



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)

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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

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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)

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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.

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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

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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.

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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

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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.

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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

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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

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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.

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- 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.

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TRUSTEES' ANNUAL REPORT (CONTINUED)

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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.

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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)

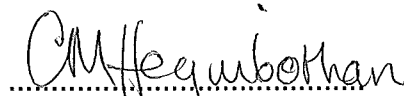
FOR THE YEAR ENDED 31 MARCH 2024

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.

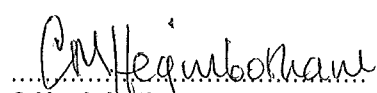
ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

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.

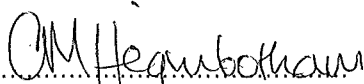
ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

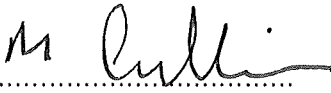
CHARITY BALANCE SHEET

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