of adequate reserves for known and unforeseen shorter term needs
- Balance of reserves invested with the potential of growth above inflation over the longer term
- Avoidance of tobacco related investments.

The investment policy and performance of funds against the policy is reviewed at each sub-committee meeting with investment managers instructed to carry out any recommended changes as to the investment instruments. The managers are instructed to keep a balanced portfolio to spread the risk and maximise capital growth without jeopardising revenue income.

The Trustees are satisfied with the performance of the investment portfolio over the period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity, and of the income and expenditure of the Charity, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charity's governing document, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

AUDITORS

MHA Moore and Smalley have indicated their willingness to accept reappointment as auditors to the Charity.

The Trustees Report was approved on ^{12/10/2023} and was signed on behalf of the Trustees by:

C M Heginbotham

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C Heginbotham

Chair – Board of Trustees

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of St John's Hospice North Lancashire and South Lakes (the 'parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheets, the consolidated and charity cash flow statements and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent Charity's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent Charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, set out on page 18, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness; and
- An evaluation of the charity's internal control environment.
- Auditing the risk of fraud in revenue, including through the testing of the cut-off of income at the year end and sales transaction testing to ensure revenue is complete in the financial statements and recognised in the correct accounting period.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: Compliance with the Care Quality Commission requirements, Health and Safety, compliance with Gambling Commission rules, in particular holding the relevant lottery licence; employment law, and compliance with the UK Charities Act.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent Charity to cease to continue as a going concern.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MHA Moore and Smalley

MHA Moore and Smalley
Chartered Accountants and Statutory Auditor

Priory Close
St Mary's Gate
Lancaster
LA1 1XB

19/10/2023
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MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	1,825,597	12,500	1,838,097	2,315,755
Charitable activities	4	2,130,087	-	2,130,087	2,008,016
Other trading activities	5	2,414,835	146,570	2,561,405	1,931,645
Investments	6	111,748	-	111,748	90,319
Other	7	10,247	-	10,247	1,880,454
Total		6,492,514	159,070	6,651,584	8,226,189
Expenditure on:					
Charitable activities	9	4,735,920	102,211	4,838,131	4,359,527
Raising funds	10	1,672,568	-	1,672,568	1,402,627
Total		6,408,488	102,211	6,510,699	5,762,154
(Loss)/gain on revaluation of investments		(210,088)	-	(210,088)	96,102
Net income/(expenditure)		(126,062)	56,859	(69,203)	2,560,137
Transfer between funds	25	700,803	(700,803)	-	-
Other recognised gains/(losses)					
Profit/(loss) on disposal of fixed assets		-	-	-	(238,905)
Gains on disposal of investments		(71,687)	-	(71,687)	84,860
Net movement in funds		503,054	(643,944)	(140,890)	2,406,092
Reconciliation of funds:					
Total funds brought forward		14,561,167	683,692	15,244,859	12,838,767
Total funds carried forward	27	15,064,221	39,748	15,103,969	15,244,859

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies		1,825,597	12,500	1,838,097	2,315,755
Charitable activities		2,130,087	-	2,130,087	2,008,016
Other trading activities		1,458,915	146,570	1,605,485	1,175,796
Investments		111,748	-	111,748	90,319
Other		78,135	-	78,135	1,806,639
Total		5,604,482	159,070	5,763,552	7,396,525
Expenditure on:					
Charitable activities		4,728,960	102,211	4,831,171	4,354,307
Raising funds		736,236	-	736,236	603,885
Total		5,465,196	102,211	5,567,407	4,958,192
(Loss)/gain on revaluation of investments		(210,088)	-	(210,088)	96,102
Net income/(expenditure)		(70,802)	56,859	(13,943)	2,534,435
Transfer between funds	25	700,803	(700,803)	-	-
Other recognised gains/(losses)					
Profit/(loss) on disposal of fixed assets		-	-	-	(238,905)
Gains on disposal of investments		(71,687)	-	(71,687)	84,860
Net movement in funds		558,314	(643,944)	(85,630)	2,380,390
Reconciliation of funds:					
Total funds brought forward		14,589,711	683,692	15,273,403	12,893,013
Total funds carried forward	27	15,148,025	39,748	15,187,773	15,273,403

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	15	5,191,181		5,129,376	
Investments	16	4,067,558		4,347,152	
			9,258,739		9,476,528
Current assets					
Stock		9,905		10,159	
Debtors	17	278,196		1,900,709	
Cash at bank and in hand		5,741,098		4,197,630	
Cash held with investment managers		182,381		118,589	
		6,211,580		6,227,087	
Creditors: amounts falling due within one year	18	(366,350)		(458,756)	
Net current assets			5,845,230		5,768,331
Total assets less current liabilities			15,103,969		15,244,859
Net assets			15,103,969		15,244,859
Funds:					
Unrestricted funds	23	9,983,914		10,295,167	
Designated funds	23	5,080,307		4,266,000	
Restricted funds	25	39,748		683,692	
Total funds			15,103,969		15,244,859

These accounts were approved by the Trustees and authorised for issue on 13/10/2023, and are signed on their behalf by:

C M Heginbotham

C Heginbotham
Chair – Board of Trustees

M Cullinan

M Cullinan
Chairman – Finance and Resources Committee

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY BALANCE SHEET

AS AT 31 MARCH 2023

		2023	2022
		£	£
Fixed assets			
Tangible assets	15	5,163,127	5,123,166
Investments	16	4,137,561	4,417,155
		<u>9,300,688</u>	<u>9,540,321</u>
Current assets			
Stock		3,052	3,052
Debtors	17	965,987	2,196,894
Cash at bank and in hand		5,055,724	3,845,249
Cash held with investment managers		182,381	118,589
		<u>6,207,144</u>	<u>6,163,784</u>
Creditors: amounts falling due within one year	18	(320,059)	(430,702)
		<u>5,887,085</u>	<u>5,733,082</u>
Net current assets			
		<u>15,187,773</u>	<u>15,273,403</u>
Total assets less current liabilities			
		<u>15,187,773</u>	<u>15,273,403</u>
Net assets			
		<u>15,187,773</u>	<u>15,273,403</u>
Funds:			
Unrestricted funds	27	10,067,718	10,323,711
Designated funds	27	5,080,307	4,266,000
Restricted funds	25	39,748	683,692
		<u>15,187,773</u>	<u>15,273,403</u>
Total funds			
		<u>15,187,773</u>	<u>15,273,403</u>

13/10/2023

These accounts were approved by the Trustees and authorised for issue on, and are signed on their behalf by:

C M Heginbotham

C Heginbotham
Chair – Board of Trustees

M Cullinan

M Cullinan
Chairman – Finance and Resources Committee

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

GROUP AND CHARITY CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash generated in operating activities	1,661,423	1,325,933	1,303,023	1,121,825
Cashflows from investing activities				
Investment income	111,748	90,319	111,748	90,319
Purchase of fixed assets (including investments)	(595,001)	(1,674,209)	(569,594)	(1,666,447)
Receipts from sale of fixed assets (including investments)	429,090	652,157	429,090	652,157
Cash provided by/(used in) investing activities	1,607,260	394,200	1,274,267	197,854
Increase in cash and cash equivalents in the year	1,607,260	394,200	1,274,267	197,854
Cash and cash equivalents brought forward	4,316,219	3,922,019	3,963,838	3,765,984
Cash and cash equivalents carried forward	5,923,479	4,316,219	5,238,105	3,963,838
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	(69,203)	2,560,137	(13,943)	2,534,435
Loss (gain) on revaluation of investments	210,088	(96,102)	210,088	(96,102)
Investment income received	(111,748)	(90,319)	(111,748)	(90,319)
Depreciation and amortisation	101,925	85,401	98,362	82,149
(Increase)/Decrease in stock	254	(2,000)	-	(2,402)
(Increase)/Decrease in debtors	1,622,513	(1,292,214)	1,230,907	(1,444,882)
Increase/(Decrease) in creditors	(57,685)	139,843	(34,162)	117,759
Increase/(Decrease) in deferred income	(34,721)	21,187	(76,481)	21,187
Net cash generated in operating activities	1,661,423	1,325,933	1,303,023	1,121,825
Components of cash and cash equivalents				
Cash at bank and in hand	5,741,098	4,197,630	5,055,724	3,845,249
Cash held with investment managers	182,381	118,589	182,381	118,589
	5,923,479	4,316,219	5,238,105	3,963,838

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Basis of accounting

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation (CIO) registered in the United Kingdom. The address of the CIO, the nature of its operations and its principal activities are all detailed in the Trustees' report of these financial statements.

The CIO constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of St John's Hospice North Lancashire and South Lakes ("the Charity") and its three wholly owned subsidiary undertakings, St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited. The results of these subsidiaries are consolidated on a line by line basis.

Income

Income including donations and gifts receivable is credited to the Statement of Financial Activities in the period in which it is receivable.

Legacies are regarded as receivable once probate has been granted, there is sufficient evidence regarding the certainty of the receipt and there is a sufficiently reliable measurement of the amount in accordance with the recognition criteria of the SORP. In practice this is rarely before the receipt of a letter advising of an intended payment or transfer. Interim receipts are treated as being receivable on receipt. Where legacies have been notified to the Charity, or the Charity is aware of granting of probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material in note 3.

Funding received in advance including grants are treated as deferred income where the funding agency requires an ongoing service to be provided by expenditure in the future period to which the funding relates.

Other income includes income from NHS England and other support from the UK government including under the Coronavirus Job Retention Scheme (CJRS) to support the charity following the impact of COVID-19.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

- Expenditure on the provision of Hospice services and associated service costs
- Expenditure on raising funds

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

Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit is probable and that economic benefit can be reliably measured. In accordance with SORP (FRS 102) no amounts are included in the financial statements for services donated by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure on period of receipt.

Fixed assets

Fixed assets are stated at cost less depreciation. Potential capital items with a cost of less than £2,000 or items that are deemed to have no value once in use by the Hospice are expensed through the Statement of Financial Activities. Fixed assets are depreciated on a straight line basis over their anticipated useful lives.

Freehold land and buildings	-	1% per annum
Leasehold improvements	-	Over the course of the lease
Motor vehicles	-	25% per annum
Fixtures and equipment	-	20% per annum

Freehold land and buildings includes non-depreciable land, the cost of which is not considered material.

The Forget Me Not Centre included within Assets Under Construction last year was completed during the year and transferred to freehold land and buildings during the year.

Investments

Investments are shown at their market value on the date of the balance sheet. Gains and losses on disposal and revaluation of assets are charged or credited to the Statement of Financial Activities.

Investments in subsidiaries are held at cost less amounts written off.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

Stock

Stocks consist of shop items purchased for resale and are stated at the lower of cost and net realisable value. The Charity adopts a cost formula of FIFO.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Pensions

The Hospice operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Certain eligible employees are members of the National Health Service Superannuation Scheme. Contributions to this are also charged in the Statement of Financial Activities as they become payable (see note 22).

Fund accounting

Unrestricted funds - general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds - restricted funds arise where there is a donor imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specific purpose.

Designated funds - designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Transfers are made from Restricted to Unrestricted funds where the expenditure has been fully made in accordance with the objects of the fund.

Cash and cash equivalents

Cash balances comprise amounts held on deposit with recognised banks and building societies.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Taxation

The Charity is exempt within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements (apart from those involving estimates) made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Charity's key estimates are considered to be depreciation charges which are explained in the fixed asset policy on page 29.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
General donations	565,529	-	565,529	1,139,207
Gift aid	146,670	-	146,670	123,344
Legacies	1,113,398	12,500	1,125,898	1,053,204
	1,825,597	12,500	1,838,097	2,315,755

Certain gifts are received with a request that the money be spent on specific items of equipment or for specific revenue purposes. The amounts so received are included in income and the cost of the related expenditure in the relevant category of expenditure. It is the Trustees' policy to spend all such gifts for the purpose requested.

At the period end, the Trustees had been notified of legacies approximating £1,241,198 which do not meet the criteria for inclusion in these financial statements under SORP (FRS 102) which is further explained in the accounting policies on page 32.

General donation income of £678,411 in the comparative period represented restricted income. All other income was unrestricted.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
NHS core funding	1,167,070	-	1,167,070	1,145,304
NHS specific projects	812,298	-	812,298	743,988
Non-NHS income	150,719	-	150,719	118,724
	2,130,087	-	2,130,087	2,008,016

Income from charitable activities is spent in accordance with the terms of the agreement or contract under which it is received.

All income from charitable activities in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Fundraising events	716,764	-	716,764	477,615
Conditional grants	-	146,570	146,570	56,686
Lottery income	417,892	-	417,892	423,803
Retail activities	1,130,316	-	1,130,316	955,140
Café income	149,863	-	149,863	18,401
	2,414,835	146,570	2,561,405	1,931,645

Conditional grant income of £56,686 in the comparative period represented restricted income. All other income was unrestricted.

6 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Bank and investment interest receivable	26,866	-	26,866	4,232
Interest on Government securities and dividends received	84,882	-	84,882	86,087
	111,748	-	111,748	90,319

All income from investments in the comparative period was unrestricted.

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
NHSE funding	-	-	-	1,766,105
CJRS income	-	-	-	20,559
Retail grants	-	-	-	74,552
Other income	10,247	-	10,247	19,238
	10,247	-	10,247	1,880,454

Conditional NHSE income of £1,766,105 in the comparative period represented restricted income. All other income was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Income from subsidiaries' trading activities

	2023 £	2022 £
St John's Hospice Shops Limited (Company No. 02490956)		
Turnover	784,368	716,554
Cost of sales	(584,176)	(517,054)
Gross profit	200,192	199,500
Administration costs	(274,080)	(257,302)
Other operating income	5,385	79,568
Operating (loss)/profit	(68,503)	21,766
(Loss)/profit before charitable donation	(68,503)	21,766
Assets	571,641	383,449
Liabilities	(610,279)	(353,584)
Share capital and reserves	(38,638)	29,865
St John's Hospice Lancaster Limited (Company No. 07216444)		
Turnover	49,363	37,842
Cost of sales	(28,319)	(12,120)
Gross profit	21,044	25,722
Administration costs	(1,665)	(2,048)
Operating profit	19,379	23,674
Profit before charitable donation	19,379	23,674
Assets	21,720	25,700
Liabilities	(2,340)	(2,025)
Share capital and reserves	19,380	23,675

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Income from subsidiaries trading activities (continued)

	2023 £	2022 £
St John's Hospice Shops Catering (Company No. 10911525)		
Turnover	149,863	18,401
Cost of sales	(125,324)	(25,512)
Gross profit/(loss)	24,539	(7,111)
Administration costs	(8,023)	(4,772)
Other operating income	1,022	5,093
Operating profit/(loss)	17,538	(6,790)
Profit/(loss) before charitable donation	17,538	(6,790)
Assets	190,311	32,749
Liabilities	(184,854)	(44,830)
Share capital and reserves	5,457	(12,081)

The results presented above represent the results for the wholly owned subsidiaries for the year to 31 March 2023.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Expenditure on charitable activities

Activity	Provision of Hospice Services £	Total 2023 £	Total 2022 £
Staffing costs	4,004,546	4,004,546	3,630,805
Non salary costs of employment	44,750	44,750	49,236
Medical supplies, equipment and services costs	192,114	192,114	175,893
Food and nutrition	98,752	98,752	24,600
Transport	13,887	13,887	14,935
Premises	78,251	78,251	78,068
Depreciation	98,362	98,362	82,149
Profit on disposal of fixed assets	(4,000)	(4,000)	-
Utilities	139,393	139,393	70,471
Management and professional costs	27,351	27,351	53,972
Admin and support costs	103,061	103,061	141,273
Education costs	25,279	25,279	27,655
Audit fees	16,385	16,385	10,470
	4,838,131	4,838,131	4,359,527

Of the above expenditure £102,211 (2022: £1,783,563) is made against restricted income funds. All other expenditure was unrestricted.

10 Expenditure on raising funds

	Total 2023 £	Total 2022 £
Staffing costs	891,517	724,463
Fundraising costs	173,479	117,474
Lottery costs	104,476	110,110
Investment manager costs	19,125	26,574
Shop purchases	28,319	12,120
Transport	98,909	109,238
Premises	12,089	20,602
Depreciation	3,563	3,252
Utilities	85,180	42,578
Rent	142,835	147,630
Professional costs	6,180	17,914
Admin and support	13,863	8,379
Other costs	93,033	62,293
	1,672,568	1,402,627

All expenditure on raising funds was unrestricted in the current and prior year.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Net (income)/expenditure

	2023 £	2022 £
Net income is stated after charging/(crediting):		
Depreciation	103,360	85,401
Auditor's remuneration		
- audit of the financial statements	9,500	7,300
- other non audit services	6,050	3,170

12 Analysis of staff costs and the cost of key management personnel

Total staff costs were as follows:	Total 2023 £	Total 2022 £
Wages and salaries	4,144,966	3,703,409
Social security costs	351,954	299,760
Pension costs	399,143	352,099
	4,896,063	4,355,268

Excluding the costs of staff recharged, the remuneration of employees who received employee benefits more than £60,000 is as follows:

	2023 No	2022 No
£70,000 - £80,000	-	1
£90,000 - £100,000	1	1

The total amount of employee benefits received by key management personnel, as determined by the Charity, is £112,973 (2022: £109,489) during the current period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Analysis of staff costs and the cost of key management personnel (continued)

Particulars of employees:

The average number of permanent employees paid directly by the Hospice during the year, calculated on the basis of full-time equivalents, was as follows:

	2023 No	2022 No
Doctors	3	5
Nurse practitioners and nurse management	1	2
Inpatient unit	31	30
Hospice at home	20	27
Day hospice	2	-
Family support and spiritual	4	4
Complementary therapists	1	1
Clinical nurse specialists	7	5
Quality and development	-	2
Administrative and HR	14	10
Domestic and maintenance	6	8
Finance	2	3
Catering and ward hospitality	9	7
Marketing and communication	2	3
Fundraising (including Shops)	32	30
Physiotherapy and occupational therapy	1	2
Volunteers	1	1
Lottery	1	1
Governance	2	-
IT	3	-
	142	141

Total head count staff number for the year was 195 (2022: 208).

The number of employees does not include the considerable number of unpaid voluntary helpers to whom the Trustees are indebted nor those who are employed by third parties and to which the Charity contributes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Trustee remuneration and related party transactions

No remuneration is paid to any Trustees in their capacity as Trustees.

No travel and related expenses were reimbursed to any Trustees during the period. Insurance costs included £5,382 (2022: £3,560) insurance premium paid for Trustees and Officer Insurance.

No trustee of other person related to the Charity had any personal interest in any contract of transaction entered into by the Charity during the period. No material donations were made by Trustees to the Charity.

There was no ultimate controlling party during the current or prior period.

14 Taxation

St John's Hospice North Lancashire and South Lakes is a registered charity, number 1157030. All the Charity's income is applied to its charitable objectives and the Charity is therefore exempt under current legislation from most forms of taxation. Value added tax on expenditure that cannot be recovered is included in the cost of the expenditure on which it is charged.

