

Company number: 1063033

Charity number: 264501

Phyllis Tuckwell Memorial Hospice Limited

Report and financial statements

For the year ended 31 March 2023

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Reference and administrative details

For the year ended 31 March 2023

Company number 1063033

Charity number 264501

Country of registration England & Wales

Country of incorporation United Kingdom

Registered office and operational address Waverley Lane
Farnham
Surrey GU9 8BL

Status The organisation is a charitable company limited by guarantee, incorporated on 27 July 1972 and registered as a charity on 8 September 1972. The organisation operates under the name Phyllis Tuckwell.

Trustees Trustees, who are also directors under company law, who served during The year and up to the date of the signing of this report, were as follows:

| | |
|------------------------|---------------------------------|
| Alison Huggett | Chair |
| Dr David Eyre-Brook | (Chair, retired September 2022) |
| Rosy Anand | (retired September 2022) |
| Helen Atkinson | (retired July 2022) |
| Helen Franklin | (retired September 2022) |
| Richard Hunt | Vice Chair |
| Dr Robert Laing | |
| Ken Ratcliff | |
| David Tomlinson | |
| Elizabeth Wells | |
| Anne Whelan | |
| Emma Mclachlan | (from October 2022) |
| Dr Andrew Brooks | (from October 2022) |
| Lillian Nsomi-Campbell | (from October 2022) |
| Andrew Stent | (from November 2022) |

President Chris Tuckwell

Company Secretary Mark Beale (from June 2023)

| | | |
|---------------------------------|----------------------|---|
| Key management personnel | Sarah Church | Chief Executive |
| | Dr Cate Seton-Jones | Medical Director |
| | Jayne Holland | Director of Patient Services (retired January 2023) |
| | Catherine van't Riet | Director of Patient Services |
| | Peter Foxton | Director of Income Generation |
| | Mark Beale | Director of Finance & Business Development |
| | Jaci Curtis-Donnelly | Director of People |
| | Tony Carpenter | Director of Marketing & Communications |

| | |
|--------------------------------|--|
| Bankers | Lloyds Bank plc 147, High Street GUILDFORD Surrey GU1 3AG |
| | Santander Bridle Road BOOTLE L30 4GB |
| Investment Managers | Investec Wealth & Investment Ltd 30 Gresham Street LONDON EC2V 7QN |
| Auditor | Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane LONDON EC1Y 0TL |
| Solicitor | Stevens & Bolton LLP Solicitors Wey House, Farnham Rd, GUILDFORD GU1 4YD |

Section 1: Introduction & Message from the Chair

What a pleasure it has been to get back to normality after the pandemic. We have continued providing high quality care throughout, but there's no getting away from how much better it feels when we can see people face to face and give them a hug if they need one.

We continue to grow as an organisation, and in 2022/23 saw a further increase in demand, with referrals increasing from 1,694 to 1,795 during 2022/23. It has been good to be able to help more people, although difficult to see people who have experienced very rapid progress from diagnosis to death, perhaps as a consequence of the disruption of the pandemic, and we have been determined to do what we can to help.

In the last year (2022/23):

- We have supported 2,071 patients in the community (cf 2,060 prior year), which we estimate means we save the NHS 850 hospital admissions. The Hospice Care at Home registered nurse and health care assistant team cared for 506 patients.
- In-Patient Unit (IPU) numbers are high – over 300 patients (cf 248 prior year) with a 92% bed occupancy rate. We are making a very strong use of our IPU which has 14 beds. Sadly 6-8 patients per month die whilst awaiting a bed on our IPU currently, so the need to get back to 18 beds as soon as possible, couldn't be clearer.
- Performance in the community is very strong, in specialist advice and care, as well as our Hospice Care at Home & Living Well services.
- We have also continued to find new ways to help people, building our rapid response capability in the community (funded by the NHS in Frimley and Guildford & Waverley) to increase the number of patients we can get to who are experiencing rapidly changing needs or instability. We have also piloted a virtual ward, with consultant led care in the home for people who would otherwise need a hospital bed.
- Our education programme goes from strength to strength – we want to make sure everyone working with people at the end of their lives has the right skills to provide great care they need and deserve. Total attendances at education sessions grew from 2,513 in 2021/22 to 2,824 in 2022/23. This way, even if we can't provide direct care for everyone, we can influence the quality of care they receive.

Our Income generation team performed very well, especially in retail which has had an outstanding year with retail income (before Covid support) increasing by 18%. We are extremely proud of all our staff and volunteers, who are our day-to-day ambassadors in the high streets. Although we're seeing the impact of the increased cost of living, as cash donations have fallen by about 13%, our amazing and vibrant community are still right behind us, and activity is still strong from wonderful runners, cake sales community events, etc. A big thank you to them!

We have a new warehouse in Farnborough as a hub for our retail operations. It is now open and operating as a donation and sorting centre, trade sales and a centre for our online sales activity. We hope this will help us grow our retail business and make it even more successful in the future.

It has also been a year for investing in the future. We have modernised our outpatient Beacon Centre in Guildford and have plans to build a new Hospice on our existing site in Farnham. The existing site has served us well, but the Hospice, converted from a 1930s community hospital, has reached the end of its useful life and we need facilities so that we are well set up for the next 40 years. We have saved £10m and launched a Capital Appeal aiming to raise the remaining £6m we need. Our plan is to move off site in 2023/24 and start building a modern 18 bed IPU, and a centre with improved facilities for outpatients and our community service.

We have completed the first stage of the Digital Transformation project and begun to embed new systems into our existing practices. This means our staff will be able to work from anywhere, anytime.

Agreeing sustainable levels of funding from the NHS continues to be a priority. Our current NHS funding is for about 21% of our costs, which is significantly lower than the average for hospices in England which receive 33% of their funding from the NHS/government. We will continue to work constructively with the NHS, and push for a more financially sustainable solution, as we believe good partnership working will deliver the best care for people who need us.

I would particularly like to thank Dr David Eyre-Brook who chaired the Board so well, and Helen Franklin and Rosy Anand who led Health & Safety work and Income Generation at Board level, all who retired from the Board last year, for their dedicated service. I would also like to thank Jayne Holland for everything she delivered as Director of Patient Services and wish her all the best in her retirement. I am grateful to the strong executive senior team, who continue to provide such excellent leadership for the organisation and care so passionately about the people we serve.

Our greatest thanks go to the wonderful team of people who work and volunteer at Phyllis Tuckwell (PT) for their continued support and amazing efforts – all of which, no matter their role, enables us to provide outstanding care for those in our community living with an advanced or terminal illness and make Phyllis Tuckwell such a warm, welcoming, wonderful place.

Alison Huggett

Chair, Phyllis Tuckwell

Section 2: Objectives and Activities

MISSION, VISION AND 5-YEAR STRATEGY

MISSION: To care compassionately for adults living with an advanced or terminal illness, and those closest to them, so that they have the best possible quality of life and the patients' final days are peaceful...*because every day is precious.*

VISION: Easy access to compassionate supportive and end of life care for patients and families in a place of their choice.

STRATEGY:

Our 5-year strategy runs from 2019–2024. We review it annually at the Board Strategy Away-day. In 2022/23 we focused on how Integrated Care Boards and Places operate; our innovative responsive clinical services; and how we will continue to provide high quality care from multiple, temporary locations, whilst we build our new Hospice, ensuring we remain safe, effective, caring, responsive and well-led. We continue to be firmly committed to making sure the way we work is as inclusive as possible, and that we help as many people as possible: directly through our services, and indirectly through providing education, training, advice, and supporting best practice through sharing of our policies.

Our strategic goals are:

- We will provide - and be able to demonstrate - high quality palliative and End of Life (EoL) care services to patients, their families and carers.
- We will empower others to provide high quality palliative and EoL care through partnership working and education and training, and be recognised as experts in care provision and an authoritative voice at the decision-making table.
- We will generate sufficient funds to enable us to deliver our clinical services and demonstrate that we are good stewards of the money donated to us.
- We will remain an independent organisation and demonstrate organisational efficiency and effectiveness.

PUBLIC BENEFIT

- Phyllis Tuckwell exists to provide direct specialist palliative care, as well as education, training and advice to support delivery of palliative care by others. All our services are delivered free of charge to patients and their families. Patients are referred by GPs, community nurses, hospital teams or other health and social care professionals, and are considered based on clinical need alone.
- The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and business planning, and are satisfied that public benefit is at the heart of everything we do.

Section 3: Strategic Report

Different World, Same Care: How we delivered in 2022/23.

We provided high quality palliative and End of Life care services to patients, their families and carers

- Clinical services are offered in patient homes and on two sites (Farnham Hospice and Guildford Beacon Centre).
- Our highly skilled colleagues from a range of professions continue to provide specialist physical, psychological, social and spiritual support to ensure patients and families receive the holistic approach required for effective and compassionate palliative and end of life care.
- There has been a significant increase in demand for our services with an 18.2% increase in referrals into our IPU and a 6.0% increase in total referrals compared to 2021/22 (1,694 in 2021/22 to 1,795 in 2022/23).
- A total of 2,150 patients were supported.
- There has been an increase in the proportion of referrals of patients without a cancer diagnosis from 36% to 42%.
- As the restrictions associated with pandemic guidance have relaxed:
 - We have increased the number and capacity of our Living Well Groups (Attendances have grown from 1,488 2021/22 to 2,238 in 2022/23).
 - Our face-to-face activity in patients' own homes has grown (from 13,313 to 13,783 total community contacts) and there has been a corresponding shift away from telephone support.
- Demand for specialist palliative care in care homes has increased. Phyllis Tuckwell provides specialist advice to support residents, families and care home staff with both telephone calls and home visits. Face-to-face contacts in care homes have increased from 428 in 2021/22 to 772 in 2022/23.
- Following feedback and meeting the (post-pandemic) needs of our population, our Living Well Service has adapted with more groups being offered at the Beacon Centre, in addition to those running in Farnham. Groups provide an opportunity for peer support and focus on wellbeing and enabling patients to live well with advanced illness.
- Patients' and families' spiritual and psychological needs are supported, including during bereavement, with 418 family members receiving outpatient care from Phyllis Tuckwell in 2022/23. There was a 57% increase in outpatient face-to-face contacts compared to 2021/22, reflecting an increase in group activities and one-to-one counselling.
- The rising cost of living has had an adverse impact on our patients and families. A terminal illness can limit a patient and carer's ability to work and families often face increased costs. Our colleagues help families to access the benefits they are entitled to and navigate the complexity of the care system. We have received training and provide a patient information leaflet to help support this aspect of our work.

- Access to a comprehensive education and training programme enables our colleagues, both from within our own organisation and those in the wider health and social care sector, to develop their skills and knowledge to provide safe and effective care.
- We learn from feedback and incidents - we have a strong reporting and learning culture which enables us to continuously improve our services.
- Preparation for the new Hospice build and move to temporary accommodation has commenced with colleagues, patients and carers involved to ensure that we are able to continue to provide high-quality person-centred care with appropriate equipment and in buildings that are fit for future service delivery.

We helped as many people as possible through education and training, as well as giving advice to other health professionals

- We have a strong education team and provide learning and development opportunities to our PT colleagues and to external partners. The programme aims to equip colleagues who work with our local population at the end of life with current skills, knowledge and confidence to do so.
- Internal attendances increased from 1,279 in 2021/22 to 1,608 in 2022/23
- We support significant numbers of other healthcare professionals, to enable them to deliver safe and effective care for more people in our community than it would be possible for us to otherwise reach. There were 1,216 attendances for our external training this year, which is provided free of charge for people working in our area.
- A web-based calendar, developed with other providers during 2022/23, enables our colleagues to access the details of all courses related to palliative and end of life care across Guildford and Waverley.
- Our education offering to care homes has been updated to enable attendance with, for example, bite sized hour-long virtual updates on common symptoms and how to manage these. Attendances from care home employees has increased from 578 (2021/22) to 918 (2022/23).
- Staff from 84 care homes have engaged with our training, 10 of which are from outside our area. With around 120 care homes across our catchment area, this means our training influences the care in over 60% of care homes in our area.
- Over 60 health and social care students have come to PT to experience the services we offer. We have agreements in place with four Higher Education institutions for their practice placements, across a range of professions.

