

St Peter's Hospice

Annual Report and Financial Statements For the Year Ended 31 March 2022

Registered Charity number 269177

Registered company number 1191227

The Trustees present their report and the audited consolidated financial statements for the year ended 31 March 2022.

This report and financial statements comply with current statutory requirements, with the requirements of the Charity's governing document, and they have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and Charity SORP.

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Chairman's Report

After a turbulent pandemic year, I am pleased to present such a positive annual report and accounts for St Peter's Hospice for the year ended 31 March 2022. I am equally pleased to report such positive plans for the hospice going forward.

The COVID-19 pandemic brought exceptional uncertainty through the whole year, with a rollercoaster of surges in community infection rates, ever changing government guidance, and the cumulative effects of pressure, stress and anxiety on our people.

We developed a framework for the decompression/recuperation of our teams. While there was a good deal of support for individual employees (including employee assistance scheme, well-being programme and clinical supervision), we set out to provide teams with the guidance and resources to recuperate from the effects of the pandemic. Recuperation activities included team reflection, team learning, social activities and leave. As word got around, we provided our recuperation framework to local civic authorities, health and care partners, hospices, the chamber of commerce, businesses, universities and charities.

We sought to shift the hospice focus and attention towards our plans for the future by publishing a Strategic Plan along with 'supporting strategies' for each area. In the autumn, we started to move out of the 'interim position' that we had adopted during the pandemic. This meant recruiting posts that had been left vacant and starting to re-open the 5 x closed inpatient unit beds. We took the opportunity to re-open the closed beds as nurse-led non-complex beds, with a view to taking a test-and-learn approach. In due course, we will determine the optimum mix of complex and non-complex beds in the inpatient unit.

We have successfully consolidated our financial position. As this year closes, we have taken a number of unprecedented decisions aimed at helping our teams to recover from the effects of the pandemic, to support our wider health and care partners as they endeavour to deliver services, and to invest in our hospice services and systems.

We plan to operate a deficit budget in 2022/23, with the intention of continuing to do so for the next 2 – 3 years. We will cover those deficits from a specially designated reserve. We also intend to deliver a programme of service enhancements over the same period. We will look to see where we can enhance our services to do more for our beneficiaries, to ease the pressure on our teams and to support our wider partners. We will fund these service enhancements through a further designated reserve. In addition, we will manage a programme of projects to improve our services, systems and facilities, funded through another designated reserve.

We will monitor the progress of these budgets, service enhancements and projects, with a keen eye on long term financial sustainability. We intend to maximise our spend on current services through the careful targeted application of designated reserves, while maintaining our longer term financial sustainability.

We could not do what we do without our magnificent staff and volunteers. We have an excellent Board of Trustees who have exercised effective balanced governance through the pandemic. We are incredibly fortunate to have such committed communities of supporters and donors who have supported us so generously.

St Peter's Hospice has proven to be well-led, well organised, adaptable and resilient. We now look forward to a much more positive and exciting future as we look to make use of our reserves to support our patients, staff and our wider health and care partners.

Peter Goyder
Chairman

Trustees' Report

Our Objectives and Activities

St Peter's is Bristol's only adult Hospice. We provide specialised care and support for patients with severe and progressive disease where curative treatment is no longer possible. Our commitment is to improve the quality of life of patients while extending care and support to their relatives. This year 20% (2021: 14%) of our expenditure was funded by our local NHS CCG commissioned contract.

The Charity's purpose is set out in the company's Articles of Association, which were reviewed in 2014 and adopted on 26 February 2015. It is to promote the relief of sickness and in particular to provide services to support the physical, psychological, social and spiritual needs of those affected by life-limiting illnesses. We have interpreted these aims through our Ambition, Purpose, Strategic Intentions and Values.

Ambition

Our ambition is to support people to live well until the end of life.

Purpose

Our purpose is to give adults in our communities the support, comfort and dignity they need at the end of their life.

Strategic Intentions

We have set our strategic intentions:

Be the best we can be

- Be responsive and strive to keep improving.
- Strengthen our commitment to well-being, inclusion, equality, diversity and the environment.
- Develop our colleagues, leaders, managers, teams and partners.
- Grow our distinctive reputation as an icon of Bristol.
- Maximise the use of volunteers to enrich our services.

Be sustainable (income matches costs) and resilient (withstand shocks)

- Sustain the ethos of holistic care, whilst balancing affordability and productivity.
- Build a diverse, innovative and sustainable funding portfolio.
- Develop the case for improved statutory funding.
- Over time, ensure our cost base matches our income.
- Manage our cash, reserves and investments well.

Build collaborative services that reach all communities

- Provide great community and inpatient care, every day.
- As leaders of end-of-life-care, build strong relationships with the NHS.
- Work collaboratively with partners to integrate our services.
- Provide collaborative, flexible and responsive services.
- Share our expertise, role model best practice and educate colleagues.

Values

Excellence - to strive to be the best we can, listen, learn and innovate.

Compassion - to show understanding and care in everything that we do.

Respect - to value everyone and embrace the value of our differences.

Passion - to be proud of our work and the impact we have.

Collaboration - to work as one team - built on shared goals and effective relationships.

Main Activities

We provide a number of services free of charge in Bristol, North Somerset, South Gloucestershire (BNSSG) and Bath and North East Somerset to people suffering from life-limiting illnesses and those affected by this such as families and carers. These services include:

- a 15-bed Inpatient Unit staffed by a specialist palliative care multi-disciplinary team;
- a Day Services programme, which aims to provide a therapeutic environment to support patients in living with their illness (currently delivered virtually);
- A medical team providing support to a range of clinical services;
- Hospice at Home, providing hands-on care for patients in their own homes in the last days of life;
- Community Nurse Specialists who visit patients in their own homes;
- Patient and Family Support which provides social work, spiritual, bereavement and therapy support to patients, families and carers;
- 24/7 Advice Line open to all callers including health professionals and people not registered as St Peter's patients; and
- Education Department which provides education to internal staff and other health professionals (including nurses, doctors, care homes, ambulance staff).

Ensuring our work delivers our aims

The strategies, intentions, plans and activities of the Charity are reviewed continuously through the governance cycle of board meetings, committee meetings, workshops and away days. This year, we completed the governance improvements that came out of the recommendations from the external Governance Review that had been undertaken by the Centre for Charity Effectiveness in late 2020. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

How our activities deliver public benefit

Our charitable activities are focussed on offering free holistic care, support and advice to patients, families and loved ones affected by life-limiting illnesses across Bristol, North Somerset, South Gloucestershire and Bath and North East Somerset. Our activities are undertaken in pursuit of our charitable purpose for the public benefit. Our work often continues with families, loved ones and carers after the patient has died.



Strategic Report

Achievements and Performance

The most significant achievement of 2021/22 was sustaining our full range of patient services through the uncertainties, turbulence and pressures of the pandemic. We sustained our community services through a mix of home visits and virtual sessions. Over the first half of the year, we maintained the inpatient unit at 10 beds as an 'interim position'. By the Autumn, we started to unwind that position and decided to re-open the beds. The day services remained a virtual service. The 24/7 Advice Line operated without interruption, with very high levels of demand. We sustained family visiting to our inpatient unit throughout the pandemic. No patient contracted COVID from our staff or volunteers. All of this represented a tremendous collective achievement.

We consolidated our financial position through strong recovery in our retail and fundraising, careful management of our resources, and further government grant support to hospices. We ended the year in a positive position and have set out exciting future plans for budgets, a programme of service enhancements and a programme of projects aimed at improving services, systems and facilities. We are intending to fund those budgets and programmes through a series of designated reserves.

Our staff and volunteers have been magnificent across our clinical teams, support teams, retail, fundraising, etc. Generally, they have been resilient, committed, dedicated and resourceful. Nevertheless, the length of the pandemic and the endless pressures, anxieties and stresses have had a cumulative effect. As time has gone on, the issues have been less about the risk of contracting severe COVID illness and more about the tiredness, weariness and exhaustion from many months of pressure. The most significant pressures have been felt by teams when significant numbers of team members have been absent due to sickness and isolation.

