



every day makes a difference



Annual Report and Financial Accounts **2021/22**

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01 Our purpose, values and aims



Our purpose and our values

St Ann's is one of the oldest and largest hospices outside of London, and we care for thousands of patients from across Greater Manchester every year. Our services are delivered from our sites in Heald Green and Little Hulton, as well as via a range of community and outreach services, caring for people in the place they call home.

Our support means different things to different people. Some people come to us for care at the end of their life, others for help managing their symptoms. Some join our outpatient sessions, while others enjoy complementary therapies or spend time with our counsellors.

Our core purpose is to provide excellent care and support to people living with or affected by life-limiting illnesses.

We believe everyone has the right to access the same high quality, specialist care at the end of their life as they do when they're born.



We're passionate about providing care that supports our patients right from the point of diagnosis, through treatment, and beyond.



Our patients and their loved ones are at the heart of everything we do, and always will be.



The care we provide is truly holistic. Our patients are individuals and our care addresses their unique needs, whatever they may be.



Our values

Our values are a set of guiding principles and behaviours which shape how we go about our day-to-day jobs to achieve our longer-term goals and plans. If you're supported by the hospice, or are a fundraiser, volunteer, shop customer or staff member, you'll experience our values being put into practice. They are what make us so unique, and make St Ann's such a special place to work.

People matter

People are at the centre of everything we do. We treat each other, and ourselves, with kindness and compassion. We value and celebrate diversity; recognising everyone as an individual.



Brave and bold

We want to grow for the future, not settle. We're not afraid to do things differently, get creative, challenge ourselves and the status quo. We're ambitious in our aims, accountable for our actions and learn from our experiences and successes.



Lead and learn

We're experts in what we do, and we don't stop there. We're always learning; informing and shaping the sectors we're in through education, training and research. We lead by example; sharing best practice, advancing in our fields and pioneering new approaches.



Together we are stronger

Together, we're stronger and have a bigger impact than we could have alone. As a charity, we work in collaboration with supporters, partners and the communities around us. We think beyond traditional boundaries to make sure we're here for our communities for years to come.



Strategic aims

As St Ann's looks beyond our 50th anniversary, it's important that we ensure the hospice remains able to meet the changing care needs of future generations. There are certain things which make us different:

- We're a part of the broad health and social care environment but we're also an independent charity, able to determine our own future.
- Our clinical strategy is at the heart of everything we do.
- Our workforce is supported by a large number of volunteers.
- The majority of our funding comes directly from our supporters and local communities.
- We don't charge for our core services at the point of delivery.
- Our reputation is the key to our future and the type and quality of service we provide is therefore directly linked to that reputation.
- We are a true local charity, serving our local communities.

Our strategic aims put patients and their carers first:

To provide world-class, innovative care:

- Delivery of excellent care, free of charge and equitably
- Care at a time that's right for each individual, including disadvantaged groups
- Seek and share best practices
- Integration of research, teaching and learning to improve patient care



To be an organisation of choice:

- Ensure St Ann's remains a great place to work
- Foster development opportunities and engagement that leads to a skilled and engaged workforce
- Nurture staff and volunteer wellbeing
- Endeavour to offer competitive terms, conditions and benefits



To continue to develop a values-based culture within which there are high-performing individuals and teams:

- Ensure inspired, inspirational and visionary leadership, contributing to a highly capable, flexible workforce at all levels
- Continuous evaluation of Board performance and membership to ensure effective governance
- Trustees, Executives and Senior Managers will lead by example, exhibiting our core values



To develop appropriate environments and outreach services to facilitate world-class specialist palliative and end of life care:

- Deliver buildings and infrastructure we are proud of
- Ensure they are suitable, safe and facilitate effective performance
- Enable flexibility to develop and meet emerging demands



To continue to be financially viable:

- Ensure effective financial governance at all times
- Increasing and sustaining engagement with statutory commissioners, NHS Trusts, and grant organisations to allow delivery of efficient, effective services
- Encourage innovative fundraising activity via sustainable, diverse income streams
- Develop robust strategies to increase fundraising and trading income



02

Highlights of 2021/22

“

Everyone is very friendly and professional
in caring for me. Thank you.

St Ann's Patient

”



St Ann's in numbers

Statistics are important to us at St Ann's, they help us demonstrate our impact and reach, but more often than not, they are interesting and insightful.



Our catering teams prepared

34,452
delicious meals for our patients

Our domestic services team laundered

35,282
bedsheets to ensure our patients are comfortable.



The domestic services team cleaned

1.4million

square metres of floors.



Our catering staff made



58,341
cups of tea or coffee



Fundraising income for our new building was **£629,277** this year compared to £33,494 last year



The 2021 Totally Stockport Frog Trail rasied

£30,000
from the frog auction

Fundraising income from donations and legacies grew by

45.9%
this year.



Our Trading Company profit increased by

50.1%
this year compared with 2020/21



It took

12 weeks
to complete the redevelopment of our Little Hulton main entrance and café

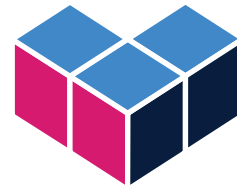
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Clinical leaders from the hospice enrolled onto our first Master's programme

We couldn't possible list everything we've achieved in the last year, but here are a few highlights...

April 2021

Our planning application for our brand new hospice in Heald Green was accepted. This was a huge milestone in our ambitious project to safeguard the future of hospice care in the area.



Build it together
St Ann's New Hospice Appeal

May 2021

We celebrated our 50th anniversary, remembering some of the pioneers who created St Ann's half a century ago. We're so proud to be one of the oldest and largest hospices in the UK, and that we've continued to evolve and adapt our organisation to meet the changing needs of our patients.



June 2021

Our specially commissioned Forget-me-not themed art installation was unveiled at the Trafford Centre. People could purchase one of the special flowers to dedicate to someone special. Thousands of people saw the installation and came to say hello too. We are so grateful for all of the support we received throughout our anniversary year.



July 2021

Our Practice Development Centre Team shared some of their '50 webinars in our 50th year' training programme, aimed at training and educating hospice, health and social care sector professionals and others in key areas of palliative and end of life care provision.



August 2021

We began workshops to shape our future organisational values, with more than 150 people from across the hospice taking part and feeding in their ideas and thoughts. This was a hugely important project and led to our new values: People Matter, Bold and Brave, Together we are Stronger and Lead and Learn. Our values underpin everything we do at St Ann's.

September 2021

A large group of staff from the hospice walked 50km from our Heald Green Hospice to our Little Hulton site to raise funds and celebrate our 50th anniversary year! They were cheered on by lots of members of the local community, and it was a fantastic way to honour our birthday.



October 2021

We were thrilled to have received Investors in People Gold accreditation – an accolade which is recognised in 66 countries around the world, as the global benchmark in people management. Comments from the assessor who came to visit the hospice included: “Your people are engaged, motivated, valued, empowered and appreciated for the expertise, knowledge and skills they bring to their roles, and have enthusiasm for achieving the best for patients and their families, as well as the hospice as a whole.”

INVESTORS IN PEOPLE®
We invest in people Gold

November 2021

We were proud to have also won the Greater Manchester Chamber Excellence Awards ‘Problem Solver’ accolade in November. We were chosen in recognition for how we innovated and adapted to the challenges of the pandemic to enable us to continue providing our specialist services and support.

We also then went on to win the national award as the winner of winners, which meant that members of the team were invited to close trading at the London Stock Exchange!



December 2021

Christmas is always a special time at the hospice, as we prepare menus and activities for the people we support. Our annual calendar is also packed as we celebrate and raise money during the festive season. This December, as always, thousands of people joined us to take part in our Light up a Life appeal in memory of someone special.



January 2022

In January we held our Wellbeing Festival for staff. Health and wellbeing are important and many of our benefits aim to support employees both mentally and physically. The festival is part of our year-long Wellbeing Matters activity, and this year it included a range of live and on demand events and resources for employees to access in a way that was best for them.

February 2022

In February we launched our ‘Love your Local Lottery’ campaign, aimed at spreading the word about our biggest single fundraiser for the hospice. A range of promotional activities took place both on and offline, and led to increased sign-ups and greater awareness of the hospice lottery as a simple way to support our patients.

Reasons to Love your local lottery

The lottery has raised over **£25 million** for the hospice since the first draw in 1994.



Sign up now at:
www.sah.org.uk/lottery

March 2022

March was our annual Will Month, where we partner with local solicitors to offer supporters the chance to make their Will for free in return for a donation to the hospice. It's always incredibly popular, and also is a helpful way of encouraging discussion around death and dying. We're always incredibly grateful to anyone who remembers St Ann's in their Will – with around a third of our income coming from gifts left as legacies every year.

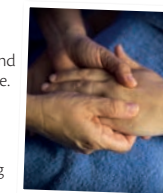


Will Month

Make your Will for free this March.

Local solicitors will be waiving their fees when you donate to St Ann's Hospice.

Ruth is a complementary therapist working at St Ann's Hospice and took part in our Will Month. St Ann's has always had a special place in Ruth's heart as her mother and mother in law were both cared for at our Little Hulton site. Ruth's father-in-law passed away last year and it was extremely difficult with all the restrictions to sort out all his affairs. This made Ruth and her husband think about their children and wanted to make a Will in case anything happened to them.



Ruth said

"Once we decided to go ahead making our Will it was a perfect opportunity for us to help St Ann's by taking part in their Will Month. We were given a list of solicitors to choose from and the whole process was easy. We would highly recommend taking part."



Registered charity number 258085

What an incredible year.

03

Chair and Chief Executive's statement

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Not content with maintaining the status quo, challenges have been turned into opportunities and services developed to ensure we have remained responsive, safe and compassionate throughout the pandemic.

Professor Jacqueline Oldham, Chair of the Board

”

Joint Statement from the Chair and Chief Executive

St Ann's has been at the centre of local specialist palliative and end of life care for more than half a century.

As we celebrated our 50th anniversary in 2021, it was a time to look back on everything we've achieved over the years. A time to be proud, to reflect and to remember everyone that has made St Ann's the organisation it is today. We are particularly grateful to our local communities who have been so supportive to the hospice. We would not be here without them.

It is clear however, that the political, economic, and healthcare landscapes continue to change at pace. Covid has continued to have an impact and it's now more important than ever for us to look ahead and ensure we can fulfil our future ambitions.

This year we have continued to adapt our services, being bold and brave to ensure we could not only carry on delivering them throughout the pandemic, but also that we could thrive, develop, and innovate. Many have had to pause services or reduce access for patients but we have ensured continuation of specialist care for those that need it in Greater Manchester and parts of Cheshire.

While this has been a challenging year, both in terms of care provision and securing funds, we have continued to move forward at pace. There's a

sense of pride amongst staff and volunteers about everything that has been achieved and this document provides a snapshot of some of the hard work that has occurred across the organisation.

Our value 'Together we are Stronger' has been especially important. Collaborations are at the heart of much of our work, and we've launched and delivered many innovative services, projects and activities working alongside others in the community, in the sector, or in our own teams.

As we look ahead to an exciting year we are committed to starting build a brand new hospice in Heald Green, to replace our current site that is



no longer fit for purpose. We will also focus on continuing developments to our Little Hulton hospice, and expansions and delivery of both new and existing services. Collaboration will continue to be a priority both locally and further afield.

The same communities who enabled us to open our doors in 1971 are already getting behind

“There's a sense of pride amongst staff and volunteers about everything that has been achieved.”



our 'Let's build it together' capital fundraising campaign for future generations of local people and supporting us to adapt our services to meet the evolving needs of patients.

The needs of the population have changed significantly in recent years. Patients who come to the hospice have more complex needs than ever before, it's therefore imperative we are equipped to continue to provide world-class care.

Alongside our capital build ambitions, we continue to concentrate on our strategic and operational activity to ensure delivery of our financial objectives, clinical strategy, and our five-year plan. We also remain committed to supporting and empowering our staff and

volunteers to enable them to deliver the best possible services for the people that access St Ann's.

The new hospice site, along with our recently innovated services, and a wide range of inpatient, community and outreach provisions, mean that we can remain an organisation of choice for people from across Greater Manchester and parts of Cheshire. We're excited about what the future holds.

R McMillan

Rachel McMillan

Chief Executive of St Ann's Hospice
Date: 28th March 2023

Jacqueline Oldham

Professor Jacqueline Oldham

BSc (Hons) RGN PhD
Chair of St Ann's Hospice
Date: 28th March 2023

“The same communities who enabled us to open our doors in 1971 are already getting behind our 'Let's build it together' capital fundraising campaign.”

“

I've been coming to St Ann's for a while now. The staff and volunteers can't do enough for you. It's a lovely, calm and peaceful place to come.

St Ann's Patient

”

04

Trustees' report and financial statements



Trustees' Report including Strategic Report

The Trustees of St Ann's Hospice, who are also Directors of the company for the purposes of the Companies Act 2006, submit their annual report, together with the financial statements and auditor's report for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006 and the Charities Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102).

Constitution and governing documents

St Ann's Hospice is a company limited by guarantee (Company No 947220) and is registered as a charity under the Charities Act 1960 (Registered Charity No 258085). The company incorporated on 3rd February 1969 and is governed by a Memorandum and Articles of Association. A Board made up of Trustees (Directors) runs the company. Every Trustee undertakes to contribute to the assets of the company in the event of it being wound up during the time he/she is a Trustee or within one year afterwards. The amount that may be required will not exceed £1 (one pound) for payment of the debts and liabilities of the company contracted before the time when he/she ceases to be a Trustee.

Aims and objectives

The object of the charity, as set out in its Articles of Association, is to promote the relief of illness or suffering by:

- The expert care and support of people with palliative and end of life needs;
- The provision of services to promote health and wellbeing for patients and carers;
- The care and support of family and friends who have been bereaved; and
- The advancement of high quality and end of life care throughout the community.

St Ann's Hospice provides holistic care to patients with life-limiting illnesses - comprising inpatient care, day therapy and supportive outpatient services -

from its sites at St Ann's Road North, Heald Green, Stockport; Meadowsweet Lane, off Peel Lane, Little Hulton, Salford; and The Neil Cliffe Centre at Wythenshawe Hospital, Manchester. The teams at the hospice also provide a range of community and outreach services to patients, including care in the place they call home via a Hospice at Home service available in Salford and Trafford. The hospice's Community Specialist Palliative Care Team also supports patients in Salford, and a 24-hour telephone advice line is available to patients, carers and healthcare professionals in Salford, Manchester, Trafford and Stockport.

Public benefit statement

In setting our objectives and planning our services, the Trustees of St Ann's Hospice have carefully considered the Charity Commission's general guidance on public benefit. St Ann's Hospice provides hospice services free of charge to those individuals aged over 18 years with life-limiting illness living in the Greater Manchester, Lancashire and Cheshire areas. The charity also provides supportive care for their families and carers and our care services are available, without restriction, to all groups in the communities we serve.



Governance

The Trustees are Directors of the company for the purposes of the Companies Act. The Articles of Association state there shall be a Board of Trustees (also referred to as the Board of Directors) which shall consist of not less than five members.

Trustees are appointed following advertisement and interview by a panel of existing Trustees. References and Disclosure and Barring Service checks are taken up before a formal recommendation is made to the Board by the Chair that the individual is appointed. Trustees have an annual appraisal, conducted by the Chair.

Trustee Induction



All new Trustees participate in an induction programme which was redeveloped 4 years ago in 2017/18. The programme is reviewed annually and is constantly changing to address the challenges and emerging trends across the sector. The programme aims to build knowledge and understanding of both the role and responsibilities of a Trustee and the work of the hospice. It includes attendance at the hospice's organisational induction, which is attended by all new staff. The programme has been hosted online since the start of the COVID-19 pandemic.

All staff and volunteers, including the trustees, must complete an annual mandatory training programme as well as attending ad-hoc training events, usually taking place at trustee away days.

Our annual mandatory training includes, but is not limited to, data security awareness, conflict resolution, equality & diversity, human rights, fire safety, health & safety, and infection control, as well as fundraising, and more recently, risk management, and financial investments.