We generated sufficient funds to enable us to deliver our clinical services and demonstrated we are making good use of the money donated to us

- Total income for the year was £13.2m (2021/22 £12.8m). Of this approximately 26% was Government/NHS funding whereas in a normal year NHS funding is around 21%.

- Total expenditure for the year was £14.3m (2021/22 £12.3m). This gave us an operating deficit of £1.1m (2021/22 £0.5m surplus.)

We demonstrated organisational efficiency and effectiveness in the way we delivered our care

- We invested in staff education so they confident and able to put their skills to good use helping our patients and their families. We have made inclusion and well-being priorities this year, focusing on making sure each person has the opportunity to make a full contribution.
- We have continued to roll out digital solutions so that our staff can work from anywhere, anytime.
- Our Board has continued to provide oversight, support and challenge through digital channels, as well as face-to-face meetings.

Section 4: Our Performance

Keeping patients and families at the heart of all we do.

- Integral to our approach at Phyllis Tuckwell, we work in partnership with patients and families, so that the care we provide is in accordance with their choices.
- We work with the two acute hospitals, NHS community nurses, GPs and other community partners in our catchment area, to provide coordinated, high quality palliative care to patients and their families and to achieve positive outcomes.
- Phyllis Tuckwell encourages feedback from patients, carers and family members so that we can learn and develop services in line with our communities' needs and preferences. This year, we have improved our "Have your Say," webpage, introduced QR codes on posters linking to the webpage, updated our "Have your Say" leaflet and received 137 responses via a new feedback form which is sent to all patients and families.
- NHS Integrated Care Systems (ICS) were established on 1st July 2022 with a responsibility to meet the health and wellbeing needs of people who live in our area. We participate in several ICS forums, enabling us to influence the palliative and end of life care needs of patients and families within our catchment and to support the local health and care systems.

Providing high quality care

The figures below show how many people and their families we cared for over the reporting period in comparison with the previous year.

| | 2021/22 | 2022/23 | <i>Year On Year Change</i> |
|---|---------|---------|----------------------------|
| Patient referrals | 1,694 | 1,795 | 6.0% |
| Patients supported | 2,137 | 2,150 | 0.6% |
| Family members/Carers supported | 728 | 811 | 10.2% |
| Total number of people supported | 2,865 | 2,961 | 3.2% |
| % non-cancer referrals | 35.6% | 41.6% | 14.5% |
| % of deceased patients with a recorded preferred place of death | 67.79% | 60.88% | -11.4% |

- Providing high quality care is at the heart of what we do. Patient referrals in 2022/23 increased by 5.6% compared to 2021/22 and there was a 10% increase in the number of family members and carers supported. Overall, the number of patients supported remained stable, with slight growth.

- Our Digital Transformation project progressed this year with:
 - The introduction of electronic prescribing in the community and NHS smart cards, resulting in better access to medication and safer prescribing.
 - All community staff having the skills and hardware (laptops and smart phones) to enable flexible working and integrated working with community partners, via shared electronic records and video conferencing.
 - The purchase of ipads and modifications to our integrated electronic record system, to support mobile working for our Hospice Care at Home (HCAH) team.
- We completed an extensive review of our patient and carer literature, critically reviewing content to ensure that the details are current. We have translated key leaflets into Nepalese (a large population in our area) to enable access to information for more of our community.
- We made key appointments of a new Director of Patient Services, a Clinical Governance Manager and two new Community Managers. A new IT Manager was also appointed.
- Our electronic incident reporting system has been live for over a year, so this, together with a good reporting culture, has enabled a strong focus on patient safety. We have given support via education and peer learning to improve identification, reporting and management of skin integrity incidents and improve our falls prevention practices. Grants, including Frimley ICS, have enabled us to purchase lifting equipment for community use.
- Our regular quality improvement patient safety forums for clinicians and managers provide an opportunity for all staff to engage in quality improvement projects. A number of these are highlighted in the section below.

In-Patient Unit

- Our In-Patient Unit (IPU) at the Hospice is for patients with uncontrolled symptoms to be admitted for specialised palliative nursing and medical care, and also terminal care.
- Despite running with only 14 beds, we have had a very strong year, increasing the number of patients we have admitted. However, demand is increasing and we have not been able to provide admission to all that have needed it. Very sadly too many patients have died waiting for a bed.

| In-Patient Unit | 2021/22 | 2022/23 | Year On Year Change |
|-------------------------------------|---------|---------|---------------------|
| Total admissions | 248 | 303 | 22.1% |
| % patients going home | 20.97% | 17.82% | -15.0% |
| % bed occupancy | 89.8% | 91.82% | 2.3% |
| % deaths on Last Days of Life (LDL) | 77.4% | 77.2% | -0.3% |
| IPU admission waiting time (days) | 2.5 | 2.0 | -20.0% |

- We have continued to maintain infection prevention and control measures, in line with best practice, and have stayed free of Covid outbreaks throughout the year.
- Now that Covid is less of a public health concern, we are very pleased that we have been able to offer families the option to stay overnight at the bedside of their loved one and to provide open visiting hours.
- Our coffee shop has come alive again with large numbers of family members visiting and taking time out from being at the bedside of their loved one.
- This year there has been an emphasis on improved communication. Training has been undertaken on nursing documentation standards and improved handover procedures are now in place.
- We continue to reflect and learn from our incidents and, following discussion, use the evidence to improve our systems and processes relating to falls prevention.
- We are proud to be contributing to palliative care research and, as an example, are taking part in the CHELsea research study, which looks at the pros and cons of subcutaneous hydration at end of life.

Community

Our multi-professional Community team supports patients in their own homes. They also receive referrals and enquiries via our single point of entry, the Access and Referral Team (ART). There

has been a 5.6% growth in overall referrals and an increasing need to work closely with community partners. This ensures that the needs of an increasing number of people being cared for and dying out of hospital, are met by the right people and in a timely way. This increase in activity is reflected in the growth of face-to-face contacts in 2022/23.

The number of referrals into the Community team represent those patients and families who require a face-to-face visit by a member of Phyllis Tuckwell multi-professional team in their own home, regardless of where this is (residential home, care home, own home, etc). Our colleagues work alongside families, carers and community partners, to provide compassionate and timely support, and join up with GPs and NHS community nurses so that, to the patient, family and carers, their care should feel seamless.

The team assist with practical, emotional, spiritual, financial and bereavement support. The care we provide aims to support quality of life until death, either directly or through our connections with other teams. Our support includes enabling independence and choice, skilled communication, symptom control, advance care planning, nursing interventions, tailored personal care, facilitating access to specialist equipment, providing information about the dying process and dignified care before and after death.

We are proud of the care we have provided to people so they can remain in their own homes (whether in their own homes or care homes). This equates to hundreds of people dying at home who might otherwise have died in hospital. This improves the experience for the patient and their family, as well as reducing pressure on the NHS.

| Community, including the HCAH nursing team | 2021/22 | 2022/23 | Year On Year Change |
|---|----------------|----------------|----------------------------|
| Total referrals to the Community team | 1,364 | 1,315 | -3.6% |
| Patients supported | 2,060 | 2,071 | 0.5% |
| % home deaths | 55.8 | 50.0 | -10.4% |
| % non-cancer referrals | 32.6% | 37.0% | 13.5% |
| No. of Face-to-Face contacts | 13,313 | 13,783 | 3.5% |
| No. of non-Face-to-Face contacts | 60,602 | 55,510 | -8.4% |

| HCAH nursing team | 2021/22 | 2022/23 | Year On Year Change |
|--------------------------|----------------|----------------|----------------------------|
| Referrals | 435 | 490 | 12.6% |
| Patients supported | 516 | 506 | -1.9% |
| Home visits | 4,178 | 4,383 | 4.9% |

- Despite not markedly increasing the number of patients we supported, we have seen an increase in the numbers of overall referrals into PT and face-to-face visits. We believe this

explains our experience that, helping people remain in their homes and out of hospital, requires increasingly intensive support.

- Our care for patients who are at the end of life, or with complex palliative care needs, is coordinated via daily meetings with other health and care colleagues. Other mechanisms for ensuring joined-up care include shared patient electronic medical records with all GP practices, regular phone calls and emails between partners to ensure a timely response from colleagues with the right skills to meet patient needs.
- A responsive service providing a timely response to patients who are experiencing a rapid decline received ongoing funding and is now embedded in practice, serving an average of 217 patients per month with a monthly average of 150 home visits and 550 phone calls.
- We piloted a virtual ward for patients with the most complex physical needs; 28 people required this level of care over a five month period.
- As demand for specialist palliative care in care homes has increased. Phyllis Tuckwell has grown the specialist advice to support residents, families and care home staff with both telephone calls and home visits. Face-to-face contacts in care homes has grown from 428 in 2021/22 to 772 in 2022/23.
- Families can feel alone at night. Symptoms can be overwhelming and knowing how to access the help needed can be confusing, so we continue to work with our NHS partners to provide access to specialist support overnight. 351 night visits were made by our team in the last year which were very positively received.
- Many patients and families require access to specialist equipment, including beds. Our therapists and nursing teams work together to improve confidence and skills in manual handling and enable access to these specialised beds.
- We are continuing to broaden access to highly skilled palliative care assessment, communication, prescribing and advance care planning, by supporting clinical specialist nursing development and career paths. In 2022/23 we recruited two experienced nurses into clinical nurse specialist development roles, and supported professional development via MSc modules, including advanced physical assessment and non-medical prescribing.
- A new Motor Neurone Disease clinical specialist role has been developed, in partnership and funded by Guildford & Waverley, as a single point of contact for patients and their families who are living with this often rapidly progressing condition. The role provides specialised advice and supports patients and families to navigate the complexities of the health and social care system.
- We are improving our systems and processes to ensure better compliance with collection of outcome measures, and use a validated measure, which is widely adopted across palliative care. The Integrated Palliative Care Outcome Scale (IPOS) is sent to patients at two defined points in time, the responses are analysed and help to identify patient and family holistic needs and assist with service evaluation and improvement.
- PT consultants contributed to the comprehensive review of the Frimley ICS Adult Symptom Control Guidelines in Palliative Care. The finalised document was shared and the link is also on the home page of EMIS.

Living Well

| Living Well Groups | 21/22 | 22/23 | % Change |
|---|-------|-------|----------|
| Total number of referrals | 239 | 293 | 22.6% |
| Total number of patients supported | 630 | 551 | -12.5% |
| Total number of Family and Carers supported | 102 | 155 | 52.0% |
| Total Non-Cancer Referrals | 91 | 111 | 22.0% |

Part of our Community service, Living Well provides support across all palliative care domains: physical; practical; emotional; social; and spiritual. This enables patients and families to Live Well, to adjust to their deteriorating health, plan for the future and remain active and engaged in their usual activities according to choice, for as long as is possible. We support patient and family wellbeing and offer opportunities for peer and professional support.

The data above shows the numbers relating to our group work undertaken in the Living Well service. 2022/23 saw significant growth in referrals. The total number of patients supported reduced, because, during the Covid pandemic the previous year, an unusually high number of patients received telephone support.

- The Living Well Service offers two core programmes, the Living Well with Illness and Creative programmes. These provide peer and professional support to enable patients to manage the common symptoms associated with advanced and terminal illness e.g. fatigue, sleep disturbance, lack of easy access to opportunities to be active, emotional distress and concern about practical issues such as access to financial support.
- Carers' support is integrated into all that we offer and, in addition an online carers group developed during Covid, which has continued, we have been able to offer support to 34% more carers in 2022/23 compared to 2021/22.
- Advance Care Planning is integral to Living Well, and is offered to patients attending Living Well. Our registered nurses, work with medical and clinical nurse specialists to help patients to complete these. Nurses received specific training to support this work.
- New groups have been designed in response to feedback which is collected systematically via feedback forms, focus groups, and by listening to our patients. We aim to provide variety within Living Well, so that we can support more people in a way that they may find meaningful and helpful.
 - Coffee chat and pamper days have been developed for patients and carers with bespoke groups for younger people.
 - "Artscape" enables patients to draw on their creativity to support their emotional needs and retain an interest that matters to them as their health needs change.
 - Seated Tai Chi and Seated Yoga provide access to activity and wellbeing support.
 - The Living Well group now has a session called "Tracks of Your Years". Participants choose a song which is played for the group to enjoy, which very often sparks lively and joyful conversations and connections.
- Patients who request this are supported to write letters to those they love; this can be of particular benefit to people with younger children.