Early in 2021, we developed a framework for the decompression/recuperation of our teams. We set out to provide teams with the guidance and resources to recuperate from the effects of the pandemic, as a team. Recuperation activities included team reflection, team learning, social activities and leave. As word got around, we spent a lot of time sharing our recuperation framework with local civic authorities, health and care partners, hospices, the chamber of commerce, businesses, universities and charities.

In late 2020, we had commissioned an external Governance Review by the Centre for Charity Effectiveness. Through 2021/22, we managed and tracked a programme of improvements based on the report recommendations. We took the opportunity to review and improve our executive ways of working, including the development of quarterly programme reviews underpinned by our strategies and a balanced scorecard. We took the opportunity of a number of trustees coming to the end of their terms, to recruit a wider range of diverse lived experiences within our Board of Trustees.

We launched a pay review which sought to develop a pay policy, pay principles, to address the sense that hospice pay had fallen behind over a number of years, and to consider the cost of living crisis that erupted after the pandemic and with the Russian invasion of Ukraine. We will conclude the review in early 2022/23. The budget plans for 2022/23 include a provision to cover the implementation of the pay review.

Patient Services

Patient care activity

Service	Activity	2021/22	2020/21	% Change	Comments
Access team	Triage of referrals to service	2,848	2,479	+15%	
Access team and Medical Team	External Advice Line Calls from patient, families, and health care professionals	4,715	4,552	+4%	This number includes the number of calls coming in and the follow-on calls needed to resolve the concern
Medical Team	Internal Advice Line	1,742	1,843	-5%	These are calls from the Access and CNS Team requesting specialist advice about a community patient, or direct external calls requesting Consultant advice.
Community Nurse Specialist	Face to Face visits	2,618	1,737	+51%	
Community Nurse Specialists	Telephone Consultations	22,966	20,553	+12%	
Inpatient Unit	Bed occupancy	94%	89%	+5%	
Inpatient Unit	Bed days occupied	3,417	3,754	-9%	The inpatient unit occupancy days have decreased from 20-21 as 20-21 started with 15 beds which reduced to 10 in Sept 2020.
Hospice at Home	Patients cared for under service	759	509	+49%	New larger model of HAH commenced 06/04/2021. Patients receive a package of care for up to the last 4 weeks of life.
Day Services	Virtual service attendance	1,030	463	+122%	Virtual services were only running for 6 months in 2020-21

2021-22 has been another challenging year for patient services due to the pandemic. We had made the most of the significant adaptations to services in 20-21 as the pandemic arrived, but high levels of sickness and staff isolation continued to have a big impact, and the team were working in a wider health care service that was faced with significant resource issues. In line with all health care services we have found it more difficult to recruit and have had increased vacancies across the team.

Not surprisingly we have seen a big increase in referrals this year, as external health care professionals look for as much support for patients as possible.

The Advice Line has remained very busy, it is very valued by patients, families, and health care professionals. Calls to the line have had a small increase in 21-22, but it is of note that the percentage increase in calls pre-pandemic from 2019/20 is an 80%

increase, and for the medical team a 36% increase. We have needed to add extra resource with bank staff and overtime to meet the demand, which the CCG supported with a one-off payment of £88k from winter pressure money.

The Community Nurse Specialists have worked within very stretched community provision, continuing to offer essential support and advice to patients and families, GPs, and District Nurses. The level of input each patient has needed has often been higher, as the challenges of the pandemic have meant patients have had less health care professional contact than pre-pandemic. The team had several retirements and maternity leave absences in the previous year 20/21 but have successfully recruited and their capacity has increased in this financial year. The increase in face-to-face visits is evident this year, as both the strictness of IP&C guidance has reduced and patients/families have felt more confident in letting clinicians visit their homes. The team will continue with a balance of face-to-face and phone consultations, to support caseload efficiency, and to be able to prioritise those most in need.

The Inpatient Unit has remained at 10 beds but we are now actively recruiting to open the remaining five. We have worked hard to learn from our experiences of the pandemic and will re-open the 5 closed beds under a new model of nurse-led beds. These beds will support patients who have less complex symptom issues and have a preference to die in the hospice. This model will also release more Consultant time to support community patients and external health professionals. The challenges of staffing a 24/7 service within a pandemic have continued with staff absences due to sickness and isolation regulations. However, the staff have been outstanding in their flexibility to cover shifts and work differently. It is of note that the average occupancy across the year was 94%, this is considerably higher than the national hospice average. We are very reassured that no patient or family member has contracted COVID-19 from their contact with the hospice, at any stage during the pandemic.

A new model of the Hospice at Home service commenced on 6th April 2021, when staff from 3 small community End-of-Life Care Teams joined together with the original Hospice at Home team to become one larger consistent service. The ambition of the service was to offer an equitable service to patients in their last 4 weeks of life across BNSSG and Bath and North East Somerset based on priority of need. Despite it being a difficult time to bring 4 unique services into one, (inheriting significant vacant posts) the new combined team have worked hard to embed new processes, a new model, and recruit to capacity. The new service is more focussed on delivering packages of care to patients in the last days of life than the previous model, and the team have supported 759 patients to remain at home with support over the 12- month period. We look forward to reviewing our first full year and continuing to develop the best model for our patients.

Our Day Service team has consisted of a very small team of staff and volunteers delivering a virtual service since September 2020. Since then, the range of virtual services has increased, offering wellbeing, carers support, a virtual drop in, and some groups are run more informally by our volunteers such as quizzes, relaxation, and a spiritual care session for people of all faiths or none. Patients and carers have really valued the support and companionship the service has offered as many have felt very isolated.

We had 265 responses to our patient survey (www.iwantgreatcare.com); of these responses, 88% rated the service they received as 'very good', and 6% 'good'. We have received 9 written and 2 verbal complaints, and 11 concerns that were resolved at the time they were raised.

In addition to the positive feedback through I Want Great Care, we received 193 written compliments (cards, letters, and emails) and many more via social media.

Education

The Education department is a key resource within St Peter's, focussed on improving the standards of end-of-life care within our own staff as well as external health professionals.

During the pandemic, much of our activity has been carried out online, ensuring that our teams and external customers have continued to receive the training and development that they need.

Our online activity and eLearning are all under review to ensure that we remain up to date and that training is appropriate to our setting.

We are currently reviewing our clinical training and development with a view to achieving greater synergy with our Clinical Quality Improvement team and ensuring that our teams are kept up to date on clinical developments, legal changes and current practice.

Supporting and funding the Hospice

Fundraising

2021/22 continued in much the same vein as the previous year, with high levels of uncertainty and a lack of confidence in traditional income streams. There was a sense of optimism in the general public inspired by the rollout of vaccines and eases in restrictions but that was counteracted by the emergence of variants and the introduction of Plan B. Our communities continued to feel turbulent and that was reflected in our income too. As restrictions eased there was more demand for events and outdoor activities than in the previous year, leading to an increase in third party, runs and challenges event income. But simultaneously the initial charitable response to COVID-19, which favoured domestic and particularly health charities, started to level off and the pots of funding that had been established began to run out, making for a challenging fundraising year. Overall our fundraising activities generated income of £2,805,000 (2021: £2,974,000). Net income was £1,846,000 (2021: £2,147,000).

The two main areas affected by the slowdown in pandemic response were donations from individuals and charitable foundations. Our individual donations income stream increased 63% in 2020/21 from £449,000 in 2019/20 to £731,000 in 2020/21. The 2021/22 year saw levels fall back towards normal - £514,000 - indicating that the concern that supporters felt for the future of the Hospice is beginning to subside as we start to emerge from the pandemic.

Equally, the provisions made by many grant giving bodies to support healthcare charities in the depths of the pandemic had a significant effect on our income from charitable foundations in 2020/21, with income increasing 220% from £173,000 to £553,000. Income from charitable foundations fell in 2021/22 to £388,000, although this is a higher level than in previous years.

Income from community fundraising events, including both Hospice-led events and those organised by our supporters, performed better than expected in 2021/22 with a year-on-year increase of £252,000 to £747,000 (2021: £495,000).

Like many across the sector, and indeed more widely, the effects of the 'great resignation' were felt across the fundraising team with a vacancy factor of up to 40% at times across the year. The team continued to show great resilience and commitment to deliver these results in the face of so many challenges.