15 Tangible fixed assets

Group	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2022	5,264,665	1,016,017	117,944	782,805	7,181,431
Additions	96,000	-	18,940	50,225	165,165
Disposals	-	-	(18,420)	-	(18,420)
Transfers	1,016,017	(1,016,017)	-	-	-
At 31 March 2023	5,360,665	-	118,464	833,030	7,328,176
Depreciation					
At 1 April 2022	1,223,451	-	94,318	734,286	2,052,055
Charge for the year	65,058	-	13,135	25,167	103,360
Eliminated on disposals	-	-	(18,420)	-	(18,420)
At 31 March 2023	1,288,509	-	89,033	759,453	2,136,995
Net book value					
At 31 March 2023	4,072,156	-	29,431	73,577	5,191,181
At 1 April 2022	4,041,214	1,016,017	23,626	48,519	5,129,376

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Tangible fixed assets (continued)

Charity	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2022	5,264,665	1,016,017	83,394	749,880	7,113,956
Additions	81,648	-	18,940	37,735	138,323
Disposals	-	-	(18,420)	-	(18,420)
Transfers	1,016,017	(1,016,017)	-	-	-
At 31 March 2023	6,362,330	-	83,914	787,615	7,233,859
Depreciation					
At 1 April 2022	1,223,451	-	59,768	707,571	1,990,790
Charge for the year	63,623	-	13,135	21,604	98,362
Eliminated on disposals	-	-	(18,420)	-	(18,420)
At 31 March 2023	1,287,074	-	54,483	729,175	2,070,732
Net book value					
At 31 March 2023	5,075,256	-	29,431	58,440	5,163,127
At 1 April 2022	4,041,214	1,016,017	23,626	42,309	5,123,166

16 Fixed asset investments

Group	2023 £	2022 £
Valuation		
Balance brought forward	4,347,152	4,096,242
Acquisitions at cost	431,271	716,359
Receipts for sale of investments	(429,090)	(646,411)
Realised (losses)/gains on sale of investments	(71,687)	84,860
Unrealised (losses)/gains on investments	(210,088)	96,102
Total investments	4,067,558	4,347,152

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,083,369	2,167,675
Overseas listed equities and fixed interest securities	1,453,059	1,544,737
COIF property fund and other property investments	531,130	634,740
	4,067,558	4,347,152

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Fixed asset investments (continued)

Charity	2023 £	2022 £
Investment in subsidiary undertakings		
2 shares in St John's Hospice Shops Limited	70,001	70,001
1 share in St John's Hospice Lancaster Limited	1	1
1 share in St John's Hospice Catering Limited	1	1
	70,003	70,003
Other investments at Valuation		
Balance brought forward	4,347,152	4,096,242
Acquisitions at cost	431,271	716,359
Receipts for sale of investments	(429,090)	(646,411)
Realised gains on sale of investments	(71,687)	84,860
Unrealised gains/(losses) on investments	(210,088)	96,102
	4,067,558	4,347,152
Total investments	4,137,561	4,417,155

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,083,369	2,170,207
Overseas listed equities and fixed interest securities	1,453,059	1,544,737
COIF property fund and other property investments	531,130	634,740
Investments in subsidiary undertakings	70,003	70,003
	4,137,561	4,419,687

St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited are all wholly owned subsidiaries of the Charity. The principal activities of the former two companies are the operation of retail charity shops selling donated and new goods respectively, with the latter being the operation of a café and event catering. All exist to further the activities of St John's Hospice North Lancashire and South Lakes.

17 Debtors

Group	2023 £	2022 £
Management debtors	196,632	1,763,624
Prepayments	32,809	93,442
VAT recoverable	48,755	43,643
	278,196	1,900,709

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Debtors (continued)

Charity	2023 £	2022 £
Management debtors	196,632	1,763,624
Prepayments	4,935	56,737
Amounts due from subsidiary undertakings	739,581	353,862
VAT recoverable	24,839	22,671
	965,987	2,196,894

18 Creditors: amounts falling due within one year

Group	2023 £	2022 £
Management creditors	37,572	35,431
Taxation and social security	86,793	79,408
Accruals	121,027	133,510
Lottery members	30,814	35,687
Other creditors	65,952	74,047
Deferred income (note 19)	24,192	100,673
	366,350	458,756

Charity	2023 £	2022 £
Management creditors	37,474	35,431
Taxation and social security	72,858	70,837
Accruals	81,500	108,764
Amounts due to subsidiary undertakings	11,565	18,373
Lottery members	30,814	35,687
Other creditors	61,656	60,937
Deferred income (note 19)	24,192	100,673
	320,059	430,702

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Deferred income

	2023 £	2022 £
Balance brought forward	100,673	79,486
Event and course fees received in advance	13,242	98,510
Grants received in advance	10,950	-
Release of deferred income	(100,673)	(77,323)
	24,192	100,673

20 Commitments under operating leases

	2023 Land and Buildings £	2023 Other £	2022 Land and Buildings £	2022 Other £
Within 1 year	80,021	5,402	76,274	5,402
Within 2 to 5 years	172,813	5,119	22,625	10,521
After more than 5 years	-	-	-	-
	252,834	10,521	98,899	15,923

21 Capital commitments

There were a total of £39,748 (2022: £39,748) capital commitments at the balance sheet date.

22 Pension schemes

The Hospice operates two pension schemes:

- A defined contribution group personal pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities when payable.
- For certain eligible employees a defined benefit pension scheme. The assets of the scheme are held separately by the National Health Service Superannuation Scheme. Contributions are charged in the Statement of Financial Activities as they become payable. This pension scheme does not have a real pension fund but, as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employers. As a result of the nature of the pension scheme there are no separately identifiable assets and liabilities which can be identified as relating to St John's Hospice, therefore as permitted by FRS 102, the scheme has been accounted for as a defined contribution scheme.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Analysis of unrestricted funds: current year

	At 1 April 2022 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2023 £
Unrestricted funds						
Designated funds	4,266,000	-	(335,693)	-	1,150,000	5,080,307
General reserves	10,295,167	6,492,514	(6,072,795)	(281,775)	(449,197)	9,983,914
Total funds	14,561,167	6,492,514	(6,408,488)	(281,775)	700,803	15,064,221

The Trustees agreed on designated reserves in order to fund a number of items across the Hospice:

- £200,000 to upgrade the premises. The Hospice is now 37 years old and advanced maintenance is required.
- £2,000,000 to replace the roof. The roof is becoming past its useful life and needs a major repair or replacement.
- £51,915 to upgrade IT equipment and progress IT led projects to increase efficiency and productivity across the Hospice.
- £78,392 to invest in our staff in relation to training, CPD, health and wellbeing.
- £100,000 to upgrade our electrics in order to reduce future electricity spend.
- £1,500,000 to use as matched funding when applying for bids in order to develop our Hospice into its 40th year and beyond.
- £1,000,000 for a legacies equalisation reserve.
- £150,000 for the main electricity board in the hospice which requires a major upgrade.

24 Analysis of unrestricted funds: prior year

	At 1 April 2021 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2022 £
Unrestricted funds						
Designated funds	256,100	-	-	-	4,009,900	4,266,000
General reserves	12,582,667	5,724,987	(3,978,591)	(57,943)	(3,975,953)	10,295,167
Total funds	12,838,767	5,724,987	(3,978,591)	(57,943)	33,947	14,561,167

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Analysis of unrestricted funds: prior year (continued)

At 1 April 2021 the charity had a £256,100 designated fund brought forward (£256,100 carried forward) was the additional funding agreed by the Trustees for the Forget Me Not Centre. This was the difference between the total cost of the build and the generous donation by one of our donors.

In November 2021 the Trustees agreed on designated reserves in order to fund a number of items across the Hospice:

- £200,000 to upgrade the premises. The Hospice is now 36 years old and advanced maintenance is required.
- £2,000,000 to replace the roof. The roof is becoming past its useful life and needs a major repair or replacement.
- £80,000 to upgrade IT equipment and progress IT led projects to increase efficiency and productivity across the Hospice.
- £90,000 to invest in our staff in relation to training, CPD, health and wellbeing.
- £40,000 for additional projects across local hospices in order to streamline services and obtain efficiencies.
- £100,000 to upgrade our electrics in order to reduce future electricity spend.
- £1,500,000 to use as matched funding when applying for bids in order to develop our Hospice into its 40th year and beyond.

25 Analysis of restricted funds: current year

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Restricted funds					
Fundraising grants	5,281	146,570	(89,711)	(62,140)	-
Forget Me Not Centre	678,411	-	-	(638,663)	39,748
Legacies	-	12,500	(12,500)	-	-
Total funds	683,692	159,070	(102,211)	(700,803)	39,748

The restricted fundraising grants received were for internal furniture, TV equipment, children's books and external garden furniture and plants.

The Forget Me Not Centre balance of £39,748 was the balance of our generous donor who paid for the majority of the capital build expenditure. The funding was split over 2020/21 and 2021/22 with the majority being in 2021/22. Amounts were transferred to unrestricted reserves in the year as a result of the build being completed, with the remaining funds relating to costs withheld until after the year end.

The legacy received was that for the funding of items of necessity for direct patient care.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

26 Analysis of restricted funds: prior year

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Restricted funds					
Fundraising grants	-	56,686	(17,458)	(33,947)	5,281
Forget Me Not Centre	-	678,411	-	-	678,411
NHSE funding	-	1,766,105	(1,766,105)	-	-
Total funds	-	2,501,202	(1,783,563)	(33,947)	683,692

The NHSE funding was received by the Hospice from December 2021 to March 2022. This was funding due to the Omicron variant and was to ensure patients were being supported either in our inpatient unit or through our community services team, instead of being admitted to hospital.

27 Analysis of net assets between funds: current year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,080,307	-	5,080,307
General funds	5,191,181	4,067,558	725,175	-	9,983,914
Restricted funds					
Fundraising grants	-	-	-	-	-
Forget me not centre	-	-	39,748	-	39,748
Total funds	5,191,181	4,067,558	5,845,230	-	15,103,969

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	5,080,307	-	5,080,307
General funds	5,163,127	4,137,561	767,030	-	10,067,718
Restricted funds					
Fundraising grants	-	-	-	-	-
Forget me not centre	-	-	39,748	-	39,748
Total funds	5,163,127	4,137,561	5,887,085	-	15,187,773

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

28 Analysis of net assets between funds: prior year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	4,266,000	-	4,266,000
General funds	4,450,965	4,347,152	1,497,050	-	10,295,167
Restricted funds					
Fundraising grants	-	-	5,281	-	5,281
Forget me not centre	678,411	-	-	-	678,411
Total funds	5,129,376	4,347,152	5,768,331	-	15,244,859

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	4,266,000	-	4,266,000
General funds	4,444,755	4,417,155	1,461,801	-	10,323,711
Restricted funds					
Fundraising grants	-	-	5,281	-	5,281
Forget me not centre	678,411	-	-	-	678,411
Total funds	5,123,166	4,417,155	5,733,082	-	15,273,403

Accounts



Trustees' Report and Financial Statements

For the year ended 31 March 2022



St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation registered in England with charity number 1157030

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

BACKGROUND TO THE CHARITY

St John's Hospice North Lancashire and South Lakes ("the Charity") was founded on 1 April 2014 as a charitable incorporated organisation ("CIO") and registered with the Charity Commission on 13 May 2014 with Charity Number 1157030. The CIO was formed to take over the assets and undertakings of North Lancashire and Lakeland Continuing Care Trust, an unincorporated charity with charity number 510667 that was founded in 1980 to establish a hospice for residents of North Lancashire and the South Lakes. These assets and undertakings were transferred on 1 October 2014. The objectives and trading name of the new CIO are identical to those of the unincorporated charity, which was removed from the Register of Charities. The Charity is known as St John's Hospice ("the Hospice").

The principal object of St John's Hospice, which opened its doors to patients in December 1985, is the relief and care of persons of either sex (without regard to race or creed) who are suffering from any chronic or terminal illness or from any disability or disease. These aims are achieved by inpatient care, outpatient clinics, day hospice (suspended during the Covid-19 pandemic), domiciliary care and associated educational initiatives.

The running costs of the Hospice are met by discretionary grants from the local Clinical Commissioning Group and by funds raised by the Charity supported by the remarkable generosity of the local community.

The Hospice places great value on its connections with a number of public sector and voluntary organisations that cooperate with it and at times provide joint services.

Our Vision

Putting local patients and families at the heart of everything we do will ensure that on the journey towards the end of life, we provide the right care, in the right place, at the right time.

Our Mission

Ensuring our services are clearly understood and accessible to those in need where and when required.



ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Our Values

Care – We will provide first class care, delivered by competent, committed people who put the patient at the heart of all we do

Compassion – We will treat everyone with respect, dignity and empathy

Collaboration – We will work with others to ensure that patients and families receive the best end of life care possible

Charity – We will provide care free of charge to patients and families and will connect with our local communities so that they continue to finance our present and our future

Celebration – We will celebrate the abilities of the people we care for, however limited they may be. When people are bereaved we will support them to celebrate the lives of people they have lost

“St John's Hospice - Built by the people for the people”

LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity's official name is St John's Hospice North Lancashire and South Lakes, though it is better known as St John's Hospice. The Charity is a charitable incorporated organisation governed by a Foundation Model Constitution dated 1 April 2014 under the terms of which the Trustees operate. Its charity registration number is 1157030. The Charity has 3 wholly owned subsidiaries. St John's Hospice Lancaster Limited (company number 7216444) was established to promote the sale of Hospice goods. St John's Hospice Shops Limited (company number 2490956) operates charity shops in the area selling donated goods and furniture. St John's Hospice Catering Limited (company number 10911525) runs the café at the Hospice and provides event catering.

Trustees

Governance of the Charity is the responsibility of the Board of Trustees. Trustees who have served in office from 1 April 2021 until the date of signing this report are set out below.

Mrs C Heginbotham - Chair	Mrs C Redhead
Mr M Cullinan - Vice Chair (up until 7 th June 2022)	Dr N Sayer
Mrs E Bales	Mr J Sharples
Mr K Essa	Mrs S Smith (Vice-Chair from 7 th June 2022)
Mr R Gaskell	Mrs J Spencer
Ms F Inglis	Mrs F Ward
Mrs D Mace Resigned December 2021	Dr J Yarnall
Alison Bargh Appointed April 2022	

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

In accordance with the Constitution, new Trustees are appointed by the existing Trustees and for a term of four years by Board resolution. In selecting new Trustees, the existing Trustees have regard to the skills, knowledge and experience needed for the effective administration of the Charity. On appointment new Trustees complete an induction programme that includes familiarisation with the purposes and operations of the Charity, appreciation of current issues and guidance on relevant policies. All Trustees are encouraged to attend seminars and training days as appropriate.

The Board ordinarily meets every three months and has two additional strategy meetings per annum to review the strategy and operation of the Charity including a rigorous review of the corporate risks affecting the Charity. Three regular sub-committees are in place to review specific areas of activity. These comprise Finance and Resources; Care, Quality and Services; and Fundraising and Communications. These sub-committees each meet every three months and report to the full Board meetings. A Remuneration sub-committee meets annually. Trustees are encouraged to take an interest in individual areas of Hospice activity. Performance of Trustees is subject to periodic review by the Chair. Trustees also communicate with each other and the Senior Management Team in the event that consideration of any issue is required between Board and/or sub-committee meetings. The Hospice is an active participant in the North West Hospices Network Group.

CHARITY DETAILS

Principal Office	St John's Hospice, Slyne Road, Lancaster
Bankers	Barclays Bank plc, Market Street, Lancaster
Auditors	MHA Moore and Smalley, Priory Close, Lancaster
Investment Managers	Smith & Williamson Limited, London Sanlam UK Limited, London

OPERATIONAL MANAGEMENT

The general operation of Hospice matters is devolved to the Senior Management Team which during the year comprised of Ms S McGraw (*Chief Executive Officer*), Dr S Edgecombe (*Medical Director*), Mrs M Bass (*Director of Nursing and Quality*), Mrs T Scott (*Director of Finance and Resources*), Mrs C Butterworth (*Director of Income Generation*) and Mrs S Horner (*Director of Marketing, Communications & Engagement*).

The Senior Management Team reports to the Board of Trustees and attends regular meetings of the Board.

Operational risk is managed through the Senior Management Team, with key reference to the Care, Quality and Services sub-committee. The Senior Management Team meets weekly.

Pay for the Senior Management Team is set by the Trustees having regard to the job scoring matrix used throughout the Hospice to evaluate pay for all jobs and having regard to market salary rates.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

VOLUNTEER SUPPORT AT ST JOHN'S HOSPICE



The Charity is heavily dependent on, and very thankful for, the support it receives from volunteers, who work to support the operation of the Hospice in a wide variety of ways, from helping to provide direct care, supporting income generation by fundraising or working in the charity shops, serving as Trustees, or in a host of other capacities. Sadly, due to the pandemic the involvement of volunteers at the Hospice has been severely curtailed as we have limited footfall to the Hospice to minimise the risk of spreading Covid-19. As restrictions eased throughout the year, we have been pleased to welcome back our volunteers.

During 2021/2022 the number of volunteer hours in the hospice increased compared with 2020/21, due to the opening up of some services after the pandemic. Compared with 2020/2021 when we received the support of almost 28,000 volunteer hours, this year it was closer to 40,000 hours. This would suggest an economic value of some £529k to the Charity when calculated using the average staff cost of the department in which the volunteer works compared to £361k last year.

There are many more informal volunteers who help out with numerous fundraising and publicity events. The value of this support is incalculable but could easily double the calculated value of the input of the more formal volunteers.

OBJECTIVES AND ACTIVITIES INCLUDING PUBLIC BENEFIT

The Charities Act 2011 requires charities to report on the public benefit of their activities. The Trustees have had regard to the Charity Commission's guidance on public benefit and believe that an appreciation of the Charity's public benefit can be obtained from the following review of its achievements and performance.

ACHIEVEMENTS AND PERFORMANCE 2021/2022

During the year we reviewed the Strategic Plan for 2020-2023. Our Vision & Strategy for 2020-2023 was the result of conversations with our community, health and social care partners and volunteers and staff at the Hospice. It was clear from these conversations that Hospice care in our community is valued, it is also clear that the price of providing increasingly costly services to more and more people is simply unsustainable in the long-term and that the challenges we face require a courageous response.

We believe that a successful future for St John's demands a balance between stability and agility. Stability comes from the ethos of hospice care – what we are known for and the things we will not compromise such as excellence, compassion and dignity. However, we must also have the agility to respond to new opportunities in an innovative and progressive way, actively seeking out partnerships, trying out new ideas and being creative and compelling with our fundraising and communication messages.

The Strategic Plan has been updated during a year when we have had to continue responding to the Covid-19 pandemic however at the heart of the plan is for the Hospice to continue to provide for the needs of those facing life limiting illnesses in the locality.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The Vision and Strategy also identified the following six priorities in support of that mission.

- Develop and deliver high quality end of life care services with the professional competence and unique ethos that make us outstanding
- Proactively seek opportunities for collaborative working where appropriate
- Be an employer and volunteer base of choice
- Develop innovative, ethical and sustainable levels of resource to meet the service needs of our community
- Ensure St John's is the charity of choice for our local community
- Ensure St John's is the end of life charity of choice for providers.

This year we have continued to face unparalleled challenges as we adapted daily to the on-going challenges of Covid-19.

Social distancing restrictions meant that we had to limit the number of patients accessing our inpatient unit. Many patients who stayed with us presented with complex holistic multi-faceted issues and with a variety of different medical, emotional and psychological needs and complexities.



Whilst we have continued to allow visitors to the inpatient unit we have been required to limit the number of visitors. It is not therefore surprising that many of our population have sought to be supported to die at home. This has meant that our Hospice at Home team and our Clinical Nurse Specialist team have received additional referrals.

Sadly, social distancing meant that our Day Hospice remained closed as it was not safe to bring vulnerable patients together at the Hospice. Day Hospice staff were redeployed to provide a much needed Respite service to our Hospice at Home patients.

The pandemic highlighted the need to adapt our way of working and we continued to improve our digital capability and capacity so we could operate in a more agile way.

To support the delivery of the 7 strategic priorities, we are required each year to produce a Quality Account outlining three key areas for improvement in the coming year. These have been developed in conjunction with feedback from our Valued Opinions in Clinical Excellence (VOICE) group. The VOICE group is made up of patients, family members and volunteers, all of whom have had recent experience of Hospice services.

The three key priorities for improvement were:

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Priority 1 – Develop a Digital Strategy for the Charity

The Development of a Digital Strategy for St John's Hospice has been one of the success stories of the past two years. Having worked closely with NHS colleagues and an external consultant.

We have also established a Digital Transformation Working Group. A poster about our digital transformation was accepted for display at the Hospice UK 2021 Conference.

A phased approach was adopted, intended to establish and manage the process of digital transformation in a transparent and controlled way whilst creating the conditions for realising longer term benefits of digital working.