- Alongside pastoral and spiritual care, we offer support to patients with specific religious needs whether this be catering for dietary requirements, providing suitable prayer spaces, or helping to connect people with a particular faith community. In response to several recent requests from patients who are no longer able to attend their local church, and for whom the Christian faith is important, we have introduced a monthly service. The aim of the service is to enable patients to receive the Eucharist if they wish to do so, explore common themes relating to faith and illness, and create an opportunity for fellowship.
- Use of a pre- and post-group outcome measure (IPOS) demonstrated that following attendance at a Living Well group, most patients experienced an improvement to symptoms, most notably in concerns related to emotion, practical concerns, and spirituality, despite their deteriorating health during the duration of the group.

Patient and Family Support

As part of our holistic care, Phyllis Tuckwell clinical teams support patients' and families' psychological, social and spiritual needs.

- The Patient and Family Support team provides training, advice (for example, how to access care and the benefits people are entitled to), and supporting the psychological and spiritual needs of the patient and their family.
- We work creatively and alongside patients and families to ensure we understand the issues they are facing and can offer the support that is right for them.
- After the patient has died, we continue to support families in bereavement.
- The total number of carers and family members supported through the year increased by 11% to over 800 individuals. There will be many others who we see and support when delivering our day-to-day care, who would not be recorded in official data.
- We undertook 1,007 face-to-face contacts and 4,749 non-face-to-face contacts.
- The group bereavement programmes, First and Second Steps, have returned as face-to-face groups and redeveloped to ensure they are tailored to the specific needs of the participants, including an initial goal and agenda setting approach.
- A Pastoral Care Companion service has been developed for patients on the IPU. Volunteers who have skills from being a Soul Midwife or End of Life Doula, provide companionship and sit alongside someone as they are dying, together with their families.
- As a result of the increased cost of living, we are aware of the significant difficulties many of our patients, families and carers are experiencing. Patients and carers can face unique challenges with high costs associated with deteriorating health and the difficulty of patients and carers being able to remain in paid work. We have therefore updated our knowledge and skills related to supporting people living on a low-income and for those without access to public funds, for example refugees, for whom the Human Rights Assessment Tool can be useful.
- We have developed new communications with guidance about grants, discounts, vouchers and other support schemes and we can refer families to foodbank.
- We are working with Gurkha Welfare, and other partners, to increase awareness of PT services for people within the Nepalese community and improve confidence that we are

able to support Nepali individuals whose relatives present with palliative care needs, or in bereavement.

- We provide guidance about completion of "Fast Track" applications for continuing health care funds, to enable patients timely access to the care they need.
- There is limited capacity for continuing health care (CHC) funded care homes. We are therefore working with families and CHC to enable access to homes and care packages for patients with particularly complex needs. We are also providing support via our education and clinical teams, and partnerships with other providers (for example, care home matrons), to support these settings, to provide safe and effective palliative and end of life care.
- As part of our Equality, Diversity & Inclusion strategy, we provide a tailored service to meet the individual spiritual needs of our patients and their families. This year, these activities included Christian wedding blessings, a Chinese Wedding Tea Ceremony and help with planning for a Muslim burial.
- We are exploring creative ways to deliver emotional support to our patients and their families to suit all individual needs. As an example, this year, we employed a qualified Art Therapist as part of our Counselling Team.
- We improved our volunteer-led Home Support Team with intensive volunteer support provided to patients going through difficult circumstances, face-to-face group supervision for our volunteers, and enabling more involvement from volunteers with the wider Phyllis Tuckwell team, such as shadowing opportunities and greater participation in team activities.

"Extending our Reach" to help everyone we can

- We want to care for as many people as we can, so that everyone gets the best possible palliative and end of life care.
- In addition to providing direct care, we influence the wider team of professionals working in our area, so that in partnership, we provide the best possible palliative and end of life care to patients and families in our catchment area.
- We do this in several ways, for example via:
 - our Advice and Referral Team or on-call medics, who give best-practice telephone advice to other professionals,
 - our education programme,
 - joint working with care homes,
 - sharing our clinical practice guidelines,
 - working jointly with partners at within the NEHants and Guildford & Waverley Places within Frimley and Surrey Heartlands ICS.

Broader advice

- We estimate that in addition to the patients referred to us for direct care, we offered telephone support and advice to over 2,000 additional patients and their healthcare professionals this year.

Education

- We have a highly skilled workforce and a comprehensive in-house education programme to ensure our palliative and end of life care skills are kept up-to-date. We also want people in partner organisations, working with people at the end of their lives, to have the opportunity to continually develop their knowledge and skills.
- We have an extensive menu of online and face-to-face training sessions delivered through our external education programme. We have introduced several new courses this year, a training needs analysis was completed within Guildford & Waverley with partner organisations and gaps were identified. The new courses are Foundation and Intermediate Communication Skills, Understanding and Managing Bereavement Loss and Change, and an update for our well-regarded Palliative and End of Life Care (PEOLC) programme.
- The PEOLC programme itself (6 half days) has recently been updated and refreshed and includes teaching from members of the multi-professional team, specialist nurses, counsellors, clinical nurse specialists and therapists. The education team has been extraordinarily busy with their focus on enhancing multi-professional clinical skills, with over 1,200 external attendances during the year. All training this year was provided free of charge to those working in our area.
- Since May 2022 we have offered an in-house, one-and-a-half-day clinical risk study day with a focus on areas of high risk such as storage of disposal of waste, falls prevention, skin integrity and self-harm prevention. There is multi-professional engagement in this and runs quarterly - 53 clinical staff (40% of our clinical staff) have attended at end of April 2023.

| Year | External Attendances |
|---------|----------------------|
| 2019-20 | 445 |
| 2020-21 | 645 |
| 2021-22 | 1,234 |
| 2022-23 | 1,216 |

Our wonderful team – staff and volunteers

- PT is so fortunate to have such an amazing group of people working and volunteering for us. As you would expect there has been a continued impact of Covid on our people, but thankfully not to the same extent as last year. The wellbeing of our staff is of paramount importance and this year has been no exception. Alongside our Employee Assistance Program and internal support such as Clinical Supervision, we have put in place a pulse survey which regularly captures how staff are feeling. The feedback enables us to direct support, establish what works well and where further improvements can be made.

- Staff and volunteers also completed the Hospice UK survey, in conjunction with Birdsong Charity Consulting. This survey enables PT to compare our performance with other hospices who took part. Our results were impressive, the only area which PT could do better, in comparison to other hospices was with our sustainability, where staff felt there was more that PT could be doing. On the back of this, our Eco group has been re-established.
- As soon as we were able, and in accordance with Covid rules, we held social events such as BBQs on both the Beacon Centre and Farnham Hospice sites. This meant that staff were able to physically meet with their colleagues. These events create a positive buzz around the organisation and were very well received.
- In 2021/22 we had to be restrained with our pay award, but for 2022/23 we are pleased to be able to give a 3% pay award. This is to say thank you to our teams and in recognition that external pressures, such as cost of living increases, are having a very real negative impact on our staff.
- We continue to receive support from local companies which we are very grateful for, treats such as a visiting pizza food truck make such a positive difference to everyone's morale.
- The Covid pandemic has had a significant effect on the way all our people have worked over the past year. They have been adaptable, flexible and shown great resilience. We are very proud of everyone and the continued dedication to their roles.

Income Generation

Fundraising and Retail operations had a good year returning to pre-Covid levels of income, with events and footfall in the shops as they were before the pandemic. Retail did exceptionally well with a surplus of almost £900k; its best-ever result.

How Trustees support the work of Phyllis Tuckwell

As a charity our trustees need to make sure that all our work is focused on achieving our charitable goals.

Our trustees take this responsibility very seriously, and work to ensure that decisions take the long-term consequences into account, along with the interests of our staff and patients alike. They also ensure we are professional in the way we work with suppliers and that our relationship with the NHS is well organised.

Maintaining the support of our wider community, protecting our environment and maintaining our reputation for high standards in the way we work, are also issues the Board considers on a regular basis.

Section 5: Financial Review

- Despite a budgeted operational loss the result for the financial year 2022/23 was significantly better than the budget.
- Retail performed especially well, returning to strength post pandemic. At the end of the year a new warehouse/distribution centre was opened in Farnborough which should lead to further good returns on investment during the next financial period.
- The generosity of our local community meant that we had another good year for donations, and we are so grateful both for the financial support and for the boost to morale it gave our teams, to know there were people in our community rooting for us.
- We received further albeit non-recurring support from the NHS for which of course we are most grateful. In order to continue some of our charitable work this NHS funding needs to be recurring and sure.

Key financial facts

- Total income for the year was £13.2m (2021/22 £12.8m). Of this approximately 26% was government/NHS funding whereas in a more normal year NHS funding is around 21%.
- Total expenditure for the year was £14.3m (2021/22 £12.3m). This gave us an operating deficit of £1.1m (2021/22 £0.5m surplus).
- The total reserves of the charity decreased by £2.9m to £23.5m at 31 March 2023, and the balance in the General Reserve was £4.3m, after allowing for the fall in value of the investments.

Investments

- At the start of the year the charity held £17.9m in non-cash investments.
- At 31 March 2023 the charity held £6.7m in non-cash investments. These generated £481k of interest and dividends during the year and unrealised losses of £1.8m.
- During the year we de-risked £10m of our portfolio which was being held as cash term deposits at the year-end. This is in anticipation of the hospice newbuild project.
- The investment portfolio is managed on a discretionary basis by Investec Wealth and Investment, a firm of professional investment managers. The only ethical restriction imposed by the Board is that there must be no direct investment in any securities issued by tobacco companies and any amount within a tracker or unit trust fund must be insignificant. Finance subcommittee is comfortable with the policies that Investec use to satisfy themselves that proper environmental, social and governance principles are integrated into the operations of companies they invest in.
- A bespoke benchmark is set for the funds with pre-set amounts of different classes of asset. The actual results are then compared to the benchmarks.

Reserves Policy

- There is a Trustee-approved reserves policy in place. The General Reserve is to enable Phyllis Tuckwell to continue to deliver a full range of services should there be an unexpected fall in income. If income cannot be restored to previous levels, then services may have to be curtailed, but changes can be implemented in a planned way.
- The policy is reviewed each year and a target level for the General Reserve is calculated at the end of each financial year based on the approved budget for the next year, the general economic climate and recent trends in charity giving. The target for 2023/24 is £4.5 to £5.1 million which equates to around 6 months of budgeted charitable expenditure. At 31 March 2023 the balance on the General Reserve was £4.3m
- Endowment Fund – The Jenabai Ebrahim fund, with income generated each year used to fund one of the inpatient rooms.
- Restricted Funds - £1.1m held for specific purposes as determined by the donor. 92% of these relate to building projects.
- The charity has four designated funds:
 - i. *Property Fund*
This fund represents the net value of Tangible Fixed Assets that were purchased with unrestricted funds.
 - ii. *Building Development Fund*
This fund was established to accrue funds to assist with the costs of any new premises or major refurbishments that may be required in the future. During the past couple years plans have been drawn for a rebuild of the Hospice building and planning permission has now been granted. This fund will account for around 60% of the total planned costs of the project.
 - iii. *Service Development Fund*
Before Phyllis Tuckwell introduces a new service or expands an existing service, the trustees need to know that it can be funded for at least three years, whilst allowing time for Income Generation to cover these additional costs. This fund provides this financial backing, thereby speeding up the development of services. The balance at 31 March 2023 was £0.5 million based on the cost of services introduced over the last three years and budgeted for the next year, including Hospice Care at Home, and locality working.
 - iv. *Operational Plan Fund*
This fund is to cover the investments in our general operating plan over the next four to five years. It is to fund our planned deficit budgets, ensuring the plan is adequately funded through a period of economic uncertainty.