Legacies income (gifts in wills) had a much stronger year with income of £2,292,000, up £904,000 against 2020/21. It remains a volatile income stream with one or two large legacies able to transform the year's income.

We continue to be extremely grateful to our dedicated volunteers, who have continued to work both remotely and in the office, supporting our events and activities, processing income and helping us to claim significant volumes of gift aid.

The Hospice undertakes its fundraising activities in line with Codes of Fundraising Practice. We continue to be registered with the Fundraising Regulator, the independent body that sets and maintains standards of appropriate charitable fundraising in the UK.

A new Fundraising Code was published in October 2019 which we review regularly to ensure we comply with all guidance.

We take the management of data very seriously and conform to Data Protection legislation. We only collect and use personal information for the purpose it was intended. We do not buy data or pass any of our data onto third parties. We send out two newsletters a year and that, along with all other correspondence, is tailored based on the interests and wishes of the donor.

We continue to ensure compliance with General Data Protection Regulations (GDPR) and regularly review our policies and practices relating to personal data. We continue to use legitimate interest as our legal basis for processing data and follow the principle of only communicating to supporters about activities we believe they would be interested in. We provide all supporters with clear and easy opportunities to change their communication preferences at any time and our Privacy Notice, outlining how we use supporter data, is available on our website or by calling our reception. We also have a complaints procedure should any supporter wish to raise an issue or complain about our fundraising activities. During 2021/22 we received 7 complaints relating to our fundraising or communications practices.

A significant proportion of the income raised for the Hospice is from trusts and foundations, companies and institutional donors. Funds raised are used according to donors' wishes, either for unrestricted purposes or restricted to specific projects or programmes of activity. St Peter's Hospice complies with contractual arrangements with supporters, and has robust internal systems in place to ensure that we meet reporting requirements and commitments. Some supporters or partner organisations may also request anonymity. We will always respect and adhere to these requests whilst ensuring we meet 'know your donor requests' related to anti-money laundering and tax evasion.

In communicating our work to supporters, we also recognise that the users of our services can be vulnerable and require protection from harm, abuse and exploitation. The privacy and dignity of our patients is a foremost consideration as is sensitivity to their needs and wellbeing as both individuals and citizens of the community. Our safeguarding policy governs how we approach this matter and our contracts with Professional Fundraising Organisations also include strict processes in relation to vulnerable people.

Retail

There was a real nervousness coming into 2021/22 with stores coming out of lockdown in April 2021 and no one really sure what pattern of trade we would see. The reality was a year that was full of successes with many records breaking and a performance that surpassed all expectations. The end result has meant that our retail operation of 46 shops, eBay and Gumtree shops and house clearance has achieved a net profit of £1,698,000.

These results were driven by a great team determined to circumnavigate the unease and uncertainty in the community and provide a consistent and community-lead proposition. Our staff and volunteers demonstrated their commitment and motivation and none of this would have been achieved without their incredible support.

The shops had a record Christmas trading period which included selling over 40,000 packs of Christmas cards. In fact this was the first year we have sold out pre-Christmas.

We restructured our furniture business bringing together house clearance and the store teams which has seen an impressive result. In our furniture store 18 months ago we were looking at sales of £150,000 and now we are projecting sales in excess of £250,000. The furniture part of our business is a key growth area and one that we will be looking to expand in 2022.

Our Ebay business which was initially impacted by lack of store donations (due to lockdown closures) bounced back and ended the year strongly. This was supported by a new listing tool called Shopiigo which was integrated into our eBay office and stores. This will support longer term growth opportunities.

Our Retail Operations team have developed some improvements mainly by improving some of our external partners. As a couple of examples we are now using Acopia for our shop supplies and we have two new RAG merchants which offer a better price and service.

Support

Finance continues to lead on the strategic objective to achieve sustainability and resilience. The Hospice has taken the decision to use some of its Reserves to support a deficit Budget for the next 2 years, whilst working towards a break-even model for its on-going BAU operations.

A major IT project completed this year was the implementation of a new Wide Area Network (WAN), bringing a step change in both security and connectivity.

The Charity maintained compliance with the NHS Data Security and Protection Toolkit.

Future Plans

Strategy

In 2020 we had published a Strategic Plan which outlined our ambition, purpose, strategic intentions and values. The aim was to point the direction in which we intended to move forward, as a handrail through the turbulence and uncertainties of the pandemic. Through 2021/22, we built on that direction of travel with a series of 'supporting strategies' that covered each area of the hospice. Those strategies set out a 3-year view.

We managed the translation of our strategies into in-year operational plans and activities through our business rhythm of weekly executive meetings, quarterly programme reviews, workshops and away days, as well the boards and committees with trustees.

Moving Out of The Interim Position

In September 2020, we had established an 'interim position'. The aim had been to provide clarity around the minimum services that we would commit to delivering through the pandemic. At the same time, we would reduce costs and buy ourselves time to consider our long term position. In the Autumn of 2021, we started to move out of the 'interim position'. This meant recruiting posts that had been gapped and re-opening the 5 x closed inpatient unit beds as nurse-led non-complex beds. In due course, we will determine the optimum mix of complex and non-complex beds in the inpatient unit.

Enhancing Our Services

Through 2021/22, we have successfully consolidated our financial position. As the year ends, we have taken a number of unprecedented decisions aimed at helping our teams to recover from the effects of the pandemic, to support our wider health and care partners as they endeavour to deliver services, and to invest in our hospice services and systems.

We plan to operate a deficit budget in 2022/23, with the intention of continuing to do so for the next 2 – 3 years. We will cover the deficits from a designated reserve. We will deliver a programme of service enhancements aimed at doing more for our beneficiaries, helping to ease the pressure on our teams and supporting our wider partners. We will fund these service enhancements through a separate designated reserve. In addition, we will manage a programme of projects to improve our services, systems and facilities, funded through a further designated reserve.

We will monitor the progress of these budgets, service enhancements and projects, with a keen eye on long term financial sustainability. We intend to maximise our spend on

current services through the careful targeted application of designated reserves, while maintaining our longer term financial sustainability.

A Brighter Future

St Peter's Hospice has been serving Bristol for over 40 years. Our work will remain a vital component of the local health and care system. We have tackled an unprecedented pandemic and we are still standing. We have set out exciting plans to use our reserves to enhance our services, systems and facilities over the next 2 – 3 years, for our beneficiaries.

We are confident that we are secure as a going concern, we can manage the anticipated deficits and we have the levers to manage our longer term financial sustainability.

Fundraising

As we emerge from the pandemic and restrictions end, we will seek growth in events and mass participation activities, as well as supporting community groups and companies to raise funds as more people return to workplaces and back to groups and activities. We will invest in sustainable income streams, those that remained strong throughout the pandemic, to ensure we have robust and resilient sources of income. And we will retain some of the activities we introduced during the pandemic – such as hybrid and virtual events – recognising they will continue to appeal to some of our supporters.

Legacies will continue to be a priority as we focus on developing the pipeline of legators and then stewarding them well on their journey. Activities that were temporarily paused such as raising awareness of legacies at the Brentry site and inviting legacy enquirers on visits, will be reinstated. Similarly, plans to steward high value supporters with visits to the inpatient unit will be resumed.

Retail

This year we are looking to open 2 or 3 new stores with a larger high street store and a large format furniture store high on the list. We know that large charity retailers are opening Superstores (Air Ambulance 7 last year and plans to open 6 this year including 1 in Bristol) and these are very profitable.

We will also be looking at how we attract a newer younger audience to our Retail business. This can be done by updating the look and feel of some of our stores, younger styling in windows and the launch of Depop which will support our online offer.

We are looking to expand our new goods business and after successful new product trials last year we aim to drive significant additional sales in all stores with a range of new goods that includes soft furnishings, toys, crafts, toiletries and furniture.

IT innovation is another area of development with a trial happening with 'tablets' in stores to support gift aid sign ups and instore communications. This as well as improved back office computers, greater internet bandwidth, smart electric meters and hybrid vans demonstrates a desire to reduce costs and improve the services and efficiencies across the business.