Phase one outputs were as follows:

- Digital Strategic Context Summary Document
- St John's Hospice Digital Infrastructure & Resource Summary Document
- Draft Digital Transformation Strategy
- Final Draft Digital Transformation Strategy

Phase two built on the progress made in phase one and developed the digital transformation structure and governance framework to facilitate delivery of the Digital Transformation Strategy aims. Outputs were as follows:

- Digital Transformation Working Group Terms of Reference
- Structure and Governance Framework Summary Document
- Identification of Programme Level Key Performance Indicators
- Programme Monitoring Template
- Activities/Project Reporting Template

Phase three work focused on developing a prioritised plan of digital activities and projects using the information gathered and documents produced during phase one and two. High priority projects like the Microsoft 365 migration and the replacement of the Hospice's telephone system were scoped and initiated to address identified risks. The key output from phase three was the Digital Transformation Delivery Plan (the Delivery Plan), which initially set out 22 activities/projects which have continued into 2022.

The Hospice now has a Digital Strategy with clear objectives around the use of digital technology, which are to improve:

- Access – the right technology will allow staff, patients and families increased access, input and communication about their care to better meet patient and family needs and experience e.g. the Hospice has invested in Office 365, which has enabled integrative MDT Teams meetings within and outside of the Hospice. St John's has also purchased Virtual Reality equipment to improve the patient and visitor experience.
 - Ability – staff to have the tools and support to use new digital solutions to become more agile, and adaptable to continue to deliver great care e.g. staff now have access to an increased number of laptops and smart phones to enable offsite working.
 - Advantageous - improve employee performance and productivity by reducing the administrative burden and reducing unnecessary costs e.g., we have invested in EMIS improvements, which have reduced the administrative workload through the use of templates and speedier admissions processes. The investment in a new telephony system has also improved efficiency and effectiveness for the reception team, other departments as well as the service experienced by callers to the Hospice.
-

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Assurance – create safe systems and practices that comply with data security and maintain our excellent governance procedures requirements e.g. the investment in Office 365 has improved our digital security.
- Alliance – make use of opportunities to work collaboratively with health and social care partners, and share resources and information digitally for the benefit of patients, their families, staff and the wider health and social care community e.g. moving to Cloud based systems means that information can be more easily shared across sites and when staff need to work from home or in the community. Our Digital Transformation Manager works with NHS colleagues one day a week to encourage cross collaboration, and knowledge transfer.

In November 2021, the Hospice recruited its first Digital Transformation Manager and work with the IT Consultant ceased.

Priority 2 – Evaluate and Implement the findings of our engagement with Primary Care and the Public

Despite the pandemic we have made significant inroads into the recommendations we set out, as follows:

1. We have strengthened our communications about our community services to clinical audiences via MDT working, virtual attendance at Integrated Care Community meetings, the Palliative Care Forum and GSF meetings etc. Communications to the general public have included attending Dementia Forum meetings, featuring community services in the annual newsletter and purchasing branded Patient Information folders for community staff to give to patients.
2. We have differentiated the role of the community teams to primary care colleagues and the public through the development and distribution of new literature about the different community services of Hospice at Home, Clinical Nurse Specialists and the Day & Night Respite teams, clarifying what is in scope and how our services marry with other health agencies. Again, MDT meetings with colleagues are helping to clarify what is in and out of scope.
3. Plans to carry out additional public facing engagement have naturally been hampered by the pandemic. Nonetheless we have worked hard to engage communities with palliative care via press releases, podcasts, short films, social media, the annual newsletter, mailings and appeals etc.
4. The community teams have seen additional investment with the award by Morecambe Bay Clinical Commissioning Group of the night sitting contract for the North Lancashire area to St John's Hospice. We now have a total of 9 staff and are recruiting two more staff, in addition to strengthening our co-ordinator and admin support for this service. A story written by a Hospice night sitter about her work was shared on social media to great effect.
5. The referral system continues to be clarified by staff whenever the opportunity arises e.g. MDT, GSF and Palliative Care Forum meetings with health and social care system colleagues. We will be carrying out additional efforts in this area via the new website and internally so that staff can easily describe the referral process to stakeholders for access to the ward or community services.
6. St John's has continued to engage with clinical colleagues outside the Hospice. Examples of this include the visits made by St John's staff, the helpline and the series of short films to support care and nursing home staff. Indeed, one of the films has been viewed over 58,000 times.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7. Our approach to Compassionate Communities has seen St John's develop a new course for members of the public with an interest in end of life – 'Last Days Matter'. The course has been piloted, stakeholders engaged, and NHS North West is supporting the making of a supplementary film to align with the course being rolled out more widely. We are also looking forward to working with different faith groups to ensure the programme is inclusive to different communities. A poster about 'Last Days Matter' was accepted for display at the Hospice UK 2021 Conference.

Priority 3 – Develop facilities to support Children & Families through Bereavement

Running a major capital project through a global pandemic has been challenging. The "Forget Me Not Centre" (FMNC) was due to open in 2021, the hospice's 35th anniversary year. Due to a shortage of materials and labour this has been significantly delayed. It looks likely that the building will open in June 2022.

The building will house our Family Support team and the FMNC Engagement Officer. We anticipate that a range of 1 to 1 therapy sessions, group sessions and social events will take place in there. Our Trustees have not defined how the centre must be run, they have allowed the team the latitude to learn and grow in the first year. We are currently advertising to recruit a full time Family Support Team coordinator, and a sessions Family therapies, the first Family Therapist the hospice has contracted. We then anticipate "pulling expertise" as we need it eg Counsellors, specialist CAMHS support etc.

With a generous donation of £750,000 for the build and grant funding for all the furniture, therapy materials such as books and toys and outside landscaping, the FMNC will be a wonderful addition to the Hospice's offer and a remarkable community asset for the future.

FINANCIAL REVIEW

When we set the budget for the current financial year we were very aware of the difficulties in trying to quantify the effect the pandemic would have on the finances of the Hospice. Whilst we fully appreciate that the Trustees' have the ongoing objective of running balanced budgets year on year, we recognised that this was a year we would need to draw on our reserves to fund anticipated shortfalls in income. This meant that we budgeted to make a deficit of £355,130.

When we set the budget, we were unsure as to whether NHSE funding would continue. The initial funding finished in March 2021, however, with the rise of the Omicron variant and the fear that bed capacity in the NHS would be swamped, another tranche of NHSE funding was made available to all Hospices from December 2021 to the end of March 2022.

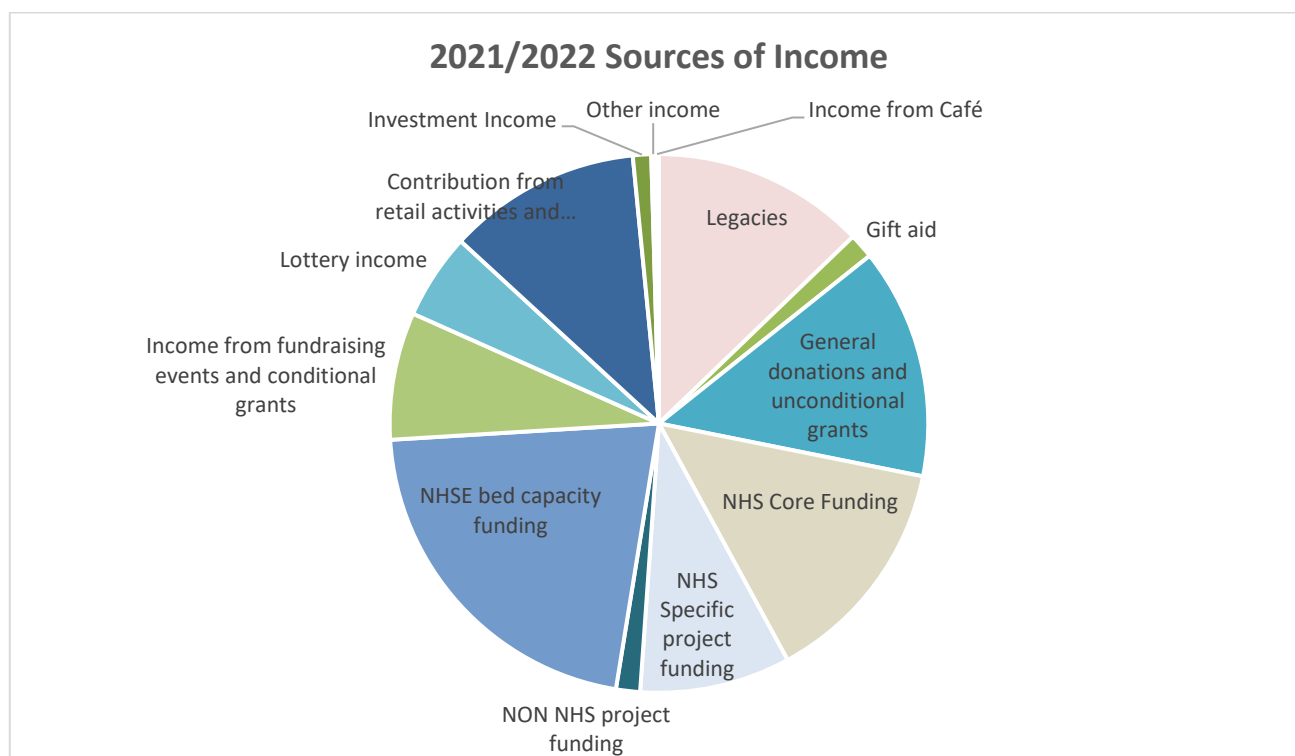
As a result of this unprecedented support we have recorded consolidated net income of £2,464,035 before investment gains and other losses, and £2,406,092 post investment gains and other losses.

Set out below is an analysis of the main sources of charity income.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022



Consolidated income for the year totalled £8,226,189 with the local CCG providing £1,145,304 to fund our core work and a further £862,712 to fund specific project initiatives. In addition, NHSE supported us with £1,766,105 of bed capacity monies whilst as a group we also received just over £20,000 of furlough monies. The remaining £4.4m was generated from our loyal supporters, specific funding initiatives and our investments.

The NHSE support of £1,766,105 unexpected pandemic-related funding was to recognise our preparedness to off-set anticipated bed capacity pressure in the NHS and wider health and social care systems.

Consolidated expenditure for the year totalled £5,762,154. Expenditure on charitable activities totalled £4,359,527 of which 83% was spent on staffing costs. The remaining £1,402,627 has been spent on raising funds.

Consolidated net income for the year was £2,464,035 pre investment gains and other losses, and £2,406,092 after these adjustments. Our investment portfolio benefited from an increase in the stock and financial markets around the world with gains of £180,962, but this has been offset by a loss on disposal of the Lodge on the building of the new Forget Me Not Centre of £238,905.

Full details of the Charity's financial position and of its income and expenditure are set out in the Statements of Financial Activities, Balance Sheets and related notes which form part of these financial statements.

The continued uncertainty around the pandemic and the Government's response to the easing of lockdown has meant that setting a budget for 2022/2023 has also been challenging. Funding remains uncertain and this has been reflected in the deficit budget that has been set of £494,400 for the year which includes £340,500 of compelling projects. The Trustees are committed to using reserves to fund this deficit and the Senior Management Team is working closely with the Board to generate new funding streams and manage costs in line with anticipated future revenues.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We are indebted again to our grant funders who have supported us during the financial year, many of whom have supported us in the past. All funds received have been spent on the projects they were intended for. For those projects where grant funding has been received in advance but the costs have not yet been incurred, any grant monies received have been carried forward to the coming financial year.

During the year ended 31 March 2022 we have received the following grants:

- NHSE awarded £1.766m of funding to allow the Hospice to make available bed capacity and community support from December 2021 to March 2022 to provide bed capacity in the context of the Covid-19 situation.
- Cadent Gas donated monies for syringe drivers
- Yorkshire Building Society also donated monies for syringe drivers
- DN Smith donated monies towards electrical equipment for the Forget Me Not Centre and also monies for the Inpatient Unit
- Mediacash Limited donated monies for a new mattress for the Inpatient Unit
- The Storth Community Co-operative donated monies for bedding and linen on the Inpatient Unit
- HSBC Group donated monies for the furniture for the Forget Me Not Centre
- Kendal Lions donated monies for books for the Forget Me Not Centre
- Mr & Mrs Scholes kindly donated monies to build the Forget Me Not Centre
- Morecambe Men's Committee donated monies for bedding and linen for the Inpatient Unit

RISK MANAGEMENT

The Trustees consider and assess on an on-going basis the major risks to which the Charity may be exposed. All risks identified are set out and monitored using the corporate risk register. Systems are in place to mitigate those risks. Where they are financial it is believed that the reserves policy and financial controls minimise the potential risks. In non-financial matters there are reviews, appraisals and regulatory procedures in place.

By far the biggest risk to the Hospice has been the on-going impact of the Covid-19 pandemic. We remained a Covid-19 Secure Organisation. As a result, a complete risk management strategy was developed and implemented. This strategy comprised:

- The establishment of a Covid-19 Risk Assessment process which has been shared with our colleagues
 - The convening of additional Senior Management Team meetings
 - Taking measures to reduce the financial impact on the Hospice by furloughing non-essential staff and suspending non-essential services
 - Taking advantage of additional Government funding where available
 - Increasing the review of the Corporate Risk Register
-

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Setting up regular staff briefings to include and support furloughed and non-furloughed staff
- Supporting staff to be able to work at home by investing in technology
- Establishment of cleaning, handwashing and hygiene procedures in line with guidance
- Taken steps to manage the risk of transmission of the virus including ensuring compliance with physical distancing measures in the workplace
- The establishment of a Covid-19 Task Group which met bi-weekly to monitor and implement actions required.

Staff receive appropriate annual mandatory training covering health and safety issues such as fire safety, moving and handling, basic food hygiene, safeguarding, information confidentiality and infection control. This has now been supplemented with a module on Coronavirus (Covid-19) staff support toolkit.

During the pandemic the Trustees were unable to visit the hospice. In order to mitigate any risks that could arise from this Trustees met more frequently than the quarterly board meetings all via Teams and regular updates were received from the Chief Executive Officer and all members of the Senior Management Team.

Along with all charitable organisations, the Hospice has a number of regulators, the principal two being the Charity Commission and the Care Quality Commission (CQC). The Hospice complies with all Charity Commission requirements. The Care Quality Commission regularly inspects the operations of the Hospice, either through self-assessment or visits and their last routine unannounced inspection visit was on 26 July 2016 when the Hospice was rated overall as "Outstanding". The overview given by the inspectors was as follows:

"We spoke with people who used the service, relatives, staff and other professionals during this inspection. They told us the service provided an exemplary level of care and the leadership was exceptional. They spoke extremely highly of staff. One person told us, 'From being in despair I am now able to focus on what matters. All with the help from the staff.' A relative said, 'The support from the hospice staff exceeded anything we had hoped for. It was fantastic.'"

Care planning was extremely flexible, person centred and proactive. People and their families told us staff championed people's right to choose how, where and when they wanted their care provided. They said staff were especially proactive and 'made things happen' in order to provide exceptional care for people. We saw staff had to support people to attend special family events with staff support and helped patients with arrangements to marry in the hospice.

People said staff were extremely caring and respectful, listened to them and assisted them promptly. They told us staff always 'went that extra mile and beyond'. We saw end of life care plans were informative and personalised and staff were remarkable in their determination to help people to carry out their final wishes. This included providing advice, support and staff at a person's home so they could remain in the comfort of their home with loved ones.

Families told us staff were extremely competent and compassionate in the way they assisted people to have control of illness symptoms and pain. They commended staff for the practical, emotional and spiritual support provided and outstanding care that enabled their relative to have a dignified, peaceful and pain free death. Written comments from families included, 'Thank you for making the end of [family member's] life so calm and dignified and filled with love'. And 'You worked miracles and [person] died serenely and comfortably. Thank you.'

The management team and trustees worked collaboratively with other agencies to develop best practice, excellent partnership work and support for people. They carried out innovative research with local and

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

national organisations and influenced best practice and policy-making. This further improved care practices and helped develop innovative support in the hospice and the community.

The management team set up numerous forums and support groups to seek people's views, provide support and information and ensure people received person centred flexible care that fully met their needs. One comment we saw stated, 'Nothing needs changing the care is superb.' Another person had written, 'Your wonderful, warm personalities create such a lovely friendly atmosphere. You are amazing and do a fantastic job.' The management team used multiple ways of monitoring and auditing care and seeking the views of people who used the service, their families, other professionals and staff. This assisted staff to provide care that was personalised and exceptionally flexible.

Other professionals were extremely complimentary about St John's Hospice, the staff attitudes and their competence. Staff demonstrated a highly sensitive and compassionate understanding of protecting and respecting people's human rights. We found staff were passionate about providing a non-discriminatory and tremendously supportive service. People who used the service, their families and staff were supported throughout their 'journey'. They were provided with complementary therapies such as reflexology and massage to assist with relaxation and reduce anxiety and distress. The care by hospice staff did not end when a person died; the hospice team continued to support families after their family member's death. They were offered bereavement counselling and support groups for emotional well-being.

Recruitment and selection was carried out safely with appropriate checks made before new staff were appointed. There were enough staff to provide safe, personalised and timely care. The provider had an extremely positive and constructive response to complaints and carried out their duty of candour with an open and transparent approach. People told us they knew how to raise a concern or complaint and staff encouraged them to express any ideas or concerns. The registered manager had systems to monitor and manage accidents and incidents to maintain everyone's safety. One person confirmed, 'I feel safe and supported here and not worried.'"



Full details of the Charity Commission Report and Care Quality Commission's inspection can be found on the respective organisation's web-site.

It should be noted that our next inspection will be as a provider of independent healthcare which will use different key lines of enquiry to those used in the 2016 inspection. Whilst the last full inspection was in 2016, we have regular update and review meetings with our CQC Relationship Manager, the latest review meeting took place in July 2022 and the CQC confirmed there are no areas of risk or concern

at the Hospice.

The Hospice takes the role of clinical governance very seriously and monitors all areas to ensure clinical effectiveness; patient safety and patient experience are at the forefront of care. Our corporate and clinical governance structures ensure that we have both the systems and processes in place to maintain a viable and

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

responsible operation, whilst ensuring that our services are of the highest quality and meet the aspirations of our vision.

The Integrated Governance Committee, which comprises all members of the Senior Management Team, oversees the development, implementation and monitoring of the Hospice's integrated governance arrangements. In addition it looks at the systems and processes by which the Hospice leads, directs and controls its functions in order to achieve strategic organisational objectives, assure safety and optimise quality of service. The Committee also seeks to ensure that all statutory responsibilities of the Hospice are covered appropriately and all requirements of our various regulators are met. The Committee reports directly to the relevant Board sub-committees.

The annual Data Security & Protection Toolkit was completed in line with the NHS's extended deadline of the 30th June 2022.

Serious Incidents

There are no serious incidents to report.

FUNDRAISING

With less than one third of our funding being received from our local CCG, fundraising is an integral part of the work we do at the Hospice to ensure that our services can continue to be provided free of charge. We are grateful for the support of the very many people and organisations within our community who raise funds on our behalf.

We take our responsibilities towards fundraising very seriously and are committed to ensuring that the standards we adopt for fundraising mirror our vision and values treating everyone with care and compassion.

The Director of Income Generation and the Director of Marketing and Communications are responsible for devising and delivering the annual Income Generation, Communications and Engagement strategy.

Income Generation fundraising activities cover:

- Individual giving
- Community and corporate fundraising
- Fundraising events organised by the Hospice
- Sourcing of grants
- Legacy fundraising
- Operation of a lottery
- Selling second hand goods through our charity shops
- Operating a café within the Hospice.