Sustainability: Streamlined energy and carbon reporting

Phyllis Tuckwell uses energy in the form of gas, electricity and fuel for vehicles, operating solely within the UK. Transport data is captured from two datasets; fuel cards which detail the quantity of fuel purchased in litres, and mileage claims in respect of employees using personal vehicles for business purposes.

2022-23 is the fourth year that we have collected this data. The below table provides a comparison to the 2021-22 data. This comparison shows a 6% decrease in energy usage for 2022-23.

While some opportunities do exist to reduce energy use and drive energy efficiency, these are limited. Specifically, the sites which would benefit most from investment in energy are sites where such investment is not commercially viable, including shops which we occupy on short-term leases and where we are not responsible for the fabric of the building. Our main Hospice building dates back to the 1930s and as can be read elsewhere in this report this will be knocked down within the next year and a new modern energy efficient hospice built in its place.

The organisation achieved Phase Two ESOS compliance in May 2022 and has taken some steps towards reducing energy use, taking into account the rebuild. These steps include a programme to upgrade to LED lighting where feasible, the appointment of green champions, the installation of e-charging points in our car park and an ongoing effort to reduce unnecessary travel through the use of virtual technologies for meetings and even patient contacts.

Additional measures are planned where efficient, including improved insulation, further training for staff and ensuring energy efficiency is a considered when procuring new devices.

Our energy usage in 2021-22 and comparison to 2020-22:

| Measure | 2021/22 | | 2022/23 | | % change |
|--|-----------|-----------------------------|-------------|-----------------------------|-----------------------------|
| | kWh/miles | tonnes of CO ₂ e | kWh / miles | tonnes of CO ₂ e | tonnes of CO ₂ e |
| Gas consumption (kWh) | 687,309 | 126.5 | 686,482 | 126.3 | 0% |
| Electricity consumption (kWh) | 576,889 | 134.4 | 517,345 | 120.5 | -10% |
| Travel (miles) | 258,278 | 66.0 | 242,177 | 61.5 | -7% |
| TOTAL | 1,522,475 | 327 | 1,446,004 | 308 | -6% |
| Intensity metric - kg of CO ₂ e per patient supported | | 153.0kg | | 143.4kg | -6% |

Notes on Preparation:

Greenhouse gas (GHG) emissions have been calculated using the UK DEFRA condensed carbon conversion factors dataset and emissions are presented in CO₂e (Carbon Dioxide Equivalent). We have identified a metric of emissions per patient supported and these are shown above.

The above reported figures do not include usage for premises where the organisation has service agreements and/or is not charged for energy usage as a tenant due to a lack of access to this data. We do not keep records regarding the size or type of fuel used in employees' personal vehicles. CO₂e has therefore been calculated for claimed mileage based on the UK DEFRA condensed carbon conversion factors dataset, using the "average" personal vehicle and "unknown" fuel types.

Section 6: Plans for the Future

- Our top priority is to provide people with high quality, compassionate end of life care.
- The best way of doing this is to grow and support our great team of motivated, skilled staff and volunteers.
- We will continue to support all our people, giving them the chance to develop their skills and experience, recruiting new members of the team, and making sure we look after them and their well-being. During the next year we will focus on well-being and making sure everyone is supported as we move our Farnham-based services to new temporary locations due to the new Hospice build.
- We will focus on equality, diversity and inclusion for the people we care for, our staff and volunteers. We will take action to make sure that we are accessible, flexible and that our face-to-face services meet the needs of everybody in our community.
- We will also increase the efforts we put into supporting people through others – through training care homes' staff and others on latest thinking and practice in end-of-life care or by providing advice to community nurses, GPs and others.
- We will maintain our charitable income generation activity, ensuring we have enough income to keep our operations going whilst we raise Capital for a new Hospice build on our existing site in Farnham. We will seek to agree new contractual arrangements with our NHS partners to secure a fair deal for future years.
- We will focus on making good use of the technology and new ways of working our digital transformation work has produced. We want to make it easy for patients, families and supporters to engage with us digitally if they want to. We will also be making the most of our refurbished Beacon Centre in Guildford and the new Warehouse in Farnborough, as well as a temporary Community Hub in Farnham and IPU in Camberley, while we build the new Hospice.
- Our data analysis and new suite of KPIs will help us analyse what we have achieved, and help us start to think about priorities for our next 5-year Strategy. We have an ambition to work closely with people in our communities to co-design our future service model and ensure that we're delivering the services that people need and want, in a way that works best for them.
- We aim to work ever more closely with other hospices and colleagues working locally across the health and adult social care field - collaborating to support delivery of the Surrey Heartlands End of Life Care Strategy and the Frimley Integrated Care System's (ICS's) palliative and end of life care priorities.

Facilities for the future

2023 is the start of an ambitious project to help deliver our long-term strategy for our local community. It has been estimated that by 2040 the number of people dying in our area will increase by 25%. There are already more people who need us than we currently have the capacity to support, with people dying whilst on our waiting lists before they receive the specialist care they deserve.

With an ageing population, people are living longer and developing multiple complex medical conditions, so that in the coming years the need for the type of specialist palliative care that we provide increases further.

Also, by 2040, 70% of people will die at home, so we need to be increasingly flexible and reflect the preferences of the community we serve.

The ageing population, the increase in complex disease and the move to dying at home, mean that the already overstretched NHS will be placed under further pressure. As a result, the essential services we provide, will play an even greater part in the wider health and social care systems across our catchment area.

Our current building was not originally designed to be a hospice and, in the 90 years since much of it was built as a cottage hospital, end of life care has moved on significantly, and it has reached the end of its useful life.

Therefore, in order to increase our capacity, and help reduce NHS pressure and hospital admissions, we have decided to build a new modern hospice, fit for the 21st century, with the facilities that will enable us to care for thousands more people, in a variety of ways: increasing numbers on our IPU, offering more outpatient services, and providing improved community services for those at home or in care homes.

It will be sustainable with renewable energy sources, maximum insulation, reduced water consumption, and protect local wildlife, and we will reuse and recycle materials, wherever possible.

The main area of the new hospice will be a larger 18-bed In-Patient Unit, increasing from our current 14 beds, which will provide exceptional care to patients with high dependency medical and nursing needs.

The 18 spacious, en-suite bedrooms will enable us to care for 25% more people than we can currently accommodate. Equipped with state-of-the-art technology and designed to be dementia friendly, it will offer patients greater levels of comfort, privacy, and infection control. Every bedroom will have patio doors, that will provide lots of natural light, as well as direct access to beautiful and secure gardens.

The new Hospice will also be a hub for our expanded Community and Hospice Care at Home teams and provide improved outpatient facilities with consulting and treatment rooms, a multi-functional Wellbeing & Living Well Suite, and a new exercise suite to help patients build muscle strength, improve coordination and their ability to cope with symptoms such as breathlessness.

Our education team will use the new meetings rooms to train and educate colleagues in the NHS and social care, as well as our own staff, and modern workspaces will help us attract and retain our valued workforce and enable the new Hospice to be a Centre of Excellence in palliative care.

As a result, thousands of clinicians will deliver higher quality care, benefiting tens of thousands of patients from both within our catchment area, and further afield.

We have the full support from our local community and successfully secured planning permission in March 2023. We will therefore commence building works in Summer 2023 and plan to open the new hospice in Early 2026.

During the time we are offsite, we will continue to offer patients and families the same high-quality services, but from temporary locations: the IPU will be located on a dedicated wing of a local Care Home in Camberley; we have been able to adapt our Beacon Centre site in Guildford to house more of our Community and Living Well services; and our community and Hospice Care at Home services will be coordinated from the Beacon Centre, our new Retail headquarters in Farnborough and an office building in Farnham town centre, where most support staff will also be based.

At an estimated cost of £16m, the new hospice project represents a significant investment by the charity towards improving the provision of healthcare services in our community.

We have £10m in designated reserves, so we have launched a £6m capital appeal, seeking major gifts from trusts, corporates, foundations, statutory sources and individuals.

We are extremely confident it delivers value for money and, as a direct result of building our new hospice, within just ten years, we shall be helping 40% more people, than we are able to today.

Section 7: Leadership & How we Work

Trustees & the Board

Trustees are appointed at the Annual General Meeting.

They are selected through a process of open competition based on their skills and experience. New trustees attend an induction day. They also meet with each of the senior team as part of their induction. We are actively seeking to increase the diversity of age, ethnicity and perspective when vacancies arise. Page 3 lists the current make-up of the Trustee Board.

The management of Phyllis Tuckwell is the responsibility of the trustees, who are Directors for the purposes of company law and trustees for the purpose of charity law. The day-to-day running of Phyllis Tuckwell is devolved to the Chief Executive and Senior Management Team.

We have completed a desk-based review of our governance, benchmarking ourselves against the standards set out in the Charity Governance Code. The incoming Chair has reviewed the structure, composition and Terms of Reference of the Sub-Committees and carried out a Board Review to assess where things are going well, and where there is scope for improvement. We have refined the 'Board Wheel' to put a regular programme of Board activities into an annual calendar. This has proved extremely useful for trustees and the executive alike. We make sure we review participants' experience at the end of each Sub-Committee and Board meeting, to ensure we are as inclusive as possible, and that we stay focused on the needs of our patients and staff.

The list of Sub-Committees and their main responsibilities is below:

- Finance - financial health and sustainability of the organisation, as well as ensuring that internal controls are effective.
- Clinical Strategy – overall clinical direction and priorities.
- Clinical Governance – clinical performance and safe/best practice.
- People – workforce strategy for staff and volunteers, as well as remuneration (working closely with the Finance Sub-Committee).
- Income Generation – priorities and plans for income generation activities.
- Resources – estates and digital transformation.

Communication and Engagement with Staff and the Board

- Weekly Senior Management meetings with monthly Middle Managers meeting were held to ensure that all our people were kept fully informed about what is happening in the organisation and more widely. In addition, they provide an opportunity for all to feedback via managers any concerns or suggestions for improvement.
- We continue to make excellent use of the company intranet posting regular updates on this, including the monthly team brief. This ensured that views were heard, that people were able to influence decisions, and that everyone continues to be kept up-to-date with matters affecting the organisation, their teams and themselves.
- Staff were informed of our financial position via briefings from the Director of Finance & Business Development. They were encouraged to ask questions or seek further clarification. The aim is to provide a forum for discussion on the organisations finances and to reassure staff that our financial position was robust and well-managed.
- We continue with online meetings and have also returned to face-to-face meetings. It has been good to be able to return to in-person meetings. However, online continues to be helpful, particularly where we or colleagues want to meet with large numbers of people such as organisation-wide updates and discussions. Information from all meetings and events is cascaded to the Hospice Managers and then to the rest of the organisation.

Inclusion & Diversity

- Phyllis Tuckwell aims to be a diverse and inclusive organisation, one that reflects the population in our catchment area.
- We have worked with Access to Work to support our disabled people, ensuring that they have the necessary equipment and able to obtain transport where required, so that they may continue in their roles.
- The Diversity and Inclusion focus group, made up of interested staff across the organisation meet to consider all aspects of diversity and inclusion for patients and our workforce.
- Our aim is to operate as a single, empowered team, coming together to agree our approach to issues that need everyone to work together, and underpinned by clear roles and accountabilities. The organisation is committed to eliminating discrimination on any basis. We believe in fairness and equality, and value diversity in all our dealings, both as provider of end-of-life care and also as an employer. We recognise, value and respect everyone as individuals with diverse opinions, cultures, lifestyles and circumstances, understanding that each of us are unique, recognising and appreciating our differences and our commonalities.

Employee/Volunteer Information

- The Senior Management Team meet monthly with Hospice Managers to discuss the business and performance of the organisation, changes to ways of working and to gather feedback and updates from each area. The meeting also provides the SMT and managers with time to inform each other as to what is happening across the organisation. This Information is cascaded to the rest of the workforce via team meetings, one-to-ones and on the organisation's intranet. Feedback is sought from everyone. Anyone can raise

questions, queries or make suggestions to their managers, senior managers, or directly to the Chief Executive.