Marketing and Communications

The Marketing and Communications Team have been central to promoting our message, keeping supporters informed of our progress through the pandemic and helping to generate income thorough the website and promotion of retail and fundraising activities. The team will continue to tell the stories behind the Hospice, using a variety of channels and forms of media (press, film, social media and our retail stores) to ensure that old and new audiences have clarity on our purpose, vision and values as an organisation.

Support

Following the implementation of the WAN, each shop will be upgraded for both connectivity, and hardware. This will improve operations with the retail teams being fully connected to other areas of the organisation.

We are working on understanding how data can help deliver our strategy; towards the end of the year, we strengthened our Data Analyst team with 2 new posts, and this will allow us to make significant progress in our data maturity model.

We have started a project to move all data storage to cloud based, making our office-based servers redundant.

Our People

Volunteers

We are supported by over 1,500 volunteers, who provide significant benefit to the hospice. They are employed in a variety of roles including café staff, shop assistants, drivers for patients, complementary therapists, gardeners, ward assistants and receptionists. We continue to attract high quality and committed volunteers, many of whom have continued to support St Peter's Hospice through the pandemic.

We have been humbled by the support and commitment of our volunteers through the pandemic. Some of our older volunteers have had to pull back and shield. However, volunteers were able to step forward and support us in new roles such as the management of protective equipment and the testing programme. Many other volunteers continued to support us in our reception, patient transport, shops, online retail, retail logistics and gardens. We are eternally grateful for the support we have received from volunteers through the pandemic.

Remuneration Statement

The Hospice exists in order to provide care and support for adults with life-limiting illnesses and for their families. The provision of these services is dependent on our ability to run an efficient organisation and to generate income through fundraising and retail activities.

In order to be successful in all respects, we need to be able to attract and retain staff with a wide variety of skills, knowledge and experience, some of which is highly specialised.

We aim, therefore, to be competitive in the different recruitment markets where we compete for talent and to take a balanced and responsible approach to the use of the Charity's funds.

In accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Charity SORP 2015, St Peter's Hospice discloses:

- all payments to trustees (no Trustees receive "pay");
- the number of staff in receipt of more than £60,000 (in bands of £10,000); and
- pensions and other benefits.

In 2020/21, we were unable to award a cost-of-living increase for staff. In 2021/22, we were able to make a cost-of-living pay increase of 1.5%. In the 3rd quarter of this year, we initiated a pay review in order to develop a pay policy, pay principles, to address the sense that hospice pay had fallen behind over a number of years, and to consider the cost of living crisis that erupted after the pandemic and with the Russian invasion of Ukraine. We will conclude the review in early 2022/23.

The Hospice has a Governance Committee which meets twice a year and requires the attendance of at least three Trustees to be quorate. One of the responsibilities of this committee is to review and determine the salary and remuneration package of the Chief

Executive and senior management of the Hospice. Such decision-making is based on consideration of salary information shown in independent benchmarking surveys.

Trustee recruitment

The Governance Committee is responsible for monitoring Board composition and reviews the schedule of trustee appointments as a standing agenda item at its bi-annual meetings. It considers forthcoming reappointments and retirements and thus identifies future recruitment needs, specifically addressing skillset requirements. A variety of recruitment methods are used. Interested potential trustees are introduced to the Chair, invited to visit the Hospice and briefed by the CEO. They go to observe committee meetings and meet serving trustees. If all parties are content, the potential trustee is presented to the Board for consideration. Approved nominees are taken through a formal induction process. Co-opted Board members are invited as a means of widening the experience and views on the Board, and as a route to becoming a trustee. The Board has significantly widened the lived experience of trustees recently.

Financial Review

Following an unprecedented year of uncertainty in 20/21, we have still faced challenges arising due to the pandemic and have been unable to open the 5 beds we closed, although a plan is in place to open these as soon as recruitment of staff allows.

Our retail operation got back to some sort of normality, and exceeded our expectations, with near record results in most shops.

We continued to receive extra support from the NHS, for which we are grateful, and this allowed us to meet the ever-increasing demand for our Advice Line service.

There were further one-off grant payments from NHS England, to cover the period from December 2021; to March 2022. Although the final payments have not been received, we have accrued an amount based on the payments for December to January.

We concluded the financial year with net income before investment gains of £1,497,000.

Our Investment Portfolio ended the year with an unrealised capital gain of £2,832,000 (2021: £3,890,000), although returns from investments continue to be very volatile.

Pressure on costs is higher than ever. 73% of our expenditure is on staff, and as recruitment continued to be a barrier to providing full services, we took the decision to review our pay structure. This has resulted in a significant increase in staff costs for the coming year, with the result that we will be working with a deficit budget for the next 2 or 3 years.

We also want to continue to offer as much capacity as possible, at our Brentry site and also in the community, filling the gap left by the NHS as they continue to fight the pandemic and its effects, and we have addressed this through Designated Reserves, set aside to enhance our offer for a significant period, and to cover the extra costs of our operating model while we work to a more sustainable year-on-year position.

The net income achieved by the Group of £4,329,000 includes:

- Net income before gains of £1,497,000, which is stated after government grants of £836,000.
- Unrealised capital gains on investments of £2,832,000.

Income

Operating income increased by £1,856,000 to £17,099,000. Our shops re-opened on 12th April, and delivered £7,571,000 gross income, a record in the history of the Hospice. Government funding provided as a result of COVID-19 was £836,000 in the year.

Money raised through fundraising activities was £2,805,000.

Charitable activities

Total charitable expenditure increased by £314,000 to £8,562,000.

Financial Outlook

The financial result for the year included some one-off gains from the revaluation of land, and one-off income from Government grants.

Without these, the net income would have been £2,426,000.

Our income is heavily reliant on the generosity of our donors, and on the returns from our investments. To enable us to manage this high level of uncertainty and volatility, we will continue to invest in our more stable sources of income, for the Retail operation, whilst also seeking to work with the NHS Commissioners to continue to provide a sufficient level of funding for our essential services.

We will utilise our reserves to cover any funding gaps.

Principal Risks and Uncertainties

The Board has a formal risk review management process to assess organisational risks and implement risk management strategies. Review of the corporate risk register is a standing Board agenda item. This involves identifying the types of risk the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of eliminating or mitigating the risks as appropriate.

The Board has delegated the detailed work to the Executive Team and directed that an on-going review be performed at least once a year and reported to the Board. In addition, the Board selects one risk per meeting to review in greater detail.

The single biggest issue facing the Charity continues to be the volatility of funding, along side high fixed costs. Risks and uncertainties exist at all levels; strategic, operational, and financial. It is clear that there is a need for hospices within the healthcare system and that is evidenced by clear commitments from government and the NHS CCG to provide financial support to us.

Section 172 Companies Act 2006

This report sets out how the Trustees comply with the requirement of Section 172 Companies Act 2006 and how these requirements have impacted the Board's decision making in the year ended 31 March 2022.

The Role of the Board

The Board must act in the Charity's best interests to ensure the delivery of its charitable objectives. The Board's role is to oversee the overall management of the Charity whilst the Executive Team manage the day-to-day operations of the Charity. Further details of the structure of the Board are given in the 'Structure, Governance and Management' section of this report below.

Activities of the Board

The Board has made principal decisions impacting the future of the Charity in line with the strategic intentions of the Charity.