The Trustees are ultimately responsible for our fundraising activity and so review and approve the strategy and budget each year. The Director of Income Generation reports to the Board of Trustees through the quarterly Fundraising and Communications sub-committee and at the full Board meetings on performance and any relevant issues.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

As well as fundraisers who are either employed by, or volunteer for, the Hospice we currently have arrangements with the following commercial participators/professional fundraisers:

Organisation	Type	Nature of relationship	How we oversee and monitor their work
Furness Building Society	Commercial participator	Charity Affinity account	Contract in place. Regular monitoring and reviews.
Integrated Promotions	Professional fundraiser	Provision of canvassing services	Contract in place. Licenced and regulated by the Gambling Commission. Bound by the Code of Practice of the Fundraising Regulator. Regular training and updates for canvassers. Regular communication, feedback and meetings. Quality monitoring. Complaints procedure in situ.
Skyline	Commercial participator	Provider of Overseas Events	Contract in place. Regular communication, feedback and meetings. ATOL Protection 10069.
Global Adventure Challenges	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 6506.

To ensure that we protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate:

- We are registered with the Fundraising Regulator and committed to adhering to all recognised standards in relation to our fundraising activity
- Staff ensure that all fundraising activity complies with the Fundraising Regulator's Code of Fundraising Practice and the Fundraising Promise
- Staff are trained in their responsibilities in relation to fundraising regulation and legislation upon induction and periodically thereafter as required. Volunteers are also trained in compliance where necessary for their role

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- In line with GDPR and the Fundraising Preference Service we promptly action any requests for removal from our mailing lists by amending their contact preferences.
- We do not sell or pass on the data of any of our donors and supporters to any third parties under any circumstances
- We comply with all the fundraising requirements of the General Data Protection Regulation
- We only use professional fundraising agencies who can demonstrate a track record of best practice in the sector and compliance with the Fundraising Regulator's code of conduct.

In addition we have a Risk Management Policy so as to minimise or, as far as it reasonably practicable, eliminate any risks to patients, staff, volunteers, supporters, members of the public or the organisation's reputation in relation to our fundraising activity. Staff identify and assess risks and put any necessary preventative controls in place.



PLANS FOR THE FUTURE

The pandemic has not stopped the Board of Trustees making plans for the Hospice's future. In the past 12 months, Trustees have conducted a skills gap analysis of the Board and recruited a new Trustee with relevant skills and knowledge that will support our strategic aims. Our three strategic projects for the current year are:

Investing in Staff Retention

Like many people, our staff have worked tirelessly throughout the pandemic, working with vulnerable people: giving and supporting care when many others couldn't. Staff have invested their personal and work lives to support the community through one of the most difficult times of their lives and it is therefore important that we continue to invest in them.

The pandemic led a number of staff to make life changing decisions such as take early retirement or choose a very different work path. Following engagement with staff, St John's has set itself the priority of investing in staff retention to thank staff for all that they have given and still give, and to encourage them to stay with the St John's family.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We will therefore invest in programmes that will support staff retention such as:

- Continued staff engagement about proven routes to wellbeing and resilience
- Staff engagement about preferred benefits
- Continued opportunities for staff voices to be heard e.g. staff surveys, face-to-face briefings by the CE and staff forum etc.
- Wellbeing activities
- A staff wellbeing directory including healthy life choices information
- Continuous Professional Development opportunities e.g. management and team leader training to provide support for managers and show clear career progression paths
- Interventions such as "Rest and Restore" sessions
- Mental Health First Aid training
- The encouragement of mentoring, buddying and coaching for personal growth and support
- Provision of cross departmental working/awareness opportunities
- Supporting managers to support their team's wellbeing
- Reintroduce health checks and health MOTs, when safe and where appropriate

The Board of Trustees, Senior Management Team and Management Team are committed to supporting staff to support their wellbeing and resilience. The board has agreed that funding will be made available to support this deserving and ongoing programme.

A New Model for Bereavement Support



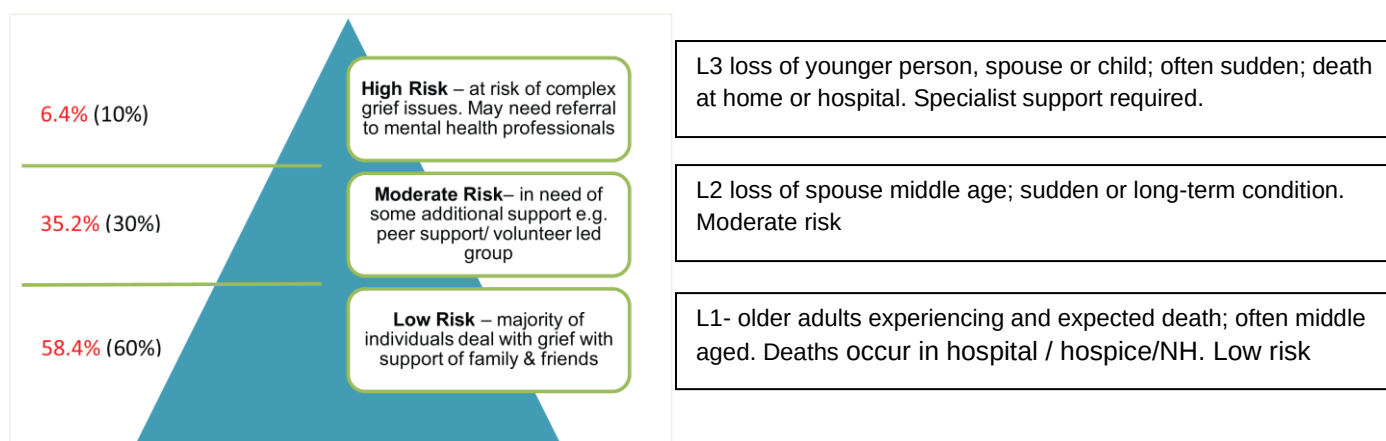
Ready for the new Forget Me Not Centre (FMNC) completion in 2022, we appointed a Forget Me Not Centre Engagement Officer (FMNC EO) in the autumn of 2021 to explore what works best locally for children and young people's bereavement services. This is in line with the family therapy approach outlined by a research project led for us by Lancaster University in 2019-2020.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Research shows that only a small group (10%) of all adults who experience bereavement through death will require specialist support (Aoun et al 2015), yet our current model of support offers only 1-1 support, rather than assessing who needs this before it is offered. Our model needs to reflect this research and move to supporting more people at a fundamental level and a smaller percentage only through 1-1s. Therefore, we have set our services to follow the research, and inverted the triangle of support to match the triangle of need:



Offering more support at psychological levels 1-2 (NICE, 2004).

Examples of this include

- memories on the ward and through our community respite services (offering memory boxes, hand casting, letter writing for family members, and books to support children and young people).
- We have set up a Grief café, which people can attend before and immediately after death, reducing delays in accessing support from us preventing gaps in support after death. Those attending the café are supported by nursing staff from our services as well as the bereavement team and FMNC EO.
- Going forward we will train volunteers to lead a mixture of wellbeing activities such as walking, gardening, crafts to build a more sustainable, and more normal, peer support model.

Much of our support will be based in our state-of-the-art bereavement centre, allowing families to remove themselves from the intense ward or home environments when they can.

We recognise that some children and young people will require more specialist support as 1-1s initially, before assessing them to access group activities or drop ins.

The service will be managed by a Family Support Team Coordinator, a trained counsellor, to oversee the whole of our bereavement services, ensuring family therapy is commenced as soon as assessment shows it is needed, reducing any duplication through 1-1 separate adult and children's services.

Creating one Community Team

As we emerge from the Covid 19 pandemic, the work we have undertaken with our community teams during this difficult period has helped us to plan and shape our new service, in particular how it can best meet the needs of our community. We realise that our patient's conditions can change rapidly and have improved our ability to respond with the most appropriate member of staff, at the right time.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

This has been done by amalgamating the Community teams into one. This includes the Clinical Nurse Specialists, the Hospice at Home team (which includes nurses and healthcare assistants) and our existing night sitting team. During the pandemic, we have expanded our night sitting service and introduced a successful and popular daytime respite service. These services have enabled us to provide much more supportive care in people's homes which has allowed people to remain in their own homes, if this is where they wish to be and avoid unnecessary hospital admissions.

Further work has been done through Task and Finish groups to ensure that the Hospice at Home and Clinical Nurse Specialists can start to work seamlessly. Staff in patient facing roles have been able to share their experience and ideas in order to provide a clear vision of what our patient's in the community need most.

This means that:

- Patients will be triaged once they have been accepted onto the community caseload, enabling those who are the highest priority to be seen first and by the member of staff who has the necessary skills needed at that time.
- Senior staff will be offering specialist advice, enabling both the patients and our internal and external colleagues to benefit from their knowledge and expertise.
- Health care assistants will be able to visit patients alone. This will allow patients to be supported by our staff and these valuable reviews will help us to monitor patients and to act quickly when a patient deteriorates.
- We are developing a robust plan to improve remote working. In order to increase efficiency and as part of our digital transformation, all nurses will have a laptop to provide them with real-time access to a patient's medical records. This will also reduce travel time and will allow our nurses and health care assistants to see more patients in the same amount of time.
- Our Heads of Community Services will continue to attend the Operational Group meeting, held virtually with the District Nursing Team Leaders, which promotes St John's Hospice services and highlights the ways in which our services can meet the needs of their patients in the community.
- Our Heads of Community Services have set up a Palliative Care Forum for all district nursing teams which has already been a great success, highlighting learning from difficult situations and raising the profile of all our Hospice services.
- All registered nursing staff have been enrolled onto a development course, led by one of our Advanced Nurse Practitioners and our Medical Director. This course has been designed to enhance the skills of our staff, to allow our patients to have the best care possible, based on the best available evidence.
- EMIS (our IT system for medical records) is undergoing audit and review to allow us to produce accurate and rich data which will allow us to monitor, evaluate and improve our services in future.

Ongoing review of all of the changes detailed above will inform us how our service may need to change in the future to meet the changing needs of community end of life care in the North Lancashire and South Lakes area.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Reserves policy

At 31 March 2022 the Hospice's reserves comprise: -

Total funds	£15,244,859
Of which:	
Tangible fixed assets	£5,129,376
Designated funds	£4,266,000
Restricted income funds (excluding FMNC centre within Tangible assets above)	£5,281
Unallocated free reserves	£5,844,202

The Hospice could not do what it does without its dedicated team of around 200 skilled and professional staff. The Hospice seeks to employ managers and staff that have both the necessary skills and experience and the right values and attitudes to provide its very special service and it is their employment costs that make up the vast majority of the Hospice's running costs.

This year with so much uncertainty the Trustees have remained very mindful of the need to maintain sufficient reserves to meet the working capital needs of the Charity, fund unexpected expenditure and shortfalls in income and to allow appropriate and monitored service expansion. Furthermore to ensure the financial security of the Charity no new service developments are introduced unless the Trustees are confident that they are both affordable and sustainable. In addition we always consider the revenue consequences of any capital expenditure.

The Trustees monitor the level of reserves each quarter through the Finance and Resources sub-committee and continuously review its reserves policy. At a Board strategy away day on the 24th November 2021 the Trustees agreed to adopt a policy of retaining unallocated free reserves to cover 12-18 months' full operating costs.

Unallocated free reserves at 31 March 2022 amounted to £5,844,202 which represents 14 months full operating costs.

Investment policy

The investment policy of the Charity is to ring fence monies held in respect of grants received in advance or required for known capital and major repair expenditure. Additional funds are invested in equities, gilts, fixed interest and property funds with the intention of covering future inflation in running costs.

The Charity has a policy to maintain reserves for the purposes given above. The reserves are to be invested for the long term in portfolios and financial instruments which the Trustees deem to represent an acceptable level of risk combined with the aim of providing a reasonable return on the funds.

Investment criteria:

- Capital preservation of adequate reserves for known and unforeseen shorter term needs

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Balance of reserves invested with the potential of growth above inflation over the longer term
- Avoidance of tobacco related investments.

An investment committee meets quarterly as part of the Finance and Resources sub-committee to review the Charity's investments.

The investment policy and performance of funds against the policy is reviewed at each meeting with investment managers instructed to carry out any recommended changes as to the investment instruments. The managers are instructed to keep a balanced portfolio to spread the risk and maximise capital growth without jeopardising revenue income.

The Trustees are satisfied with the performance of the investment portfolio over the period.

TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity, and of the income and expenditure of the Charity, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charity's governing document, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and UK Generally Accepted Accounting Practice.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

AUDITORS

MHA Moore and Smalley have indicated their willingness to accept reappointment as auditors to the Charity.

The Trustees Report was approved on 7 September 2021 and was signed on behalf of the Trustees by:-

C M Heginbotham

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C Heginbotham

Chair – Board of Trustees

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of St John's Hospice North Lancashire and South Lakes (the 'parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheets, the consolidated and charity cash flow statements and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent Charity's affairs as at 31 March 2022, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent Charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, set out on page 21, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness; and
- An evaluation of the charity's internal control environment.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: Compliance with the Care Quality Commission requirements, Health and Safety, compliance with Gambling Commission rules, in particular holding the relevant lottery licence; employment law, and compliance with the UK Charities Act.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
 - Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent Charity to cease to continue as a going concern.
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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MHA Moore and Smalley

MHA Moore and Smalley
Chartered Accountants and Statutory Auditor

Priory Close
St Mary's Gate
Lancaster
LA1 1XB

20/10/2022

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	1,637,344	678,411	2,315,755	1,423,254
Charitable activities	4	2,008,016	-	2,008,016	1,960,929
Other trading activities	5	1,874,959	56,686	1,931,645	1,392,085
Investments	6	90,319	-	90,319	88,104
Other	7	114,349	1,766,105	1,880,454	2,040,292
Total		5,724,987	2,501,202	8,226,189	6,904,664
Expenditure on:					
Charitable activities	9	2,575,964	1,783,563	4,359,527	4,189,947
Raising funds	10	1,402,627	-	1,402,627	1,223,596
Total		3,978,591	1,783,563	5,762,154	5,413,543
Net income before other recognised gains		1,746,396	717,639	2,464,035	1,491,121
Other recognised gains/(losses)					
Loss on disposal of fixed assets		(238,905)	-	(238,905)	-
Gains on disposal of investments		84,860	-	84,860	137,668
Gains on revaluation of investments		96,102	-	96,102	502,206
Net income before transfers		1,688,453	717,639	2,406,092	2,130,995
Transfer between funds	25	33,947	(33,947)	-	-
Net movement in funds		1,722,400	683,692	2,406,092	2,130,995
Reconciliation of funds:					
Total funds brought forward		12,838,767	-	12,838,767	10,707,772
Total funds carried forward	27	14,561,167	683,692	15,244,859	12,838,767

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 32 to 52 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies		1,637,344	678,411	2,315,755	1,423,254
Charitable activities		2,008,016	-	2,008,016	1,960,929
Other trading activities		1,119,110	56,686	1,175,796	1,300,949
Investments		90,319	-	90,319	88,054
Other		40,534	1,766,105	1,806,639	1,764,132
Total		4,895,323	2,501,202	7,396,525	6,537,318
Expenditure on:					
Charitable activities		2,570,744	1,783,563	4,354,307	4,186,680
Raising funds		603,885	-	603,885	581,758
Total		3,174,629	1,783,563	4,958,192	4,768,438
Net income before other recognised gains		1,720,694	717,639	2,438,333	1,768,880
Other recognised gains/(losses)					
Loss on disposal of fixed assets		(238,905)	-	(238,905)	-
Gains on disposal of investments		84,860	-	84,860	137,668
Gains on revaluation of investments		96,102	-	96,102	502,206
Net income before transfers		1,662,751	717,639	2,380,390	2,408,754
Transfer between funds	25	33,947	(33,947)	-	-
Net movement in funds		1,696,698	683,692	2,380,390	2,408,754
Reconciliation of funds:					
Total funds brought forward		12,893,013	-	12,893,013	10,484,259
Total funds carried forward	27	14,589,711	683,692	15,273,403	12,893,013

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 32 to 52 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

		2022	2021
		£	£
Fixed assets			
Tangible assets	15	5,129,376	4,501,578
Investments	16	4,347,152	4,096,242
		<u>9,476,528</u>	<u>8,597,820</u>
Current assets			
Stock		10,159	8,159
Debtors	17	1,900,709	608,495
Cash at bank and in hand		4,197,630	3,787,181
Cash held with investment managers		118,589	134,838
		<u>6,227,087</u>	<u>4,538,673</u>
Creditors: amounts falling due within one year	18	(458,756)	(297,726)
		<u>5,768,331</u>	<u>4,240,947</u>
Net current assets			
		<u>15,244,859</u>	<u>12,838,767</u>
Total assets less current liabilities			
		<u>15,244,859</u>	<u>12,838,767</u>
Net assets			
		<u>15,244,859</u>	<u>12,838,767</u>
Funds:			
Unrestricted funds	23	10,295,167	12,582,667
Designated funds	23	4,266,000	256,100
Restricted funds	25	683,692	-
		<u>15,244,859</u>	<u>12,838,767</u>
Total funds			
		<u>15,244,859</u>	<u>12,838,767</u>

These accounts were approved by the Trustees and authorised for issue on 14/10/2022, and are signed on their behalf by:

C M Heginbotham

M Cullinan

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C Heginbotham
Chair – Board of Trustees

.....
M Cullinan
Chairman – Finance and Resources Committee

The notes on page 32 to 52 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY BALANCE SHEET

AS AT 31 MARCH 2022

		2022	2021
		£	£
Fixed assets			
Tangible assets	15	5,123,166	4,499,878
Investments	16	4,417,155	4,166,245
		<u>9,540,321</u>	<u>8,666,123</u>
Current assets			
Stock		3,052	650
Debtors	17	2,196,894	752,012
Cash at bank and in hand		3,845,249	3,631,146
Cash held with investment managers		118,589	134,838
		<u>6,163,784</u>	<u>4,518,646</u>
Creditors: amounts falling due within one year	18	(430,702)	(291,756)
		<u>5,733,082</u>	<u>4,226,890</u>
Net current assets			
		<u>15,273,403</u>	<u>12,893,013</u>
Total assets less current liabilities			
		<u>15,273,403</u>	<u>12,893,013</u>
Net assets			
		<u>15,273,403</u>	<u>12,893,013</u>
Funds:			
Unrestricted funds	27	10,323,711	12,636,913
Designated funds	27	4,266,000	256,100
Restricted funds	25	683,692	-
		<u>15,273,403</u>	<u>12,893,013</u>
Total funds			
		<u>15,273,403</u>	<u>12,893,013</u>

These accounts were approved by the Trustees and authorised for issue on 14/10/2022, and are signed on their behalf by:

C M Heginbotham

.....
C Heginbotham
Chair – Board of Trustees

M Cullinan

.....
M Cullinan
Chairman – Finance and Resources Committee

The notes on page 32 to 52 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

GROUP AND CHARITY CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Cash generated in operating activities	1,325,933	1,167,648	1,121,825	1,550,644
Cashflows from investing activities				
Investment income	90,319	88,104	90,319	88,054
Purchase of tangible fixed assets (including investments)	(1,674,209)	(1,501,428)	(1,666,447)	(1,501,428)
Receipts from sale of investments	652,157	1,217,786	652,157	1,217,786
Cash provided by/(used in) investing activities	394,200	972,110	197,854	1,355,056
Increase in cash and cash equivalents in the year	394,200	972,110	197,854	1,355,056
Cash and cash equivalents brought forward	3,922,019	2,949,909	3,765,984	2,410,928
Cash and cash equivalents carried forward	4,316,219	3,922,019	3,963,838	3,765,984
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	2,464,035	1,491,121	2,438,333	1,768,880
Investment income received	(90,319)	(88,104)	(90,319)	(88,054)
Depreciation and amortisation	85,401	87,943	82,149	83,159
(Increase)/Decrease in stock	(2,000)	469	(2,402)	367
(Increase)/Decrease in debtors	(1,292,214)	98,223	(1,444,882)	221,283
Increase/(Decrease) in creditors	139,843	(39,154)	117,759	(52,141)
Increase/(Decrease) in deferred income	21,187	(382,850)	21,187	(382,850)
Net cash generated in operating activities	1,325,933	1,167,648	1,121,825	1,550,644
Components of cash and cash equivalents				
Cash at bank and in hand	4,197,630	3,787,181	3,845,249	3,631,146
Cash held with investment managers	118,589	134,838	118,589	134,838
	4,316,219	3,922,019	3,963,838	3,765,984

The notes on page 32 to 52 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Basis of accounting

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation (CIO) registered in the United Kingdom. The address of the CIO, the nature of its operations and its principal activities are all detailed in the Trustees' report of these financial statements.