Section 172

Trustees' duty to promote the success of the Charity



The Trustees are the directors of St Ann's Hospice and have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- the likely consequences of decisions in the long term
- the interests of employees
- the need to foster the Charity's relationships with third-party stakeholders which, in the case of St Ann's Hospice, includes our patients, their friends and family, the local community, the NHS, and our supporters
- the impact of the Charity's operations on the community and the environment
- the desirability of the Charity maintaining a reputation for high standards of business conduct.

The Trustees have approved the new St Ann's Hospice Strategy

2023-2028, which was launched in January 2023. The strategy considers the likely consequence of any decisions in the long term. The Strategic Risk Register which resides on the Risk Management module within Pineapple, contains all major risks that could affect the charity's long-term positioning and performance. Strategic risks are regularly reviewed and managed through the implementation of risk controls and the identification of mitigating actions for completion. An overview of the key strategic risks can be found in the Strategic Risks section Page 53.

The Board meets at least quarterly throughout the year where it assesses progress against the strategy, identifies areas for focus for the following year, and receives updates on the Charity's performance and plans. The committees of the Board are responsible for risk management within their respective areas, and any significant concerns are escalated through the committee chairs, to the Board. The Board typically also has an annual away day for strategic planning.

The Board obtains assurance that attention is given to the factors set out in section 172 when promoting the success of the Charity, by monitoring that the Executive Team and the wider organisation are delivering the agreed strategy and are complying with specific organisational policies.

Engagement with the Charity's main stakeholder groups are as set out in the subsequent sections of this document. The Executive Team regularly reports to the Board on key stakeholder relations and engagement activities, current issues and relevant feedback received from interaction with stakeholders. At the beginning of every Board meeting, a member of clinical staff is invited to prepare and deliver a patient story to the Trustees. The purpose of this, is to remind the Trustees the reason why the organisation exists and the impact the charity has on its beneficiaries.

The Charity ensures that it maintains a reputation for high standards of business conduct by having in place a range of policies and processes that promote corporate responsibility and ethical behaviour.

Organisation



The Board administers the charity and meets a minimum of four times each year. The hospice ensures good governance through an effective committee structure. Each committee meets in between Board meetings and supports the Board with its work. The current structure allows the

Board to focus on strategic and big picture issues by delegating responsibility and empowering each committee to examine the detail and provide the precise level of scrutiny that is necessary. By employing this structure, it allows the committees to provide assurance to the Board and supports the flow of solutions, recommendations, and ideas.

Delegated Decision Making



A Scheme of Delegation approved by the Board is in place that sets out in detail the matters and powers delegated to the Chief Executive. The Chief Executive is ultimately accountable to the Board for ensuring that the hospice meets its obligation to perform its functions within the available financial and other resources.

Internal Control and Risk Management



The Audit Committee exists to advise on the effectiveness of the hospice's internal control and management systems and to ensure all activities undertaken are subject to a continuous review for economy, effectiveness, and efficiency. The committee also has oversight of financial control, governance and risk-management across all facets of the organisation. The management of individual risks is delegated to relevant sub-

committees of the Board.

The Audit Committee receives reports from the internal auditor on both financial and non-financial matters. Clinical audit responsibilities are discharged to the Clinical Quality and Performance Committee. It also receives reports from the Executive Team and relevant sub-committees on the identification and management of strategic and operational risks. The Audit Committee also meets the external auditors.

Since 2021 the organisation has been transitioning to use Pineapple as its internal risk management system for controlling and monitoring risk. Pineapple is a bespoke piece of software developed in-house to support leadership teams in strategic and operational management. The application is hosted securely in the cloud on Microsoft Azure servers.

Engaging Stakeholders



Through regular engagement with key stakeholders, we maintain an understanding of their needs that informs how we define our organisational objectives, policies, and strategy. The Board of Trustees decision-making process considers the impact of potential decisions on relevant stakeholders and obtains assurance that proper consideration is given by its committees to stakeholder interests through regular reports from each committee.

Our Beneficiaries



We are keen to learn from our beneficiaries' experiences at St Ann's and actively seek feedback and suggestions that help us make positive changes. Our teams engage with numerous patients and their families on a day-to-day basis through the many services we provide. Prior to covid our Trustees and Executive team carried out a monthly walk around on the IPU's (inpatient units) and listened to patients' experiences. This is something we will restart as soon as it is safe to do so. Our Executive team and Heads of Department regularly spend time with patients and help them complete a structured questionnaire that provides us with quantitative and qualitative data to inform our decision-making and help us make continuous improvements.

Our Supporters



We engage with our supporters using a variety of proven and innovative strategies. To ensure our supporters remain with us, we proactively engage with them by phone, email, or face-to-face meetings. We regularly thank our supporters for everything they do, constantly encouraging and nurturing them to become dynamic ambassadors that champion the hospice and its purpose.

For those who have agreed to receive communications from

us, we send them 'Friends', our quarterly newsletter. The circular helps keep our supporters up to date with recent news, events, and stories from across the hospice. We also have invested effort in understanding our donor journey to ensure our supporters recognise the importance their support provides and enables them to see first-hand the impact it has. We have a significant presence online and across the social media platforms that we invest substantial effort in, creating interactive content and telling inspirational stories.

We invite all our supporters to our annual Light up a Life and Forget-me-not events as a way for us to come together as a community to remember and reflect. For those individuals who participate in any of our fundraising events, we build and develop strong relationships with them prior to the event by speaking to them regularly over the phone and inviting them to in-person meet ups with other participants. This provides encouragement and support to their fundraising activity, but it helps strengthen our community and brings our supporters together to share their experiences.

Every year we hold a call-a-thon where the fundraising team attempt to phone as many of our supporters as possible in one day. We thank them for their ongoing support and loyalty and listen carefully to any feedback they have. In addition to our active communication approaches, we regularly ask our supporters to complete

surveys and questionnaires and encourage them to provide us with constructive criticism and feedback, especially where we can improve our engagement with them.

Our Staff & Volunteers



We are proud that we have such a wonderful team of highly professional, caring staff at the hospice, who are passionate about what they do, and we recognise the importance of engaging with, and listening to them. Our weekly Chief Executive's brief goes out to all staff and volunteers and once a month our Executive team hold a Director's Drop-in. We have several working groups where membership includes various staff roles across the hospice. We use these groups to consult staff on new initiatives, ask them to participate in decision-making, and constructively provide feedback on policy and procedures. We also hold regular Schwartz rounds for staff and volunteers to share their experiences of working in what sometimes is a difficult and challenging environment.

At St Ann's, volunteers work across the hospice in a variety of roles and with varying responsibilities. From running our coffee shop and providing visitors with a much-needed cup of tea, to tending to the hospice gardens, working in our charity shops, supporting the fundraising team with events or office work, or supporting staff on our wards with our celebrated drinks trolley. Our

volunteers are the lifeblood of the organisation. We want to encourage people, whatever their skills and background, to consider volunteering for us. We also want our volunteers to have every opportunity to develop themselves and offer them the chance to apply for paid roles and access training and education to help support their personal and professional development.

Our Suppliers



St Ann's Hospice works with key suppliers to ensure the delivery of high-quality services to its staff and beneficiaries through regular contract reviews and monitoring of quality. A robust procurement process is in place to ensure the highest quality product is delivered at the most cost-effective price point.

Environmental Sustainability



We remain committed to move our organisation to more sustainable practices through continually reviewing and developing our working environments. Our aim is that informed and engaged employees work in low-carbon, efficient environments, using minimum resources, producing minimum waste and travelling only when necessary. Activities in this area range from, the development of a new modern hospice facility, efficiency projects for our existing estate, and changing staff culture and behaviour.

Carbon Dioxide Emissions (CO₂e)



Tonnes of CO₂e generated by St Ann's from Gas, Fuel for Transport and Electricity for fuel and/or transport:

- Gas = 342.86 tonnes CO₂e
- Electricity = 124.83 tonnes CO₂e
- Business Transport = 17.02 tonnes CO₂e

The total CO₂e generated by St Ann's Hospice during 2021-22 is 486.36 tonnes CO₂e (484.71 tonnes CO₂e in 2020-21)

Energy Consumed

The aggregate of the annual quantity of energy consumed from activities for which the charity is responsible is 2,407,085.18kWh (1,930,544.56 kWh in 2020-21).

Methodology



Energy consumption data was generated from billing information. Business travel information was obtained from staff mileage claims for the period. As retrieving car type, fuel type etc. was not possible, aggregated conversion factors were used for petrol & diesel cars, based on an 'average' car in the government guidance.

Ambulances and vans applied the category of 'Managed Vans; Average; Diesel' for their conversion factor. Data on distance was taken from fuel invoice information with vehicle mpg information drawn from number of online sources noted

in supporting documentation (ESOS calculation spreadsheet). Current government guidance on all conversion factors was used throughout.

The ratio below is based on operational hours for St Ann's, this equals:

- 8,760 per annum.

A ratio expressing annual emissions in relation to a quantifiable factor:

- 55.52 kg CO₂e /operational hour

Energy Efficiency



The following measures were taken to increase energy efficiency in the reporting period:

- Implementation of offsite document archiving to reduce site storage costs.
- Proposals in place to switch from on-premises server to a cloud-based solution - significantly reducing energy costs.
- Electrification of several reporting applications and projects to computer-based systems, significantly reducing the amount of paper used.
- DEC's at both sites (Display Energy Certificates).
- Improved web-based video conferencing and communication to reduce traveling.
- Engagement with staff to reduce business travel where possible (including proposals to lift-share cross-site)
- Implementation of controls

on heating system at Little Hulton creating a zonal system that reduces overuse and unnecessary wastage.

- Replacing LED lights across the estate when reactive work is required.
- Full proposal to refurbish Little Hulton with LED lights throughout.
- Reviewed building design for the new hospice at Heald Green – requesting M&E achieve net saving o current energy expenditure in what will be a significantly larger site.

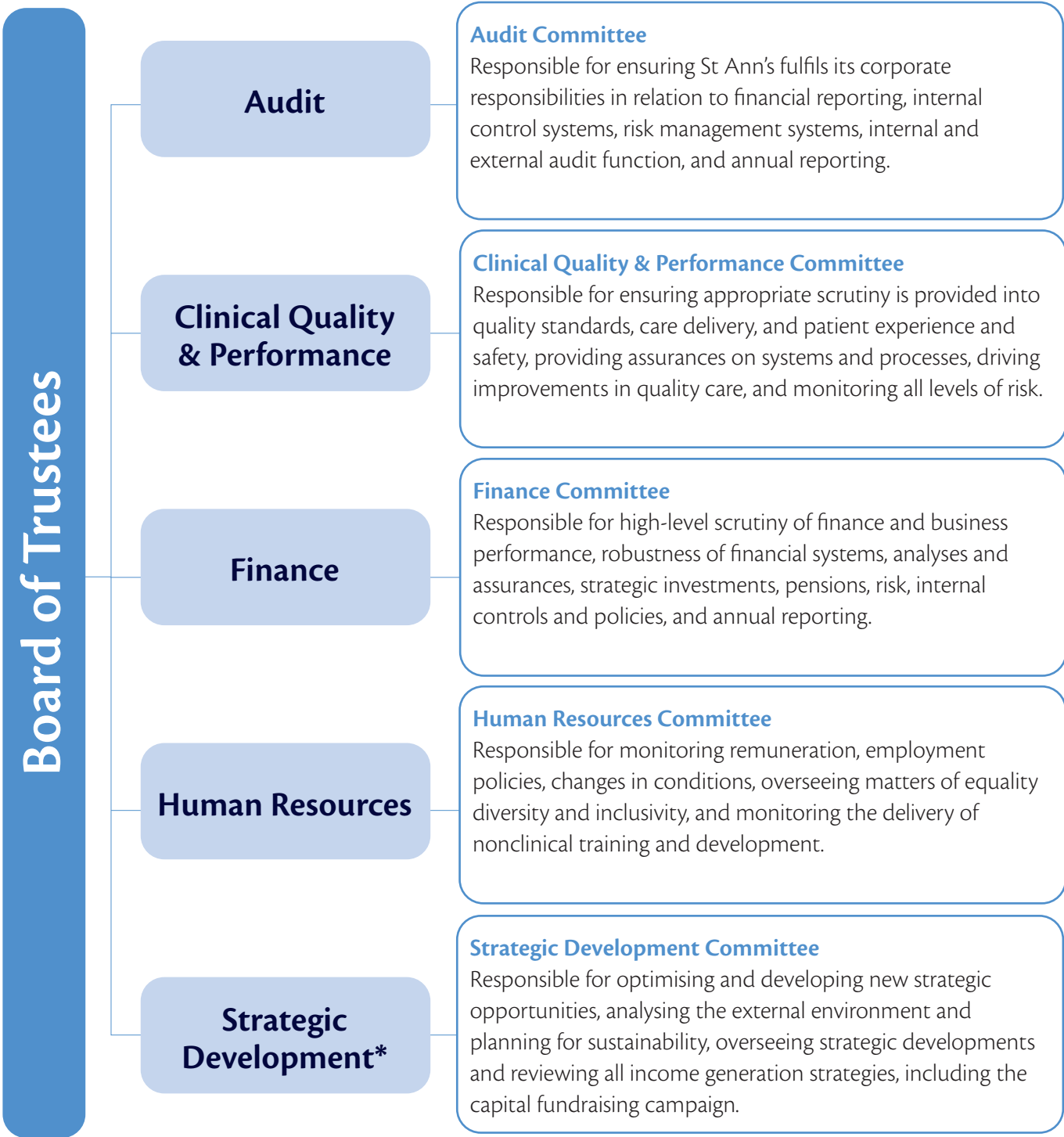
Water Use

The Little Hulton site used 2,414 m³ of water in 2021-22 and the Heald Green site used 3,218 m³ of water for the same period.



Committees of the Board

Each Board committee is chaired by a Trustee who reports to the Board at each meeting on the matters considered by each committee. Membership of a committee varies, with each containing at least three Trustees, two or more Directors, and a handful of department heads.