- Every six months the Chief Executive provides an update on the organisations progress against the strategy, priorities for the next 6 months and an opportunity to raise issues and explore how things are feeling for each of them.
- We ran regular pulse surveys to understand how people were feeling about the support and communication they receive, and what the SMT may do differently to improve this. Feedback is given anonymously, this is cascaded via our employee intranet and discussed at the Senior Management Meeting.
- PT is fortunate to be supported by a fantastic team of 694 volunteers. Our volunteers support all areas of the organisation, including retail, fundraising and roles within the Hospice and Beacon Centre. Roles vary from driving patients to helping in our Living Well service, on our In-Patient Unit and in various patient facing and therapeutic roles. Volunteers receive a monthly newsletter keeping them up-to-date with PT news and have regular ongoing contact with their line managers and the voluntary services team. This enables volunteers to feedback queries and offer suggestions.

Remuneration Policy

- Phyllis Tuckwell is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. In deciding senior pay awards, we consider the national recommendations for Charity Senior Executive Pay and follow these where appropriate. We have a People Board Sub-Committee, which looks at all matters relating to staff and volunteers. The Chair of this Board Sub-Committee, along with the Chair of the Board and the Chair of the Finance Board Sub-Committee, form a Remuneration Sub-Group of the Board. The main responsibilities of this group are to determine the remuneration package for the CEO and significant changes to the Senior Management Team. All other remuneration discussions outside of the CEO's level of authority, take place at the People Board Sub-Committee. In determining Phyllis Tuckwell's remuneration policy, the People Board Sub-Committee takes into account all factors such as external and internal benchmarking, including comparators of both charity and public sector pay awards, as and when necessary. Recommendations are submitted to the Board of trustees for ratification.

How we raise money

- In a normal year we have to raise 75-80% of our total income ourselves. Roughly a fifth comes from NHS funding. This year we have, once again, benefitted from one-off funding from the NHS in recognition of the role we have played in tackling winter pressures and the Omicron variant and reducing pressure on the NHS. We are extremely grateful for much-needed funding, however we still had to raise around £9m ourselves. We are constantly amazed and inspired by how much support we receive from supporters and donors. We believe this is in part because of the effort we put into securing and maintaining the trust of our supporters and by keeping our community engaged through regular social media activity.
- Our fundraising involves encouraging donations and gifts in wills, running events, engaging our local community to fundraise on our behalf, running a chain of charity shops, working with local companies and applying for grants from Trusts. In 2023/24 we will also be launching a capital appeal to raise £6million of funding for our new hospice.
- We voluntarily subscribe to the Fundraising Regulator and respond quickly to any complaints. In 2022/23, from tens of thousands of transactions, we received just six complaints, all of which were dealt with satisfactorily, and none was referred to the Fundraising Regulator.
- We also adhere to the Code of Fundraising Practice which ensures we work appropriately with those who are vulnerable or who need additional support.

Connecting with others. Relationships with wider interests and related parties

- We work closely with six neighbouring hospices, local care homes and NHS organisations. The value of close integration with other health and social care providers has never been clearer than over the last few years. We have worked as a team to manage the impact of the pandemic together.
- The NHS landscape is complex and active. We work across part of the Frimley Healthcare ICS and Surrey Heartlands ICS areas, two acute hospitals (Frimley Health and Royal Surrey County Hospital), Guildford & Waverley Alliance Partnership (ICP) and Frimley CCG (bringing together North East Hampshire & Farnham, Surrey Heath and East Berkshire Clinical Commissioning Groups).
- We have strong operational relationships with our local Commissioning partners, and have kept them informed about our performance over the last year on a regular basis. We look forward to working together over the next year.
- We have held several meetings with the Care Quality Commission (CQC) to introduce our new Director of Patient Services, to provide assurance about the quality of care we provide, and to ensure the CQC is well-informed about how we intend to provide services whilst we are in temporary accommodation. We also ensure that CQC are kept up to date with any serious incidents or significant events.
- Phyllis Tuckwell also owns 50% of the Tuckwell Chase Lottery Limited (TCL), from which we receive funds. The other 50% is owned by Shooting Star Children's Hospices.
- The Lottery Company pays half its profits to each owner.
- During 2022/23 Phyllis Tuckwell received £504k (net) from TCL (2021/22: £481k). TCL take their responsibilities for fundraising very seriously and are committed to best practice standards. They are a member of the Lotteries Council and The Hospice Lotteries Association and are regulated by the Gambling Commission under the 2005 Gambling Act.
- Phyllis Tuckwell owns the whole of the issued ordinary share capital of PTH Trading Limited. (Company number 06906850). The subsidiary is used for non-primary purpose trading activities. Available profits are gift aided to the charity.

Managing Risk

- The Board holds proactive, regular discussion of the things that could jeopardise delivery of our strategy.
- The Board has identified ten strategic risks that are monitored at quarterly Board meetings, with a 'deep dive' into one of the main areas of risk twice a year. The next level of risks is kept under regular review by the relevant Sub-Committee with an expectation that any emerging issues can be escalated to the Board.
- Covid had less of an impact than the year before so we were able to focus more time on the other strategic risks— recruitment, staff welfare, quality of patient care, income generation, inclusion, data security and health and safety.
- We carried out deep dives into cyber security, whether we are reaching more people, and recruitment & retention.

- We take business continuity seriously, and regularly review and update our plans. For example, this year we have focused on arrangements at The Beacon Centre in Guildford when an alarm is triggered and no manager is on site, to make sure it is clear and easy for anyone in the building to know what to do. We have also invested considerably in our digital security and the robustness of our digital environment to make sure that, should something happen to one of our physical sites, staff can continue working.

Section 8: Statement of Responsibilities of the Trustees

The trustees (who are also directors of Phyllis Tuckwell Memorial Hospice Ltd for the purpose 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).

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 group and of the incoming resources and application of resources, including the income and expenditure, of the 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping 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 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 should 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 56 (2022 – 54). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report, including the strategic report, was approved by the trustees on 20 July 2023 and signed on their behalf by

Alison Huggett
Chair

Opinion

We have audited the financial statements of Phyllis Tuckwell Memorial Hospice Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Phyllis Tuckwell Memorial Hospice Limited'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 trustees' annual report, including the strategic report, other than the group 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 group 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 group 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 group 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.

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' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you 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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes 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

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

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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's/ group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity/group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity/group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- 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 tested significant transactions that are unusual or those outside the normal course of business.

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

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

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Independent auditor's report

To the members of

Phyllis Tuckwell Memorial Hospice Limited

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.

Joanna Pittman (Senior statutory auditor)

27 July 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Phyllis Tuckwell Memorial Hospice Limited

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure account)

For the year ended 31 March 2023

| | Note | Unrestricted £ | Restricted/ Endowment £ | 2023 Total £ | Unrestricted £ | Restricted/ Endowment £ | 2022 Total £ |
|--|------|--------------------|-------------------------------|--------------------|-------------------|-------------------------------|--------------------|
| Incoming resources: | | | | | | | |
| Voluntary income | 2 | 3,631,930 | 10,500 | 3,642,430 | 3,786,681 | 19,230 | 3,805,911 |
| Activities for generating funds | | | | | | | |
| Fundraising | | 1,448,655 | 202,581 | 1,651,236 | 1,339,293 | 318,961 | 1,658,254 |
| Retail | | 2,760,691 | – | 2,760,691 | 2,453,407 | 7,771 | 2,461,178 |
| Lottery | | 1,224,559 | – | 1,224,559 | 981,526 | – | 981,526 |
| Charitable activities | 3 | 2,365,464 | 1,049,660 | 3,415,124 | 2,282,565 | 1,304,394 | 3,586,959 |
| Investments | 4 | 489,024 | – | 489,024 | 331,002 | 2,949 | 333,951 |
| Total income | | 11,920,322 | 1,262,741 | 13,183,063 | 11,174,474 | 1,653,306 | 12,827,780 |
| Resources expended: | | | | | | | |
| Raising funds | 5 | | | | | | |
| Voluntary income generation costs | | 151,827 | – | 151,827 | 159,669 | – | 159,669 |
| Fundraising costs | | 834,279 | – | 834,279 | 747,203 | – | 747,203 |
| Retail costs | | 2,070,353 | – | 2,070,353 | 1,994,503 | 7,771 | 2,002,274 |
| Lottery costs | | 720,248 | – | 720,248 | 500,371 | – | 500,371 |
| Investment management costs | | 35,603 | – | 35,603 | 64,722 | – | 64,722 |
| Sub-total for raising funds | | 3,812,310 | – | 3,812,310 | 3,466,467 | 7,771 | 3,474,238 |
| Charitable activities | 5 | | | | | | |
| In-Patient | | 4,245,728 | 419,095 | 4,664,823 | 3,408,358 | 391,151 | 3,799,509 |
| Living Well (outpatients) | | 975,000 | 20 | 975,020 | 746,730 | 93,369 | 840,099 |
| Community Care | | 3,875,817 | 928,850 | 4,804,667 | 3,108,600 | 1,123,838 | 4,232,438 |
| Sub-total for charitable activities | | 9,096,545 | 1,347,965 | 10,444,510 | 7,263,688 | 1,608,358 | 8,872,046 |
| Total expenditure | | 12,908,855 | 1,347,965 | 14,256,820 | 10,730,155 | 1,616,129 | 12,346,284 |
| Net (expenditure)/income before net (losses)/gains on investments | | (988,533) | (85,224) | (1,073,757) | 444,319 | 37,176 | 481,495 |
| Net (losses)/gains on investments | 13 | (1,792,466) | – | (1,792,466) | 416,038 | – | 416,038 |
| Net movement in funds | | (2,780,999) | (85,224) | (2,866,223) | 860,356 | 37,176 | 897,532 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 25,212,339 | 1,121,555 | 26,333,894 | 24,351,983 | 1,084,379 | 25,436,362 |
| Total funds carried forward | | 22,431,339 | 1,036,332 | 23,467,671 | 25,212,339 | 1,121,555 | 26,333,894 |

Balance sheets

Company no. 1063033

As at 31 March 2023

| | | The group | | The charity | |
|--|------|-------------------|-------------------|-------------------|-------------------|
| | Note | 2023 | 2022 | 2023 | 2022 |
| | | £ | £ | £ | £ |
| Fixed assets: | | | | | |
| Tangible assets | 11 | 3,043,099 | 3,057,606 | 3,043,099 | 3,057,606 |
| Investment properties | 12 | 100,000 | 115,000 | 100,000 | 115,000 |
| Investments | 13 | 11,798,817 | 18,504,225 | 11,798,818 | 18,504,226 |
| | | 14,941,916 | 21,676,831 | 14,941,917 | 21,676,832 |
| Current assets: | | | | | |
| Stocks | 15 | 3,441 | 5,821 | – | – |
| Debtors | 16 | 1,014,999 | 1,870,846 | 1,027,555 | 1,875,762 |
| Short term deposits | | 5,000,000 | 1,000,000 | 5,000,000 | 1,000,000 |
| Cash and cash equivalents | | 3,896,364 | 2,740,586 | 3,881,739 | 2,733,977 |
| | | 9,914,805 | 5,617,253 | 9,909,294 | 5,609,739 |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 17 | (1,389,050) | (845,190) | (1,383,540) | (837,677) |
| Net current assets | | 8,525,755 | 4,772,064 | 8,525,754 | 4,772,062 |
| Total assets less current liabilities | 20 | 23,467,671 | 26,448,894 | 23,467,671 | 26,448,894 |
| Creditors: amounts falling due after one year | 17 | – | (115,000) | – | (115,000) |
| Total Net assets | | 23,467,671 | 26,333,894 | 23,467,671 | 26,333,894 |
| Funds: | 21 | | | | |
| Restricted income funds | | | | | |
| Endowment fund | | 69,182 | 69,182 | 69,182 | 69,182 |
| Restricted funds | | 967,150 | 1,052,374 | 967,150 | 1,052,374 |
| Total restricted funds | | 1,036,332 | 1,121,556 | 1,036,332 | 1,121,556 |
| Unrestricted income funds: | | | | | |
| Designated funds | | 18,090,374 | 18,851,855 | 18,090,374 | 18,851,855 |
| General funds | | 4,340,965 | 6,360,483 | 4,340,965 | 6,360,483 |
| Total unrestricted funds | | 22,431,339 | 25,212,338 | 22,431,339 | 25,212,338 |
| Total funds | | 23,467,671 | 26,333,894 | 23,467,671 | 26,333,894 |