The CIO constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of St John's Hospice North Lancashire and South Lakes ("the Charity") and its three wholly owned subsidiary undertakings, St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited. The results of these subsidiaries are consolidated on a line by line basis.

Income

Income including donations and gifts receivable is credited to the Statement of Financial Activities in the period in which it is receivable.

Legacies are regarded as receivable once probate has been granted, there is sufficient evidence regarding the certainty of the receipt and there is a sufficiently reliable measurement of the amount in accordance with the recognition criteria of the SORP. In practice this is rarely before the receipt of a letter advising of an intended payment or transfer. Interim receipts are treated as being receivable on receipt. Where legacies have been notified to the Charity, or the Charity is aware of granting of probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material in note 3.

Funding received in advance including grants are treated as deferred income where the funding agency requires an ongoing service to be provided by expenditure in the future period to which the funding relates.

Other income includes income from NHS England and other support from the UK government including under the Coronavirus Job Retention Scheme (CJRS) to support the charity following the impact of COVID-19.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

- Expenditure on the provision of Hospice services and associated service costs
- Expenditure on raising funds

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

Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit is probable and that economic benefit can be reliably measured. In accordance with SORP (FRS 102) no amounts are included in the financial statements for services donated by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure on period of receipt.

Fixed assets

Fixed assets are stated at cost less depreciation. Potential capital items with a cost of less than £2,000 or items that are deemed to have no value once in use by the Hospice are expensed through the Statement of Financial Activities. Fixed assets are depreciated on a straight line basis over their anticipated useful lives.

Freehold land and buildings	-	1% per annum
Motor vehicles	-	25% per annum
Fixtures and equipment	-	20% per annum

Freehold land and buildings includes non-depreciable land, the cost of which is not considered material.

The Forget Me Not Centre included within Assets Under Construction was not complete at the year end, so is not depreciated.

Investments

Investments are shown at their market value on the date of the balance sheet. Gains and losses on disposal and revaluation of assets are charged or credited to the Statement of Financial Activities.

Investments in subsidiaries are held at cost less amounts written off.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Stock

Stocks consist of shop items purchased for resale and are stated at the lower of cost and net realisable value. The Charity adopts a cost formula of FIFO.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Pensions

The Hospice operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Certain eligible employees are members of the National Health Service Superannuation Scheme. Contributions to this are also charged in the Statement of Financial Activities as they become payable (see note 22).

Fund accounting

Unrestricted funds - general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds - restricted funds arise where there is a donor imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specific purpose.

Designated funds - designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Transfers are made from Restricted to Unrestricted funds where the expenditure has been fully made in accordance with the objects of the fund.

Cash and cash equivalents

Cash balances comprise amounts held on deposit with recognised banks and building societies.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Taxation

The Charity is exempt within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements (apart from those involving estimates) made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Charity's key estimates are considered to be depreciation charges which are explained in the fixed asset policy on page 33.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
General donations	460,796	678,411	1,139,207	676,164
Gift aid	123,344	-	123,344	122,252
Unconditional grants	-	-	-	13,965
Legacies	1,053,204	-	1,053,204	610,873
	1,637,344	678,411	2,315,755	1,423,254

Certain gifts are received with a request that the money be spent on specific items of equipment or for specific revenue purposes. The amounts so received are included in income and the cost of the related expenditure in the relevant category of expenditure. It is the Trustees' policy to spend all such gifts for the purpose requested.

At the period end, the Trustees had been notified of legacies approximating £590,027 which do not meet the criteria for inclusion in these financial statements under SORP (FRS 102) which is further explained in the accounting policies on page 32.

All income from donations and legacies in the comparative period was unrestricted.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
NHS core funding	1,145,304	-	1,145,304	1,138,939
NHS specific projects	743,988	-	743,988	700,722
Non-NHS income	118,724	-	118,724	121,268
	2,008,016	-	2,008,016	1,960,929

Income from charitable activities is spent in accordance with the terms of the agreement or contract under which it is received.

All income from charitable activities in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Fundraising events	477,615	-	477,615	451,719
Conditional grants	-	56,686	56,686	161,133
Lottery income	423,803	-	423,803	420,528
Retail activities	955,140	-	955,140	358,696
Café income	18,401	-	18,401	9
	1,874,959	56,686	1,931,645	1,392,085

Conditional grant income of £161,133 in the comparative period represented restricted income. All other income was unrestricted.

6 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Bank and investment interest receivable	4,232	-	4,232	5,521
Interest on Government securities and dividends received	86,087	-	86,087	82,583
	90,319	-	90,319	88,104

All income from investments in the comparative period was unrestricted.

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
NHSE funding	-	1,766,105	1,766,105	1,481,088
CJRS income	20,559	-	20,559	428,875
Retail grants	74,552	-	74,552	113,180
Other income	19,238	-	19,238	17,149
	114,349	1,766,105	1,880,454	2,040,292

Conditional NHSE income of £1,481,088 in the comparative period represented restricted income. All other income was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Income from subsidiaries' trading activities

	2022 £	2021 £
St John's Hospice Shops Limited (Company No. 02490956)		
Turnover	716,554	247,834
Cost of sales	(517,054)	(445,008)
Gross profit	199,500	(197,174)
Administration costs	(257,302)	(173,162)
Other operating income	79,568	265,290
Operating profit	21,766	(105,046)
Interest receivable	-	50
Profit before charitable donation	21,766	(104,996)
Assets	383,449	178,156
Liabilities	(353,584)	(170,057)
Share capital and reserves	29,865	8,099
St John's Hospice Lancaster Limited (Company No. 07216444)		
Turnover	37,842	22,880
Cost of sales	(12,120)	(8,863)
Gross profit	25,722	14,017
Administration costs	(2,048)	(1,069)
Operating profit	23,674	12,948
Profit before charitable donation	23,674	12,948
Assets	25,700	14,049
Liabilities	(2,025)	(1,100)
Share capital and reserves	23,675	12,949

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Income from subsidiaries trading activities (continued)

	2022	2021
	£	£
St John's Hospice Shops Catering (Company No. 10911525)		
Turnover	18,401	9
Cost of sales	(25,512)	(18,020)
Gross profit	(7,111)	(18,011)
Administration costs	(4,772)	(2,983)
Other operating income	5,093	10,870
Operating profit	(6,790)	(10,124)
Profit before charitable donation	(6,790)	(10,124)
Assets	32,749	4,593
Liabilities	(44,830)	(9,884)
Share capital and reserves	(12,081)	(5,291)

The results presented above represent the results for the wholly owned subsidiaries for the year to 31 March 2022.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Expenditure on charitable activities

Activity	Provision of Hospice Services £	Total 2022 £	Total 2021 £
Staffing costs	3,630,805	3,630,805	3,472,548
Non salary costs of employment	49,236	49,236	44,747
Medical supplies, equipment and services costs	175,893	175,893	155,229
Food and nutrition	24,600	24,600	18,588
Transport	14,935	14,935	11,310
Premises	78,068	78,068	123,199
Depreciation	82,149	82,149	83,159
Utilities	70,471	70,471	74,019
Management and professional costs	53,972	53,972	92,640
Admin and support costs	141,273	141,273	94,003
Education costs	27,655	27,655	11,988
Audit fees	10,470	10,470	8,517
	4,359,527	4,359,527	4,189,947

Of the above expenditure £1,783,563 (2021: £1,642,221) is made against restricted income funds. All other expenditure was unrestricted.

10 Expenditure on raising funds

	Total 2022 £	Total 2021 £
Staffing costs	724,463	787,481
Fundraising costs	117,474	79,887
Lottery costs	110,110	61,718
Investment manager costs	26,574	13,152
Shop purchases	12,120	8,863
Transport	109,238	25,592
Premises	20,602	15,202
Depreciation	3,252	4,784
Utilities	42,578	25,526
Rent	147,630	125,995
Professional costs	17,914	13,117
Admin and support	8,379	9,725
Other costs	62,293	52,554
	1,402,627	1,223,596

All expenditure on raising funds was unrestricted in the current and prior year.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Net (income)/expenditure

	2022	2021
	£	£
Net income is stated after charging/(crediting):		
Depreciation	85,401	87,943
Auditor's remuneration		
- audit of the financial statements	10,470	8,517

12 Analysis of staff costs and the cost of key management personnel

Total staff costs were as follows:	Total	Total
	2022	2021
	£	£
Wages and salaries	3,703,409	3,625,918
Social security costs	299,760	289,014
Pension costs	352,099	345,807
Bought in services	-	(710)
	4,355,268	4,260,029

Bought in services are in respect of staff employed by the NHS Trust and other agencies whose services are commissioned via contracts and service level agreements.

The disciplines covered are locum doctors, relief cooks, cleaners, and accounts staff.

Excluding the costs of staff recharged, the remuneration of employees who received employee benefits more than £60,000 is as follows:

	2022	2021
	No	No
£60,000 - £70,000	-	1
£70,000 - £80,000	1	-
£90,000 - £100,000	1	2

The total amount of employee benefits received by key management personnel, as determined by the Charity, is £109,489 (2021: £99,773) during the current period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Analysis of staff costs and the cost of key management personnel (continued)

Particulars of employees:

The average number of permanent employees paid directly by the Hospice during the year, calculated on the basis of full-time equivalents, was as follows:

	2022 No	2021 No
Doctors	5	3
Nurse practitioners and nurse management	2	2
Inpatient unit	30	31
Hospice at home	27	18
Day hospice	-	1
Family support and spiritual	4	3
Complimentary therapists	1	1
Clinical nurse specialists	5	5
Quality and development	2	4
Education	-	3
Administrative and HR	10	6
Domestic and maintenance	8	5
Finance	3	3
Catering and ward hospitality	7	5
Marketing and communication	3	3
Fundraising	30	29
Physiotherapy and occupational therapy	2	2
Volunteers	1	1
Lottery	1	1
	141	126

Total head count staff number for the year was 208 (2021: 160).

The number of employees does not include the considerable number of unpaid voluntary helpers to whom the Trustees are indebted nor those who are employed by third parties and to which the Charity contributes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Trustee remuneration and related party transactions

No remuneration is paid to any Trustees in their capacity as Trustees.

No travel and related expenses were reimbursed to any Trustees during the period. Insurance costs included £3,560 (2021: £3,018) insurance premium paid for Trustees and Officer Insurance.

No trustee of other person related to the Charity had any personal interest in any contract of transaction entered into by the Charity during the period. No material donations were made by Trustees to the Charity.

There was no ultimate controlling party during the current or prior period.

14 Taxation

St John's Hospice North Lancashire and South Lakes is a registered charity, number 1157030. All the Charity's income is applied to its charitable objectives and the Charity is therefore exempt under current legislation from most forms of taxation. Value added tax on expenditure that cannot be recovered is included in the cost of the expenditure on which it is charged.

15 Tangible fixed assets

Group	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2021	5,543,384	105,748	117,068	757,509	6,523,709
Additions	-	910,269	19,296	28,285	957,850
Disposals	(278,719)	-	(18,420)	(2,989)	(300,128)
At 31 March 2022	5,264,665	1,016,017	117,944	782,805	7,181,431
Depreciation					
At 1 April 2021	1,206,926	-	101,965	713,240	2,022,131
Charge for the year	51,589	-	10,773	23,039	85,401
Eliminated on disposals	(35,064)	-	(18,420)	(1,993)	(55,477)
At 31 March 2022	1,223,451	-	94,318	734,286	2,052,055
Net book value					
At 31 March 2022	4,041,214	1,016,017	23,626	48,519	5,129,376
At 1 April 2021	4,336,458	105,748	15,103	44,269	4,501,578

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Tangible fixed assets (continued)

Charity	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2021	5,543,384	105,748	82,518	732,346	6,463,996
Additions	-	910,269	19,296	20,523	950,088
Disposals	(278,719)	-	(18,420)	(2,989)	(300,128)
At 31 March 2022	5,264,665	1,016,017	83,394	749,880	7,113,956
Depreciation					
At 1 April 2021	1,206,926	-	68,443	688,749	1,964,118
Charge for the year	51,589	-	9,745	20,815	82,149
Eliminated on disposals	(35,064)	-	(18,420)	(1,993)	(55,477)
At 31 March 2022	1,223,451	-	59,768	707,571	1,990,790
Net book value					
At 31 March 2022	4,041,214	1,016,017	23,626	42,309	5,123,166
At 1 April 2021	4,336,458	105,748	14,075	43,597	4,499,878

16 Fixed asset investments

Group	2022 £	2021 £
Valuation		
Balance brought forward	4,096,242	3,337,356
Acquisitions at cost	716,359	1,336,798
Receipts for sale of investments	(646,411)	(1,217,786)
Realised gains on sale of investments	84,860	137,668
Unrealised gains/(losses) on investments	96,102	502,206
Total investments	4,347,152	4,096,242

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,167,675	2,097,465
Overseas listed equities and fixed interest securities	1,544,737	1,410,212
COIF property fund and other property investments	634,740	588,565
	4,347,152	4,096,242

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Fixed asset investments (continued)

Charity	2022 £	2021 £
Investment in subsidiary undertakings		
2 shares in St John's Hospice Shops Limited	70,001	70,001
1 share in St John's Hospice Lancaster Limited	1	1
1 share in St John's Hospice Catering Limited	1	1
	70,003	70,003
Other investments at Valuation		
Balance brought forward	4,096,242	3,337,356
Acquisitions at cost	716,359	1,336,798
Receipts for sale of investments	(646,411)	(1,217,786)
Realised gains on sale of investments	84,860	137,668
Unrealised gains/(losses) on investments	96,102	502,206
	4,347,152	4,096,242
Total investments	4,417,155	4,166,245

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,170,207	2,097,465
Overseas listed equities and fixed interest securities	1,544,737	1,410,212
COIF property fund and other property investments	634,740	588,565
Investments in subsidiary undertakings	70,003	70,003
	4,419,687	4,166,245

St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited are all wholly owned subsidiaries of the Charity. The principal activities of the former two companies are the operation of retail charity shops selling donated and new goods respectively, with the latter being the operation of a café and event catering. All exist to further the activities of St John's Hospice North Lancashire and South Lakes.

17 Debtors

Group	2022 £	2021 £
Management debtors	1,763,624	496,574
Prepayments	93,442	38,492
Taxation recoverable	-	33,956
VAT recoverable	43,643	39,473
	1,900,709	608,495

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Debtors (continued)

Charity	2022 £	2021 £
Management debtors	1,763,624	496,574
Prepayments	56,737	13,347
Taxation recoverable	-	33,956
Amounts due from subsidiary undertakings	353,862	170,915
VAT recoverable	22,671	37,220
	2,196,894	752,012

18 Creditors: amounts falling due within one year

Group	2022 £	2021 £
Management creditors	35,431	18,868
Taxation and social security	79,408	87,636
Accruals	133,510	54,368
Lottery members	35,687	37,321
Other creditors	74,047	20,047
Deferred income (note 19)	100,673	79,486
	458,756	297,726

Charity	2022 £	2021 £
Management creditors	35,431	18,868
Taxation and social security	70,837	87,636
Accruals	108,764	44,339
Amounts due to subsidiary undertakings	18,373	4,059
Lottery members	35,687	37,321
Other creditors	60,937	20,047
Deferred income (note 19)	100,673	79,486
	430,702	291,756

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Deferred income

	2022 £	2021 £
Balance brought forward	79,486	462,336
Event and course fees received in advance	98,510	29,980
Grants received in advance	-	29,300
Release of deferred income	(77,323)	(442,130)
	100,673	79,486

20 Commitments under operating leases

	2022 Land and Buildings £	2022 Other £	2021 Land and Buildings £	2021 Other £
Within 1 year	76,274	5,402	94,438	11,334
Within 2 to 5 years	22,625	10,521	93,625	18,959
After more than 5 years	-	-	-	-
	98,899	15,923	188,063	30,293

21 Capital commitments

There were a total of £39,748 (2021: £nil) capital commitments at the balance sheet date.

22 Pension schemes

The Hospice operates two pension schemes:

- A defined contribution group personal pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities when payable.
- For certain eligible employees a defined benefit pension scheme. The assets of the scheme are held separately by the National Health Service Superannuation Scheme. Contributions are charged in the Statement of Financial Activities as they become payable. This pension scheme does not have a real pension fund but, as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employers. As a result of the nature of the pension scheme there are no separately identifiable assets and liabilities which can be identified as relating to St John's Hospice, therefore as permitted by FRS 102, the scheme has been accounted for as a defined contribution scheme.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Analysis of unrestricted funds: current year

	At 1 April 2021 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2022 £
Unrestricted funds						
Designated funds	256,100	-	-	-	4,009,900	4,266,000
General reserves	12,582,667	5,724,987	(3,978,591)	(57,943)	(3,975,953)	10,295,167
Total funds	12,838,767	5,724,987	(3,978,591)	(57,943)	33,947	14,561,167

The £256,100 designated fund brought forward (£256,000 carried forward) was the additional funding agreed by the Trustees for the Forget Me Not Centre. This was the difference between the total cost of the build and the generous donation by one of our donors.

In November 2021 the Trustees agreed on designated reserves in order to fund a number of items across the Hospice:

- £200,000 to upgrade the premises. The Hospice is now 36 years old and advanced maintenance is required.
- £2,000,000 to replace the roof. The roof is becoming past its useful life and needs a major repair or replacement.
- £80,000 to upgrade IT equipment and progress IT led projects to increase efficiency and productivity across the Hospice.
- £90,000 to invest in our staff in relation to training, CPD, health and wellbeing.
- £40,000 for additional projects across local hospices in order to streamline services and obtain efficiencies.
- £100,000 to upgrade our electrics in order to reduce future electricity spend.
- £1,500,000 to use as matched funding when applying for bids in order to develop our Hospice into its 40th year and beyond.

24 Analysis of unrestricted funds: prior year

	At 1 April 2020 £	Income £	Expenditure £	Other recognised gains £	Transfers £	At 31 March 2021 £
Unrestricted funds						
Designated funds	264,199	-	-	-	(8,099)	256,100
General reserves	10,443,573	5,262,443	(3,771,322)	639,874	8,099	12,582,667
Total funds	10,707,772	5,262,443	(3,771,332)	(3,771,332)	-	12,838,767

Designated funds in the prior year represented amounts set aside from the shortfall in spending on building a dedicated family-centred bereavement centre.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

25 Analysis of restricted funds: current year

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Restricted funds					
Fundraising grants	-	56,686	(17,458)	(33,947)	5,281
Forget Me Not Centre	-	678,411	-	-	678,411
NHSE funding	-	1,766,105	(1,766,105)	-	-
Total funds	-	2,501,202	(1,783,563)	(33,947)	683,692

Most of the restricted fundraising grants received during the year were in relation to the Forget Me Not Centre build. The grants received were for internal furniture, TV equipment, children's books and external garden furniture and plants.

The £678,411 was the balance of our generous donor who paid for the majority of the capital build expenditure. The funding was split over 2020/21 and 2021/22 with the majority being in 2021/22. This fund will be transferred to unrestricted funds on completion of the build in 2022/23.

The NHSE funding was received by the Hospice from December 2021 to March 2022. This was funding due to the Omicron variant and was to ensure patients were being supported either in our inpatient unit or through our community services team, instead of being admitted to hospital.