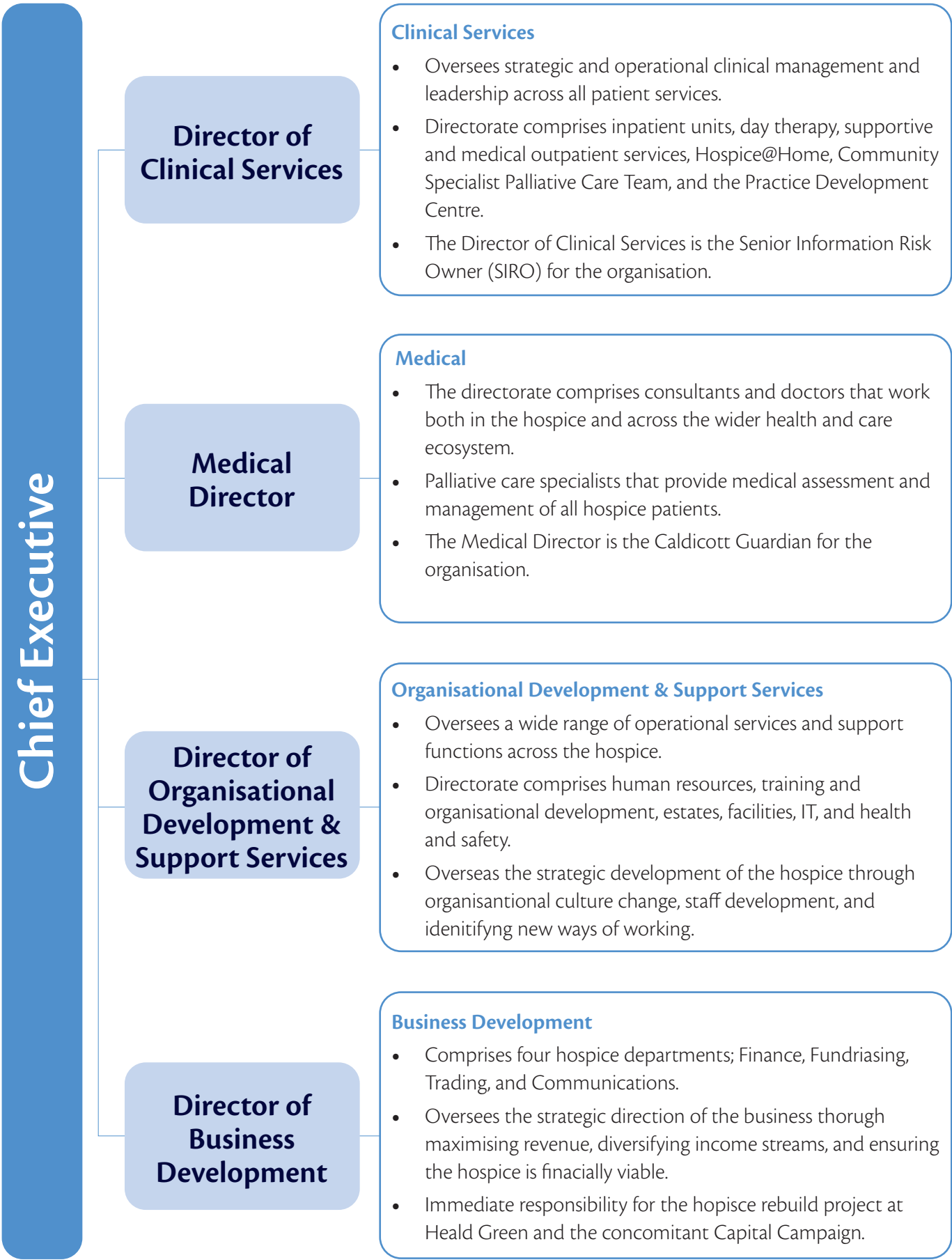


*Assumed responsibility for the Capital Fundraising Appeal Committee (dissolved October 2019)

“The pressures we are facing cannot be underestimated, the Board will need to look carefully at how we are going to respond to these external pressures to protect St Ann's in the short term, and ensure we safeguard the long-term financial viability of our organisation.”
Professor Jacqueline Oldham, Chair of the Board

St Ann's Directorates

Our executive team is responsible for each of the departments within the hospice. Our activities are organised under the following four directorates:



Our reach

St Ann's is one of the oldest and largest hospices in the UK and our services span Greater Manchester and parts of Bolton, Wigan and East Cheshire.

We care for thousands of patients from across the area every year and provide support for their loved ones too.



We have to raise around **£20,000** a day to keep our services across Greater Manchester running.

Achievements and Performance

Medical and Clinical Services:

Clinical Services



Throughout the reporting period of 2021-2022, St Ann's has continued to adapt and reshape services in response to the COVID-19 pandemic, ensuring that the services we provide meet the needs of our patients, carers, staff, and volunteers, and are safe in accordance with the requirements set out by Public Health England (PHE) and NHS England (NHSE). We have successfully achieved our 'Roadmap to Recovery' plan and resumed all clinical services by using a blend of virtual and face-to-face care.

Our inpatient units have operated a full inpatient service and we have seen admission numbers reach full capacity again throughout 2021-2022. This has been supported by our work around access to seven-day services, meaning that admissions can be taken on weekends and bank holidays.

Our staff have continued to support patients and their families with all aspects of their care, working tirelessly to provide them with information to make informed choices, including preferred priorities of care, nutrition and hydration, medicines, and visiting.

Our Being You Centres resumed on-site services in August/September 2021 having moved to virtual platforms in the first year of the pandemic. Feedback obtained from staff and patients indicated there was a need for face-to-face, virtual, and online resources; the biggest demand being for face-to-face. As a result of the team undertaking a rolling evaluation of the services, our Being You Centres now offer a tailored service to meet individual needs. This ensures that medical, rehab, and wellbeing services are available for all patients to access. The team has continued to support both staff and visitors through the COVID-19 testing programme. During the latter part of the last 12 months, the team has been supporting The Christie NHS Foundation Trust Systemic Anti-Cancer Therapy Clinic at Little Hulton, and Phlebotomy Clinic at our Little Hulton and Heald Green sites. Our Heald Green site has also been hosting a Stepping Hill HPB clinic (Hepatic, Pancreatic

and Biliary) and upper GI (gastrointestinal) joint clinic once a month. In addition, Heald Green has also been working in partnership with Manchester Foundation NHS Trust to support their One Stop Lung Clinic at the Neil Cliffe Centre, Wythenshawe.

Throughout 2021-2022 we have worked in collaboration with the Clinical Commissioning Groups (CCGs) and our neighbouring NHS health, social care, and voluntary organisations, providing mutual aid and support for patients across Greater Manchester and Cheshire.

In November 2021 our Little Hulton site was inspected by the Care Quality Commission (CQC) and we received a rating of 'Outstanding'. The report, published in January 2022 noted that services were 'delivered in a way to ensure flexibility, choice and continuity of care and were tailored to meet patients' individual needs and wishes. Little Hulton planned and provided care in a way that fully met the needs of local people and the communities served. The report noted that the hospice had worked to increase the inclusion of underrepresented patient groups as part of their strategy and to increase access to services for the homeless population, people with learning disabilities, people with autism, those from a range of cultural backgrounds, older patients, and those with dementia.

The hospice met regularly throughout 2021-2022 with our CQC Relationship Manager, and have met virtually with the CQC as part of their Direct Monitoring Approach.

Commissioning for Quality and Innovation (CQUIN)

St Ann's was not required to implement the CQUIN requirements, carry out CQUIN audits, nor submit CQUIN performance data. However, we have continued to actively participate in the CQUIN in collaboration and agreement with Stockport CCG; the lead CCG for the consortium. CQUIN projects set targets which are performance managed against set criteria to ensure achievement and development within services. The CQUIN framework helps make quality part of the commissioner-provider discussion and allows us to look at the quality of our services and ensure that quality continues to improve. St Ann's Hospice's CCG income in 2021-2022 was not conditional on achieving quality improvement and innovation goals through the Commissioning for Quality and Innovation payment framework. The operation of CQUIN has remained suspended for all providers until 31st March 2022 due to the COVID-19 pandemic, however, St Ann's continued to implement CQUIN requirements, carry out CQUIN audits, and record CQUIN performance data for projects which were already agreed prior to 1st April 2020. During the period the following CQUIN projects were carried out/continued: Rehabilitative Palliative Care Approach. The rehabilitative palliative care CQUIN looked at how as a hospice, we deliver care and support and ways in which we can further empower and enable patients. This work was supported by the rehab team but the changes are being led by other staff within the hospice to help support this significant culture change. As part of this work a cross-site steering group has been developed to lead the changes across the whole organisation in line with the aims of the clinical strategy.

Quality Accounts

The hospice published the Quality Accounts for this reporting period in line with national guidance.

Community services

Both the Hospice@Home service and the Community Specialist Palliative Care Team (CSPCT) have had a busy year. Our Community Specialist Palliative Care Team has continued to provide a full service and has seen continuing increases in referral

numbers during this time. The team has delivered specialist clinical leadership and expertise for patients, our staff, community, and acute hospital staff throughout the past year. The team has continued to provide adapted services when required including video and telephone consultation.

Our Hospice@Home Team has maintained a full service throughout 2021-2022. This service has successfully triaged all referrals within 48 hours, assessed the needs of patients at each visit, and continued to provide ongoing emotional and psychological support for patients and their families.

Our Homeless Palliative Care Coordinator has continued to provide a full service throughout 2021-2022. The second year of this service has seen a set of key aims developed which were:

- Coordination of a flexible and responsive care pathway for people experiencing homelessness with advanced ill health or terminal prognosis;
- Increasing the knowledge and confidence of homeless sector staff supporting people in the last year of life.
- Facilitating earlier identification of people in last year of life;
- Improving multi-agency working;
- Increasing the likelihood that individuals are cared for and die in a place of their choosing; and
- Acting as an advocate for clients' entitlements and challenge inequalities and exclusions and ensuring people can approach the end of their life with support, respect, dignity and choice.

In December 2021 our Homeless Palliative Care team were awarded the Mayor's Special Recognition Award in the Greater Manchester Health & Care Champion Awards.

Our Rehabilitation Team resumed the majority of services throughout 2021-2022 with some services being reintroduced in the latter part of the year. Our Complementary Therapists were able to provide services from summer onwards, and are currently supporting volunteers to return to enable more patients to be able to access these services. The Dietitian post was recruited to during the reporting year which has enabled the nutritional needs of patients, and how the hospice meets these needs effectively, to be reviewed. The team played a

pivotal role in supporting the culture change to a more rehabilitative one. One example of this is the development of goal setting training sessions as part of the mandatory training day, enabling all nursing staff to participate and develop their skills.

Our Patient and Family Support Team has continued to provide a full service to support our patients, their families/carers, volunteers and staff throughout 2021-2022. The team has remained flexible and responsive to meet the spiritual, psychological, and social needs of our patients and their carers. The team continues to support the mental health first aid initiative and facilitates regular Schwartz Rounds for staff and volunteers. The team has also supported The Christie in the provision of clinical supervision for their Social Work Team.

Our Pharmacy Team has continued to provide pharmacy services, throughout 2021-2022 under our service level agreement with Salford and Wythenshawe. This team, with support from our Advanced Clinical Practitioners and Medical Team, has helped to maintain pain management, symptom management, medication administration, and discharge planning.

The Clinical Administration Team has supported the Clinical and Support Services teams by working innovatively and collaboratively throughout 2021-2022 whilst maintaining the administration of the clinical services and data collection.

Practice Development Centre



Clinical training and education at St Ann's is provided by our own Practice Development Centre which consists of clinical educators and an Education and Project Support Officer. Non-clinical training is coordinated and facilitated by our Organisational Development Manager and spans the whole organisation.

Throughout 2021-2022, we have continued to adapt our training and work innovatively to ensure that learning and education has remained a priority for our workforce. We have continued to use a blended approach to our courses, utilising both virtual and face-to-face methods.

Clinical Audit and Quality



St Ann's has remained focused on quality improvement within our services. In June 2021, we relaunched our Quality Improvement Group with the aim of giving oversight, support, and direction to our quality improvement projects, audit, and research, across clinical services. St Ann's also participates in, and contributes to, the North West Regional Audit Group (NWAG) which is led by one of our consultants.

Patient Experience and User Involvement



The comments scheme enables visitors, patients, volunteers, and staff to make suggestions for improvement or comments about our services.

Patient and carer feedback

St Ann's is involved in a Greater Manchester hospice wide involvement group that aims to share current best practice in collecting patient and carer feedback. We are also working towards developing a process for seeking feedback from a wider cohort across the seven Greater Manchester hospices where larger datasets will be utilised. We also conduct the Friends and Family Test. During this reporting period we have received excellent feedback to the two questions and many positive comments.

As an organisation, St Ann's continues to take complaints seriously, investigate appropriately, and manage compassionately. We encourage people to make complaints if they feel something has gone wrong. We want to learn from people's experiences and improve our services wherever possible. We encourage openness and honesty, and our staff are supported by our complaints and whistleblowing policies.

Incident Reporting and Near Misses



All incidents, accidents, and near-misses are reported at St Ann's in, our electronic incident management system. Staff are supported by a suite of policies, training, procedures, and guidance around incident management within the organisation. During 2021-2022 all aspects of incident reporting

and management have undergone a complete review. Systems, training, processes, and policies now align to best practice guidance. A review of governance arrangements, including meeting terms of reference, has ensured that incidents are discussed at relevant meetings.

We have always encouraged openness and honesty in line with both the professional and legislative duty of candour. Our culture encourages candour, openness, and transparency across all departments within the hospice and in any communication with patients and families in relation to both notifiable safety incidents and non-notifiable safety incidents. We ensure the requirement to be open when things go wrong are explicit within our complaints, incident management, and whistleblowing policies.

The year ahead

At St Ann's Hospice we pride ourselves in striving to achieve world-class palliative and end of life care for our patients, their loved ones, and care givers. We will continue to work towards achieving our five-year strategy during 2022 whilst embedding our clinical strategy and new exciting hospice values, which our staff and stakeholders have helped to develop. We will endeavour to take a collective approach to review, reflect, and monitor the quality of services, to ensure we are working effectively and efficiently, and to help us to drive improvement. We will face achievements and challenges together, whilst listening to, and learning from our staff, patients, their families, and volunteers, to shape, inform, and develop our new strategy.



Organisational Development and Support Services

Organisational Development

Investors in People (IIP) Reaccreditation

INVESTORS IN PEOPLE®
We invest in people Gold

The hospice's was again recognised as an Investor in People this year with progression to a Gold award. Our Assessor commented "One of the key strengths of St Ann's Hospice is the strength of its vision, values and culture. You've created a culture where people are at the forefront. Your people clearly feel this and are passionate about achieving. Strategically, the approach being taken has enabled you to progress your ambitions toward delivering world-class innovative care. The recent COVID situation has demonstrated your ability to adapt and be agile to the conditions your people needed to work within in order to keep people safe and maintain the ability to care and support those with life limiting conditions. You've a plan which enables efficiency and maintains productivity."

Competency Frameworks

High performing individuals and teams are crucial to ensuring excellent care is provided to patients and their families as well as to meeting standards set by regulators. Defining and communicating performance standards contributes to achieving high performance and this year has seen the introduction of Competency Frameworks being expanded for all staff. The framework sets out clear performance standards to underpin effective employee development and progression as well as positive employee engagement through focused feedback and coaching and recognition and reward.

Values Refresh

The hospice first introduced a set of organisational values in 2011 and its 50th anniversary in 2021 was seen as a good opportunity to review and potentially refresh them. This has been a significant and exciting piece of work for St Ann's

and it was important to involve as many people as possible during the project. Our staff and volunteers together with partners, supporters, patients and families were invited to workshops and/or asked to complete a questionnaire to help gather feedback on our values. Following detailed analysis of this feedback a new set of values has been created which were launched in December 2021.

Clinical Leadership Development



Work on the academic partnership with Salford University gained momentum in the early part of the year. In June approval was obtained from the University's Programme Approval and Review Panel (PARP) for the joint delivery of a Master's programme in clinical leadership. The University's PARP commended the following areas of good practice in the accredited programme:

- the range of strategies in delivering the programme, including peer review and feedback, and real life issues
- the "Patchwork Assessment" highlights good practice which is relevant to the leadership journey and development a learner would take
- the opportunities for peer-to-peer learning and self-reflection
- the nature of the collaboration. The paperwork reflected the cohesive nature of the partnership
- work-based learning aspects of the programme where students can forge their own path for learning

The hospice is facilitating all Action Learning Sets (ALS) for the students.

Subsequently six clinical leaders from the hospice enrolled on to the first Master's programme commencing in September 2022.

Support Services

Upgrade to IT Infrastructure

Enhancements have been made to the hospice's IT infrastructure including a new telephone and broadband system. This has had the benefit of streamlining services to one contract supplier with improvements to connectivity and resilience. Other developments have focussed on cyber-security with the introduction of multi-factor authentication (MFA).

Little Hulton Redevelopment

Work was carried out in consultation with staff and architects to develop a strategy for the space and the needs of service users and staff at the Little Hulton site. Phase 1 of this project focused on a reconfiguration of rooms to enhance the existing building to support the provision of excellent care. It also included redeveloping the site's hospitality facilities. A 12-week construction project commenced on site in July 2021. A major donor provided financial support for the project with additional funding being sought from other sources.

Improvements to Patient Areas and Facilities



Throughout the year it has been possible to make a number of improvements including:

- landscaping of the Little Hulton interior garden area allowing patients, their visitors and staff members access to a shared communal place
- removal of a number of aging trees from the Heald Green site allowing more light into patient areas.
- completion of a transitional project that turned a former meeting room at Little Hulton into a clinical procedure room allowing providers to deliver chemotherapy to local out-patients and improving accessibility.
- creation of a dedicated lymphedema and blood transfusion treatment centre at the Heald Green site which included turning a meeting space into three separate clinical rooms.
- addition of an out-of-hours visitor kitchen at both sites to allow patient families and visitors access to refreshments during evenings and weekends.