Approved by the trustees on 20 July 2023 and signed on their behalf by

Alison Huggett
ChairKen Ratcliff
Trustee

Phyllis Tuckwell Memorial Hospice Limited

Consolidated Statement of Cash Flows

For the year ended 31 March 2023

| | Note | 2023 £ | £ | 2022 £ | £ |
|---|------------------|------------------|------------------|------------------|------------------|
| Cash flows from operating activities | | | | | |
| Net income for the reporting period | | (2,866,223) | | 897,533 | |
| Depreciation charges | | 317,932 | | 298,851 | |
| Losses/(Gains) on investments | | 1,777,466 | | (416,038) | |
| Losses on investment property | | 15,000 | | – | |
| Loss on disposal of fixed assets | | 3,845 | | – | |
| Dividends, interest and rent from investments | | (489,024) | | (333,951) | |
| Decrease in stocks | | 2,380 | | 2,678 | |
| Decrease/(Increase)in debtors | | 855,847 | | (593,441) | |
| Increase in creditors | | 428,860 | | 397,123 | |
| | | | | | |
| Net cash provided by operating activities | | | 46,084 | | 252,756 |
| Cash flows from investing activities: | | | | | |
| Dividends and interest from investments | | 489,024 | | 333,951 | |
| Purchase of fixed assets | | (307,271) | | (245,459) | |
| Proceeds from sale of investments | | 24,877,491 | | 3,787,234 | |
| Purchase of investments | | (20,439,651) | | (3,645,541) | |
| (Increase) in term deposits | | (4,000,000) | | – | |
| Decr./(Incr.) in cash funds held by investment managers | | 490,102 | | (216,938) | |
| | | | | | |
| Net cash provided by investing activities | | | 1,109,694 | | 13,247 |
| | | | | | |
| Change in cash and cash equivalents in the year | | | 1,155,778 | | 266,002 |
| Cash and cash equivalents at the beginning of the year | | | 2,740,586 | | 2,474,584 |
| | | | | | |
| Cash and cash equivalents at the end of the year | | | 3,896,364 | | 2,740,586 |
| Analysis of cash and cash equivalents | | | | | |
| | At 1 April 2022 | Cash flows | Other changes | At 31 March 2023 | |
| | £ | £ | £ | £ | |
| Cash at bank and in hand | 2,240,586 | 1,155,778 | – | 3,396,364 | |
| Term deposits (less than 3 months) | 500,000 | – | – | 500,000 | |
| | | | | | |
| | 2,740,586 | 1,155,778 | – | 3,896,364 | |

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies

a) Statutory information

Phyllis Tuckwell Memorial Hospice Limited is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address of the charity and its subsidiary, PTH Trading Limited is Waverley Lane, Farnham, Surrey, GU9 8BL.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary PTH Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees do not consider that there are any sources of estimation or uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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 Charities SORP (FRS 102), volunteer time is not recognised. Refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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 31 March 2023

1 Accounting policies (continued)

g) Investment income and dividends

Investment income including dividends is included when receivable.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Endowment funds are restricted funds whereby the capital sum is invested but the income is used for objects of the charity.

i) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and educational activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against general overheads and allocated according to Note 5.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the following basis:

| | |
|-----------------------------------|-----|
| ● In-Patient Unit | 30% |
| ● Living Well (outpatients) | 10% |
| ● Community Care | 30% |
| ● Activities for generating funds | 30% |

Support and governance costs are re-allocated to each of the activities on the following basis:

The cost of overall direction and administration of each activity, comprising the salary and overhead cost of the central function is apportioned on the number of staff attributable to each activity:

| | |
|--------------------------------|--------|
| ● Activities to generate funds | 28.17% |
| ● In-Patient Unit | 32.49% |
| ● Living Well (outpatients) | 7.38% |
| ● Community Care | 31.96% |

Premises costs are allocated on the basis of square footage attributable to each activity:

| | |
|--------------------------------|--------|
| ● Activities to generate funds | 6.78% |
| ● In-Patient Unit | 69.92% |
| ● Living Well (outpatients) | 8.46% |
| ● Community Care | 14.84% |

IT costs are allocated based on the number of computers attributable to each activity:

| | |
|--------------------------------|--------|
| ● Activities to generate funds | 13.21% |
| ● In-Patient Unit | 36.48% |
| ● Living Well (outpatients) | 3.77% |
| ● Community Care | 46.54% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Pensions

The charitable company contributes to two pension schemes on behalf of employees. The charitable company operates a defined contribution pension scheme. The charitable company has no liability under the scheme other than for the payment of those contributions. It also contributes to a defined benefit superannuation scheme. The assets of both these schemes are held separately from the charitable company. The pension cost charge represents contributions payable under the schemes by the charitable company. Further information on the schemes is included in note 19.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

| | |
|---|----------|
| ● Freehold property | 50 years |
| ● Freehold property improvements | 10 years |
| ● Leasehold property | 3 years |
| ● Furniture, equipment, fixtures and fittings | 5 years |
| ● IT equipment | 3 years |
| ● Vehicles | 5 years |
| ● Software | 5 years |

Land valued at £31,250 within Freehold property is not depreciated.

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

p) Investments in subsidiaries

Investments in subsidiaries are at cost.

q) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. The value of donated goods for resale is not recognised on receipt. Instead, the value to the charity of these goods is recognised as income when sold.

r) Debtors

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.

s) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of up to three months from the date of acquisition or opening of the deposit or similar account.

t) Short term deposits

Short term deposits represent amounts held on deposit with a maturity of between 3 months and one year.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

u) Creditors and provisions

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.

v) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Voluntary Income

| | Unrestricted £ | Restricted £ | 2023 Total £ | Unrestricted £ | Restricted £ | 2022 Total £ |
|-----------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Donations | 1,261,849 | 10,500 | 1,272,349 | 1,417,573 | 19,230 | 1,436,803 |
| Legacies | 2,370,080 | – | 2,370,080 | 2,369,109 | – | 2,369,109 |
| | <u>3,631,930</u> | <u>10,500</u> | <u>3,642,430</u> | <u>3,786,681</u> | <u>19,230</u> | <u>3,805,911</u> |

At the year end the charity had been notified of one material legacy that it was unable to measure reliably at that time. Since the year end the charity has been informed that it is due £160,000 from this legacy.

3 Income from charitable activities

| | Unrestricted £ | Restricted £ | 2023 Total £ | Unrestricted £ | Restricted £ | 2022 Total £ |
|--|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| Grants | | | | | | |
| NHSE – Covid Support | – | – | – | – | 858,985 | 858,985 |
| NHS Guildford & Waverly CCG | 2,365,464 | – | 2,365,464 | 2,276,856 | – | 2,276,856 |
| Surrey Heath CCG Home Support | – | 22,126 | 22,126 | – | 22,126 | 22,126 |
| Other CCG support | – | 843,707 | 843,707 | – | 219,869 | 219,869 |
| Continuing Health | – | 183,827 | 183,827 | – | 179,172 | 179,172 |
| Total grant income | <u>2,365,464</u> | <u>1,049,660</u> | <u>3,415,124</u> | <u>2,276,856</u> | <u>1,280,152</u> | <u>3,557,008</u> |
| Other income | <u>–</u> | <u>–</u> | <u>–</u> | <u>5,709</u> | <u>24,242</u> | <u>29,951</u> |
| Total income from charitable activities | <u>2,365,464</u> | <u>1,049,660</u> | <u>3,415,124</u> | <u>2,282,565</u> | <u>1,304,394</u> | <u>3,586,959</u> |

NHSE - Covid support.

NHSE awarded funding to allow Phyllis Tuckwell to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the Covid-19 situation.

4 Income from investments

| | Unrestricted £ | Endowment £ | 2023 Total £ | Unrestricted £ | Endowment £ | 2022 Total £ |
|------------------------------------|-------------------|----------------|--------------------|-------------------|----------------|--------------------|
| Investments (interest & dividends) | 351,428 | – | 351,428 | 326,727 | 2,949 | 329,676 |
| Investment property Income | 8,000 | – | 8,000 | – | – | – |
| Term deposit interest | 106,938 | – | 106,938 | 3,040 | – | 3,040 |
| Bank interest | 22,659 | – | 22,659 | 1,234 | – | 1,234 |
| | <u>489,024</u> | <u>–</u> | <u>489,024</u> | <u>331,002</u> | <u>2,949</u> | <u>333,951</u> |

Notes to the financial statements

For the year ended 31 March 2023

5a Analysis of expenditure (current year)

| | | Charitable activities | | | | | | | |
|---------------------------------|-------------------------------|-----------------------|-----------------------------------|------------------------|--------------------------|-----------------------|-----------------------|--------------------|--------------------|
| | Cost of raising funds £ | In-Patient £ | Living Well (outpatients) £ | Community Care £ | Governance costs £ | Support costs £ | Redevel'pm't costs | 2023 Total £ | 2022 Total £ |
| Staff costs (Note 7) | 1,595,381 | 2,826,670 | 703,391 | 3,852,865 | 36,388 | 1,239,594 | 67,693 | 10,321,981 | 9,306,985 |
| Fundraising/Retail costs | 297,299 | – | – | – | – | – | 3,500 | 300,799 | 289,605 |
| Marketing & Communications | 42,786 | 23,916 | 9,567 | 23,916 | – | – | – | 100,186 | 111,470 |
| Lottery costs | 720,248 | – | – | – | – | – | – | 720,248 | 500,371 |
| Catering | – | 220,395 | 3,795 | 73 | – | 15,799 | – | 240,062 | 213,625 |
| Premises | 577,106 | – | 30,625 | 30,625 | – | 157,067 | 550,455 | 1,345,878 | 738,653 |
| Travel | 34,957 | – | 3,938 | 70,303 | – | 6,063 | – | 115,261 | 88,487 |
| Consumables | – | 72,217 | 14,399 | 33,811 | – | 1,727 | – | 122,154 | 109,690 |
| Depreciation & loss on disposal | 30,827 | 54,466 | 194 | 4,394 | – | 228,051 | – | 317,932 | 298,851 |
| Maintenance & repairs | – | 61,477 | 1,276 | 5,744 | – | 69,174 | – | 137,671 | 122,296 |
| Subscriptions & publications | – | 2,840 | 631 | 2,840 | – | 8,156 | – | 14,468 | 17,484 |
| IT | 23,057 | 26,530 | 5,896 | 26,530 | – | 284,645 | – | 366,657 | 233,831 |
| Insurance | 24,027 | – | 162 | 1,577 | 1,522 | 33,706 | – | 60,994 | 50,535 |
| Audit & accountancy fees | 4,400 | – | – | – | 16,535 | – | – | 20,935 | 17,450 |
| Legal & professional fees | – | 2,547 | 566 | 2,547 | 555 | 2,959 | – | 9,175 | 140,765 |
| Office costs | – | 1,963 | 436 | 14,354 | – | 10,065 | – | 26,819 | 41,464 |
| Investment management costs | 35,603 | – | – | – | – | – | – | 35,603 | 64,722 |
| Total resources expended | 3,385,690 | 3,293,021 | 774,877 | 4,069,580 | 55,000 | 2,057,006 | 621,647 | 14,256,820 | 12,346,284 |
| Governance costs | 15,126 | 17,986 | 4,200 | 17,688 | (55,000) | | | | |
| Support costs | 369,350 | 919,138 | 143,372 | 625,147 | | (2,057,006) | | | |
| Redevelopment costs | 42,145 | 434,679 | 52,571 | 92,252 | | | – | | |
| Total expenditure 2023 | 3,812,310 | 4,664,823 | 975,020 | 4,804,667 | – | – | – | 14,256,820 | – |
| Total expenditure 2022 | 3,474,238 | 3,799,509 | 840,099 | 4,232,438 | – | – | – | – | 12,346,284 |