26 Analysis of restricted funds: prior year

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Restricted funds					
Fundraising grants	-	161,133	(161,133)	-	-
NHSE funding	-	1,481,088	(1,481,088)	-	-
Total funds	-	1,642,221	(1,642,221)	-	-

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

27 Analysis of net assets between funds: current year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	4,266,000	-	4,266,000
General funds	4,450,965	4,347,152	1,497,050	-	10,295,167
Restricted funds					
Fundraising grants	-	-	5,281	-	5,281
Forget me not centre	678,411	-	-	-	678,411
Total funds	5,129,376	4,347,152	5,768,331	-	15,244,859

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	4,266,000	-	4,266,000
General funds	4,444,755	4,417,155	1,461,801	-	10,323,711
Restricted funds					
Fundraising grants	-	-	5,281	-	5,281
Forget me not centre	678,411	-	-	-	678,411
Total funds	5,123,166	4,417,155	5,733,082	-	15,273,403

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

28 Analysis of net assets between funds: prior year

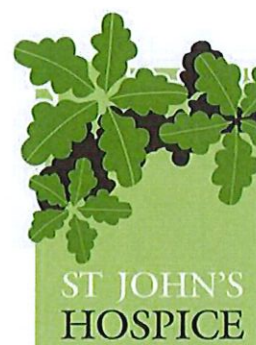
Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	256,100	-	256,100
General funds	4,501,578	4,096,242	3,984,847	-	12,582,667
Total funds	4,501,578	4,096,242	4,240,947	-	12,838,767

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	256,100	-	256,100
General funds	4,499,878	4,166,245	3,970,790	-	12,636,913
Total funds	4,499,878	4,166,245	4,226,890	-	12,893,013

Accounts

St John's Hospice

North Lancashire and South Lakes



Trustees' Report and Financial Statements For the year ended 31 March 2021



Care, Compassion & Support

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation registered in England with charity number 1157030

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

BACKGROUND TO THE CHARITY

St John's Hospice North Lancashire and South Lakes ("the Charity") was founded on 1 April 2014 as a charitable incorporated organisation ("CIO") and registered with the Charity Commission on 13 May 2014 with Charity Number 1157030. The CIO was formed to take over the assets and undertakings of North Lancashire and Lakeland Continuing Care Trust, an unincorporated charity with charity number 510667 that was founded in 1980 to establish a hospice for residents of North Lancashire and the South Lakes. These assets and undertakings were transferred on 1 October 2014. The objectives and trading name of the new CIO are identical to those of the unincorporated charity, which was removed from the Register of Charities. The Charity is known as St John's Hospice ("the Hospice").

The principal object of St John's Hospice, which opened its doors to patients in December 1985, is the relief and care of persons of either sex (without regard to race or creed) who are suffering from any chronic or terminal illness or from any disability or disease. These aims are achieved by inpatient care, outpatient clinics, day hospice (currently suspended during the current Covid-19 pandemic), domiciliary care and associated educational initiatives.

The running costs of the Hospice are met by discretionary grants from the local Clinical Commissioning Group and by funds raised by the Charity supported by the remarkable generosity of the local community.

The Hospice places great value on its connections with a number of public sector and voluntary organisations that cooperate with it and at times provide joint services.

Our Vision

Putting local patients and families at the heart of everything we do will ensure that on the journey towards the end of life, we provide the right care, in the right place, at the right time.

Our Mission

Ensuring our services are clearly understood and accessible to those in need where and when required.



ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Our Values

Care – We will provide first class care, delivered by competent, committed people who put the patient at the heart of all we do

Compassion – We will treat everyone with respect, dignity and empathy

Collaboration – We will work with others to ensure that patients and families receive the best end of life care possible

Charity – We will provide care free of charge to patients and families and will connect with our local communities so that they continue to finance our present and our future

Celebration – We will celebrate the abilities of the people we care for, however limited they may be. When people are bereaved we will support them to celebrate the lives of people they have lost

“St John's Hospice - Built by the people for the people”

LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity's official name is St John's Hospice North Lancashire and South Lakes, though it is better known as St John's Hospice. The Charity is a charitable incorporated organisation governed by a Foundation Model Constitution dated 1 April 2014 under the terms of which the Trustees operate. Its charity registration number is 1157030. The Charity has 3 wholly owned subsidiaries. St John's Hospice Lancaster Limited (company number 7216444) was established to promote the sale of Hospice goods. St John's Hospice Shops Limited (company number 2490956) operates charity shops in the area selling donated goods and furniture. St John's Hospice Catering Limited (company number 10911525) runs the café at the Hospice and provides event catering.

Trustees

Governance of the Charity is the responsibility of the Board of Trustees. Trustees who have served in office from 1 April 2020 until the date of signing this report are set out below.

Mrs C Heginbotham - Chair	Mrs C Redhead
Mr M Cullinan - Vice Chair	Dr N Sayer – Appointed 9 March 2021
Mrs E Bales	Mr J Sharples
Mr K Essa – Appointed 9 March 2021	Mrs S Smith
Mr R Gaskell	Mrs J Spencer
Ms F Inglis	Mrs F Ward
Mrs D Mace	Dr J Yarnall – Appointed 9 March 2021
Mr R Meacock Resigned 7 December 2020	

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

In accordance with the Constitution, new Trustees are appointed by the existing Trustees and for a term of four years by Board resolution. In selecting new Trustees, the existing Trustees have regard to the skills, knowledge and experience needed for the effective administration of the Charity. On appointment new Trustees complete an induction programme that includes familiarisation with the purposes and operations of the Charity, appreciation of current issues and guidance on relevant policies. All Trustees are encouraged to attend seminars and training days as appropriate.

The Board ordinarily meets every three months and has two additional strategy meetings per annum to review the strategy and operation of the Charity including a rigorous review of the corporate risks affecting the Charity. Three regular sub-committees are in place to review specific areas of activity. These comprise Finance and Resources; Care, Quality and Services; and Fundraising and Communications. These sub-committees each meet every three months and report to the full Board meetings. A Remuneration sub-committee meets annually. Trustees are encouraged to take an interest in individual areas of Hospice activity. Performance of Trustees is subject to periodic review by the Chair. Trustees also communicate with each other and the Senior Management Team in the event that consideration of any issue is required between Board and/or sub-committee meetings. The Hospice is an active participant in the North West Hospices Network Group.

During this financial year, the Board agreed to hold additional full Board meetings to address the impact of the Covid-19 pandemic on the Hospice's services, staff and finances.

CHARITY DETAILS

Principal Office	St John's Hospice, Slyne Road, Lancaster
Bankers	Barclays Bank plc, Market Street, Lancaster
Auditors	MHA Moore and Smalley, Priory Close, Lancaster
Investment Managers	Smith & Williamson Limited, London Sanlam UK Limited, London

OPERATIONAL MANAGEMENT

The general operation of Hospice matters is devolved to the Senior Management Team which during the year comprised of Mrs S McGraw (*Chief Executive Officer*), Dr S Edgecombe (*Medical Director*), Mrs M Bass (*Director of Nursing and Quality*), Mrs S Mørch (*Director of Finance and Resources*), Mrs C Butterworth (*Director of Income Generation*) and Mrs S Horner (*Director of Marketing, Communications & Engagement*). Following the retirement of Mrs S Mørch in July 2021 Mrs Tracey Scott replaced her as Director of Finance and Resources.

The Senior Management Team reports to the Board of Trustees and attends regular meetings of the Board.

Operational risk is managed through the Senior Management Team, with key reference to the Care, Quality and Services sub-committee. The Senior Management Team meets weekly.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Pay for the Senior Management Team is set by the Trustees having regard to the job scoring matrix used throughout the Hospice to evaluate pay for all jobs and having regard to market salary rates.

VOLUNTEER SUPPORT AT ST JOHN'S HOSPICE



The Charity is heavily dependent on, and very thankful for, the support it receives from volunteers, who work to support the operation of the Hospice in a wide variety of ways, from helping to provide direct care, supporting income generation by fundraising or working in the charity shops, serving as Trustees, or in a host of other capacities. Sadly, due to the pandemic the involvement of volunteers at the Hospice has been severely curtailed as we have limited footfall to the Hospice to minimise the risk of spreading Covid-19. In addition, with non-essential retail closed for many months we have not needed as much volunteer support in our charity shops either.

Compared with 2020/2021 when we received the support of almost 114,000 volunteer hours, this year it was closer to 28,000 hours. This would suggest an economic value of some £361k to the Charity when calculated using the average staff cost of the department in which the volunteer works compared to £1.34m last year. This is over and above the warmth and spirit of community that the volunteers generate.

There are many more informal volunteers who help out with numerous fundraising and publicity events. The value of this support is incalculable but could easily double the calculated value of the input of the more formal volunteers.

OBJECTIVES AND ACTIVITIES INCLUDING PUBLIC BENEFIT

The Charities Act 2011 requires charities to report on the public benefit of their activities. The Trustees have had regard to the Charity Commission's guidance on public benefit and believe that an appreciation of the Charity's public benefit can be obtained from the following review of its achievements and performance.

ACHIEVEMENTS AND PERFORMANCE 2020/2021

During the year we updated the Strategic Plan for 2020-2023. Our Vision & Strategy for 2020-2023 was the result of conversations with our community, health and social care partners and volunteers and staff at the Hospice. It was clear from these conversations that Hospice care in our community is valued, it is also clear that the price of providing increasingly costly services to more and more people is simply unsustainable in the long-term and that the challenges we face require a courageous response.

We believe that a successful future for St John's demands a balance between stability and agility. Stability comes from the ethos of hospice care – what we are known for and the things we will not compromise such as excellence, compassion and dignity. However, we must also have the agility to respond to new opportunities in an innovative and progressive way, actively seeking out partnerships, trying out new ideas and being creative and compelling with our fundraising and communication messages.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Strategic Plan has been updated during a year when we have had to respond to the Covid-19 pandemic however at the heart of the plan is for the Hospice to continue to provide for the needs of those facing life limiting illnesses in the locality.

The Vision and Strategy also identified the following six priorities in support of that mission.

- Develop and deliver high quality end of life care services with the professional competence and unique ethos that make us outstanding
- Proactively seek opportunities for collaborative working where appropriate
- Be an employer and volunteer base of choice
- Develop innovative, ethical and sustainable levels of resource to meet the service needs of our community
- Ensure St John's is the charity of choice for our local community
- Ensure St John's is the end of life charity of choice for providers.

This year we have faced unparalleled challenges as we adapted daily to the challenges of Covid-19.

Social distancing restrictions meant that we had to limit the number of patients accessing our inpatient unit. Many patients who stayed with us presented with complex holistic multi-faceted issues and with a variety of different medical, emotional and psychological needs and complexities.



Whilst we have continued to allow visitors to the inpatient unit we have been required to limit the number of visitors. It is not therefore surprising that many of our population have sought to be supported to die at home. This has meant that our Hospice at Home team and our Clinical Nurse Specialist team have received additional referrals.

Sadly, social distancing meant that we had to close our Day Hospice as it was not safe to bring vulnerable patients together at the Hospice. Day Hospice staff were redeployed to provide a much needed Respite service to our Hospice at Home patients.

The pandemic has highlighted the need to adapt our way of working and we are looking at how we transform our digital capability and capacity so we can operate in a more agile way, not only in terms of clinical care but also in the way we raise funds.

To support the delivery of the 7 strategic priorities, we are required each year to produce a Quality Account outlining three key areas for improvement in the coming year. These have been developed in conjunction with feedback from our VOICE group. The VOICE group is made up of patients, family members and volunteers, all of whom have had recent experience of Hospice services.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The three key priorities for improvement were:

Priority 1 – Develop a family-centred bereavement service

Research undertaken in partnership with Lancaster University identified a gap in the provision of bereavement support for children and young people with a particular emphasis on whole family support. We have been gifted a donation specifically to build a dedicated family support centre on our existing site. Work on the building has now been started and we have designated reserves to meet any shortfall.

Priority 2 – Pilot the FAB (Fatigue, Anxiety & Breathlessness) programme in Prisons

We had secured grant funding to enable the Hospice to work in partnership with HM Prison Service to provide a 'Fatigue, Anxiety and Breathlessness' (FAB) course for inmates at HMP Lancaster Farms. The course was for people with a diagnosis of COPD or other progressive lung disease affecting quality of breathing.

Due to the Covid-19 pandemic, we have had to postpone any work on this project.

Priority 3 – Implement the findings from the 2019/20 community consultation

During July – December 2019 an engagement project took place to consider how community based services could work differently to shape a service that meets increased future demand. The pandemic proved to be a catalyst for working quite differently in the community and, whilst the findings of the community consultation will in part influence the way services are structured in the future, our learning from the pandemic will also form part of this review. This is an on-going project.

FINANCIAL REVIEW

When we set the budget for the current financial year we were very aware of the difficulties in trying to quantify the effect the pandemic would have on the finances of the Hospice. Whilst we fully appreciate that the Trustees' have the ongoing objective of running balanced budgets year on year, we recognised that this was a year we would need to draw on our reserves to fund anticipated shortfalls in income. This meant that we budgeted to make a deficit of £403,840.

When we set the budget, we knew that the National Health Service England (NHSE) had awarded some funding to allow the Hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation. This was factored into the budget. NHSE did however continue their support as hospices nationally provided bed capacity and community support from November 2020 to March 2021 for the same purpose.

When we set the budget neither did we anticipate just how much our community would get behind us nor how much other Central and Local Government funding would be forthcoming.

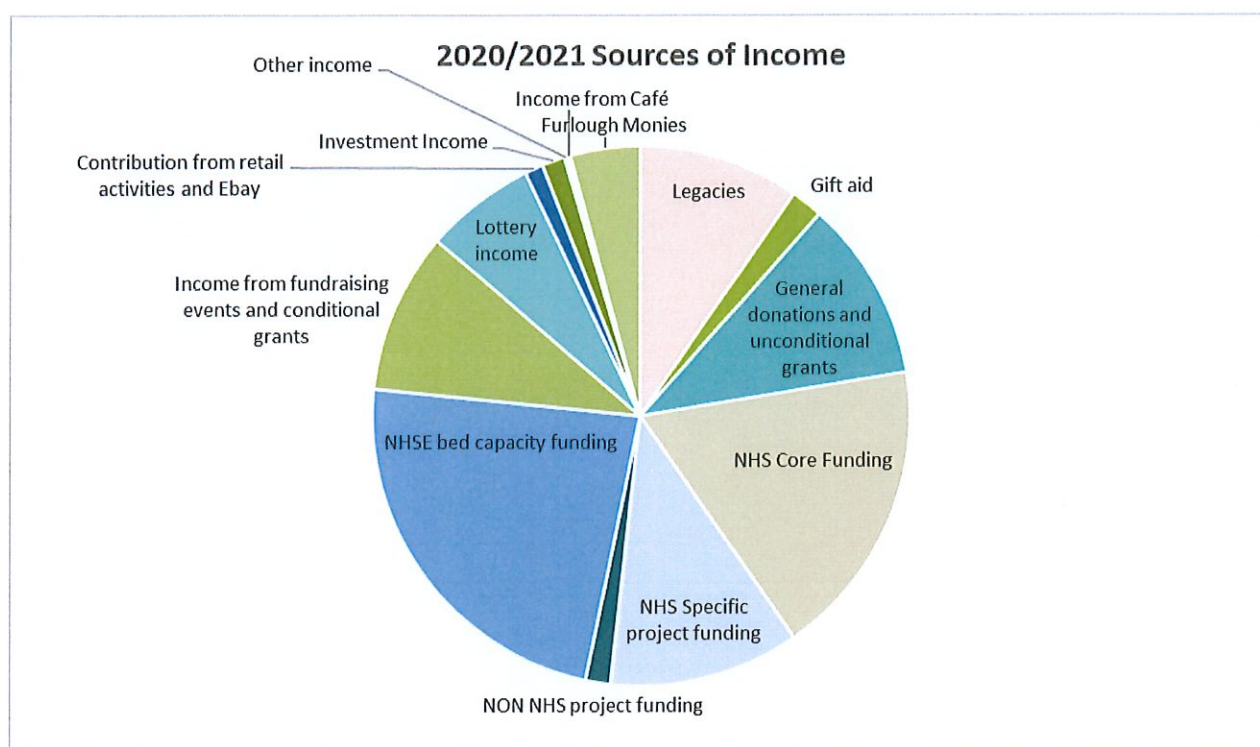
As a result of this unprecedented support we have recorded consolidated net income of £1,491,121 before investment gains and £2,130,995 post investment gains.

Set out below is an analysis of the main sources of charity income.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021



Consolidated income for the year totalled £6,904,664 with the local CCG providing £1,138,939 to fund our core work and a further £700,722 to fund specific project initiatives. In addition, NHSE supported us with £1.48m of bed capacity monies whilst as a group we also received just over £428,000 of furlough monies. Our subsidiary selling second hand goods on the High Street also received £113,000 of Local Authority Grants. The remaining £3,044,003 was generated from our loyal supporters, specific funding initiatives and our investments.

Consolidated expenditure for the year totalled £5,413,543. Expenditure on charitable activities totalled £4,189,947 of which 84% was spent on staffing costs. The remaining £1,223,596 has been spent on raising funds.

Consolidated net income for the year was £1,491,121 pre investment gains and £2,130,995 post investment gains. Our investment portfolio benefited from the rally in the stock and financial markets around the world with gains of £639,874 of which £137,668 have been realised.

Full details of the Charity's financial position and of its income and expenditure are set out in the Statements of Financial Activities, Balance Sheets and related notes which form part of these financial statements.

The continued uncertainty around the pandemic and the Government's response to the easing of lockdown has meant that setting a budget for 2021/2022 has also been challenging. Funding remains uncertain and this has been reflected in the deficit budget that has been set of £355,130 for the year which includes £80,000 of compelling projects but excludes the extraordinary funding for the Forget Me Not Centre. The Trustees are committed to using reserves to fund this deficit and the Senior Management Team is working closely with the Board to generate new funding streams and manage costs in line with anticipated future revenues.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

We are indebted again to our grant funders who have supported us during the financial year, many of whom have supported us in the past. All funds received have been spent on the projects they were intended for. For those projects where grant funding has been received in advance but the costs have not yet been incurred, any grant monies received have been carried forward to the coming financial year.

During the year ended 31 March 2021 we have received the following grants:

- NHSE awarded £1.48m of funding to allow the Hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose
- The West Lancashire Freemasons, the Yorkshire Building Society Foundation and the Cadent Foundation donated monies towards the cost of a syringe driver
- ARCO Limited donated monies towards bedding and linen for the inpatient unit
- Turner Scott Limited donated monies for pyjamas and night dresses for our inpatient unit
- Morecambe Men's Committee funded specialist patient crockery to help patients eat and drink independently
- Howard Connor Hearing purchased a Sound Ear 11 noise meter for the inpatient unit
- Bow Enterprises Limited donated monies towards the purchase of two Royal Marsden Nursing manuals
- The Sir John Fisher Foundation have again kindly funded the cost of a full time Hospice at Home Nurse for the South Lakes locality
- The Lupton Tower Trust have again given funding towards running our Kendal and South Lakes Hospice at Home and Clinical Nurse Specialist service
- The Cumbria Community Foundation also donated monies to fund the cost of providing Hospice at Home visits in the South Lakes.
- The Keswick to Barrow Walk Committee provided much needed funds to cover the salary costs of our nursing staff.
- The Bay Integrated Care Community provided funding to allow us to run programmes to support carers of individuals with life limiting illnesses
- The Harold and Alice Bridges Charity donated monies to purchase equipment to support the work of the Hospice's internal marketing and communications department
- The Medicash Foundation helped with our extra waste and cleaning costs from the pandemic
- The Asda Foundation donated monies to provide toiletries for patients and staff to help with hygiene during the pandemic
- Tesco Bags of Help donated monies to help fund the purchase of memory box sets for our patients

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Temple Heelis Solicitors have funded the purchase of dementia clocks for our inpatient unit
- Moto in the Community Trust have donated monies to support the work of our Day Hospice staff, fund an observation machine, fund memory boxes for our patients and support training of our complementary therapy team.
- The Hadfield Charitable Trust have helped fund laptops for our clinical staff to use for patient visits
- Mr and Mrs D Reynolds gave us a grant to purchase a fruit cage for our Hospice kitchen garden
- The Storth Community Co-operative funded the purchase of an ear irrigator machine
- The Lakes Disability Trust funded the purchase of a car for our Clinical Nurse Specialist Team



In addition, the Masonic Charitable Foundation, the Brownlie Trust, the Hospital Saturday Fund, Mazars Charitable Trust and the Ecclesiastical Group kindly gave unconditional grants to support the funding of our charitable activities.