Business Development

The last year has been extremely busy with many competing demands placed on each team and its resources. The departments have managed exceptionally well, despite an increased turnover of staff following the pandemic.

We have continued to deliver our 'business as usual' work, as well as starting, and completing, several innovative projects to ensure the business is fit for the future and operating in the 21st century. One of the most important pieces of work this year was the release of the first version of Pineapple; an online web application for the management of risk across the organisation.

The coming year is likely to be very difficult with challenges in Fundraising and Trading that we've not seen for a generation. The cost of living crisis will see a fall in 'real' disposable incomes for most people and is likely to result in a decline in charitable giving.

The strategies we now have in place for capital fundraising and long-term growth income generation will support the hospice to continue to be finally viable as well as being able to start its ambitious building project in Heald Green.

Fundraising

Fundraising income from donations and legacies to the 31st March 2022 was **£6,795,953** against the previous year of **£4,657,247** (2020/21) an increase of **45.9%**.

The ongoing impact of the pandemic caused significant challenge in attempts to restart some of our more significant income streams.

- Developed, designed, and launched the public appeal for the new hospice in Heald Green
- Maintained revenue income for delivery of services
- Ensured adequate funding for redevelopments at Little Hulton
- Finalised 2023-2028 strategy in line with organisational strategy development

We have during this time progressed against the strategy in the following ways:

To increase Income to ensure the charity remains financially viable and that revenue income plans dovetail with the public phase of the capital campaign.

At the end of 31st March 2022, donations (non-HG Capital Project) were **£2,197,735** compared with **£2,213,500** in 2020-21, a decrease of **0.7%**. There was a large increase in legacies this year, achieving an income of **£3,968,941** compared to **£2,410,253**, an increase of **64.7%**.

This year Corporate income hit budget, with Direct Mailing and Trust & Foundations performing as expected. Events and Community fundraising are still the areas that have not recovered fully following the pandemic and we're still experiencing challenges in filling our events; the Manchester Midnight Walk and the Great Manchester Run were 50% down on participants, however this is not unusual in the industry.

In Memory Giving remains a major concern as the decline we experienced in 2020-21 continues. Prior to the pandemic this had been a high-performing area. We have now installed some display boards in reception with the messaging of 'support your local hospice' as a reminder that we are a charity. It is expected as COVID-19 restrictions continued to be lifted, we expect to see a higher footfall in the hospice and could then see a resurgence in In Memory Giving.

We received one significant donation of **£236K** for the redevelopment of the coffee shop and reception area at the Little Hulton site. This was from a high-net-worth individual who has continued to generously support the hospice over a number of years.

To celebrate St Ann's Hospice 50th birthday 'A Slice of History' art installation was created at the Trafford Centre as part of our 3-year partnership. This display of 1,000 metal forget-me-nots, sculpted into a cake shape generated over **£35,000**, many new donors,

and a large amount of media activity. We also partnered with Totally Stockport for their 2021 Frog Trail in Stockport Town centre generating **£30,000** of income from the auction of frogs after the trail closed.

Innovation is delivering new income. Our second Facebook challenge delivered a gross income of **£35K**, this was up from our first 'trial' event which delivered **£14K**. We continue to learn from the success of previous challenges whilst working with experts and sector leaders. We hope this new way of raising funds will continue to grow and provide a stable, reliable, and continuing source of income.

Along with GM Hospices we participated in a legacy promotion project with a joint investment in training and delivery of promotional activity through October/November. Although the activity undertaken was a smaller scale than we'd hoped due to the capacity in comms we have received an additional 5 pledges in the last 3 months of 2021. The average value of a pledge is **£25K**; and we know that only ½ of pledgers actually inform us of their pledge. We could therefore expect a potential **£250K** of future income from this activity.

To grow our volunteer network by recruiting and training money-generating volunteers.

Coming out of the main social restrictions we have started to re-establish volunteering support in the fundraising team, initially in the community and also in the office in Q3/Q4. Not all volunteers have returned and a gap analysis was undertaken to establish the need for the future. A large number of people supported the 50th anniversary Forget-Me-Not Cake activity at the Trafford Centre, this was a combination of staff and non-staff volunteers. We were able to reintroduce two winter fairs with the support of volunteers; we need to continue this work to reduce the reliance on staff.



To recruit and retain highly skilled individuals, investing in training and development opportunities.

The team continued to develop with attendance at training sessions and industry webinars. Outcomes from this include the successful development of our Facebook challenges, adaptations to the Forget-Me-Not and Light Up a Life appeals, and development of our major donor programme. The team have delivered their own sessions in webinars, including in Direct Mail delivery and monitoring, innovation, and events fundraising.

To design and implement our donor journey to increase the retention of supporters.

Our 2021-22 focus on the donor journey was focussed around 3rd party supporters and events participants, with a combination of automated stewardship journeys implemented alongside bespoke thanking events. We reintroduced supporter 'get together' events for our half marathon and marathon runners.

Lapsed donor rate was **11,058** in the 12 months to 31st March 2022. This is down from **12,657** in 2020-21 and significantly down from **15,100** in 2019-20.

To ensure all our activities are underpinned with correct governance.

St Ann's Hospice and St Ann's Hospice Trading Company are a member of the Institute of Fundraising (IoF) and the Fundraising Regulator (FR).

No incidents were reported in the 12 months to 31st March 2022. We review all new activity in line with our information governance policy.

We continue to act ethically and responsibly, using best practice when communicating with our donors and supporters and adhere to The Code of Fundraising Practice and its associated Rulebooks for



street and door fundraising that outline the standards expected of fundraising activity. In the Year 2021-22, we received no request to cease communication through the Fundraising Preference Service. One complaint relating to Fundraising was received during the year, these were logged on our internal incident reporting register and actioned accordingly.

We display the trusted logo of the Fundraising Regulator on all our fundraising communications.

The fundraising team and Trading Company undertake safeguarding training in line with the Charity's policy for protecting vulnerable people.

We engage with external fundraising contractors who act on our behalf to engage with Trusts & Foundations and carry out lottery promotions.

Capital Campaign Fundraising

Fundraising for the capital campaign continued during the year, with income to 31st March 2022 at **£629,277** compared with **£33,494** in 2020-21. We prioritised applications to large charitable trusts and were grateful to receive grants and pledges for the build from Garfield Weston, The Wolfson Foundation, The Bradbury Foundation, and The Zochonis Charitable Trust. We also received number of grants from local charities and business including The Duchy of Lancaster, The Beaverbrooks Foundation and Together Money. A tender process was also carried out for the lead agency to work on our Public Appeal. This was in preparation for the appeal to launch in the summer of 2022 alongside the ongoing Trust & Foundation, and Major Donor activity, whilst the building is under construction.



Trading Company

Trading Company turnover in the year was **£2,526,669** (2020-21: £2,286,942), a **30.7%** increase on 2020-21. Operating profit in the year was **£844,857** (2020-21: £562,735), a **50.1%** increase on 2020-21. Goods sold under the Gift Aid Scheme, which are reported as donations in the Charity, totalled **£221,092** (2020-21: £94,526), a **134%** increase.

Both Retail and Lottery saw significant increases in profit against the previous year. The increase in Retail profit is due to the sustained economic recovery and reopening of the High Street following the COVID-19 pandemic. The increase in lottery profit can be attributed to successful player recruitment campaign in the current and previous years.

Turnover to 31st March 2022

£2,574,602

a **30.7%** increase on 2020/21

Operating profit to 31st March 2022

£844,857

a **50.1%** increase on 2020/21

The largest area of increase in retail profit was from the sales of donated items and Gift Aid amounts from these sales, as well as House Clearance fees.

Considering the ongoing challenges facing the High Street with footfall still not having returned to pre-pandemic levels, along with further lockdowns, and a shift in trends to online shopping, the St Ann's Retail operation has performed remarkably well.

Shops

This year has seen an increase in sales figures from the previous year (2020-21) due to the complete reopening of the shops on the high street. Shops had remained closed for a significant part of the financial year 2020-21 and were allowed to fully reopen on 12th April 2021.

Distribution Centre sale days and donation events continued throughout 2021-22. These initiatives provide a good supply of donated goods into the Trading Company, whilst disposing of goods that would have otherwise been sent to landfill.

House Clearance fees continued to be a growth income stream for the Trading Company and generated

£24,985 in 2021-22; a **43%** increase on the previous year. In addition to the fees, the clearances also generate stock for our furniture shops. We will focus on this income stream as an area with significant opportunities for growth.

Due to the continued underperformance, the saturation of charity shops in the locality, and expected rent increases, two shops were sadly closed in 2021-22; Cheadle closed in September 2021, and Monton in November 2021.

Amazon sales were suspended in late 2021 due to restrictions imposed on items listed and sales via online platform Depop were introduced in 2021-22 for vintage items.

Lottery

Lottery membership at the end of March 2022 was **18,298** with an average of **83%** of members playing each week. During the 2021-22 financial year, membership grew by **1.3%**, and the average number of active players grew by **5%**.

Due to the success of telephone recruitment since 2019, these activities have continued throughout 2021-22 alongside face-to-face canvassing, both door-to-door and in pre-booked venues.

The number of canvassing companies was decreased from three to two. This is due to team member recruitment difficulties faced by one of the companies.

We continued to sign-up new lottery members via the lottery website at an average of 5-6 new plays each week, with a total of **272** during the year.



New initiatives

The bridal shop was relocated to the top floor of the Stockport shop following the closure of the Cheadle shop. Bridal appointments have been popular and online promotions of the shop have resulted in sales both locally and internationally.

The New Goods range available from the hospice reception sites was reviewed and new ranges introduced. Income is still down in this area compared to where it was prior to the pandemic. We will continue to keep a close eye on this area and review it regularly.

Mail Order offerings and responses were reviewed, and the decision made to focus on online sales in 2022-23. This decision was taken to reduce costs and open the ranges to a new customer base with digital sales.

An audit of our online department was carried out to highlight growth opportunities and efficiency improvements across our online sales platforms. The report provides several recommendations that will be implemented swiftly to support the development and growth of this department.

A security audit of our lottery was completed to ensure compliance with Gambling Commission requirements.

A Trading Company Corporate Strategy was developed with the mission being to transform the trading activities at St Ann's Hospice Trading Company with a focus on profitability, digitalization, and attracting new customers. The objectives from the strategy include maintaining annual lottery membership and income growth, ensuring shop profitability, and growth of the online operation.



Finance

2021-22 was an exceptionally busy year for the Finance Team which saw a number of staffing changes including the appointment of a new Finance Manager.

COVID-19 restrictions were still in force as we started the year and we continued to support the organisation with additional external reporting requirements including monthly reports to support the payment of grant income from NHSE.

The team worked closely with colleagues across all areas of the organisation; supporting new fundraising initiatives, providing information to support grants and bids, and providing input and advice for new projects.

The team were faced with particular challenges relating to payroll processing. In August 2021 we took the decision to move payroll processing to an external consultant to ensure the payroll commitments continued to be met. This arrangement remained in place until February 2022 at which point we were able to bring payroll processing back internally. A wider Payroll review is planned for 2022-23 which will cover staffing, software, and processes.

In line with previous years ambitions to embrace technology a project commenced in November 2021 to review the accounting software used by the Finance Team. Suitable software was identified and the transition to move to this new software began in February 2022. The project went live in April 2022. We continue to embrace the new features offered by this software and will continue to review and adjust processes during 2022-23 to make full use of the features.

Communications

It was another important year for communications at the hospice. Continuing changes in line with the Covid-19 pandemic meant the need for a rapidly changing, strategic approach to ensure all of our patients, families, staff, volunteers, and external stakeholders were kept abreast with the latest information and guidance.

Our work to prepare for our new hospice in Heald Green also continued, with campaigns and messages to reiterate the importance of specialist hospice care in the area, as well as the important role St Ann's has played in the provision of that care for more than half a century.

Fundraising appeals, campaigns and other activities also continued, with these needing to be communicated in a timely, efficient and effective manner.

We have successfully increased activity across all elements of the marketing and communications mix again this year, leading to further growth in both the

number of people reached and their engagement with our content. Numerous projects to increase engagement with our digital content, platforms and channels also continued, and helped further improve our online visitor journey.

Multiplatform content creation included a range of videos to help dispel myths around hospice care, and digital assets to promote both our services and our fundraising appeals.

These have enabled us to reach out to a broader range of communities locally, including those who have not traditionally engaged with the hospice.

This more strategic approach to communications led activity has continued to be important, particularly for the launch of the appeal for our new hospice in Heald Green.



Review of 2021-2022 Priorities

Ensure the organisation is ready to start construction of the new Heald Green building by Q2 2022

We have worked closely with our project design team and expert consultants over the last year to keep the project on track and aligned to the master programme schedule. We had our planning application approved at the end of April 2021, but have spent the rest of the year negotiating specifics of the Section 106 with the planning team at Stockport Metropolitan Borough Council. This process of negotiation has been extremely inefficient and highly frustrating and has added further delays to the build. Because of these delays, the build cost has significantly increased due to inflationary pressures across the construction and labour markets.

In December 2021 our Project Manager and Quantity Surveyor lead the team through the process of selecting a construction contractor to build our new facility. An expression of interest request was sent to 18 local organisations and we were incredibly pleased to have received back 12 expressions of interest. The team asked all 12 contractors to complete a Pre-Qualification Questionnaire (PQQ) to help us shortlist 3-4 contractors to take through to the final round. Following a very competitive process, 4 contractors were shortlisted with the winner being Caddick Construction Limited; a family owned business that was formed

in 1979 by Chairman Paul Caddick. By the end of 2022, the hospice fully expects to complete the Section 106 and move swiftly into the Judicial Review period of 6 weeks. Once this period passes, immediately followed by a 2-week window in which the hospice is legally obliged to complete the purchase of the land from Cheadle Royal Hospital Charitable Trust. This will involve transferring the outstanding balance of **£3,175,000**.

Due to the significant delays caused by the Section 106 drafting, it is likely that construction work will not start on site until Q1 2023. Whilst it is disappointing that we've had to accept these delays, it has meant that the volatility of the construction markets and related supply chains have started to return to something that resembles normality. This may result in costs falling slightly, ultimately benefiting the hospice's finances and affordability of the project.

Review our pay structure to ensure we remain competitive, encourage staff development, and reward achievement

The OD Strategy recognises the necessity of the hospice becoming an "employer of choice" particularly as it battles against a national shortage of registered nurses and competes with local NHS trusts. Since launching the Strategy in April 2018 a considerable amount of work has been undertaken to

create and promote the hospice as a "Great Place to Work" to ensure the hospice attracts and retains talented individuals. Reviewing the hospice's remuneration framework has been a key feature of this work.

Since 2017, the Executive Leadership Team (ELT) has been reviewing the hospice's pay structure with the ambition of remodelling and enhancing the hospice's remuneration framework. This was in response to Staff Survey results highlighting concerns with pay as well as significant challenges in some areas with recruiting and retaining staff, particularly registered nurses and the need to be competitive in light of the NHS's pay awards.

Due to affordability the review was phased. Initial changes to the structure saw a streamlining of the hospice's pay scale with the removal of overlapping spine points. More ambitious work was undertaken with the development and implementation of Competency Frameworks. The first phase began in 2019 with Band 5 registered nurses and following successful implementation this has been further developed to include the creation of Competency Frameworks for all staff groups with a full rollout from February 2022.

The new Competency Frameworks are linked to pay and support development and progression, as well as helping the hospice remain some competitiveness with the NHS. The staff nurse frameworks

also recognise and reward individuals who have additional responsibilities out-of- hours.