Notes to the financial statements

For the year ended 31 March 2023

5b Analysis of expenditure (current year)

| | | Charitable activities | | | | | | |
|---------------------------------|-------------------------------|-----------------------|-----------------------------------|------------------------|--------------------------|-----------------------|--------------------|--|
| | Cost of raising funds £ | In-Patient £ | Living Well (outpatients) £ | Community Care £ | Governance costs £ | Support costs £ | 2022 Total £ | |
| Staff costs (Note 7) | 1,527,781 | 2,505,256 | 622,660 | 3,476,527 | 9,128 | 1,165,633 | 9,306,985 | |
| Fundraising/Retail costs | 289,605 | – | – | – | – | – | 289,605 | |
| Marketing & Communications | 45,809 | 27,359 | 10,943 | 27,359 | – | – | 111,470 | |
| Lottery costs | 500,371 | – | – | – | – | – | 500,371 | |
| Catering | – | 195,543 | 912 | 9 | – | 17,161 | 213,625 | |
| Premises | 559,498 | – | 36,603 | – | – | 142,552 | 738,653 | |
| Travel | 28,689 | – | 2,808 | 51,049 | – | 5,941 | 88,487 | |
| Consumables | – | 64,278 | 13,240 | 30,551 | – | 1,620 | 109,690 | |
| Depreciation & loss on disposal | 36,493 | 54,747 | – | 5,198 | – | 202,413 | 298,851 | |
| Maintenance & repairs | – | 36,417 | 929 | 4,180 | – | 80,770 | 122,296 | |
| Subscriptions & publications | – | 3,676 | 817 | 3,676 | – | 9,314 | 17,484 | |
| IT | 22,417 | 25,254 | 5,612 | 25,254 | – | 155,296 | 233,831 | |
| Insurance | 16,425 | – | 290 | 4,066 | 1,735 | 28,019 | 50,535 | |
| Audit & accountancy fees | 3,900 | – | – | – | 13,550 | – | 17,450 | |
| Legal & professional fees | – | 2,547 | 566 | 2,547 | 380 | 134,725 | 140,765 | |
| Office costs | – | 1,976 | 439 | 18,246 | – | 20,804 | 41,464 | |
| Investment management costs | 64,722 | – | – | – | – | – | 64,722 | |
| | 3,095,709 | 2,917,053 | 695,820 | 3,648,663 | 24,792 | 1,964,247 | 12,346,284 | |
| Governance costs | 6,818 | 8,107 | 1,893 | 7,973 | (24,792) | | – | |
| Support costs | 371,711 | 874,348 | 142,387 | 575,802 | | (1,964,247) | – | |
| Total expenditure 2022 | 3,474,238 | 3,799,509 | 840,099 | 4,232,438 | – | – | 12,346,284 | |

Notes to the financial statements

For the year ended 31 March 2023

6 Net income / (expenditure) for the year

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| This is stated after charging: | | |
| Depreciation | 317,932 | 298,851 |
| Loss on disposal of fixed assets | 3,845 | – |
| Operating lease rentals: | | |
| Property | 398,021 | 383,043 |
| Other | 6,883 | 6,739 |
| Auditor's remuneration (excluding VAT): | | |
| Audit – Charity | 14,400 | 12,500 |
| Audit – Trading Company | 3,400 | 3,000 |
| Other Services | 3,135 | 1,950 |
| | 1,043,676 | 1,093,883 |

7 Analysis of staff costs, the cost of key management personnel and trustees' remuneration and expenses

| | | |
|--|-------------------|------------------|
| a) Staff costs were as follows: | 2023 £ | 2022 £ |
| Salaries and wages | 8,203,368 | 7,614,276 |
| Social security costs | 815,986 | 705,134 |
| Employer's contribution to pension schemes | 673,440 | 643,056 |
| Self-employed/ contractors costs | 515,497 | 215,871 |
| Other forms of employee benefits | 113,689 | 128,649 |
| | 10,321,981 | 9,306,985 |

- b) The following number of employees received employee benefits (excluding employer pension costs and employer national insurance contributions) during the year between:

| | 2023 No. | 2022 No. |
|---------------------|-------------|-------------|
| £60,000 – £69,999 | 4 | 3 |
| £70,000 – £79,999 | 3 | 1 |
| £80,000 – £89,999 | 1 | 1 |
| £90,000 – £99,999 | – | 1 |
| £100,000 – £109,999 | 1 | – |
| £110,000 – £119,999 | – | 1 |
| £140,000 – £149,999 | 1 | 1 |

The employees above include six medical/clinical staff, the CEO and three other members of the SMT, with the highest paid employee being from the medical team (2022: four medical/clinical staff, the CEO and three other members of the SMT, with the two highest paid employees being from the medical team).

The total employee benefits, including pension contributions and employer national insurance, of the eight (2022: eight key management personnel listed on page 3) were £779,831 (2022: £739,614).

- c) The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil). Trustees' expenses of £47 were incurred by one trustee. (2022: £nil).

Notes to the financial statements

For the year ended 31 March 2023

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

| | 2023 No. | 2022 No. |
|----------------------------|-------------|-------------|
| Nursing staff | 118 | 119 |
| Medical staff | 11 | 10 |
| Clinical support staff | 25 | 22 |
| Patient and Family support | 14 | 13 |
| Therapists | 16 | 16 |
| Fundraising and publicity | 19 | 18 |
| Retail staff | 69 | 72 |
| Administration | 23 | 20 |
| Support staff | 34 | 33 |
| Education staff | 6 | 5 |
| | 333 | 328 |

The average number of full time equivalent employees was as follows:

| | 2023 No. | 2022 No. |
|----------------------------|--------------|--------------|
| Nursing staff | 84.6 | 81.4 |
| Medical staff | 6.5 | 6.2 |
| Clinical support staff | 17.6 | 16.7 |
| Patient and Family support | 9.8 | 9.3 |
| Therapists | 11.9 | 11.9 |
| Fundraising and publicity | 15.4 | 15.4 |
| Retail staff | 40.4 | 42.7 |
| Administration | 19.2 | 16.8 |
| Support staff | 17.3 | 17.0 |
| Education staff | 4.0 | 3.4 |
| | 226.6 | 220.7 |

9 Related party transactions

The Phyllis Tuckwell Memorial Hospice Limited owns 50% of Tuckwell Chase Lottery Limited. The Hospice received £504,311 (net) during the year from the Lottery company (2022: £481,155). The remaining 50% is owned by Shooting Star Children's Hospices.

The Phyllis Tuckwell Memorial Hospice Limited recognises 50% of the total income and expenditure from the Tuckwell Chase Lottery Limited in the Statement of Financial Activities. In substance, the Tuckwell Chase Lottery pays over 50% of its generated surplus throughout the year. Any difference between the amounts paid over during the year and the surplus for Tuckwell Chase Lottery Limited at the end of the year is recognised as a debtor or creditor by the Phyllis Tuckwell Memorial Hospice Limited at the end of the year.

There are no donations from related parties which are outside the normal course of fundraising activities and no restricted donations from related parties.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary PTH Trading Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was £nil (2022: £nil).

Notes to the financial statements

For the year ended 31 March 2023

11 Tangible fixed assets

For the group and the charity

| | Freehold property £ | Clinical Equipment £ | Equipment & Other Assets £ | Fixtures & Fittings £ | Total £ |
|--------------------------|---------------------------|----------------------------|----------------------------------|-----------------------------|------------|
| Cost | | | | | |
| At the start of the year | 5,467,356 | 597,068 | 1,813,631 | 155,554 | 8,033,609 |
| Additions in year | – | 37,351 | 269,920 | – | 307,271 |
| Disposals in year | (1,985) | – | (114,031) | – | (116,017) |
| At the end of the year | 5,465,371 | 634,419 | 1,969,520 | 155,554 | 8,224,863 |
| Depreciation | | | | | |
| At the start of the year | 2,763,315 | 500,373 | 1,579,262 | 133,054 | 4,976,004 |
| Charge for the year | 125,571 | 45,860 | 137,896 | 8,606 | 317,932 |
| Eliminated on disposal | (1,564) | – | (110,608) | – | (112,172) |
| At the end of the year | 2,887,322 | 546,233 | 1,606,549 | 141,660 | 5,181,764 |
| Net book value | | | | | |
| At the end of the year | 2,578,049 | 88,186 | 362,971 | 13,894 | 3,043,099 |
| At the start of the year | 2,704,041 | 96,695 | 234,369 | 22,500 | 3,057,605 |

12 Investment properties

| | The group 2023 £ | 2022 £ | The charity 2023 £ | 2022 £ |
|-----------------------------------|------------------------|-----------|--------------------------|-----------|
| Fair value at start of year | 100,000 | 115,000 | 100,000 | 115,000 |
| Fair value at the end of the year | 100,000 | 115,000 | 100,000 | 115,000 |

The charity received the freehold interest in a property as the result of a legacy. The charity has reviewed a valuation undertaken by a recognised professional independent valuer at 31 March 2023 and considered this and current market conditions when determining the value at 31 March 2023.

13 Investments

Investments comprise:

| | The group 2023 £ | 2022 £ | The charity 2023 £ | 2022 £ |
|-----------------------------------|------------------------|------------|--------------------------|------------|
| UK fixed interest corporate bonds | 1,777,546 | 830,027 | 1,777,546 | 830,027 |
| UK listed equities | 328,386 | 5,282,720 | 328,386 | 5,282,720 |
| UK listed overseas equities | 2,672,830 | 9,409,651 | 2,672,830 | 9,409,651 |
| Investment Property funds | 424,661 | 851,533 | 424,661 | 851,533 |
| Other listed investments | 1,270,562 | 1,461,360 | 1,270,562 | 1,461,360 |
| Term cash investments | 5,246,000 | – | 5,246,000 | – |
| Investment portfolio cash | 78,832 | 668,934 | 78,832 | 668,934 |
| Investment portfolio value | 11,798,817 | 18,504,225 | 11,798,817 | 18,504,225 |
| Investment in subsidiary | – | – | 1 | 1 |
| Total value of investments | 11,798,817 | 18,504,225 | 11,798,818 | 18,504,226 |

Notes to the financial statements

For the year ended 31 March 2023

13 Investments (continued)

Movement in the investment portfolio fair value:

| | The group | | The charity | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Fair value at the start of the year excluding cash | 17,935,291 | 17,660,947 | 17,935,291 | 17,660,947 |
| Additions at cost | 15,439,651 | 3,645,541 | 15,439,651 | 3,645,541 |
| Disposal proceeds | (24,877,491) | (3,787,234) | (24,877,491) | (3,787,234) |
| Net (fall)/gain in fair value | (1,777,466) | 416,038 | (1,777,466) | 416,038 |
| | 6,719,985 | 17,935,291 | 6,719,985 | 17,935,290 |
| Cash held by investment manager pending reinvestment | 78,832 | 568,934 | 78,832 | 568,934 |
| Fair value at the end of the year | 6,798,817 | 18,504,225 | 6,798,817 | 18,504,224 |
| <i>Historic cost at the end of the year</i> | 6,465,678 | 13,068,478 | 6,465,678 | 13,068,479 |
| Term deposits maturing in more than one year | 5,000,000 | – | 5,000,000 | – |
| Total fair value at the end of the year | 11,798,817 | 18,504,225 | 11,798,817 | 18,504,224 |

14 Subsidiary undertaking and parent charity results

The charitable company owns the whole of the issued ordinary share capital of PTH Trading Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

| | 2023 | 2022 |
|--|---------------|---------------|
| | £ | £ |
| Turnover | 92,064 | 98,504 |
| Cost of sales | (20,811) | (20,001) |
| Gross profit | 71,253 | 78,503 |
| Administrative expenses | (4,777) | (6,060) |
| Management charge payable to parent charity | (6,000) | (2,400) |
| Profit on ordinary activities | 60,476 | 70,043 |
| Taxation | – | – |
| Profit for the financial year | 60,476 | 70,043 |
| Retained earnings | | |
| Total retained earnings brought forward | – | – |
| Profit for the financial year | 60,476 | 37,008 |
| Distribution paid in the year under Gift Aid to parent charity | (60,476) | (37,008) |
| Total retained earnings carried forward | – | – |
| The aggregate of the assets, liabilities and reserves was: | | |
| Assets | 18,066 | 12,798 |
| Liabilities | (18,065) | (12,797) |
| Reserves | 1 | 1 |

Amounts owed from the parent undertaking are shown in note 16.