Section 172	Decisions / interactions
(a) the likely consequences	This year's budget, and change to Reserves Policy, was approved by the Board on the understanding that current levels of Reserves

of any decision in the long term	could cope with the levels of expenditure required. Input was required from each of the Charity's budget holders who have responsibility for ensuring that expenditure is within approved budget limits.
(b) the interests of the company's employees	<p>The Charity ensures that employees and volunteers are consulted and provided with appropriate information in order that they are fully involved in the performance of the Charity and are aware of factors affecting the organisation. The CEO follows an open framework of engaging staff including open Q&A sessions for staff at the two main sites, visits to every team and every shop, shadowing and working alongside clinical staff and support staff, CEO video updates and periodic newsletter updates to staff. This year, a Managers' Group with all senior and middle managers to engage them in planning, to explore issues through workshops and to support their leadership development. The Charity operates an open culture and the Chief Executive encourages staff to have open channels of communication with him. When policies are revised or updated these are circulated to all staff.</p> <p>When appropriate, specific mechanisms for staff input are provided. For example staff have been invited to contribute to discussions on the principles behind our new pay strategy and policy. A biennial staff survey is held; this is run by an external company, WorkBuzz, which surveys a large number of hospices and other charities allowing us to benchmark responses against a peer group.</p>
(c) the need to foster the company's business relationships with suppliers, customers and others	<p>The Board regularly reviews how the Charity maintains positive relationships with all of its stakeholders, including patients, families and carers, funders, supporters, suppliers, customers and others.</p> <p>Our Patients, families and carers are key stakeholders. It is vital that we have strong relationships with this group. The Charity does a huge amount of work in this area as detailed in our separate annual report "St Peter's Hospice Quality Account" that can be found on our website. The aim of the report is to give clear information about the quality of our services so that patients can feel safe and well cared for, their families and carers are reassured that all of our services are of a very high standard and that the NHS is receiving very good value for money.</p> <p>Our funders are key stakeholders with which the Charity actively engages to maintain strong relationships. A key funder for the hospice is the local NHS CCG. The Board engages with the local NHS CCG each year in order to negotiate the annual funding for the hospice.</p> <p>Details of how we engage with our donors is given above in the 'Supporting and funding the Hospice' section of this report.</p> <p>The Charity regularly engages with Hospice UK and other hospices. This enables improved purchasing power for the hospice sector. It is also a platform for sharing best practice.</p>
(d) the impact of the company's operations on the community and the environment	<p>The ambitions of the Hospice are set out in our Environmental sustainability strategy that was approved by the Board. This will have resources allocated to it once we have produced a clear plan of action which will be developed through staff consultation.</p> <p>We have continued to strengthen our partnerships with several healthcare teams despite the impact of Covid 19. Collaborative working has progressed with colleagues from Children's Hospice South West to improve transition for young people between our</p>

	<p>services. A number of jointly run online information sessions for both young people and their parents/care givers have been warmly and gratefully received. Several meetings have occurred with the healthcare teams from the 4 local prisons within our catchment area. Together we are working to improve palliative and end of life care for Offenders.</p> <p>The Head of Locality Engagement and Head of People have re-started the internal Equality, Diversity and Inclusion working group. New virtual 'Let's Talk' staff sessions have commenced providing opportunity for staff to hear more about the protected characteristics and open up conversations. Areas so far have included gender transition, Bristol's Black community and racism, and working carers.</p> <p>The Hospice UK grant for the homeless project completed in August 2021. The project achieved: designed and provided 6 virtual palliative and end of life care workshops to staff from the local tier 1 homeless hostels, separate virtual workshops to each of the following organisations: St Mungo's Outreach team, Bristol's Street Intervention multi agency team (Police, Drugs Project, Support workers), Bristol City Council's Homeless Prevention team and Bristol's Homeless Health team. Palliative Care online resources were also designed for Hostel staff. The dedicated time allowed for a weekly presence at the Homeless Health's MDM where client's whose advanced health is of concern could be discussed; there were just over 80 of such discussions in the course of the project. Whilst numbers are small there has been a gentle increase in referrals to SPH for those experiencing homelessness and use of our advice line.</p>
(e) the desirability of the company maintaining a reputation for high standards of business conduct	<p>The charity's ambition is to support people to live well until the end of life.</p> <p>We are committed to recruiting, developing and retaining high quality staff. We are signatories to the Bristol Equality Charter in order to promote equal opportunities and celebrate diversity within all areas of our work. The aim is to ensure that all procedures and practices do not discriminate on the grounds of race, disability, religion, age, nationality, sex, sexual orientation and marital status. Where an employee or prospective employee is identified as disabled, the provisions of the Equalities Act are followed. This requires consideration of reasonable adjustments to the workplace and working practices in order to ensure that a disabled employee is not disadvantaged. In such cases, advice is sought from Occupational Health Services and, where appropriate, other medical practitioners and discussions are held with the affected employee. We strive to ensure that our properties have good disabled access and facilities. We continue to benefit from relatively low staff turnover and sickness levels, although we monitor them continuously.</p>
(f) the need to act fairly as between members of the company	<p>The Board ensure that decisions made regarding the future of the charity give due consideration to both current and future beneficiaries of its services. Details regarding the Charity's policy on Trustee recruitment are found above in the 'Our People' section of this report.</p>

Structure, Governance and Management

Governance and decision-making

St Peter's Hospice is a company limited by guarantee and without share capital. The company was registered with the Charity Commission on 7 April 1975.

The governing body of the Charity is the Board of Trustees, which comprises up to 12 members and meets four times a year or more if required. The Board has established formally constituted committees, each with specific terms of reference and functions delegated by the Board and with a Trustee as a chairman appointed by the Board: Resources, Investment, Audit, Governance, Clinical Services and Safeguarding. Our Articles of Association were revised and adopted on 26 February 2015 and have been registered with the Charity Commission.

Trustees (who are also Directors of the company) are listed on page 48. The Charity also has a number of senior employees entitled Director who are not directors within the meaning of the Companies Act 2006.

Reserves policy

The Board reviews the Reserves Policy through the Resources Committee.

The key principle is that we will maintain our ability to quickly recover from financial shocks and stress.

During the year the Resources Committee reviewed the reserves structure and policy and made recommendations to the Board that were approved. These financial statements now reflect the amendments to both structure and policy.

The review was initiated as it was recognised that free reserves were higher than the target, and the risk-based approach was complex. The review also considered the suitability of other designated reserves such as the capital reserve and development fund.

The review concluded that the policy should move to an expenditure cover basis, with a range set at between 6 to 12 months' worth of cover being prudent.

It agreed that given the budgeted deficit model, it would also be prudent to designate a reserve to cover operating deficit for a period of 2-3 years, while the Hospice works towards a more balanced model.

The Projects Designated Reserve has been set for a period of 3 years; in 2021 we engaged a dedicated Change Programme Manager, to carry out a programme of projects that has been put together by the Executive Team.

Finally, the Resources Committee recommended a plan put forward by the Executive Team, for the introduction of a new Designated Reserve for Post-Pandemic services. The Board approved this programme of service enhancements for the next 2 – 3 years. With this programme we will look to see where we can enhance our services to do more for our beneficiaries, and in so doing help to ease the pressure on our teams and our wider partners, in this post-pandemic world where resources are stretched ever further.

The Reserves at 31 March 2022 is made up of:

	£'000
Total reserves	37,826
LESS:	
Endowment funds	(13,555)
Restricted funds	(20)
Designated Reserves:	
Operating deficit fund	(2,200)
Projects programme	(900)
Post-Pandemic Enhancement Programme	(2,000)
Fixed assets fund	(7,576)
Revaluation reserve	(1,454)
Free reserves	10,121

As at the year end, free reserves are 7 months of expenditure which is at the lower end of the 6 – 12 month target range.

Investment policy

The Investment Policy and Mandate were reviewed by the Investment Committee during the year. Our overall investment objective remained the same - to provide sufficient liquidity and total returns (income and capital gains), with an acceptable level of risk, to enable the Charity to carry out its activities effectively in both the short-term and long-term.

Short-term:

The Hospice opened a Deposit Account with CAF, allowing £3m of funds to be invested in fixed term accounts, the key short-term objective being to invest sufficient capital in lower risk, liquid and unrestricted assets, in order to meet anticipated operating cash shortfalls and capital expenditure requirements over a 1–2-year time horizon.

Long-term:

The Investment Committee confirmed continuation of different investment objectives for the long term for endowed and unrestricted funds:

- The investment objective for long term unrestricted funds is to generate a return of RPI+2% net of all expenses.
- The investment objective for long term endowed funds is to generate a return of RPI+4% net of all expenses.

The key risk to long term funds is inflation. The Fund Managers have been instructed to invest in a way to mitigate this risk over the long term. The Trustees understand that this is likely to mean that the capital value will fluctuate and can generate losses within any financial year. The Charity is able to tolerate such volatility as it has working capital and short-term funds. Should draw down from the long-term unrestricted investment portfolio become necessary, it can be carefully planned over a period of 12 months.