Continuously develop and deliver our clinical services roadmap for recovery from the COVID-19 pandemic

St Ann's puts patient safety and quality at the heart of everything we do, and it is important to note the second extraordinary year that we have had due to COVID-19 and the challenges that the past year has brought. Throughout the reporting period of 2021-2022, St Ann's has continued to adapt and reshape services in response to the pandemic, ensuring that the services we provide meet the needs of our patients, carers, staff and volunteers and are safe in accordance with the requirements set out by Public Health England (PHE) and NHS England (NHSE). We have successfully achieved our

'Roadmap to Recovery' plan and resumed all clinical services by using a blend of virtual and face-to-face care.

Over the last year, St Ann's has:

- Successfully delivered a flu vaccination campaign for staff.
- Provided a COVID-19 secure environment within all areas of hospice.
- Provided access to COVID-19 vaccinations for staff and patients.
- Provided an asymptomatic COVID-19 testing programme for patients, visitors, volunteers and staff.
- Continued to deliver Schwartz Rounds for staff to talk about the emotional challenges of working at the hospice, particularly through the second year of the COVID-19 pandemic

During the second year of the pandemic, we have continued with additional measures implemented during 2020-2021, to ensure the quality of our services meets with national and best practice guidance. For example, COVID-19 checklists and monitoring tools, risk assessments, and daily Public Health England guidance reviews. All information regarding changes or implementation of new guidance has been communicated to staff via COVID-19 information boards, meetings, and emails. Our Heads of Departments have monitored these measures throughout the last 12 months to provide assurance to our staff, patients, visitors, volunteers, and stakeholders.



Enhance our governance for clinical quality and improvement to ensure our inspection readiness state is maintained

Throughout 2021-2022 we have worked in collaboration with our Clinical Commissioning Groups (CCGs) and our neighbouring NHS health, social care, and voluntary organisations, providing mutual aid and support for patients across Greater Manchester and Cheshire. In November 2021 our Little Hulton site was inspected by the Care Quality Commission (CQC) and we received a rating of 'Outstanding'. The report, published in January 2022 noted that services were 'delivered in a way to ensure flexibility, choice, and continuity of care, and were tailored to meet patients' individual needs and wishes'. It was noted that Little Hulton planned and provided care in a way that fully met the needs of local people and the communities served. They have worked to increase the inclusion of underrepresented patient groups as part of their strategy and to increase access to services for the homeless population, people with learning disabilities, people with autism, those from a range of cultural backgrounds, older patients, and those with dementia.

During 2021-2022 all aspects of incident reporting and management have undergone a complete review. Systems, training, processes, and policies now align to best practice guidance and a review of governance arrangements, including meeting terms of

reference, has ensured that incidents are discussed at relevant meetings.

Our reports and audits produce detailed assurance around the quality of our services. As part of our quality assurance these findings are discussed at the relevant governance meetings which enables us to share information, best practice, challenge practice, and seek improvement, across the organisation. Meetings form part of our robust shared governance system at St Ann's.

St Ann's is able to gain further assurance around the quality of the services we provide through a number of other methods; for example, clinical dashboards, incident management dashboards, risk register reviews, and benchmarking against national standards (Hospice UK).

St Ann's measures the quality of the services provided using various methods to ensure that the care we are providing is safe, effective, and of the best possible standard in line with our strategic aims, legislation, policies, and best practice guidance.

Complete the first phase of our redevelopment and refurbishment work at our Little Hulton site

Following a consultation between the hospice's architects, PRP, and the staff, work started in Q2 2021 on the redevelopment and reconfiguration of the Little Hulton site. Staff were initially invited to interviews and focus groups so the architects could understand and elicit their requirements. Staff were then further invited to comment on

the design plans, for example, overall layout, furniture, colour scheme, and art work.

Construction work of the reception, foyer, coffee shop, conservatory, and courtyard (Phase One) at Little Hulton was successfully completed in Q2 2021. The contractors, Domis Construction, handed the building back to us slightly early. The relationship between the hospice and the contractor was excellent and we appreciate the fact that the project manager and his team were, at all times, respectful & professional whilst on site. The finished result is exceptional and feedback has been positive.

This work was made possible by a large donation from one of our long-term supporters. On completion, the donor joined us for an inspection and was very moved to have seen what they have been able to help facilitate.

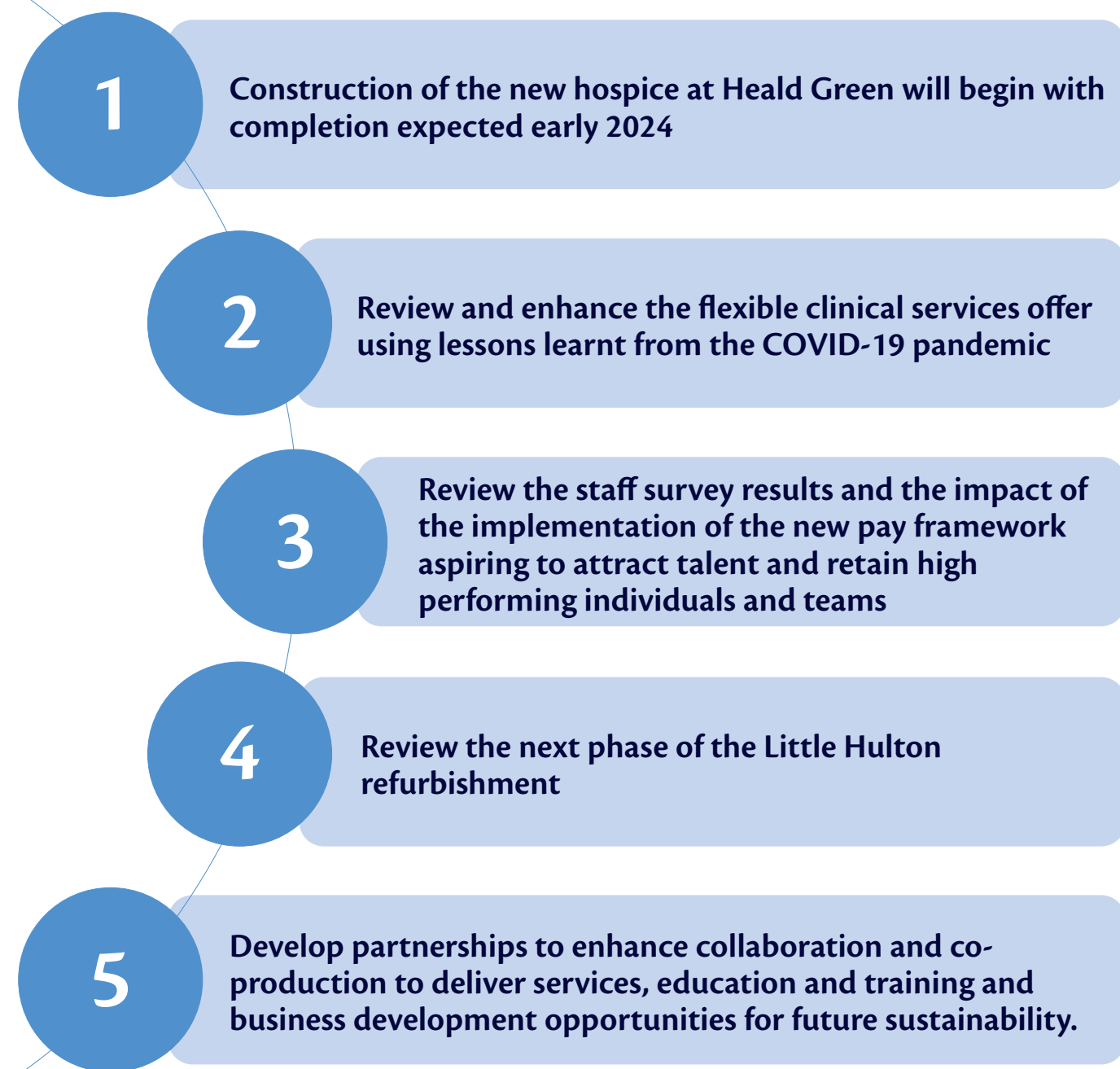


Our priorities for 2022 - 2023

Our current 5 year strategy 2017 -2022 will reach its conclusion in the next few months and therefore we look to launching our new organisational strategy 2023-2028. The purpose of the strategy remains constant, in that the patients and those closest to them remain at the centre of everything we do to ensure they receive the best possible care and support.

Our priorities for the coming year will aim to bring together everything we set out to do back in 2017. We can then kick start our new strategy for the next 5 years as we navigate through a newly restructured health and social care system and identify opportunities and overcome challenges we may identify along the way.

The priorities below are not a comprehensive list of everything we will do this year, it sets out where we will focus our efforts whilst retaining the flexibility to address new priorities and respond to emerging issues.



Construction of the new hospice at Heald Green will begin with completion expected early 2024

- The final planning agreements within the specific framework will be agreed, the ownership of the new land will transfer to the hospice, and construction of the new facility will commence with the preferred contractor
- We will continue to work alongside the project design team to ensure the scheme is on track, and within budget, and any risks are mitigated through vigilant project management.
- The capital campaign will progress and follow the detailed plan that has been research and developed by the Head of Fundraising and Capital Campaign utilising a diverse number of income streams and supported by fundraising consultants and other experts in the field.
- The brand, brand guidelines, and interior design work will be accelerated and brought to life in readiness for detailed design and transformation of the new hospice building.
- A transition plan will begin to be developed and in place ready to move the staff and patients from the old building to the new facilities with minimal disruption to hospice operations

Review and enhance the flexible clinical services offer using lessons learnt from the COVID-19 pandemic



- In line with the new Health and Social Care bill and the Ambitions framework we will review our services to ensure flexibility, inclusivity, and access for those who need it.
- We will focus on patient flow and access to the right service at the right time
- We will review the impact of our volunteers returning to the hospice and ensure they are supported in the new roles.
- We will ensure the environment is aligned to the delivery of effective services and the clinical offer is enhanced by support services such as catering and housekeeping.

Review the staff survey results and the impact of the implementation of the new pay framework aspiring to attract talent and retain high performing individuals and teams



- To develop an action plan following the recent

Birdsong staff survey and ensure this is communicated with teams

- We will continue to support people enabling them to complete the newly agreed competency frameworks and identify their talent, ambition and also their development needs
- We will continue to monitor the NHS pay deal and provide the Board with options and recommendations for next years pay so we remain competitive and attract high performing individuals

Review the next phase of the Little Hulton refurbishment



- We will reflect on the phase 1 refurbishment and review all outstanding requirements for the Little Hulton estate, ensuring it remains fit-for-purpose and future proof.
- We will continue to lobby Greater Manchester Mental Health NHS Foundation Trust to approve the sale of the freehold so we can secure the future of the Little Hulton facility.
- We will continue to engage with our supportive architects to look at ensuring the space is used appropriately for the needs of the patients and can accommodate the staff and services.
- Once again we will involve a wide range of staff, volunteers, and patients,

across the hospice, to ensure any design for future development reflect the needs of these groups.

Develop partnerships to enhance collaboration and co-production to deliver services, education and training and business development opportunities for future sustainability.



- We will continue to work with our existing partners in the NHS and hospice sector and develop new relationships within the emerging Integrated Care System both at a local and regional levels

- We will continue to develop and enhance our offer of services we can share amongst our colleagues and further develop the offer such as safeguarding training and information governance.
- We will start to identify our requirements to pursue our ambitions to lead the way in training and education and set the foundations to become research ready.
- We will continue to work in partnership with universities as we engage in research projects and as we coproduce and develop our academic offer.
- We will talk to other hospices to find common ground where we can work together; to develop shared services and reduce expenditure.



Manchester's New Hospice

St Ann's is one of the oldest and largest hospices in the UK, caring for people throughout Greater Manchester. Thanks to the generosity and support of our local community we opened our doors 50 years ago, to look after people with life-limiting illnesses, and to provide support for their families.

We now need a new, purpose-built hospice that will serve the needs of our community now and in the future. If we do not act now, we're at real risk of closing services in the near future. We will create a new hospice facility in Heald Green that ensures we can continue to deliver pioneering, world-class care for people in Greater Manchester for generations to come.

Background & Vision

St Ann's new hospice will be a complete care facility in Greater Manchester that people can come to from diagnosis of a life-limiting illness, through treatment, and beyond. Our holistic approach to care will meet the complete medical, physical and spiritual needs of patients and their families, in an environment that is welcoming, caring and fully equipped with modern facilities.

Our new hospice will be a model of future hospice care; it will give us space to expand our work, becoming a centre of training and excellence and a hub of innovation, working with partners in palliative and end of life care across Greater Manchester. We know that care will change as the needs of our patients change, and we will be equipped for these changes so that we can always be at the forefront of innovative care – in the next 10, 50, or 100 years and beyond.

World-Class Facilities

The building will offer more flexible accommodation which will mean we can increase our admissions, and care for patients with complex needs more easily. People will benefit from improved privacy to attend consultations, assessments, activities and counselling therapies in a way that suits them; inpatients will have increased dignity with their own private space and facilities, and staff will benefit from an easier working environment and be able to focus more time on caring directly for patients.

The Being You Centre will be transformed by the increased space, offering an integrated dining area and lounge, consulting rooms for outpatient services – including counselling, patient and family support, and complementary therapies – and a fully equipped physiotherapy suite. Surrounding the whole facility will be landscaped gardens accessible to all patients and visitors.

The new hospice building will deliver improved social and

financial sustainability, offering a training suite and bistro as available spaces for use by the local community. The environment focussed design will use the latest green initiatives. Ultimately, it will mean a better working environment for staff and volunteers and vitally, result in a hospice that will be able to care for whoever needs it for a further 50 years and more.

Planning & Construction

On 29th April 2021, at the Planning & Highways Regulation Committee for Stockport Metropolitan Borough Council, the hospice requested full planning permission for the demolition of all existing buildings and the development of a new hospice facility, including access and landscaping. In addition, the hospice requested outline planning permission with all matters reserved, except for access for a residential development of up to 40 residential dwellings, landscaping, and other associated infrastructure on the existing hospice site. It was

resolved (11 for, 1 against) that planning permission be granted.

During 2021-22 we worked with our expert consultants and legal team to agree and negotiate the planning conditions and a section 106 agreement. The Section 106 took far longer than we could have ever imagined and has resulted in significant delay to the project. Once all three parties agree the Section 106, which is most likely to happen before the end of December 2022, the planning authority will then issue the planning decision notice, and the hospice will complete the purchase of the land from Cheadle Royal Hospital Charitable Trust.

Our design team have now completed the final design and have spent the additional time looking at ways to value engineer the building to reduce any unnecessary expenditure and keep the project cost under control. In addition, we put the construction project out to tender to select a building contractor. In December 2021, Caddick Construction Limited were selected during a highly competitive process from an excellent pool of candidates.

To ensure we can fully finance the construction project and secure a loan against the value of our existing land, we have started the process of marketing our existing site for future sale. We have jointly appointed Avison Young and Cushman & Wakefield as agents to sell the site. Both agents will begin the process by approaching 10-20 local housebuilders to determine



their interest. Once a good quality list of interested parties has been compiled, the agents will ask for formal bids.

Capital Fundraising Campaign

This is an ambitious £20 million project. It is essential this project is completed so we can continue to provide our care into the future and ensure the palliative and end of life care needs of patients in Greater Manchester can be met.

With the plans now in place, we now need to raise the funds to ensure that this vision becomes a reality. We have designated **£13,438,701** of our reserves towards the project. This is a huge commitment and over 50% of the total amount required. But with no statutory funding available for hospice buildings, we need to raise the rest.

Following several years of extensive research and planning,

we have launched an ambitious capital fundraising campaign. We have submitted grant applications to charitable trusts and foundations, and make direct asks to individuals and corporations who have the capacity and propensity to give. In Summer 2022 we launched our public fundraising campaign. We engaged with the local and wider community and asked them to help us raise the remaining funds so we can start the construction of our new hospice as soon as possible.

We anticipate fundraising to continue whilst the building is under construction. We will use the various stages of construction to support the public campaign message, for example, 'help us lay our foundations for the future', or 'buy-a-brick to build the walls of our new hospice'.