RISK MANAGEMENT

The Trustees consider and assess on an on-going basis the major risks to which the Charity may be exposed. All risks identified are set out and monitored using the corporate risk register. Systems are in place to mitigate those risks. Where they are financial it is believed that the reserves policy and financial controls minimise the potential risks. In non-financial matters there are reviews, appraisals and regulatory procedures in place.

By far the biggest risk to the Hospice has been the impact of the Covid-19 pandemic. We remain a Covid-19 Secure Organisation. As a result, a complete risk management strategy was developed and implemented. This strategy comprised:

- The establishment of a Covid-19 Risk Assessment process which has been shared with our colleagues
- The convening of additional Senior Management Team meetings
- The escalation of sub-committee to full Board meetings
- Taking measures to reduce the financial impact on the Hospice by furloughing non-essential staff and suspending non-essential services
- Taking advantage of additional Government funding where available
- Increasing the review of the Corporate Risk Register
- Setting up regular staff briefings to include and support furloughed and non-furloughed staff
- Supporting staff to be able to work at home by investing in technology

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Establishment of cleaning, handwashing and hygiene procedures in line with guidance
- Taken steps to manage the risk of transmission of the virus including ensuring compliance with physical distancing measures in the workplace
- The establishment of a Covid-19 Task Group which meets bi-weekly to monitor and implement actions required

Staff receive appropriate annual mandatory training covering health and safety issues such as fire safety, moving and handling, basic food hygiene, safeguarding, information confidentiality and infection control. This has now been supplemented with a module on Coronavirus (Covid-19) staff support toolkit.

Along with all charitable organisations, the Hospice has a number of regulators, the principal two being the Charity Commission and the Care Quality Commission (CQC). The Hospice complies with all Charity Commission requirements. The Care Quality Commission regularly inspects the operations of the Hospice, either through self-assessment or visits and their last routine unannounced inspection visit was on 26 July 2016 when the Hospice was rated overall as "Outstanding". The overview given by the inspectors was as follows:

"We spoke with people who used the service, relatives, staff and other professionals during this inspection. They told us the service provided an exemplary level of care and the leadership was exceptional. They spoke extremely highly of staff. One person told us, 'From being in despair I am now able to focus on what matters. All with the help from the staff.' A relative said, 'The support from the hospice staff exceeded anything we had hoped for. It was fantastic.'"

Care planning was extremely flexible, person centred and proactive. People and their families told us staff championed people's right to choose how, where and when they wanted their care provided. They said staff were especially proactive and 'made things happen' in order to provide exceptional care for people. We saw staff had to support people to attend special family events with staff support and helped patients with arrangements to marry in the hospice.

People said staff were extremely caring and respectful, listened to them and assisted them promptly. They told us staff always 'went that extra mile and beyond'. We saw end of life care plans were informative and personalised and staff were remarkable in their determination to help people to carry out their final wishes. This included providing advice, support and staff at a person's home so they could remain in the comfort of their home with loved ones.

Families told us staff were extremely competent and compassionate in the way they assisted people to have control of illness symptoms and pain. They commended staff for the practical, emotional and spiritual support provided and outstanding care that enabled their relative to have a dignified, peaceful and pain free death. Written comments from families included, 'Thank you for making the end of [family member's] life so calm and dignified and filled with love'. And 'You worked miracles and [person] died serenely and comfortably. Thank you.'

The management team and trustees worked collaboratively with other agencies to develop best practice, excellent partnership work and support for people. They carried out innovative research with local and national organisations and influenced best practice and policy-making. This further improved care practices and helped develop innovative support in the hospice and the community.

The management team set up numerous forums and support groups to seek people's views, provide support and information and ensure people received person centred flexible care that fully met their needs. One comment we saw stated, 'Nothing needs changing the care is superb.' Another person had written, 'Your wonderful, warm personalities create such a lovely friendly atmosphere. You are amazing

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

and do a fantastic job.' The management team used multiple ways of monitoring and auditing care and seeking the views of people who used the service, their families, other professionals and staff. This assisted staff to provide care that was personalised and exceptionally flexible.

Other professionals were extremely complimentary about St John's Hospice, the staff attitudes and their competence. Staff demonstrated a highly sensitive and compassionate understanding of protecting and respecting people's human rights. We found staff were passionate about providing a non-discriminatory and tremendously supportive service. People who used the service, their families and staff were supported throughout their 'journey'. They were provided with complementary therapies such as reflexology and massage to assist with relaxation and reduce anxiety and distress. The care by hospice staff did not end when a person died; the hospice team continued to support families after their family member's death. They were offered bereavement counselling and support groups for emotional well-being.

Recruitment and selection was carried out safely with appropriate checks made before new staff were appointed. There were enough staff to provide safe, personalised and timely care. The provider had an extremely positive and constructive response to complaints and carried out their duty of candour with an open and transparent approach. People told us they knew how to raise a concern or complaint and staff encouraged them to express any ideas or concerns. The registered manager had systems to monitor and manage accidents and incidents to maintain everyone's safety. One person confirmed, 'I feel safe and supported here and not worried.'"



Full details of the Charity Commission Report and Care Quality Commission's inspection can be found on the respective organisation's web-site.

It should be noted that our next inspection will be as a provider of independent healthcare which will use different key lines of enquiry to those used in the 2016 inspection. Whilst the last full inspection was in 2016, we have regular update and review meetings with our CQC Relationship Manager, the latest review meeting took place on the 24th February 2021 and the CQC confirmed there are no areas of risk or concern at the Hospice.

The Hospice takes the role of clinical governance very seriously and monitors all areas to ensure clinical effectiveness; patient safety and patient experience are at the forefront of care. Our corporate and clinical governance structures ensure that we have both the systems and processes in place to maintain a viable and responsible operation, whilst ensuring that our services are of the highest quality and meet the aspirations of our vision.

The Integrated Governance Committee, which comprises all members of the Senior Management Team, oversees the development, implementation and monitoring of the Hospice's integrated governance arrangements. In addition it looks at the systems and processes by which the Hospice leads, directs and controls its functions in

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

order to achieve strategic organisational objectives, assure safety and optimise quality of service. The Committee also seeks to ensure that all statutory responsibilities of the Hospice are covered appropriately and all requirements of our various regulators are met. The Committee reports directly to the relevant Board sub-committees.

The annual Data Security & Protection Toolkit was completed in line with the NHS's extended deadline of the 1st June 2021.

Serious Incidents

There are no serious incidents to report.

FUNDRAISING

With only approximately one third of our funding being received from our local CCG, fundraising is an integral part of the work we do at the Hospice to ensure that our services can continue to be provided free of charge. We are grateful for the support of the very many people and organisations within our community who raise funds on our behalf.

We take our responsibilities towards fundraising very seriously and are committed to ensuring that the standards we adopt for fundraising mirror our vision and values treating everyone with care and compassion.

The Director of Income Generation and the Director of Marketing and Communications are responsible for devising and delivering the annual Income Generation, Communications and Engagement strategy.

Income Generation fundraising activities cover:

- Individual giving
- Community and corporate fundraising
- Fundraising events organised by the Hospice
- Sourcing of grants
- Legacy fundraising
- Operation of a lottery
- Selling second hand goods through our charity shops
- Operating a café within the Hospice.

The Trustees are ultimately responsible for our fundraising activity and so review and approve the strategy and budget each year. The Director of Income Generation reports to the Board of Trustees through the quarterly Fundraising and Communications sub-committee and at the full Board meetings on performance and any relevant issues.

As well as fundraisers who are either employed by, or volunteer for, the Hospice we currently have arrangements with the following commercial participators/professional fundraisers:

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TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Organisation	Type	Nature of relationship	How we oversee and monitor their work
Furness Building Society	Commercial participator	Charity Affinity account	Contract in place. Regular monitoring and reviews.
Integrated Promotions	Professional fundraiser	Provision of canvassing services	Contract in place. Licenced and regulated by the Gambling Commission. Bound by the Code of Practice of the Fundraising Regulator. Regular training and updates for canvassers. Regular communication, feedback and meetings. Quality monitoring. Complaints procedure in situ.
Skyline	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 10069.
Global Adventure Challenges	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 6506.

To ensure that we protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate:

- We are registered with the Fundraising Regulator and committed to adhering to all recognised standards in relation to our fundraising activity
- Staff ensure that all fundraising activity complies with the Fundraising Regulator's Code of Fundraising Practice and the Fundraising Promise
- Staff are trained in their responsibilities in relation to fundraising regulation and legislation upon induction and periodically thereafter as required. Volunteers are also trained in compliance where necessary for their role
- In line with GDPR and the Fundraising Preference Service we promptly action any requests for removal from our mailing lists by amending their contact preferences.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- We do not sell or pass on the data of any of our donors and supporters to any third parties under any circumstances
- We comply with all the fundraising requirements of the General Data Protection Regulation
- We only use professional fundraising agencies who can demonstrate a track record of best practice in the sector and compliance with the Fundraising Regulator's code of conduct.

In addition we have a Risk Management Policy so as to minimise or, as far as it reasonably practicable, eliminate any risks to patients, staff, volunteers, supporters, members of the public or the organisation's reputation in relation to our fundraising activity. Staff identify and assess risks and put any necessary preventative controls in place.

During the 2020-2021 financial year we received 2 minor operational complaints about our fundraising and retail activity. All concerns have been satisfactorily addressed through the risk management procedures of the Hospice.



PLANS FOR THE FUTURE

The pandemic has not stopped the Board of Trustees making plans for the Hospice's future. In the past 12 months, Trustees have conducted a skills gap analysis of the Board and recruited new Trustees with relevant skills and knowledge that will support our strategic aims. Our three strategic projects for the current year are:

The Development of the Forget Me Not Centre

As mentioned previously, thanks to a significant donation from a major donor, in December 2021 we are planning to open our new family and children bereavement centre in the last month of our 35th anniversary year. Research conducted with Lancaster University will underpin the structure of the service which seeks to support whole families pre and post bereavement.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021



Digital Transformation

During 2020/2021, the services of a Digital Consultant were employed to develop a strategy and work plan for the Hospice. Again, Covid-19 has proved to play a significant role in affecting the pace of this work. It is fair to say that, in the past year, our digital transformation journey has progressed at speed but there is still more to do. Digital transformation remains a strategic priority in the year ahead.

One Hospice – Bringing our team back together post-Covid-19

The past year has seen our close-knit team forced to work separately in “bubbles” due to Covid restrictions. The Board are keen for the SMT to bring teams back together quickly and effectively once final restrictions are lifted. We are hopeful that this work can begin in early July when the Trustees and senior management host an afternoon tea of thanks for the whole team. Beyond this date, a series of health and well-being initiatives are planned such as a day of Health checks and health MOTs, a focus on team continuous professional development and a Christmas “thank you” event.

FINANCIAL REVIEW

Reserves policy

At 31 March 2021 the Hospice's reserves comprise: -

Total funds	£12,893,013
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Of which:

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Tangible fixed assets	£4,499,878
Funds to meet donation shortfall for building a dedicated family-centred bereavement centre	£256,100
Unallocated free reserves	£8,137,035

The Hospice could not do what it does without its dedicated team of around 200 skilled and professional staff. The Hospice seeks to employ managers and staff that have both the necessary skills and experience and the right values and attitudes to provide its very special service and it is their employment costs that make up the vast majority of the Hospice's running costs.

This year with so much uncertainty the Trustees have remained very mindful of the need to maintain sufficient reserves to meet the working capital needs of the Charity, fund unexpected expenditure and shortfalls in income and to allow appropriate and monitored service expansion. Furthermore to ensure the financial security of the Charity no new service developments are introduced unless the Trustees are confident that they are both affordable and sustainable. In addition we always consider the revenue consequences of any capital expenditure.

The Trustees monitor the level of reserves each quarter through the Finance and Resources sub-committee and continuously review its reserves policy. At a Board meeting on 5 June 2018 it was agreed that the Trustees adopt a policy of retaining unallocated free reserves to cover up to one year's full operating costs. Based on the Budget for 2021/2022 this amounts to £5m.

Unallocated free reserves at 31 March 2021 amounted to £8,137,035 which represents 19 months full operating costs.

Investment policy

The investment policy of the Charity is to ring fence monies held in respect of grants received in advance or required for known capital and major repair expenditure. Additional funds are invested in equities, gilts, fixed interest and property funds with the intention of covering future inflation in running costs.

The Charity has a policy to maintain reserves for the purposes given above. The reserves are to be invested for the long term in portfolios and financial instruments which the Trustees deem to represent an acceptable level of risk combined with the aim of providing a reasonable return on the funds.

Investment criteria:

- Capital preservation of adequate reserves for known and unforeseen shorter term needs
- Balance of reserves invested with the potential of growth above inflation over the longer term
- Avoidance of tobacco related investments.

An investment committee meets quarterly as part of the Finance and Resources sub-committee to review the Charity's investments.

The investment policy and performance of funds against the policy is reviewed at each meeting with investment managers instructed to carry out any recommended changes as to the investment instruments. The managers

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

are instructed to keep a balanced portfolio to spread the risk and maximise capital growth without jeopardising revenue income.

The Trustees are satisfied with the performance of the investment portfolio over the period.

TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity, and of the income and expenditure of the Charity, for that period. In preparing these financial statements, the Trustees are required to:

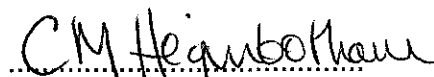
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charity's governing document, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and UK Generally Accepted Accounting Practice.

AUDITORS

MHA Moore and Smalley have indicated their willingness to accept reappointment as auditors to the Charity.

The Trustees Report was approved on 7 September 2021 and was signed on behalf of the Trustees by:-



C Heginbotham
Chair – Board of Trustees

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of St John's Hospice North Lancashire and South Lakes (the 'parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheets, the consolidated and charity cash flow statements and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent Charity's affairs as at 31 March 2021, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent Charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, set out on page 18, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates, in particular in relation to provisions and future performance of the company in light of the impact of Covid-19;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness; and
- An evaluation of the charity's internal control environment.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: Compliance with the Care Quality Commission requirements, Health and Safety, compliance with Gambling Commission rules, in particular holding the relevant lottery licence; employment law, and compliance with the UK Charities Act.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
 - Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent Charity to cease to continue as a going concern.
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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



MHA Moore and Smalley
Chartered Accountants and Statutory Auditor

Priory Close
St Mary's Gate
Lancaster
LA1 1XB

07/10/2021

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MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	1,423,254	-	1,423,254	1,534,267
Charitable activities	4	1,960,929	-	1,960,929	1,835,053
Other trading activities	5	1,230,952	161,133	1,392,085	2,360,027
Investments	6	88,104	-	88,104	113,432
Other	7	559,204	1,481,088	2,040,292	183,095
Total		5,262,443	1,642,221	6,904,664	6,025,874
Expenditure on:					
Charitable activities	9	2,547,726	1,642,221	4,189,947	4,264,463
Raising funds	10	1,223,596	-	1,223,596	1,506,881
Total		3,771,322	1,642,221	5,413,543	5,771,344
Net income before other recognised gains		1,491,121	-	1,491,121	254,530
Other recognised gains					
Gains on disposal of investments		137,668	-	137,668	33,583
Gains/(losses) on revaluation of investments		502,206	-	502,206	(255,128)
Net movement in funds		2,130,995	-	2,130,995	32,985
Reconciliation of funds:					
Total funds brought forward		10,707,772	-	10,707,772	10,674,787
Total funds carried forward	26	12,838,767	-	12,838,767	10,707,772

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	1,423,254	-	1,423,254	1,534,267
Charitable activities	1,960,929	-	1,960,929	1,835,053
Other trading activities	1,139,816	161,133	1,300,949	1,526,315
Investments	88,054	-	88,054	113,280
Other	283,044	1,481,088	1,764,132	110,951
Total	4,895,097	1,642,221	6,537,318	5,119,866
Expenditure on:				
Charitable activities	2,544,459	1,642,221	4,186,680	4,260,727
Raising funds	581,758	-	581,758	729,462
Total	3,126,217	1,642,221	4,768,438	4,990,189
Net income before other recognised gains	1,768,880	-	1,768,880	129,677
Other recognised gains				
Gains on disposal of investments	137,668	-	137,668	33,583
Gains/(losses) on revaluation of investments	502,206	-	502,206	(255,128)
Net movement in funds	2,408,754	-	2,408,754	(91,868)
Reconciliation of funds:				
Total funds brought forward	10,484,259	-	10,484,259	10,576,127
Total funds carried forward	12,893,013	-	12,893,013	10,484,259

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 28 to 48 form part of these financial statements.

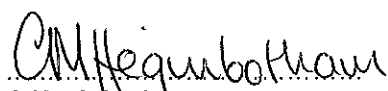
ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	15	4,501,578		4,424,891	
Intangible assets	16	-		-	
Investments	17	4,096,242		3,337,356	
			8,597,820		7,762,247
Current assets					
Stock		8,159		8,628	
Debtors	18	608,495		706,718	
Cash at bank and in hand		3,787,181		2,765,145	
Cash held with investment managers		134,838		184,764	
			4,538,673		3,665,255
Creditors: amounts falling due within one year	19	(297,726)		(719,730)	
Net current assets			4,240,947		2,945,525
Total assets less current liabilities			12,838,767		10,707,772
Net assets			12,838,767		10,707,772
Funds:					
Restricted funds	24	-		-	
Unrestricted funds	26	12,838,767		10,707,772	
Total funds			12,838,767		10,707,772

These accounts were approved by the Trustees and authorised for issue on 7 September 2021 and are signed on their behalf by:


C Heginbotham
Chair – Board of Trustees


M Cullinan
Chairman – Finance and Resources Committee

The notes on page 28 to 48 form part of these financial statements.

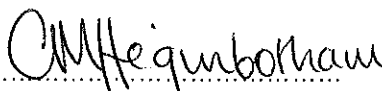
ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY BALANCE SHEET

AS AT 31 MARCH 2021

		2021	2020
		£	£
Fixed assets			
Tangible assets	15	4,499,878	4,418,407
Investments	17	4,166,245	3,407,359
		<u>8,666,123</u>	<u>7,825,766</u>
Current assets			
Stock		650	1,017
Debtors	18	752,012	973,295
Cash at bank and in hand		3,631,146	2,226,164
Cash held with investment managers		134,838	184,764
		<u>4,518,646</u>	<u>3,385,240</u>
Creditors: amounts falling due within one year	19	(291,756)	(726,747)
		<u>4,226,890</u>	<u>2,658,493</u>
Net current assets			
		<u>4,226,890</u>	<u>2,658,493</u>
Total assets less current liabilities		<u>12,893,013</u>	<u>10,484,259</u>
Net assets		<u>12,893,013</u>	<u>10,484,259</u>
Funds:			
Restricted funds	24	-	-
Unrestricted funds	26	12,893,013	10,484,259
		<u>12,893,013</u>	<u>10,484,259</u>
Total funds		<u>12,893,013</u>	<u>10,484,259</u>

These accounts were approved by the Trustees and authorised for issue on 7 September 2021 and are signed on their behalf by:


 C Heginbotham
 Chair – Board of Trustees


 M Cullinan
 Chairman – Finance and Resources Committee

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

GROUP AND CHARITY CASH FLOW STATEMENT

AS AT 31 MARCH 2021

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash generated in operating activities	1,167,648	140,042	1,550,644	73,901
Cashflows from investing activities				
Investment income	88,104	113,432	88,054	113,280
Purchase of tangible fixed assets (including investments)	(1,501,428)	(604,082)	(1,501,428)	(604,082)
Receipts from sale of investments	1,217,786	404,894	1,217,786	404,894
Cash provided by/(used in) investing activities	972,110	54,286	1,355,056	(12,007)
Increase/(Decrease) in cash and cash equivalents in the year	972,110	54,286	1,355,056	(12,007)
Cash and cash equivalents b/fwd	2,949,909	2,895,623	2,410,928	2,422,935
Cash and cash equivalents c/fwd	3,922,019	2,949,909	3,765,984	2,410,928
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	1,491,121	254,530	1,768,880	129,677
Investment income received	(88,104)	(113,432)	(88,054)	(113,280)
Depreciation and amortisation	87,943	77,921	83,159	70,333
(Increase)/Decrease in stock	469	1,077	367	574
(Increase)/Decrease in debtors	98,223	(536,423)	221,283	(490,789)
Increase/(Decrease) in creditors	(39,154)	56,778	(52,141)	77,795
Increase/(Decrease) in deferred income	(382,850)	399,591	(382,850)	399,591
Net cash generated in operating activities	1,167,648	140,042	1,550,644	73,901
Components of cash and cash equivalents				
Cash at bank and in hand	3,787,181	2,765,145	3,631,146	2,226,164
Cash held with investment managers	134,838	184,764	134,838	184,764
	3,922,019	2,949,909	3,765,984	2,410,928

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Basis of accounting

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation (CIO) registered in the United Kingdom. The address of the CIO, the nature of its operations and its principal activities are all detailed in the Trustees' report of these financial statements.