Our long-term financial portfolios are managed by appointed investment managers, on a discretionary basis, and are subject to an investment mandate in respect of asset allocation, risk, benchmarking and restrictions.

It is recognised that the financial risks of the Charity as a whole need to be considered and, therefore, the investment policy supports the requirements set out in the reserves policy.

Investment performance

Investment income increased by 3% to £310,000 (2021: £302,000). Net unrealised capital gains totalled £2,832,000 (2021: £3,890,000). Our investment performance (total returns) versus benchmarks over the last five years is as follows:

St Peter's Hospice Performance		2021/22	5 year annualised returns to 31 Mar 22
John James Endowment		%	%
Performance		13.82	10.09
Target	RPI + 4%	13.29	7.87
Benchmark	FTSE UK Private Investor Growth Index	9.05	7.63
Peer group comparison	ARC Charity - Equity Risk	7.18	5.88
Needham Cooper Endowment			
Performance		13.95	10.16
Target	RPI + 4%	13.29	7.87
Benchmark	FTSE UK Private Investor Growth Index	9.05	7.63
Peer group comparison	ARC Charity - Equity Risk	7.18	5.88
Discretionary Portfolio			
Performance		4.92	5.94
Target	RPI + 2%	11.12	5.8
S&W's Benchmark	FTSE UK Private Investor Income Index	5.09	7.63
Benchmark for comparison	MSCI PIMFA Private Investor Income Index	6.19	5.04
Peer group comparison	ARC Charity - Balanced Returns	6.81	5.88

Streamlined Energy and Carbon Reporting

During the financial year, progress on the hospice vision for environment and sustainability has been impacted by the pandemic. The hospice is reviewing the implementation of electrical charging points at our sites.

The hospice has budgeted £110k for electric vehicles and charging points in the coming year.

Methodology

Our charity shops, warehouse, hospice site in Brentry and Long Aston office all use electricity for light, heat and power. The kWh usage was provided by our energy broker. In addition to this, three shops and the main hospice site also use gas central heating and the gas usage was calculated from the accounting records using the rate from the most recent bills.

The other main carbon source is travel by cars and vans. This is split into staff mileage (including the community nursing team who visit patients at home), volunteer mileage (who transport patients to/from the hospice for services in their own cars), patient support vehicles (used to transport patients to the in-patient unit), and goods vans which are used by the retail team to transport goods and service the retail outlets. Given the large number of different vehicles used throughout, composite rates were applied where specific data was impractical.

Other travel methods such as air and rail travel were not disclosed as these are deemed to be immaterial. The UK Government GHG Conversion Factors for Company Reporting 2021 has been used to provide the required conversion rates.

Emission statistics

	2022	2021
Energy consumption used to calculate emissions (kWh)	1,926,347	1,850,624
Emissions from combustion of gas (kgCO ₂ e)	94,301	110,245
Emissions from combustion of fuel for transport purposes (kgCO ₂ e)	64,070	24,512
Emissions from business travel in rental cars or employee -owned vehicles where company is responsible for purchasing the fuel (kgCO ₂ e)	16,007	14,389
Emissions from purchased electricity (kgCO ₂ e)	228,805	248,699
Total gross emissions (kgCO ₂ e)	403,182	397,845
Intensity ratio (total kgCO ₂ e per FTE employee)	1,241	1,140

Statement of Trustees' responsibilities

The Board is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company and Charity law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the Charity for that period. In preparing these financial statements, the Board is required to:

- select the most suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Board has overall responsibility for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity, ensuring that the assets are properly applied in accordance with Charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statements as to disclosure of information to auditors

The Trustees have taken all the necessary steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware.

Auditors

A resolution to reappoint Mazars LLP as auditors to the Company and to authorise the Board to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board



Peter Goyder
Chairman
28 June 2022
Charlton Road
Brentry
Bristol BS10 6NL

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

Opinion

We have audited the financial statements of St Peter's Hospice (the 'charity') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, The Consolidated and Charity Balance Sheets, The Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 March 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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 chairman's report, the strategic report and the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the chairman's report, the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of St Peter's Hospice (continued)

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the chairman's report, the strategic report or the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees are responsible for the preparation of 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of St Peter's Hospice and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Charities SORP and the Companies Act 2006.

Independent auditor's report to the members of St Peter's Hospice (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off risk, and significant one-off or unusual transactions).

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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



Richard Bott (Senior Statutory Auditor) for and on behalf of Mazars LLP,
Chartered Accountants and Statutory Auditor
90 Victoria Street, Bristol, BS1 6DP

Date: 18 August 2022

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:						
Donations and legacies		3,825	264	-	4,089	5,144
Charitable activities		3,279	639	-	3,918	6,109
Other trading activities		8,782	-	-	8,782	3,688
Investment income		310	-	-	310	302
Total income	3	16,196	903	-	17,099	15,243
Expenditure on:						
Raising funds:						
Donations and legacies		464	-	-	464	424
Trading and other activities		6,485	-	91	6,576	5,922
Charitable activities		7,701	861	-	8,562	8,248
Total expenditure	4	14,650	861	91	15,602	14,594
Net income before gains / (losses)		1,546	42	(91)	1,497	649
Net gains on investments	10	1,186	-	1,646	2,832	3,890
Net income		2,732	42	1,555	4,329	4,539
Transfers between funds		37	(37)	-	-	-
Net movement in funds		2,769	5	1,555	4,329	4,539
Reconciliation of funds:						
Total funds brought forward		21,482	15	12,000	33,497	28,958
Total funds carried forward		24,251	20	13,555	37,826	33,497

In accordance with the provisions of the Companies Act 2006, a separate income and expenditure account dealing with the results of the parent company only has not been presented. The net increase in reserves for the year for the parent company was £4,048,000 (2021: increase of £4,378,000).

The notes on pages 28 to 47 form part of the financial statements.

Registered company no. 1191227
Consolidated and Charity balance sheets
As at 31 March 2022

		Group	Group	Charity	Charity
	<i>Note</i>	2022	2021	2022	2021
		£000	£000	£000	£000
Fixed assets					
Tangible assets	9	7,576	8,032	7,615	8,072
Investment assets	10	20,789	16,564	20,789	16,564
		28,365	24,596	28,404	24,636
Current assets					
Stocks		39	62	-	-
Land held for sale	11	1,067	-	1,067	-
Debtors	12	2,372	1,986	2,363	1,979
Investments		2,244	3,352	2,244	3,352
Cash at bank and in hand		4,641	4,310	4,428	4,210
		10,363	9,710	10,102	9,541
Liabilities:					
Creditors: amounts falling due within one year	13	(606)	(504)	(629)	(504)
Net current assets		9,757	9,206	9,473	9,037
Total assets less current liabilities		38,122	33,802	37,877	33,673
Provisions for liabilities	14	(296)	(305)	(296)	(305)
Total net assets		37,826	33,497	37,581	33,368
The funds of the charity:					
Endowment funds	15	13,555	12,000	13,555	12,000
Restricted income funds	16	20	15	20	15
Unrestricted funds:					
Designated funds	18	12,676	14,500	12,715	14,540
Revaluation reserve	10	1,454	387	1,454	387
Income and expenditure account	17	10,121	6,595	9,837	6,426
Total unrestricted funds		24,251	21,482	24,006	21,353
Total charity funds		37,826	33,497	37,581	33,368

The notes on pages 28 to 47 form part of the financial statements.

These financial statements were approved by the Trustees on 28 June 2022 and signed on its behalf by:


 Peter Goyder, Chairman


 Alison Godfrey, Chair of Resources Committee and Treasurer

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	2022	2021
		£000	£000
Cash flows from operating activities:			
Net cash provided by operating activities	23	1,460	2,348
Cash flows from investing activities:			
Dividends, interest and rents from investments	3	310	302
Purchase of property, plant and equipment	9	(86)	(138)
Short term investment deposits		(3,005)	-
Proceeds from sales of investments	10	2,741	5,195
Purchase of investments	10	(5,202)	(2,243)
Net cash (used in) / provided by investing activities		(5,242)	3,116
Change in cash and cash equivalents in the year	24	(3,782)	5,464
Cash and cash equivalents at the beginning of the year		7,662	2,198

Refer to note 24 for a breakdown of the cash and cash equivalents balance.