Financial Review

The accounts for the year have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2019) and comply with all statutory requirements and the hospice’s governing document. The accounts consolidate the results of the hospice and its trading subsidiary.

The Trustees report a net increase to overall funds for the year of **£4.6 million** (2020-21: £5.1 million increase) and an overall funds balance of **£23.4 million** at 31st March 2022 (£18.8 million at 31st March 2021). The financial position of the group is set out in the balance sheet on page 57. The Reserves Policy relating to the funds held by the hospice is described in the Reserves Policy below.

Income and expenditure

The Statement of Financial Activities is set out on page 56 of these financial statements. From an operating point of view, 2021-22 showed a surplus before investment (losses)/gains and pension liability movements of £3,638,499 (2020-21: surplus of £2,363,458).

The hospice’s principal sources of income are donations, legacies, NHS contracts and trading profits.

Total income in 2021-22 was £16.0 million (2020-21 £14.6 million), an increase of 10%.

Income from donations (including capital build) is up this year at £2.8 million, a 25.8% increase compared to the previous year (2020-21: £2.2 million).

Legacy income is 64.7% up this year (£4.0 million), recognised as

received or as due under FRS102 (2020-21: £2.4 million).

Funding from NHS Clinical Commissioning Groups amounted to £5.0 million, a decrease of 2.4% (2020-21 £5.1 million). Hospice UK, on behalf of NHS England, awarded funding to allow the hospice to make available bed capacity and community support to people with complex needs in the context of the COVID-19 pandemic.

The turnover of the Trading Company has increased to £2.6 million compared to £2.3 million in 2020-21; an increase of 14.9%. This was driven by the reopening of all our shops and an increase in lottery plays. The amount gifted to the hospice is £0.9 million, a 49.0% increase compared to 2020-21.

Investment income and interest receivable in 2021-22 was £69k, this is a decrease of 35.0% compared with 2020-21 of £106k.

The cost of Charitable Activities increased slightly by 0.9% from £9.8 million in 2020-21 to £9.9 million in 2021-2. We continue to review our cost base to ensure that we are providing our services as efficiently as possible.

The actuarial gain in the pension fund is £0.9 million (2020-21 £1.6 million gain). In the Statement of Financial Activities there is a

decrease in the liability to £1.6 million (2020-21 £2.4 million). The pension liability and its impact on the hospice’s financial position is monitored closely by the Trustees of the St Ann’s Pension Scheme. The major financial assumptions used to calculate the Pension Scheme Liability are shown in Note 24 in these financial statements.

Investment Performance, Policy and Management

At 31st March 2022 the value of the investment portfolio was £4.7 million (see note 16); an increase of £142k (3.1%) compared to 31st March 2021 balance of £4.6m. During the year, income earned on the portfolio was reinvested.

The total return of the investment portfolio (income plus capital change) to the 31st March 2022 stood at 2.9%. This is against WMA Income index and Brewin Dolphin’s benchmark, which experienced returns of 4.2% and 6.2% respectively. The effects of high inflation and the invasion of Ukraine have led to some degree of underperformance in the value of the portfolio. However, when viewed on a longer term time frame the performance of the assets over a 3-year and 5-year rolling period continues to be strong and ahead of wider markets.

The investment managers have been given delegated responsibility to manage the investment portfolio, subject to agreed asset allocations. Funds are invested in a portfolio of UK and overseas equities, fixed interest investments, and alternative investments such as property and cash. Investment performance is reviewed quarterly at each Finance Committee.

The investment policy is to seek the best financial return within an acceptable level of risk and the investment objectives are a balance between income and capital growth.

Investments made on behalf of the hospice are restricted in that no investments may be made directly in companies manufacturing tobacco related products.

Policy on Reserves

A Statement of Unrestricted Funds is shown in Note 22 to the Accounts. The Charities SORP defines reserves as that part of a charity’s funds that is freely available to spend. The Trustees have agreed that these free reserves should not normally exceed one year’s running costs. The free reserves at 31st March 2022 are £6.9m (2020-21: £3.1 million), an increase of £3.8m (125.4%). This represents six to seven months of normal running costs for the hospice (2020-21: three months).

The Charities SORP specifically allows for funds held as ‘tangible fixed assets for charity use’ to be excluded from free reserves. The Trustees therefore set aside a designated fund of £1.7 million,

equal to the net book value of tangible fixed assets (2020-21: £1.7 million). This amount has slightly increased on the previous year. In 2020-21 this fund reduced significantly as the Trustees unanimously agreed to remove the proportion of funds attributed to the Heald Green site due to the forthcoming rebuild project and the planned demolition of the building on this site.

In addition, the Trustees have designated a fund to be held for Property Refurbishment and Development which totals £13.4 million (2020-21: £13.8 million).

This fund relates mainly to the Heald Green site and reflects the immediate requirement to set aside funds towards the rebuilding of our new hospice to meet the increasingly complex clinical and care requirements of patients.

Strategic Risks

The Trustees have oversight of the strategic and operational risks across the organisation through both the Board and its committees. The three main strategic risks (red risks) facing the charity are: the uncertainty of voluntary and Trading Company income; an IT system failure; and the Heald Green building is forced to close. These three risks are discussed in more detail below.

Uncertainty of voluntary and Trading Company income

Voluntary income from fundraising, particularly legacies is uncertain by its very nature. Changes to legislation in relation to fundraising practices, could

reduce income and the capacity to fundraise through usual channels. Downturns in the economy can reduce fundraising income. The hospice is in direct competition with other major charities for fundraising income. Loss of key staff from income generating teams can lead to gaps and affect continuity and capacity to fundraise whilst a reduction in Lottery subscribers leads directly to a fall in income and profit.

In mitigation of this risk, the Trustees regularly review external influences and legislative implications. We take a proactive approach in encouraging supporters to consider legacies and a strategic approach to securing Trusts and grant awards for both restricted and unrestricted monies. The Trading Company Corporate Strategy and the Fundraising Digital Transformation Strategy are now live, with the aim of identifying new income streams and building on the success of existing ones to support transformational income growth. In addition, we are currently rebuilding the Communications & Marketing team, as this will be important to support the delivery of the Fundraising and Trading strategies and grow the brand across Greater Manchester and beyond.

IT System Failure

The current IT system, specifically the servers, could fail particularly due to age, and lack of warranty and support. This would cause major disruption to the daily/ operational functioning of the hospice, resulting in patient

information not being accessible and staff being unable to update patient records and work with other key software system.

In mitigation of this risk, a review was commissioned with an external IT consultant in August 2021 and a report with a detailed review of the hospice's network, hardware, and software configurations was produced. The report highlighted several risks across the organisation and provided guidance around how to mitigate these risks. Following the report, all recommendations were reviewed, and an action plan was created. The IT Team reviewed the various options available, including new on-premises servers, the use of cloud technology, or a hybrid combination of both. A Business Case for the purchase of new servers has been produced and has recommend the purchase of new on-premises servers and transition to the cloud over the next 5 years. The Business Case will be reviewed by the Strategic Development Committee and the Board, as it requires significant capital investment.

The Heald Green building is forced to close

The Heald Green building is rapidly deteriorating and could eventually become unsuitable for the delivery of end of life and palliative care in line with relevant legislation and guidance. If the building was forced to close, St Ann's Hospice would change beyond recognition. The charity would be without a facility to provide its clinical services from, to over half the population it serves, and

nowhere for all of its back-office functions such as Finance, HR, and Fundraising. This could result in a significant reduction of its services, or even worse, the closure of the charity.

In mitigation of this risk, the Trustees have acquired a piece of land, adjacent to the current Heald Green building, and nearly twice the size. The land is where the Trustees will build a new facility, fit for the future, and conducive to modern day healthcare delivery. A planning application was submitted to Stockport Council in April 2021 and approved. Construction is due to start sometime in 2022 but is reliant on the remaining funds being secured from several different sources. The new building is due to be completed by the end of 2024 and will be a huge step in protecting the charity against future challenges. More detailed information about the new Heald Green building

can be found on Pages 50-51.

Going Concern

The Trustees are satisfied that the hospice has considerable financial resources available to be financially viable from date of signing this report. The hospice's income as of January 2023 has significantly outperformed budget with legacies and the Trading Company doing particularly well.

The hospice has also made significant savings in expenditure from a wide range of areas due to the changes in working practices. Consequently, the Trustees believe that, overall, the hospice is in a strong position to manage its business risks successfully.

Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.



Trustees' Responsibility Statement

The trustees (who are also directors of St Ann's Hospice for the purposes of company law) 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees report, including the Strategic Report, was approved by the Board and signed on its behalf

Jacqueline Oldham

Professor Jacqueline Oldham BSc (Hons) RGN PhD

Chair of St Ann's Hospice

Date: 28th March 2023

Consolidated statement of financial activities

(including consolidated income and expenditure account)

For the year ended 31st March 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Voluntary income					
Donations and legacies	3	5,842,215	953,738	6,795,953	4,657,247
Charitable activities	4	4,051,067	2,502,706	6,553,773	7,522,604
Other trading activities	5	2,617,238	-	2,617,238	2,277,366
Other Income	6	3,146	1,632	4,778	11,106
Investments	7	67,717	981	68,698	105,583
TOTAL INCOME		12,581,383	3,459,057	16,040,440	14,573,906
EXPENDITURE ON:					
Raising funds	8	2,487,350	-	2,487,350	2,380,997
Charitable activities	9	7,780,418	2,134,173	9,914,591	9,829,451
TOTAL EXPENDITURE		10,267,768	2,134,173	12,401,941	12,210,448
Net income/(expenditure) before investment gains/(losses)		2,313,615	1,324,884	3,638,499	2,363,458
Net Gains/(losses) on Investments	16	110,671	-	110,671	1,160,259
Net income/(expenditure) before tax	11	2,424,286	1,324,884	3,749,170	3,523,717
Taxation	14	(3,203)	-	(3,203)	23,420
Net income/(expenditure) for the year		2,421,083	1,324,884	3,745,967	3,547,137
Transfer Between Funds	22	246,898	(246,898)	-	-
Other Recognised Gains/(Losses):					
Actuarial Gains/(Losses) on Defined Benefit Schemes	24	854,000	-	854,000	1,595,000
NET MOVEMENT IN FUNDS		3,521,981	1,077,986	4,599,967	5,142,137
FUND BALANCES BROUGHT FORWARD AT 1st April					
		18,521,464	242,044	18,763,508	13,621,371
FUND BALANCES CARRIED FORWARD AT 31st March					
	22	22,043,445	1,320,030	23,363,475	18,763,508

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

The surplus of the parent charity for the year for Companies Act purposes is £4,599,967 (2021 £5,142,137).

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented in respect of the parent charity.

See note 21 for the comparative consolidated statement of financial activities analysed by funds.

BALANCE SHEET

As at 31st March 2022

	Note	Group 2022 £	2021 £	Charity 2022 £	2021 £
FIXED ASSETS					
Tangible assets for use by the charity	15	4,930,088	4,557,816	4,921,521	4,542,612
Investments	16	4,723,376	4,580,913	4,723,378	4,580,915
		9,653,464	9,138,729	9,644,899	9,123,527
CURRENT ASSETS					
Stocks	17	40,057	44,287	546	546
Debtors	18	5,808,524	3,396,269	6,422,944	3,665,928
Cash at bank and in hand	19	10,831,752	9,715,423	9,927,124	9,212,553
		16,680,333	13,155,979	16,350,614	12,879,027
CREDITORS: amounts falling due within one year	20	(1,332,322)	(1,111,200)	(994,038)	(819,046)
NET CURRENT ASSETS		15,348,011	12,044,779	15,356,576	12,059,981
TOTAL ASSETS LESS CURRENT LIABILITIES					
LIABILITIES		25,001,475	21,183,508	25,001,475	21,183,508
NET ASSETS EXCLUDING PENSION LIABILITY					
		25,001,475	21,183,508	25,001,475	21,183,508
PENSION LIABILITY	24	(1,638,000)	(2,420,000)	(1,638,000)	(2,420,000)
NET ASSETS INCLUDING PENSION LIABILITY		23,363,475	18,763,508	23,363,475	18,763,508
FUNDS					
Unrestricted Funds		22,043,445	18,521,464	22,043,445	18,521,464
Restricted funds		1,320,030	242,044	1,320,030	242,044
TOTAL FUNDS	22	23,363,475	18,763,508	23,363,475	18,763,508

These financial statements of St Ann's Hospice,(registered number 00947220), were approved by the Directors and authorised for issue on 28th March 2023. They were signed on its behalf by:

Mr Darren Holt

Mr Darren Holt BA FCA
Honorary Treasurer



CASH FLOW STATEMENT
For the year ended 31st March 2022

	Group 2022 £	Group 2021 £
Net cash flow from operating activities	1,751,635	1,958,841
Cash flows from investing activities:		
Interest received	7,549	9,640
Investment net proceeds	(31,792)	2,934,072
Investment income received	61,149	95,943
Proceeds from sale of equipment	1,500	-
Purchase of property, plant and equipment	(673,712)	(190,471)
Net cash flows from investing activities	(635,306)	2,849,184
Net increase/(decrease) in cash and cash equivalents	1,116,329	4,808,025
Cash and cash equivalent at beginning of year	9,715,423	4,907,400
Cash and cash equivalents at the end of the year	10,831,752	9,715,423
Reconciliation of net income and net cashflow from operating activities	Group 2022 £	Group 2021 £
Net income before investment gains	3,638,499	2,363,458
Adjustments for:		
Investment income	(61,149)	(95,943)
Interest Receivable	(7,549)	(9,640)
Corporation Tax Paid	-	(27,548)
Depreciation	301,439	303,733
Profit on sale of tangible fixed assets	(1,500)	-
	3,869,740	2,534,060
Decrease in stock	4,230	12,678
Increase in debtors	(2,412,254)	(599,488)
(Decrease)/increase in creditors	217,919	(100,409)
Adjustment for pension funding	72,000	112,000
	1,751,635	1,958,841



Notes to the financial statements
For the year ended 31st March 2022

1. ACCOUNTING POLICIES

Company and charitable status

St Ann's Hospice, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 9 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 93.

Basis of accounting

The financial statements are prepared under the historical cost convention, with the exception of investments which have been included at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019; and the Companies Act 2006.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

The charity and group's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report which also describes the financial position of the group including its cash, investments and reserves policies. The group forecasts and projections, taking account of reasonably possible changes in donations, legacies, fundraising activities and other income, show that the group should be able to operate with the current level of reserves it has. After making enquiries, the Trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence from the date of signing. Thus they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

Basis of consolidation

Group financial statements have been prepared in respect of the charity and its wholly owned subsidiary undertaking St. Ann's Hospice Trading Company Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 16.

Cash flow statement

In accordance with FRS 102 the group is exempt from the requirement to present its parent charity cash flow statement.

Income

Income is recognised when the group and charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and fundraising activities

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in the costs of raising funds. Cash collections to which the charity is entitled but which it has not received by the year end are included in income in the statement of financial activities and shown as debtors in the balance sheet.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

1. ACCOUNTING POLICIES (continued)

Income (continued)

Legacies

Legacies are accounted for when conditions for receipt have been met. Material legacies receivable at the year-end are included at their probate value.

Grants receivable

Income from grants is included in income when receivable, except as follows:

- When donors specify that grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until pre-conditions for use have been met.
- When donors specify that grants, including capital grants are particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when receivable.

Trading activities

Income from trading activities includes fundraising revenue as well as sales recognised in the group's trading subsidiary. The trading subsidiary's turnover represents the net amount receivable from all activities, excluding value added tax. Turnover from the sale of goods is recognised upon exchange of goods for payment. Income from lottery ticket sales comprises income in relation to draws held in the period and is recognised upon completion of the draw. Receipts in advance of future draws are included in deferred income until the date of the draw.

Investment income

Investment income is accounted for when receivable.