The CIO constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of St John's Hospice North Lancashire and South Lakes ("the Charity") and its three wholly owned subsidiary undertakings, St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited. The results of these subsidiaries are consolidated on a line by line basis.

Income

Income including donations and gifts receivable is credited to the Statement of Financial Activities in the period in which it is receivable.

Legacies are regarded as receivable once probate has been granted, there is sufficient evidence regarding the certainty of the receipt and there is a sufficiently reliable measurement of the amount in accordance with the recognition criteria of the SORP. In practice this is rarely before the receipt of a letter advising of an intended payment or transfer. Interim receipts are treated as being receivable on receipt. Where legacies have been notified to the Charity, or the Charity is aware of granting of probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material in note 3.

Funding received in advance including grants are treated as deferred income where the funding agency requires an ongoing service to be provided by expenditure in the future period to which the funding relates.

Other income includes income from NHS England and other support from the UK government including under the Coronavirus Job Retention Scheme (CJRS) to support the charity following the impact of COVID-19.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

- Expenditure on the provision of Hospice services and associated service costs
- Expenditure on raising funds

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

Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit is probable and that economic benefit can be reliably measured. In accordance with SORP (FRS 102) no amounts are included in the financial statements for services donated by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure on period of receipt.

Fixed assets

Fixed assets are stated at cost less depreciation. Potential capital items with a cost of less than £2,000 or items that are deemed to have no value once in use by the Hospice are expensed through the Statement of Financial Activities. Fixed assets are depreciated on a straight line basis over their anticipated useful lives.

Freehold land and buildings	-	1% per annum
Motor vehicles	-	25% per annum
Fixtures and equipment	-	20% per annum

Freehold land and buildings includes non-depreciable land, the cost of which is not considered material.

Intangible assets

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill in subsidiary	-	5 years straight line
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Investments

Investments are shown at their market value on the date of the balance sheet. Gains and losses on disposal and revaluation of assets are charged or credited to the Statement of Financial Activities.

Investments in subsidiaries are held at cost less amounts written off.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Stock

Stocks consist of shop items purchased for resale and are stated at the lower of cost and net realisable value. The Charity adopts a cost formula of FIFO.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Pensions

The Hospice operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Certain eligible employees are members of the National Health Service Superannuation Scheme. Contributions to this are also charged in the Statement of Financial Activities as they become payable (see note 23).

Fund accounting

Unrestricted funds - general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds - restricted funds arise where there is a donor imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specific purpose.

Designated funds - designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Transfers are made from Restricted to Unrestricted funds where the expenditure has been fully made in accordance with the objects of the fund.

Cash and cash equivalents

Cash balances comprise amounts held on deposit with recognised banks and building societies.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Taxation

The Charity is exempt within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Going concern

Prior to the approval of these accounts there has been a reduction in the measures taken within society to combat the Covid-19 pandemic. However, the Hospice still continues to adhere to Public Health Guidance in relation to Covid-19 measures and is reducing measures more slowly. The Trustees believe that no material uncertainties exist and have prepared the financial statements on a going concern basis. The Trustees have considered the level of funds held and the expected level of income and expenditure for 19 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements (apart from those involving estimates) made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Charity's key estimates are considered to be depreciation charges which are explained in the fixed asset policy on page 29.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
General donations	676,164	-	676,164	455,565
Gift aid	122,252	-	122,252	152,402
Unconditional grants	13,965	-	13,965	84,262
Legacies	610,873	-	610,873	842,038
	1,423,254	-	1,423,254	1,534,267

Certain gifts are received with a request that the money be spent on specific items of equipment or for specific revenue purposes. The amounts so received are included in income and the cost of the related expenditure in the relevant category of expenditure. It is the Trustees' policy to spend all such gifts for the purpose requested.

At the period end, the Trustees had been notified of legacies approximating £553,600 which do not meet the criteria for inclusion in these financial statements under SORP (FRS 102) which is further explained in the accounting policies on page 28.

All income from donations and legacies in the comparative period was unrestricted.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
NHS core funding	1,138,939	-	1,138,939	1,201,063
NHS specific projects	700,722	-	700,722	580,591
Non-NHS income	121,268	-	121,268	53,399
	1,960,929	-	1,960,929	1,835,053

Income from charitable activities is spent in accordance with the terms of the agreement or contract under which it is received.

All income from charitable activities in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Fundraising events	451,719	-	451,719	618,860
Conditional grants	-	161,133	161,133	109,701
Lottery income	420,528	-	420,528	359,869
Retail activities	358,696	-	358,696	1,086,321
Café income	9	-	9	185,276
	1,230,952	161,133	1,392,085	2,360,027

Conditional grant income of £109,701 in the comparative period represented restricted income. All other income was unrestricted.

6 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Bank and investment interest receivable	5,521	-	5,521	15,597
Interest on Government securities and dividends received	82,583	-	82,583	97,835
	88,104	-	88,104	113,432

All income from investments in the comparative period was unrestricted.

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
NHSE funding	-	1,481,088	1,481,088	-
CJRS income	428,875	-	428,875	-
Retail grants	113,180	-	113,180	170,000
Other income	17,149	-	17,149	13,095
	559,204	1,481,088	2,040,292	183,095

All other income in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Income from subsidiaries' trading activities

	2021	2020
	£	£
St John's Hospice Shops Limited (Company No. 02490956)		
Turnover	247,834	744,246
Cost of sales	(445,008)	(476,658)
Gross profit	(197,174)	267,588
Administration costs	(173,162)	(238,583)
Other operating income	265,290	177,805
Operating profit	(105,046)	206,810
Interest receivable	50	152
Profit before charitable donation	(104,996)	206,962
Assets	178,156	549,169
Liabilities	(170,057)	(333,039)
Share capital and reserves	8,099	216,130
St John's Hospice Lancaster Limited (Company No. 07216444)		
	£	£
Turnover	22,880	64,880
Cost of sales	(8,863)	(28,699)
Gross profit	14,017	36,181
Administration costs	(1,069)	(1,299)
Operating profit	12,948	34,882
Profit before charitable donation	12,948	34,882
Assets	14,049	35,983
Liabilities	(1,100)	(1,100)
Share capital and reserves	12,949	34,883

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Income from subsidiaries trading activities (continued)

	2021	2020
St John's Hospice Shops Catering (Company No. 10911525)	£	£
Turnover	9	183,154
Cost of sales	(18,020)	(137,030)
Gross profit	(18,011)	46,124
Administration costs	(2,983)	(5,744)
Other operating income	10,870	2,122
Operating profit	(10,124)	42,502
Profit before charitable donation	(10,124)	42,502
Assets	4,593	179,646
Liabilities	(9,884)	(137,143)
Share capital and reserves	(5,291)	42,503

The results presented above represent the results for the wholly owned subsidiaries for the year to 31 March 2021.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Expenditure on charitable activities

Activity	Provision of Hospice Services £	Total 2021 £	Total 2020 £
Staffing costs	3,472,548	3,472,548	3,555,867
Non salary costs of employment	44,747	44,747	41,935
Medical supplies, equipment and services costs	155,229	155,229	140,912
Food and nutrition	18,588	18,588	75,336
Transport	11,310	11,310	23,501
Premises	123,199	123,199	114,165
Depreciation	83,159	83,159	70,333
Utilities	74,019	74,019	75,102
Management and professional costs	92,640	92,640	59,717
Admin and support costs	94,003	94,003	64,862
Education costs	11,988	11,988	33,682
Audit fees	8,517	8,517	9,051
	4,189,947	4,189,947	4,264,463

Of the above expenditure £1,642,221 (2020: £109,701) is made against restricted income funds. All other expenditure was unrestricted.

10 Expenditure on raising funds

	Total 2021 £	Total 2020 £
Staffing costs	787,481	830,082
Fundraising costs	79,887	190,575
Lottery costs	61,718	91,838
Investment manager costs	13,152	14,389
Shop purchases	8,863	28,699
Transport	25,592	12,780
Premises	15,202	18,198
Depreciation	4,784	4,785
Utilities	25,526	45,832
Rent	125,995	160,683
Professional costs	13,117	13,752
Admin and support	9,725	21,334
Other costs	52,554	73,934
	1,223,596	1,506,881

All expenditure on raising funds was unrestricted in the current and prior year.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Net (income)/expenditure

	2021	2020
	£	£
Net income is stated after charging/(crediting):		
Depreciation	87,943	75,118
Auditor's remuneration - audit of the financial statements	8,517	9,051

12 Analysis of staff costs and the cost of key management personnel

Total staff costs were as follows:	Total 2021 £	Total 2020 £
Wages and salaries	3,625,918	3,683,260
Social security costs	289,014	289,137
Pension costs	345,807	364,819
Bought in services	(710)	48,733
	4,260,029	4,385,949

Bought in services are in respect of staff employed by the NHS Trust and other agencies whose services are commissioned via contracts and service level agreements.

The disciplines covered are locum doctors, relief cooks, cleaners, and accounts staff.

Included within wages and salaries is £9,282 (2020: £nil) of redundancy severance payments.

Excluding the costs of staff recharged, the remuneration of employees who received employee benefits more than £60,000 is as follows:

	2021 No	2020 No
£60,000 - £70,000	1	-
£80,000 - £90,000	-	1
£90,000 - £100,000	2	1

The total amount of employee benefits received by key management personnel, as determined by the Charity, is £99,773 (2020: £94,929) during the current period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Analysis of staff costs and the cost of key management personnel (continued)

Particulars of employees:

The average number of permanent employees paid directly by the Hospice during the year, calculated on the basis of full-time equivalents, was as follows:

	2021 No	2020 No
Doctors	3	3
Nurse practitioners and nurse management	2	2
Inpatient unit	31	32
Hospice at home	18	16
Day hospice	1	2
Family support and spiritual	3	3
Complimentary therapists	1	1
Clinical nurse specialists	5	5
Quality and development	4	4
Education	3	3
Administrative and HR	6	6
Domestic and maintenance	5	7
Finance	3	4
Catering and ward hospitality	5	8
Marketing and communication	3	2
Fundraising	29	36
Physiotherapy and occupational therapy	2	3
Volunteers	1	2
Lottery	1	1
	126	140

Total head count staff numbers for the year was 160 (2020: 189).

The number of employees does not include the considerable number of unpaid voluntary helpers to whom the Trustees are indebted nor those who are employed by third parties and to which the Charity contributes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Analysis of staff costs and the cost of key management personnel (continued)

Total staff costs are analysed further as follows:

	Total 2021 £	Total 2020 £
Doctors	286,809	290,393
Nurse practitioners and nurse management	143,952	136,894
Inpatient unit	1,125,397	1,036,048
Hospice at home	541,542	493,765
Day hospice	26,844	86,331
Family support and spiritual	81,816	81,205
Complimentary therapists	18,916	22,861
Clinical nurse specialists	251,180	232,412
Quality and development	87,582	124,779
Education	75,369	114,777
Administrative and HR	261,562	263,307
Domestic and maintenance	125,371	133,869
Finance	115,136	116,897
Catering and ward hospitality	146,157	194,829
Marketing and communication	95,055	70,161
Fundraising	757,818	801,507
Physiotherapy and occupational therapy	44,941	104,289
Volunteers	44,919	53,050
Lottery	29,663	28,575
	4,260,029	4,385,949

13 Trustee remuneration and related party transactions

No remuneration is paid to any Trustees in their capacity as Trustees.

No travel and related expenses were reimbursed to any Trustees during the period. Insurance costs included £3,018 (2020: £2,515) insurance premium paid for Trustees and Officer Insurance.

No trustee of other person related to the Charity had any personal interest in any contract of transaction entered into by the Charity during the period. No material donations were made by Trustees to the Charity.

There was no ultimate controlling party during the current or prior period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Taxation

St John's Hospice North Lancashire and South Lakes is a registered charity, number 1157030. All the Charity's income is applied to its charitable objectives and the Charity is therefore exempt under current legislation from most forms of taxation. Value added tax on expenditure that cannot be recovered is included in the cost of the expenditure on which it is charged.

15 Tangible fixed assets

Group	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2020	5,543,384	-	98,763	780,057	6,422,204
Additions	-	105,748	18,305	40,577	164,630
Disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	5,543,384	105,748	117,068	757,509	6,523,709
Depreciation					
At 1 April 2020	1,150,435	-	88,557	758,321	1,997,313
Charge for the year	56,491	-	13,408	18,044	87,943
Eliminated on disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	1,206,926	-	101,965	713,240	2,022,131
Net book value					
At 31 March 2021	4,336,458	105,748	15,103	44,269	4,501,578
At 1 April 2020	4,392,949	-	10,206	21,736	4,424,891
Charity					
	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2020	5,543,384	-	64,213	754,894	6,362,491
Additions	-	105,748	18,305	40,577	164,630
Disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	5,543,384	105,748	82,518	732,346	6,463,996
Depreciation					
At 1 April 2020	1,150,435	-	59,147	734,502	1,944,084
Charge for the year	56,491	-	9,296	17,372	83,159
Eliminated on disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	1,206,926	-	68,443	688,749	1,964,118
Net book value					
At 31 March 2021	4,336,458	105,748	14,075	43,597	4,499,878
At 1 April 2020	4,392,949	-	5,066	20,392	4,418,407

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Intangible fixed assets

Group

	Goodwill £
Cost	
At 1 April 2020	28,021
Disposals	(28,021)
At 31 March 2021	-
Amortisation	
At 1 April 2020	28,021
Disposals	(28,021)
At 31 March 2021	-
Net book value	
At 31 March 2021	-
At 1 April 2020	-

17 Fixed asset investments

Group

	2021 £	2020 £
Valuation		
Balance brought forward	3,337,356	3,564,844
Acquisitions at cost	1,336,798	398,951
Receipts for sale of investments	(1,217,786)	(404,894)
Realised gains on sale of investments	137,668	33,583
Unrealised gains/(losses) on investments	502,206	(255,128)
Total investments	4,096,242	3,337,356

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,097,465	1,831,492
Overseas listed equities and fixed interest securities	1,410,212	1,128,932
COIF property fund and other property investments	588,565	376,932
	4,096,242	3,337,356

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Fixed asset investments (continued)

Charity	2021 £	2020 £
Investment in subsidiary undertakings		
2 shares in St John's Hospice Shops Limited	70,001	70,001
1 share in St John's Hospice Lancaster Limited	1	1
1 share in St John's Hospice Catering Limited	1	1
	70,003	70,003
Other investments at Valuation		
Balance brought forward	3,337,356	3,564,844
Acquisitions at cost	1,336,798	398,951
Receipts for sale of investments	(1,217,786)	(404,894)
Realised gains on sale of investments	137,668	33,583
Unrealised gains/(losses) on investments	502,206	(255,128)
	4,096,242	3,337,356
Total investments	4,166,245	3,407,359

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,097,465	1,831,492
Overseas listed equities and fixed interest securities	1,410,212	1,128,932
COIF property fund and other property investments	588,565	376,932
Investments in subsidiary undertakings	70,003	70,003
	4,166,245	3,407,359

St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited are all wholly owned subsidiaries of the Charity. The principal activities of the former two companies are the operation of retail charity shops selling donated and new goods respectively, with the latter being the operation of a café and event catering. All exist to further the activities of St John's Hospice North Lancashire and South Lakes.

18 Debtors

Group	2021 £	2020 £
Management debtors	496,574	452,548
Prepayments	38,492	189,724
Taxation recoverable	33,956	35,355
VAT recoverable	39,473	29,091
	608,495	706,718

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Debtors (continued)

Charity	2021 £	2020 £
Management debtors	496,574	452,206
Prepayments	13,347	14,985
Taxation recoverable	33,956	35,355
Amounts due from subsidiary undertakings	170,915	451,302
VAT recoverable	37,220	19,447
	752,012	973,295

19 Creditors: amounts falling due within one year

Group	2021 £	2020 £
Management creditors	18,868	37,661
Taxation and social security	87,636	77,657
Accruals	54,368	34,878
Lottery members	37,321	42,821
Other creditors	20,047	64,377
Deferred income (note 20)	79,486	462,336
	297,726	719,730

Charity	2021 £	2020 £
Management creditors	18,868	37,661
Taxation and social security	87,636	72,022
Accruals	44,339	23,548
Amounts due to subsidiary undertakings	4,059	26,900
Lottery members	37,321	42,821
Other creditors	20,047	61,459
Deferred income (note 20)	79,486	462,336
	291,756	726,747

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Deferred income

	2021 £	2020 £
Balance brought forward	462,336	62,745
Event and course fees received in advance	29,980	34,052
Grants received in advance	29,300	410,503
Release of deferred income	(442,130)	(44,964)
	79,486	462,336

21 Commitments under operating leases

	2021 Land and Buildings £	2021 Other £	2020 Land and Buildings £	2020 Other £
Within 1 year	94,438	11,334	100,750	11,334
Within 2 to 5 years	93,625	18,959	188,063	30,293
After more than 5 years	-	-	-	-
	188,063	30,293	288,813	41,627

22 Capital commitments

There were no capital commitments at the balance sheet date.

23 Pension schemes

The Hospice operates two pension schemes:

- A defined contribution group personal pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities when payable.
- For certain eligible employees a defined benefit pension scheme. The assets of the scheme are held separately by the National Health Service Superannuation Scheme. Contributions are charged in the Statement of Financial Activities as they become payable. This pension scheme does not have a real pension fund but, as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employers. As a result of the nature of the pension scheme there are no separately identifiable assets and liabilities which can be identified as relating to St John's Hospice, therefore as permitted by FRS 102, the scheme has been accounted for as a defined contribution scheme.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Analysis of restricted funds: current year

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Restricted funds					
Fundraising grants	-	161,133	(161,133)	-	-
NHSE funding	-	1,481,088	(1,481,088)	-	-
Total funds	-	1,642,221	(1,642,221)	-	-

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

25 Analysis of restricted funds: prior year

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Restricted funds					
Fundraising grants	-	109,701	(109,701)	-	-
Total funds	-	109,701	(109,701)	-	-

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26 Analysis of net assets between funds : current year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	256,100	-	256,100
General funds	4,501,578	4,096,242	3,984,847	-	12,582,667
Total funds	4,501,578	4,096,242	4,240,947	-	12,838,767

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	256,100	-	256,100
General funds	4,499,878	4,166,245	3,970,790	-	12,636,913
Total funds	4,499,878	4,166,245	4,226,890	-	12,893,013

Designated funds consist of amounts set aside by the Trustees to undertake specific projects within the next 12 months designed to meet a donation shortfall for building a dedicated family-centred bereavement centre.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

27 Analysis of net assets between funds: prior year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	264,199	-	264,199
General funds	4,424,891	3,337,356	2,681,326	-	10,443,573
Total funds	4,424,891	3,337,356	2,945,525	-	10,707,772

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	264,199	-	264,199
General funds	4,418,407	3,407,359	2,394,294	-	10,220,060
Total funds	4,418,407	3,407,359	2,658,493	-	10,484,259