The notes on pages 28 to 47 form part of the financial statements.

1 Status of the company

The company is a private company limited by guarantee and is incorporated in England & Wales, registered company number 1191227. The members of the company are the Trustees who are also ordinary members named on page 48. The liability of members in the event of a winding up is limited by guarantee to an amount not exceeding £1 per member.

1.1 Statement of compliance

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

2.1 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 (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006 and Charities Act 2011.

St Peter's Hospice met the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000. Comparative information relates to the year ended 31 March 2021.

2.2 Going concern

The Trustees consider that there are no material uncertainties about St Peter's Hospice's ability to continue as a going concern. With regard to future years, the most significant areas of uncertainty is the level of NHS funding and donations. These risks are covered in more detail in the section 'Principal Risks and Uncertainties' of the Trustees' annual report.

2.3 Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary St Peter's Hospice Enterprises Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.4 Fund accounting

Unrestricted funds - these are funds which can be used in accordance with the Charity's charitable objects at the discretion of the Trustees.

Designated funds - these funds are set aside by the Trustees out of unrestricted funds for specific purposes. Please see note 18 for a list of these funds.

Restricted funds – these are funds received for undertaking an activity specified by the donor.

Endowment funds – these are funds where the donor has specified the funds should be treated as a permanent capital fund, where the income arising from the capital fund is available to meet the running costs of the Charity.

2.5 Income

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

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaim is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Notes (continued)

2.5 Income (continued)

Income from NHS contracts, government and other grants, whether 'capital' grants or 'revenue' grants, are 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 on a case by case basis as the earlier of the date on which:

- 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 or for pecuniary legacies an assessment has been made that receipt is probable.

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.

If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the Charity. 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 (see note 3).

Grant income received relating to the following year is deferred until the criteria for income recognition are met.

Interest on deposit funds held is included when receivable and the amount can be measured reliably by the Charity which is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been received.

Lottery income is accounted for in respect of those draws that have taken place in the year.

2.6 Donated goods and services

It has been judged that the benefit to the user of the accounts from determining and reporting the value of the donated goods prior to sale is less than the costs involved in obtaining that valuation. As a result, trading income is recognised on point of sale for both donated and purchased goods.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably.

Donated professional services and facilities are included in income at the estimated value of the gift to the Charity when received, based on the amount that the Charity would have been prepared to pay for these services or facilities had it been required to purchase them, with a corresponding entry in the appropriate expenditure heading for the same amount. Donated fixed assets are similarly taken to income at the value to the Charity, with the other entry being capitalised in fixed assets.

2.7 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

- Support costs are made up of administration & management, finance costs, IT costs and governance costs. Administration & management include the costs of employing the Chief Executive, Director of Finance & IT and human resources department. It also includes the cost of insurance and legal and professional expenses.
- Fundraising costs are split between trading and the cost of generating donations and gifts. Costs, where possible are directly allocated to each activity. General fundraising support costs are allocated to activities in proportion to the headcount supporting them. Where activities generate donations and gifts as well as trading income, costs are apportioned on the basis of income. Fundraising costs incurred in seeking voluntary contributions do not include the costs of disseminating information in support of the charitable activities.

Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the Charity.

Basis for support costs allocation is as follows:

- Administration and management has been allocated based on a combination of the number of staff in an area and actual time spent by support staff.
- IT and Finance departmental costs have been allocated based on the combination of activity levels and staff numbers.
- Governance departmental costs have been allocated based on staff numbers.

Notes (continued)

2.8 Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements. Further detail of their contribution is provided in note 7 to these financial statements and in the Trustees report.

2.9 Fixed assets and depreciation

Tangible fixed assets, in excess of £1,000, are stated at cost (of purchase or construction) less accumulated depreciation. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	2% per annum
Building improvements	10% per annum
Fixtures, fittings, equipment and vehicles	10%-33% per annum
Shop refurbishments	17% per annum

Depreciation is charged monthly following the month of acquisition.

The Inpatient Unit is accounted for using component accounting. The building has been divided into its major components which are considered to have substantially different useful economic lives as follows:

Exterior walls	50 years
Roof	50 years
Stairs	50 years
Electrical systems	40 years
Ceiling	30 years
Fences	30 years
Mechanical systems	30 years
Paths	25 years
Internal walls	20 years
Windows and doors	20 years
Lift	15 years
Landscaping	15 years
External fixtures	10 years
Drainage	10 years
Air conditioning	10 years

2.10 Investment properties

The valuation of investment properties is considered annually for material movement and valued professionally every three years at open market values. All gains and losses arising on valuation are taken directly to revaluation reserve except that any permanent diminution in the value of an investment property is recognised in the Statement of Financial Activities for the year.

No depreciation is provided in respect of freehold investment properties.

Non-depreciation of investment properties may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted in respect of depreciation of investment properties is therefore necessary for the accounts to give a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation and the amount, which might otherwise have been shown, cannot be separately identified or quantified.

2.11 Fixed asset 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, except for the shares in the trading subsidiary which are carried at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Charity does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.12 Stocks

Stock of retail goods is included at the lower of cost or net realisable value. Donated items of stock for resale or distribution are not included in the financial statements until they are sold or distributed because the Trustees consider it impractical to be able to assess the amount of donated stocks as there are no systems in place which record these items until they are sold and undertaking a stock take would incur undue cost for the Charity which far outweighs the benefits.

Notes (continued)

2.13 Land held for sale

Land held for sale is valued at market value based on agreed sale price. We anticipate completion of this sale in April 2022.

2.14 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. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value. Accounts with notice periods greater than 90 days are shown as current asset investments.

2.16 Current asset investments

Current asset investments comprise cash deposits held at fund managers. There were no bank accounts with notice periods greater than 90 days as at the current or previous financial year end.

2.17 Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

2.18 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.

2.19 Pension costs

Employees can join a defined contribution pension scheme which is administered by Aviva. The group also contributes to the NHS Pension Scheme on behalf of a minority of employees who are eligible to join the scheme. This is an unfunded defined benefit scheme. The amount charged against income represents the contributions payable to the schemes in respect of the accounting period. The group operated a voluntary defined benefit pension scheme, which is now closed. The final contributions made to this scheme were in January 2010. The funds are administered by pension Trustees and are independent of the group's finances.

2.20 Operating leases

Operating leases are recognised over the period of which the lease falls due. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period of the lease.

2.21 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Charity was registered as a Charity in April 1975. Under part II of CTA 2010 the Charity is not subject to taxation on its charitable activities. The profits of the non-charitable subsidiaries are normally gift aided to the parent Charity; therefore the group generally suffers no Corporation Tax on its trading activities.

2.22 Judgements and key sources of estimation uncertainty

A key area of judgement in these financial statements is the recognition of legacy income, which requires judgements about whether the income is probable or not and whether St Peter's hold entitlement to the monies. There is also estimation uncertainty regarding the reliability of the estimate of the amount to be received. Many of the legacies in the pipeline will include properties which are inherently uncertain in value as well as sometimes there being uncertainty regarding the amount of the estate to which St Peter's is entitled. The value of accrued income relating to legacies has been estimated at £1,130,000 at 31st March 2022 and is shown separately in note 12.

The Trustees have made key assumptions in determining the estimation of the fair value of investment property and land in respect of the state of the property market in the location where the property is situated and the uncertainty surrounding the future use of the land. The valuation method is further described in note 2.10, together with the valuation of the properties at the reporting date being disclosed in note 10.

There are also judgements made in determining whether provisions are required and at what value. A dilapidations provision is held relating to the estimated cost of repairs to shops at the end of their leases, based on a charge of £6 per square foot of shop area. A dilapidations provision of £296,000 is held at the year end and the uncertainty surrounding this is disclosed in note 14.