Donated goods and services

Donated professional services and donated 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 from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the SORP 2019, general volunteer time is not recognised - refer to the Trustees' annual report for more information about their contribution.

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 in the period of receipt.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity's operating costs include staff costs, premises costs, governance costs and other related costs. Such support costs are allocated between cost of raising funds and charitable expenditure. Staff costs are allocated according to the costs of staff working directly in the relevant activity and property costs are allocated according to the space used by each activity. Where costs are not directly attributable to any activity, they have been apportioned using an appropriate basis. Governance costs represent expenditure incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements

Charitable expenditure

Costs of activities in furtherance of the charity's objects include all expenditure directly related to the objects of the charity.

Cost of raising funds

Cost of raising funds includes the following:

- **Fundraising and publicity**
This represents expenditure in relation to staff members who are directly engaged in fundraising, and related costs of the fundraising activity.
- **Lottery and raffle prizes and organisation costs**
This represents expenditure by the trading company in relation to costs directly involved in organising the lottery and raffle, including the purchase of prizes and prize money.
- **Other costs associated with trading activities**
This represents other costs incurred by the trading company for fundraising activities.

Fund accounting

The charity maintains various types of funds as follows.

Restricted funds

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Unrestricted funds

- **General unrestricted funds**
General unrestricted funds represent funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.
- **Designated funds**
Designated funds are amounts which have been put aside at the discretion of the Trustees.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

1. ACCOUNTING POLICIES (continued)

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, comprising UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the trading company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a nondiscounted basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 years
Leasehold improvements	period of the lease
Leasehold buildings	period of the lease
Fixtures, furniture and equipment	4 years
Motor vehicles	4 years

Investments

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Current investments represent monies invested in short-term liquid money market instruments.

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slowmoving or defective items where appropriate. Items donated for resale are not included in the financial statements until they are sold.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Employee benefits

For defined benefit schemes the amounts charged to the Statement of Financial Activities are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs.

The net interest cost on the net defined benefit liability is charged to the Statement of Financial Activities and included within support costs. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) is recognised immediately in the Statement of Financial Activities.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

3 ANALYSIS OF INCOME FROM DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	2,197,735	2,213,500
Legacies	3,968,941	2,410,253
Donations - HG Capital Project	629,277	33,494
	<u>6,795,953</u>	<u>4,657,247</u>

4 ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
NHS Contracts	5,003,140	5,124,219
Grants	112,209	110,909
Job Retention Scheme	11,790	78,921
Hospice UK	1,426,634	2,208,555
	<u>6,553,773</u>	<u>7,522,604</u>

5 ANALYSIS OF INCOME FROM OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising activities	42,636	8,424
Lottery and raffle income from trading subsidiary	1,638,442	1,463,381
Other income from trading subsidiary	912,152	612,262
Trading Company Job Retention Scheme	24,008	193,299
	<u>2,617,238</u>	<u>2,277,366</u>

6 ANALYSIS OF INCOME FROM OTHER INCOME

	2022	2021
	£	£
Other Income	4,778	11,106
	<u>4,778</u>	<u>11,106</u>

7 INVESTMENT INCOME

	2022	2021
	£	£
UK listed investments	61,149	95,943
Bank Interest	7,549	9,640
	<u>68,698</u>	<u>105,583</u>



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

8 ANALYSIS OF EXPENDITURE ON RAISING FUNDS

	2022	2021
	£	£
Employee costs	491,524	464,072
Office and sundry costs	67,825	63,393
Direct costs	168,803	116,715
Share of support costs	70,453	68,610
Lottery and raffle prizes and organisation costs	540,323	544,147
Other costs associated with trading activity	1,148,422	1,124,060
	2,487,350	2,380,997

9 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	2022 Total
2022	£	£	£
Provision of Hospice services:			
In-patient Care	6,960,538	173,550	7,134,088
Day Therapy	972,501	24,523	997,024
Community Specialist			
Palliative Care Team	687,824	7,282	695,106
Hospice at Home	242,408	19,340	261,748
Education	361,204	-	361,204
Out-patients	459,000	6,421	465,421
	9,683,475	231,116	9,914,591

	Activities undertaken directly	Support costs	2021 Total
2021	£	£	£
Provision of Hospice services:			
In-patient Care	6,901,438	158,768	7,060,206
Day Therapy	950,159	21,964	972,123
Community Specialist			
Palliative Care Team	661,011	6,470	667,481
Hospice at Home	257,291	15,812	273,103
Education	340,112	-	340,112
Out-patients	510,073	6,353	516,426
	9,620,084	209,367	9,829,451



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

10 ANALYSIS OF SUPPORT COSTS

	In-patient care	Day therapy	Com-munity SPCT	Hospice at Home	Out-patients	Charitable Activities Total	Raising funds Total	2022 Total
	£	£	£	£	£	£	£	£
2022								
Governance	95,177	13,556	4,357	11,571	3,538	128,199	39,080	167,279
Finance	30,365	4,249	1,133	3,010	1,117	39,874	12,155	52,029
Information Technology	19,602	2,743	732	1,943	721	25,741	7,847	33,588
Human Resources	20,493	2,868	765	2,032	754	26,912	8,204	35,116
Communications	7,913	1,107	295	784	291	10,390	3,168	13,558
	173,550	24,523	7,282	19,340	6,421	231,116	70,454	301,570

	In-patient care	Day therapy	Com-munity SPCT	Hospice at Home	Out-patients	Charitable Activities Total	Raising funds Total	2021 Total
	£	£	£	£	£	£	£	£
2021								
Governance	84,650	11,735	3,527	8,620	3,392	111,924	36,678	148,602
Finance	30,791	4,250	1,223	2,988	1,230	40,482	13,266	53,748
Information Technology	16,682	2,302	662	1,619	666	21,931	7,187	29,118
Human Resources	19,016	2,624	755	1,845	760	25,000	8,193	33,193
Communications	7,629	1,053	303	740	305	10,030	3,288	13,318
	158,768	21,964	6,470	15,812	6,353	209,367	68,612	277,979



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

11 NET INCOME/(EXPENDITURE) FOR THE YEAR

	2022	2021
Net income/(expenditure) is stated after charging:	£	£
Depreciation of owned asset	169,210	178,162
Depreciation of leased assets	99,610	92,951
Depreciation of motor vehicles	32,619	32,619
Rentals under operating leases		
Land and buildings	178,790	190,035
Other	5,689	8,452
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's annual financial statements*	45,000	14,000
Fees payable to the charity's auditor for other services to the group	-	-
The audit of the charity's subsidiary	6,300	6,000

* Note: Deloitte LLP provide the audit of the statutory accounts as a gift in kind as a means to support the charity.
The amount disclosed is the fair value of the services provided, £45,000 (2021: £14,000) was recognised in the year as a gift-in-kind for the audit of the charity.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

12 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	Group		Charity	
The average monthly number of employees was:	2022	2021	2022	2021
	No.	No.	No.	No.
Charitable activity	204	226	204	226
Raising funds	18	20	16	18
Trading activities	27	32	-	-
Support	65	73	65	73
	314	351	285	317

Their aggregate remuneration comprised:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Wages and salaries	7,394,840	7,619,263	6,708,570	6,888,037
Social security costs	640,699	630,406	589,657	575,758
Pension costs	720,933	628,541	691,613	594,736
	8,756,472	8,878,210	7,989,840	8,058,531



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

13. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)

	2022 No.	2021 No.
£60,001 - £70,000	1	1
£70,001 - £80,000	3	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	2
£100,001 - £110,000	1	-

Key Management Personnel

The key management personnel of the parent charity and group are the same and are listed on page 93. The total remuneration (including pension contributions and employer's national insurance costs) of the key management personnel of the charity and group for the year totalled £534,147 (2021: £553,009).

Trustees remuneration

No Trustees received any remuneration during the current or prior year. No travel and subsistence expenses were paid during the year (2021: £Nil)

14. TAX ON PROFIT OF TRADING SUBSIDIARY

The hospice is not liable to corporation tax. The tax charge, all of which arises in the trading subsidiary comprises:

	2022 £	2021 £
Current tax on profit		
UK corporation tax	44,327	41,124
Adjustments in respect of prior year	(41,124)	(64,544)
Total tax on profit	3,203	(23,420)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19%. The actual tax charge for the year differs from the standard rate for the following reasons:

	2022 £	2021 £
Profit before tax	844,857	562,859
Tax on profit at the standard rate - 19%	160,523	106,943
Effects of:		
Gift aid donations at 20%	(159,914)	(111,393)
Expenses not deductible for tax purposes	2,301	1,487
Capital allowances (in excess of)/less than depreciation	293	1,065
Other timing differences	41,124	43,022
Adjustments to tax charge in respect of previous periods	(41,124)	(64,544)
Total tax charge/(credit) for the year	3,203	(23,420)

March 2021, the Chancellor in the Budget Statement announced an increase in the rate of corporation tax to 25% with effect from 1 April 2023. This does not constitute substantive enactment and therefore deferred tax assets and liabilities at the balance sheet date continue to be measured at the enacted tax rate of 19%.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

15 TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY

GROUP	Assets Under Construction £	Freehold land and buildings £	Expenditure on leasehold property £	Leasehold buildings £	Fixtures, furniture and equipment £	Motor vehicles £	Total £
Cost							
At 1 April 2021	407,743	4,292,002	3,297,625	396,777	2,469,588	264,243	11,127,978
Additions	339,593	-	250,655	-	83,464	-	673,712
Disposal	-	-	-	(194,478)	(34,774)	(33,901)	(263,153)
At 31 March 2022	747,336	4,292,002	3,548,280	202,299	2,518,278	230,342	11,538,537
Accumulated depreciation							
At 1 April 2021	-	1,832,486	1,792,300	393,770	2,353,930	197,676	6,570,162
Charge for the year	-	84,999	97,554	2,056	84,211	32,619	301,439
Disposal	-	-	-	(194,478)	(34,774)	(33,900)	(263,152)
At 31 March 2022	-	1,917,485	1,889,854	201,348	2,403,367	196,395	6,608,449
Net book value							
At 31 March 2022	747,336	2,374,517	1,658,426	951	114,911	33,947	4,930,088
At 31 March 2021	407,743	2,459,516	1,505,325	3,007	115,658	66,567	4,557,816

CHARITY	Assets Under Construction £	Freehold land and buildings £	Expenditure on leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2021	407,743	4,292,002	3,297,625	2,053,984	234,758	10,286,112
Additions	339,593	-	250,655	75,669	-	665,917
Disposals	-	-	-	-	(13,713)	(13,713)
At 31 March 2022	747,336	4,292,002	3,548,280	2,129,653	221,045	10,938,316
Accumulated depreciation						
At 1 April 2021	-	1,832,486	1,792,300	1,950,300	168,414	5,743,500
Charge for the year	-	84,999	97,554	72,058	32,397	287,008
Disposals	-	-	-	-	(13,713)	(13,713)
At 31 March 2022	-	1,917,485	1,889,854	2,022,358	187,098	6,016,795
Net book value						
At 31 March 2022	747,336	2,374,517	1,658,426	107,295	33,947	4,921,521
At 31 March 2021	407,743	2,459,516	1,505,325	103,684	66,344	4,542,612



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

16 FIXED ASSET INVESTMENTS

	Group & Charity	
	2022	2021
	£	£
Market value at 1 April 2021	4,580,903	6,354,717
Additions	933,168	1,298,605
Disposals proceeds	(920,086)	(4,238,010)
Net Investment Gain	110,671	1,160,259
Movement in cash held by investment managers	18,710	5,334
Market value at 31 March 2022	4,723,366	4,580,903
Cost at 31st March 2022	6,354,717	6,354,717
Market value analysed between:	£	£
Investments	4,559,606	4,435,853
Cash held by investment managers	163,760	145,050
	4,723,366	4,580,903
Investment in Hospice Quality Partnership	10	10
Total Group Investment	4,723,376	4,580,913
Investment in Subsidiary Trading Company	2	2
Charity Investment	4,723,378	4,580,915

The Hospice Quality Partnership Company is owned by Hospices and was formed to help hospices save money by improving procurement, reducing operating costs and sharing data for best practice.

The charity owns the entire issued ordinary share capital of St Ann's Hospice Trading Company Limited, a company incorporated and registered in England and Wales, whose principal activity is the management of the charity's trading activities.

The result of the charity's trading activities through its subsidiary is detailed below. St Ann's Hospice Trading Company Limited's taxable profits are donated to the charity annually.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

16 FIXED ASSET INVESTMENTS (continued)
RESULTS OF TRADING SUBSIDIARY

The results for St Ann's Hospice Trading Company Limited, a wholly owned subsidiary of St Ann's Hospice for the year ended 31 March 2022 are given below.

	2022	2021
	£	£
Turnover	2,574,602	2,268,942
Cost of sales	(258,237)	(246,478)
Gross profit	2,316,365	2,022,464
Administrative expenses	(1,471,508)	(1,459,729)
Operating profit	844,857	562,735
Interest receivable	-	124
Profit before taxation	844,857	562,859
Tax on profit	(3,203)	23,420
Profit for the financial year attributable to the equity shareholders of the company	841,654	586,279

Statement of changes in equity

	Profit and loss account £
Balance at 1 April 2020	-
Profit after tax for the year	586,279
Gift aid distribution	(586,279)
Balance at 31 March 2021	-
Profit after tax for the year	841,654
Gift aid distribution	(841,654)
Balance at 31 March 2022	-

BALANCE SHEET

The aggregate of the assets and liabilities was:

	2022	2021
	£	£
Fixed assets	8,567	15,204
Current assets	1,038,436	677,442
Creditors: amounts falling due within one year	(1,047,001)	(692,644)
Total net assets	2	2

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

17 STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Finished goods and goods for resale	40,057	44,287	546	546

18 DEBTORS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	154,860	50,124	129,893	26,925
VAT Recoverable	326,603	513,443	325,616	507,093
Prepayments and accrued income	1,368,592	737,940	1,329,994	686,946
Other debtors	3,958,469	2,094,762	3,928,724	2,058,483
Amounts due from subsidiary company	-	-	708,717	386,481
	5,808,524	3,396,269	6,422,944	3,665,928

19 CASH AND CASH EQUIVALENTS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Interest bearing accounts	10,830,369	9,712,053	9,925,741	9,211,028
Current accounts and cash	1,383	3,370	1,383	1,525
	10,831,752	9,715,423	9,927,124	9,212,553

20 CREDITORS (Amounts falling due within one year)

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade Creditors	396,746	398,650	342,139	344,603
Accruals and deferred income	640,759	449,073	433,754	272,853
Taxation and social security	140,803	157,805	136,604	145,856
Other creditors	109,687	64,548	81,541	55,734
Amounts due to subsidiary company	-	-	-	-
Corporation tax	44,327	41,124	-	-
	1,332,322	1,111,200	994,038	819,046

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

21 COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted funds £	Restricted funds £	Total funds 2021 £
INCOME FROM:				
Voluntary income				
Donations and legacies	3	4,414,121	243,126	4,657,247
Charitable activities	4	4,112,568	3,410,036	7,522,604
Other trading activities	5	2,277,366	-	2,277,366
Other Income	6	11,106	-	11,106
Investments	7	105,583	-	105,583
TOTAL INCOME		10,920,744	3,653,162	14,573,906
EXPENDITURE ON:				
Raising funds	8	2,380,997	-	2,380,997
Charitable activities	9	6,312,039	3,517,412	9,829,451
TOTAL EXPENDITURE		8,693,036	3,517,412	12,210,448
Net (expenditure)/income before investment gains		2,227,708	135,750	2,363,458
Net gains on Investments	16	1,160,259	-	1,160,259
Net income before tax	11	3,387,967	135,750	3,523,717
Taxation	14	23,420	-	23,420
Net (expenditure)/income for the year		3,411,387	135,750	3,547,137
Transfer Between Funds	22	91,089	(91,089)	-
Other Recognised Gains:				
Actuarial Gain on Defined Benefit Schemes	25	1,595,000	-	1,595,000
NET MOVEMENT IN FUNDS		5,097,476	44,661	5,142,137
FUND BALANCES BROUGHT FORWARD AT 1st April 2020		13,423,988	197,383	13,621,371
FUND BALANCES CARRIED FORWARD AT 31st March 2021	22.23	18,521,464	242,044	18,763,508



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

22 STATEMENT OF RESERVES

2022 Group	At 1 April 2021 £	Income £	Expenditure (incl taxation) £	Gains £	Transfers £	At 31 March 2022 £
Unrestricted funds:						
General fund	3,052,613	12,581,383	(10,270,971)	964,671	553,811	6,881,507
Designated funds						
Fixed assets	1,690,557	-	-	-	32,680	1,723,237
Property refurbishment and development	13,778,294	-	-	-	(339,593)	13,438,701
Unrestricted funds	18,521,464	12,581,383	(10,270,971)	964,671	246,898	22,043,445
Restricted Fund						
Specific donations	242,044	3,459,057	(2,134,173)	-	(246,898)	1,320,030
	18,763,508	16,040,440	(12,405,144)	964,671	-	23,363,475
2022 CHARITY	At 1 April 2021 £	Income £	Expenditure (incl taxation) £	Gains £	Transfers £	At 31 March 2022 £
Unrestricted funds:						
General fund	3,067,815	10,889,435	(8,579,023)	964,671	547,174	6,890,072
Designated funds						
Fixed assets	1,675,353	-	-	-	39,317	1,714,670
Subsidiary	2	-	-	-	-	2
Property refurbishment and development	13,778,294	-	-	-	(339,593)	13,438,701
Unrestricted funds	18,521,464	10,889,435	(8,579,023)	964,671	246,898	22,043,445
Restricted Fund						
Specific donations	242,044	3,459,057	(2,134,173)	-	(246,898)	1,320,030
	18,763,508	14,348,492	(10,713,196)	964,671	-	23,363,475

The restricted reserves relate to donations or grants given with restrictions on the uses for the care of patients or for capital purchases. Once the capital purchases have been made the restriction is released and transferred to unrestricted funds.