Notes to the financial statements

For the year ended 31 March 2023

14 Subsidiary undertaking and parent charity results (cont'd)

The parent charity's gross income and the results for the year are disclosed as follows:

| | 2023 £ | 2022 £ |
|---------------------|-------------|------------|
| Gross income | 13,153,875 | 12,801,719 |
| Result for the year | (2,866,223) | 897,533 |

15 Stocks

| | The group | | The charity | |
|----------------|--------------|--------------|-------------|-----------|
| | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| Finished goods | 3,441 | 5,821 | - | - |
| | <u>3,441</u> | <u>5,821</u> | <u>-</u> | <u>-</u> |

16 Debtors

| | The group | | The charity | |
|----------------------------|------------------|------------------|------------------|------------------|
| | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| Tax and social security | 136,669 | 107,656 | 136,669 | 107,656 |
| Trade debtors | 34,104 | 291,657 | 34,104 | 291,657 |
| Other debtors | 590,886 | 1,269,962 | 590,886 | 1,269,594 |
| Prepayments | 253,341 | 201,572 | 253,341 | 201,572 |
| Amount due from subsidiary | - | - | 12,556 | 5,283 |
| | <u>1,014,999</u> | <u>1,870,846</u> | <u>1,027,555</u> | <u>1,875,762</u> |

17 Creditors: amounts falling due within one year

| | The group | | The charity | |
|------------------------------|------------------|----------------|------------------|----------------|
| | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| Taxation and social security | 185,141 | 180,664 | 179,631 | 177,358 |
| Trade creditors | 286,777 | 171,642 | 286,777 | 171,334 |
| Other creditors | 273 | 1,761 | 273 | 1,761 |
| Accruals | 278,169 | 191,038 | 278,169 | 187,138 |
| Pension accruals | 98,808 | 98,485 | 98,808 | 98,485 |
| Deferred income | 539,883 | 201,599 | 539,883 | 201,599 |
| | <u>1,389,050</u> | <u>845,190</u> | <u>1,383,540</u> | <u>837,677</u> |

18 Deferred income

Deferred income comprises various amounts relating to fundraising events being held in 2023/24; also to NHS income received in 2022/23 for contracts in 2023/24.

| | The group | | The charity | |
|---------------------------------------|------------------|-------------|--------------------|-------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Balance at the beginning of the year | 201,599 | 42,129 | 201,599 | 42,129 |
| Amount released to income in the year | (201,599) | (42,129) | (201,599) | (42,129) |
| Amount deferred in the year | 539,883 | 201,599 | 539,883 | 201,599 |
| Balance at the end of the year | 539,883 | 201,599 | 539,883 | 201,599 |

19 Pension schemes

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

Group Personal Pension Scheme

In addition to the NHS Pension Scheme, the Phyllis Tuckwell operates a Group Personal Pension Plan. This plan is administered and invested with Aegon, with advice and support provided by Chase de Vere Independent Financial Advisers Ltd. It is a money purchase plan and all eligible employees are automatically enrolled after three months' service, unless they ask to join earlier. Contributions are on a matched basis of between 4% and 7.5%. Employees may contribute more to the plan. Membership of the plan entitles the employee to Life Assurance cover of 2.5 x annual earnings.

Notes to the financial statements

For the year ended 31 March 2023

20a Analysis of group net assets between funds (current year)

| | General unrestricted funds £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total funds £ |
|------------------------------------|---------------------------------------|--------------------------|--------------------------|-------------------------|---------------------|
| Tangible fixed assets | – | 2,090,374 | 952,725 | – | 3,043,099 |
| Investment properties | 100,000 | – | – | – | 100,000 |
| Investments | 1,729,635 | 10,000,000 | – | 69,182 | 11,798,817 |
| Net current assets | 2,511,330 | 6,000,000 | 14,425 | – | 8,525,755 |
| Net assets at 31 March 2023 | 4,340,965 | 18,090,374 | 967,150 | 69,182 | 23,467,671 |

20b Analysis of group net assets between funds (prior year)

| | General unrestricted funds £ | Designated funds £ | Restricted funds £ | Endowment funds £ | Total funds £ |
|------------------------------------|---------------------------------------|--------------------------|--------------------------|-------------------------|---------------------|
| Tangible fixed assets | – | 2,051,855 | 1,005,751 | – | 3,057,606 |
| Investment properties | 115,000 | – | – | – | 115,000 |
| Investments | 3,135,043 | 15,300,000 | – | 69,182 | 18,504,225 |
| Net current assets | 3,110,441 | 1,500,000 | 46,623 | – | 4,657,064 |
| Net assets at 31 March 2022 | 6,360,484 | 18,851,855 | 1,052,374 | 69,182 | 26,333,895 |

Notes to the financial statements

For the year ended 31 March 2023

21a Movements in funds (current year)

| | At 1 April 2022 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 31 March 2023 £ |
|---------------------------------|-------------------------|------------------------|------------------------------|------------------|--------------------------|
| Endowment funds: | | | | | |
| Jenabai Ebrahim Endowment Fund | 69,182 | – | – | – | 69,182 |
| Total endowment funds | 69,182 | – | – | – | 69,182 |
| Restricted funds: | | | | | |
| Building projects completed | 807,952 | – | (28,877) | – | 779,075 |
| Other capital items | 197,799 | 18,683 | (42,832) | – | 173,650 |
| Donations/Grants expended | | | | | |
| Capital Appeal | – | 400 | – | – | 400 |
| NHS Home Support | – | 22,126 | (22,126) | – | – |
| IPU & other | 28,423 | 332,738 | (347,386) | – | 13,775 |
| Therapists | 20 | 250 | (20) | – | 250 |
| Community Care | 18,180 | 888,544 | (906,724) | – | – |
| Total restricted funds | 1,052,374 | 1,262,741 | (1,347,965) | – | 967,150 |
| Unrestricted funds: | | | | | |
| Designated funds: | | | | | |
| Property fund | 2,051,855 | – | – | 38,519 | 2,090,374 |
| Buildings development fund | 9,300,000 | – | – | 700,000 | 10,000,000 |
| Services development fund | 1,500,000 | – | – | (1,000,000) | 500,000 |
| Operational plan fund | 6,000,000 | – | – | (500,000) | 5,500,000 |
| Total designated funds | 18,851,855 | – | – | (761,481) | 18,090,374 |
| General funds | 6,360,483 | 11,920,322 | (14,701,322) | 761,481 | 4,340,964 |
| Total unrestricted funds | 25,212,338 | 11,920,322 | (14,701,322) | – | 22,431,338 |
| Total funds | 26,333,894 | 13,183,063 | (16,049,287) | – | 23,467,671 |

Notes to the financial statements

For the year ended 31 March 2023

21b Movements in funds (prior year)

| | At 31 March 2021 £ | Income and gains £ | Expenditure and losses £ | Transfers £ | At 31 March 2022 £ |
|---------------------------------|--------------------------|--------------------------|--------------------------------|--------------------|--------------------------|
| Endowment funds: | | | | | |
| Jenabai Ebrahim Endowment Fund | 69,182 | 2,949 | (2,949) | – | 69,182 |
| Total endowment funds | 69,182 | 2,949 | (2,949) | – | 69,182 |
| Restricted funds: | | | | | |
| Building projects completed | 782,425 | 50,234 | (24,707) | – | 807,952 |
| Other capital items | 190,423 | 53,853 | (46,477) | – | 197,799 |
| Donations/Grants expended | | | | | |
| NHSE Covid hospice support | – | 858,985 | (858,985) | | |
| Other government Covid support | – | 32,013 | (32,013) | – | – |
| NHS Home Support | – | 22,126 | (22,126) | – | – |
| IPU | 2,200 | 415,002 | (388,779) | – | 28,423 |
| Therapists | 7,513 | 100 | (7,593) | – | 20 |
| Community Care | 32,636 | 218,044 | (232,500) | – | 18,180 |
| | – | – | – | – | – |
| Total restricted funds | 1,015,197 | 1,650,357 | (1,613,180) | – | 1,052,374 |
| Unrestricted funds: | | | | | |
| Designated funds: | | | | | |
| Property fund | 2,138,149 | – | – | (86,294) | 2,051,855 |
| Buildings development fund | 8,000,000 | – | – | 1,300,000 | 9,300,000 |
| Services development fund | 1,500,000 | – | – | – | 1,500,000 |
| Operational plan fund | 6,000,000 | – | – | – | 6,000,000 |
| | | – | – | – | – |
| Total designated funds | 17,638,149 | – | – | 1,213,706 | 18,851,855 |
| General funds | 6,713,835 | 11,590,511 | (11,088,500) | (1,213,706) | 6,360,483 |
| Total unrestricted funds | 24,351,984 | 11,590,511 | (11,088,500) | – | 25,212,338 |
| Total funds | 25,436,363 | 13,243,817 | (12,704,629) | – | 26,333,894 |

21 Movements in funds (continued)

Purposes of endowment funds

Jenabai Ebrahim Endowment Fund

The Jenabai Ebrahim Endowment Fund was donated by Professor Zef Ebrahim in memory of his mother. The income from this fund is used to support one of our In-Patient Unit rooms.

Purposes of restricted funds

Building projects completed

These are donations which have been specifically made to a number of building projects for the modernisation and expansion of the Hospice. All donations have been used as part of expenditure on the modernisation of the Hospice and are included in fixed assets. These appeals are now closed and the outgoings relate to depreciation.

Other capital items

These are donations made for specific items of equipment (fixed assets), which have been purchased in the year or are to be purchased in the coming year.

Donations/grants expended

Hospice Home Support – funding is received from the NHS to provide general, non nursing support for patients and their families at home.

IPU – donations made to support the work carried out on our In-Patient Unit.

Therapists – donations made to support the provision of therapists.

Community Care – various donations received which are specifically restricted for care at home/community care.

Living Well – donations made to support the provision of the Living Well services. Living Well services comprise our traditional day services as well as groups and outpatients and care in the community.

Purposes of designated funds

Property fund

The property fund represents the net book value of tangible fixed assets that were purchased with unrestricted funds.

Buildings Development fund

This fund was established to accrue funds to assist with the costs of any new premises that may be required in the future. A review of the hospice premises is being carried out following the rapid growth in recent years and the serviceability of current buildings. The fund has also been reviewed in the light of requirements for locality working.

Service Development fund

Before Phyllis Tuckwell introduces a new service or expands an existing service, the trustees need to know that it can be funded for at least three years. This fund provides this financial backing, thereby speeding up the development of services. The balance at 31 March 2021 was £1.5 million based on the cost of services introduced over the last three years and budgeted for the next year, including hospice care at home and locality working.

Operational Plan fund

This fund is to cover the investments in our general operating plan over the next four to five years. It will ensure the plan is adequately funded through a period of economic uncertainty.

Fair value reserve

This was a fund to set aside the unrealised gain on investments. The accounting standards no longer require the fair value reserve to be shown separately, as unrealised gains on investments are now included as part of the surplus or deficit for the year.

22 Operating lease commitments**For the group and the charity**

The total future minimum lease payments under non-cancellable operating leases is as follows for each of the respective periods:

| | Property | | Equipment | |
|--------------------|------------------|----------------|-----------|---------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Less than one year | 373,393 | 333,908 | – | 7,410 |
| One to five years | 778,236 | 470,479 | – | 15,557 |
| Over five years | – | – | – | – |
| | <u>1,151,629</u> | <u>804,387</u> | <u>–</u> | <u>22,967</u> |

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member, in the event of winding up, is limited to £1.