The designated fixed asset fund represents the net book value of the Charity's tangible fixed assets. This is used to fund annual depreciation costs as allowed by the Charities SORP. In 2021 the Trustees agreed to remove the net book value of the Heald Green site from this fund due to the forthcoming rebuild project and the planned demolition of the existing site.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

22 STATEMENT OF RESERVES (continued)

2021 Group	At 1 April 2020 £	Income £	Expenditure (incl taxation) £	Gains £	Transfers £	At 31 March 2021 £
Unrestricted funds:						
General fund	4,997,156	10,920,744	(8,664,295)	2,755,259	(6,956,251)	3,052,613
Designated funds						
Fixed assets	4,298,955	-	-	-	(2,608,398)	1,690,557
Property refurbishment and development	4,127,877	-	(5,320)	-	9,655,737	13,778,294
Unrestricted funds	13,423,988	10,920,744	(8,669,615)	2,755,259	91,088	18,521,464
Restricted Fund						
Specific donations	197,383	3,653,162	(3,517,412)	-	(91,089)	242,044
	13,621,371	14,573,906	(12,187,027)	2,755,259	-	18,763,508
2021 CHARITY	At 1 April 2020 £	Income £	Expenditure (incl taxation) £	Gains £	Transfers £	At 31 March 2021 £
Unrestricted funds:						
General fund	5,028,047	9,275,957	(7,019,508)	2,755,259	(6,971,940)	3,067,815
Designated funds						
Fixed assets	4,268,062	-	-	-	(2,592,709)	1,675,353
Subsidiary	2	-	-	-	-	2
Property refurbishment and development	4,127,877	-	(5,320)	-	9,655,737	13,778,294
Unrestricted funds	13,423,988	9,275,957	(7,024,828)	2,755,259	91,088	18,521,464
Restricted Fund						
Specific donations	197,383	3,653,162	(3,517,412)	-	(91,089)	242,044
	13,621,371	12,929,119	(10,542,240)	2,755,259	-	18,763,508

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

23 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
2022 GROUP			
Tangible fixed assets	4,930,088	-	4,930,088
Investments	4,723,376	-	4,723,376
Current assets	15,360,303	1,320,030	16,680,333
Current liabilities	(1,332,322)	-	(1,332,322)
Provision for pension scheme liability	(1,638,000)	-	(1,638,000)
At 31 March 2022	22,043,445	1,320,030	23,363,475
2022 CHARITY			
Tangible fixed assets	4,921,521	-	4,921,521
Investments	4,723,378	-	4,723,378
Current assets	15,030,584	1,320,030	16,350,614
Current liabilities	(994,038)	-	(994,038)
Provision for pension scheme liability	(1,638,000)	-	(1,638,000)
At 31 March 2022	22,043,445	1,320,030	23,363,475
2021 GROUP			
Tangible fixed assets	4,557,816	-	4,557,816
Investments	4,580,913	-	4,580,913
Current assets	12,913,935	242,044	13,155,979
Current liabilities	(1,111,200)	-	(1,111,200)
Provision for pension scheme liability	(2,420,000)	-	(2,420,000)
At 31 March 2021	18,521,464	242,044	18,763,508
2021 CHARITY			
Tangible fixed assets	4,542,612	-	4,542,612
Investments	4,580,915	-	4,580,915
Current assets	12,636,983	242,044	12,879,027
Current liabilities	(819,046)	-	(819,046)
Provision for pension scheme liability	(2,420,000)	-	(2,420,000)
At 31 March 2021	18,521,464	242,044	18,763,508



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

24 EMPLOYEE RETIREMENT BENEFITS

Group and charity

The charity has two active pensions schemes for staff and these are described below.

Pension Scheme	Contributions Paid 2022 £'000	Recognised in SoFA 2022 £'000
NHS Pension	397	397
Stakeholder	374	374
St Ann's Hospice Defined Benefit	20	762
	791	1,533

National Health Superannuation Scheme

The Hospice is an admitted body for the purposes of the National Health Service Superannuation Scheme and members of staff who are former NHS employees are able to continue membership of the Scheme during their employment at St Ann's.

The assets of the scheme are held separately by the National Health Service Superannuation Scheme.

Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees working lives with the group. 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 meet the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from Scheme members or 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 Ann's Hospice therefore, the scheme has been accounted for as a defined contribution scheme.

The pension cost charge for the year amounted to £397,181 (2021: £374,907). An amount of £57,009 (2021: £53,181) is included in creditors, being the outstanding contributions to the scheme at the balance sheet date.

Stakeholder Pension Scheme

The group supports a Stakeholder Pension Scheme which has been offered to staff since the closure of the defined benefit scheme.

The stakeholder pension scheme is operated by Scottish Widows. Employee contributions are collected by St Ann's Hospice and the matching employers contribution passed to Scottish Widows.

All the assets of the scheme are held by Scottish Widows. As a result there are no separately identifiable assets or liabilities which can be identified as relating to St Ann's Hospice. Therefore the scheme has been accounted for as a defined contribution scheme.

The pension cost charge for the year amounted to £373,717 (2021: £322,138). An amount of £29,248 (2021: Nil) is included in creditors, being the outstanding contributions to the scheme at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

24 EMPLOYEE RETIREMENT BENEFITS (continued)

St Ann's Hospice Pension Scheme

The group operates a closed defined benefit scheme funded by contributions from members and from the group. The total pension cost of the group is assessed in accordance with the advice of Broadstone - Employee Benefits & Actuarial Consultants.

The assets of the pension scheme are held in a separate trustee administered fund.

The most recent full actuarial valuation of scheme assets and the present value of the defined benefit obligations were carried out at 31 March 2018.

The Hospice Trustees are cognisant of their duty as an employer to ensure the solvency of the St Ann's Hospice Pension Scheme. In consultation with the Trustees of the St Ann's Hospice Pension Scheme, and upon advice of the actuary, the Hospice Trustees agreed in 2022-23 a 7 year funding recovery plan that would eliminate the deficit. The Hospice Trustees agreed with the Pension Scheme Trustees that a lower amount would be repaid in the first two years, with the remaining balance then split equally across the subsequent 5 years. Should the deficit reduce/increase further following future valuations, the Hospice Trustees may need to consider a different approach.

The present value of the defined benefit obligation, the current related service cost and past service cost were measured using the projected unit credit method.

The projected unit credit method is an accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings. The accumulated benefit obligation is an actuarial measure of the present value for service already rendered but differs from the projected unit credit method in that it includes no assumptions for future salary increases.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022

	2022	2021
	%	%
Discount rate	2.80	2.10
Expected return on assets	2.80	2.10
Rate of increase in salaries	1.00	1.00
Rate of increase in pensions in payment	4.00	3.50

Mortality Assumptions

Investigations have been carried out within the past three years into the mortality experience of the group's defined benefit schemes. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	2022	2021
	years	years
Retiring today:		
Males	85.5	85.5
Females	87.5	87.5
Retiring in 20 years		
Males	87.1	87.1
Females	89.3	89.3

The amounts recognised in the statement of financial activities are as follows:

	2022	2021
	£000's	£000's
Current service cost	(40)	(44)
Interest on obligations	(334)	(348)
Expected return on scheme assets	282	258
Total operating charge	(92)	(134)
Actuarial gain	854	1,595
Total cost recognised in the statement of financial activities	762	1,461

The amount included in the balance sheet arising from the group's obligations in respect of its defined benefit scheme is as follows:

	2022	2021
	£000's	£000's
Present value of defined benefit obligations	15,300	16,200
Fair value of scheme assets	(13,662)	(13,780)
Net liability recognised in the balance sheet	1,638	2,420

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

24c EMPLOYEE RETIREMENT BENEFITS (continued)

Movements in the present value of defined benefit obligations were as follows:

	2022 £000's	2021 £000's
At 1 April	16,200	15,400
Current service cost	40	44
Interest cost	334	348
Contributions by scheme participants	10	11
Administrative Expenses	-	-
Actuarial (gains)/losses	(593)	1,011
Benefits paid	(691)	(614)
At 31 March	15,300	16,200

Movements in the fair value of scheme assets were as follows:

	2022 £000's	2021 £000's
Opening fair value of scheme assets	13,780	11,497
Expected return on scheme assets	282	258
Actuarial (gains)	261	2,606
Contributions by the employer	20	22
Contributions by scheme participants	10	11
Benefits paid	(691)	(614)
Administration Expenses	-	-
	13,662	13,780

The analysis of the fair value of the scheme's assets at the balance sheet date was as follows:

	2022 £000's	2021 £000's
Equities	10,440	10,207
Gilts and bonds	2,882	3,437
Cash	340	136
	13,662	13,780

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

25 FINANCIAL COMMITMENTS

Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

GROUP	2022		2021	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Leases which expire:				
within one year	121,853	5,379	142,933	6,150
between one and five year	245,651	-	216,050	4,918
after five years	129,283	-	203,500	-
	496,787	5,379	562,483	11,068

CHARITY	2022		2021	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Leases which expire:				
within one year	4,400	-	4,400	-
within one to five years	17,600	-	17,600	-
over five years	45,100	-	49,500	-
	67,100	-	71,500	-

26 RELATED PARTY TRANSACTIONS

All transactions between the charity and its subsidiary, St Ann's Hospice Trading Company Ltd, are eliminated on consolidation.

No trustee received payment for professional or other services supplied to the charity during the year (2021: Nil)

The total value of donations received from the trustees during the year was £1,049.44 (2021: £8,383.55)



05

Independent Auditor's Report



Independent auditor's report to the members of St Ann's Hospice

Report on the audit of the Financial Statements

Opinion

In our opinion the financial statements of St Ann's Hospice (the 'charitable company') and its subsidiary ('the group'):

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the group statement of financial activities;
- the group summary income and expenditure account;
- the group and parent charitable company balance sheets;
- the group cash flow statement; and
- the related notes 1 to 26.

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).

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 of the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the 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.

Responsibilities of the trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, 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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework[s] that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act, UK Companies Act, pensions legislation; and

¹ The terms used to describe the primary statements should be the same as those used by the trustees.

- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Care Quality Commission, Fundraising and Gambling Commission regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address it are described below:

- recognition of legacy income in the correct accounting period. We assessed a sample of legacy agreements and probate evidence, to determine whether this has been recognised appropriately;
- completeness of donation income. To address this risk we have tested a sample of donations from source records to their supporting evidence and recorded income, and assessed the classification of the income as either restricted or unrestricted;
- classification of funds between restricted and unrestricted. To address this risk we have tested a sample of restricted income and expenditure to their supporting evidence to assess whether they have been classified appropriately; and
- recognition of trading income in the subsidiary company in the correct accounting period. We assessed a sample of lottery records, to determine whether this has been recognised in the correct accounting period.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with Charity Commission and Care Quality Commission.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the companies act 2006

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

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

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

Carl Acton BA (Hons), BFP FCA
(Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom
28th March 2023



06

Officers and Professional Advisors



Officers and Professional Advisors

Trustees and Officers

PRESIDENT
The Right Reverend Dr David Walker
Bishop of Manchester

VICE PRESIDENTS
Sir Warren Smith KCVO KStJ JP
HM Lord Lieutenant of Greater Manchester

Mrs Anne Mack

Mrs Ann Hughes

Professor Sir Cary Lynn Cooper CBE FAcSS
(appointed 17th November 2021)

Kathy Cowell OBE DL (appointed 17th November 2021)

TRUSTEES

CHAIR
Professor Jacqueline Oldham BSc(Hons) RGN PhD

HON. TREASURER
Mr Darren Holt BA FCA

Mr Mike Brown (Vice Chair) MSc FHSM CMCIPD

Dr Stephanie Gomm MD FRCP

Mr Luke Dillon BA (resigned on 29th April 2022)

Mr Alan Bond FCCA, ACIS

Mrs Fiona Taylor RGN, RM, RHV, Dip HE, BSc(Hons), MA

Ms Kate Squire BA (Hons)

Mr Steven Wilson CPFA BA (Hons) DipMHC

Ms Melanie Ogden BPham FRPhamS

SPECIAL ADVISOR
Mr Mike Walmsley MBE DL MCIOB BSc (Hons)
(resigned on 20th April 2022)



Key Management Personnel

CHIEF EXECUTIVE
Rachel McMillan RGN BA(Hons) MSc

DIRECTOR OF ORGANISATIONAL DEVELOPMENT & SUPPORT SERVICES
Gill Turnpenney BA(Hons) CMCIPD

DIRECTOR OF BUSINESS DEVELOPMENT
Dr Paul Jarvis MEng(Hons) MSc PhD

DIRECTOR OF CLINICAL SERVICES
Emma Dixon RGN BA(Hons)

MEDICAL DIRECTOR
Dr David Waterman MBBS FRCP

ASSOCIATE MEDICAL DIRECTOR
Dr Alison Roberts MBChB FRCP

DIRECTOR OF STRATEGIC INITIATIVES
Eamonn O’Neal DL BEd MSc Darts (resigned 21st December 2021)

Professional Advisors and Registered Office

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55 King Street, Manchester M2 4LQ
and
Exchange Flags, Liverpool L2 3YL

AUDITOR
Deloitte LLP
Chartered Accountants and Statutory Auditor
The Hanover Building, Corporation Street,
Manchester, M4 4AH

INVESTMENT MANAGERS
Brewin Dolphin
1 The Avenue
Spinningfields Square, Manchester M3 3AP

BANKERS
The Royal Bank of Scotland
5th Floor
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REGISTERED & PRINCIPAL OFFICE
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St Ann’s Road North
Heald Green,
Stockport
SK8 3SZ

ST ANN’S HOSPICE TRADING CO LTD
Subsidiary of **St Ann’s Hospice**

Contact details

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St Ann's Hospice

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 www.sah.org.uk  www.facebook.com/StAnnsHospice  [@StAnnsHospice](https://twitter.com/StAnnsHospice)  [@StAnnsHospice](https://www.instagram.com/StAnnsHospice)

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