3 Income and endowments

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2022 £000	Total 2021 £000
Donations					
Individuals	514	-	-	514	731
In memoriam	525	1	-	526	570
Charitable foundations	127	261	-	388	553
Corporate sector	137	2	-	139	181
General community	33	-	-	33	15
COVID-19 retail grant	157	-	-	157	447
Coronavirus Job Retention Scheme	40	-	-	40	1,259
	1,533	264	-	1,797	3,756
Legacies	2,292	-	-	2,292	1,388
	3,825	264	-	4,089	5,144
Income from charitable activities					
NHS England service funding	3,194	-	-	3,194	1,971
COVID-19 NHS England service funding	-	639	-	639	4,043
Education course fees	85	-	-	85	95
	3,279	639	-	3,918	6,109
Income from other trading activities					
Shops sales – donated goods	7,052	-	-	7,052	2,485
– bought in goods	333	-	-	333	180
– commission and other	186	-	-	186	93
Fundraising events – community	747	-	-	747	495
– corporate	62	-	-	62	28
Lottery	396	-	-	396	401
Other	6	-	-	6	6
	8,782	-	-	8,782	3,688
Investment income					
Dividends and interest	285	-	-	285	277
Rents	25	-	-	25	25
	310	-	-	310	302
TOTAL INCOME AND ENDOWMENTS	16,196	903	-	17,099	15,243

In line with our accounting policy, legacies includes £1,130,000 (2021: £359,000) of income notified at year end but not yet received as they have met the criteria for recognising income in accordance with SORP 2019.

Total legacies notified but not recognised in the financial statement as at 31 March 2022 amounted to £233,000 (2021: £440,000).

Total income from gift aid amounted to £709,000 (2021: £370,000).

4 Analysis of expenditure

	Activities undertaken directly £000	Support costs (note 5) £000	2022 £000	2021 £000
Raising funds:				
Donations	360	61	421	399
Legacies	41	2	43	25
Total donations and legacies	401	63	464	424
Shops	4,883	990	5,873	5,356
Fundraising events	320	29	349	275
Lottery	178	11	189	153
Investment management costs	-	165	165	138
Total trading and other	5,381	1,195	6,576	5,922
Total expenditure on raising funds	5,782	1,258	7,040	6,346
Charitable expenditure:				
Brentry based care	2,920	1,120	4,040	4,438
Community based care	3,659	592	4,251	3,522
Total patient care	6,579	1,712	8,291	7,960
Education	196	75	271	288
Total charitable expenditure	6,775	1,787	8,562	8,248
Total expenditure	12,557	3,045	15,602	14,594

5 Support costs allocation

	Site Costs £000	Admin & Management £000	Finance & IT depts £000	Governance £000	2022 £000	2021 £000
Raising funds:						
Donations	37	10	13	1	61	65
Legacies	-	1	1	-	2	2
Shops	104	378	490	18	990	922
Fundraising events	11	7	10	1	29	31
Lottery	5	2	3	1	11	11
Investment management costs	-	165	-	-	165	138
Charitable activities:						
Brentry based care	808	130	171	11	1,120	1,173
Community based care	105	206	268	13	592	451
Education	45	13	16	1	75	70
2022 Total support costs	1,115	912	972	46	3,045	2,863
2021 Total support costs	1,301	757	812	48		2,863

6 Subsidiary

During the year the Charity had one wholly owned subsidiary, incorporated in England and Wales.

St Peter's Hospice Enterprises Limited (registered in England and Wales company number: 2595158) sells Christmas cards, calendars, new goods and items incorporating the Hospice logo on behalf of the Hospice. It also acts as agent for the Shops Gift Aid scheme, earning commission, and runs a coffee shop in Bristol and a house clearance service. The company transfers its taxable profits to St Peter's Hospice under gift aid.

A summary of the results of St Peter's Hospice Enterprises Limited included in the consolidated statement of financial activities is shown below. The expenditure includes £13,000 (2021: £9,000) intercompany management charge paid to the Charity which is eliminated on consolidation. Full accounts are filed with the Registrar of Companies.

	2022	2021
	£000	£000
<i>Income and expenditure account</i>		
Income	511	269
Expenditure	(242)	(116)
Net income	269	153
Retained earnings at beginning of reporting period	175	225
Net income for the year	269	153
Distribution to parent charity	(153)	(203)
Retained earnings at end of reporting period	291	175

7 Staff and volunteers

The average number of volunteers involved regularly on Hospice business is in excess of 1,500.

The headcount of employed staff members are as follows:

	2022	2021
	No.	No.
Patient care	199	203
Income generation	216	218
Support	23	23
Total staff	438	444

The aggregate employment costs of these persons are as follows:

	2022	2021
	£000	£000
Wages and salaries	9,594	9,149
Social security costs	805	757
Pension contributions (see note 21)	879	905
Termination payments	46	57
	11,324	10,868

Termination payments totalling £46,000 were made to four employees during the year under signed compromise agreements (2021: payments totalling £57,000 were made to five employees during the year under signed compromise agreements).

Notes (continued)

7 Staff and volunteers (continued)

Employees whose emoluments, excluding pension contributions, were equal to or greater than £60,000 per annum were as follows:

	2022	2021
	No.	No.
£60,001 - £70,000	3	3
£70,001 - £80,000	1	2
£80,001 - £90,000	3	1
£90,001 - £100,000	-	2
	7	8

Five of the employees in the table above were accruing retirement benefits under defined benefit schemes (2021: five employees), and two were accruing retirement benefits under defined contribution schemes (2020: two).

The total employee remuneration, including employer's national insurance and pension contributions, of the key management personnel of the Hospice was £562,200 (2021: £505,663)

The Charity maintains indemnity insurance for the Trustees and officers of the company and its subsidiaries; the cost of providing this insurance was £8,400 (2021: £3,080).

Note 21 shows details of related party transactions.

No Trustee received remuneration in the year (2021: £nil). Trustees are entitled to the reimbursement of expenses necessarily incurred on Hospice business. During the year ended 31 March 2022 a total of £nil was reimbursed to trustees (2021: £nil).

8 Net income

Net income is stated after charging / (crediting):

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Auditor's remuneration:				
Audit	18	13	15	12
Depreciation	526	574	527	575
Rent of land and buildings – operating leases	721	762	721	762
Rents receivable under operating leases	57	53	57	53
Loss on disposal of tangible fixed assets	(17)	(96)	(17)	(96)

9 Tangible fixed assets**GROUP**

	Freehold property (including building improvements) £000	Fixtures and fittings (including motor vehicles) £000	Shop refurbishment £000	Total £000
Cost				
As at 1 April 2021	8,888	1,718	4,375	14,981
Additions	-	82	4	86
Disposals	-	(67)	(1,446)	(1,513)
As at 31 March 2022	8,888	1,733	2,933	13,554
Depreciation				
As at 1 April 2021	1,501	1,457	3,991	6,949
Charge for year	275	98	153	526
Disposals	-	(57)	(1,440)	(1,497)
As at 31 March 2022	1,776	1,498	2,704	5,978
Net book value				
As at 31 March 2022	7,112	235	229	7,576
As at 31 March 2021	7,387	261	384	8,032

9 Tangible fixed assets (continued)**CHARITY**

	Freehold property (including building improvements)	Fixtures and fittings (including motor vehicles)	Shop refurbishment	Total
	£000	£000	£000	£000
Cost				
As at 1 April 2021	8,979	1,718	4,375	15,072
Additions	-	82	4	86
Disposals	-	(67)	(1,446)	(1,513)
As at 31 March 2022	8,979	1,733	2,933	13,645
Depreciation				
As at 1 April 2021	1,552	1,457	3,991	7,000
Charge for year	276	98	153	527
Disposals	-	(57)	(1,440)	(1,497)
As at 31 March 2022	1,828	1,498	2,704	6,030
Net book value				
As at 31 March 2022	7,151	235	229	7,615
As at 31 March 2021	7,427	261	384	8,072

Included in the cost of freehold property of the group and company is £70,000 of land which is not being depreciated.

The company figures include £37,500 (2021: £39,000) in respect of interest capitalised in connection with the building of the Brentry site in 1998 which is now being depreciated over the life of the building. As the charge is an intra-group transaction it is eliminated on consolidation.

The net book value of the seven freehold shops open at 31 March 2022 was £533,000 (2021: £551,000).

To comply with Charities SORP FRS 102, three shop flats owned and leased out by the Hospice are included in investment properties (2021: three).

Included within fixtures and fittings are intangible assets with a net book value of £53,443 (2021: £68,753) comprised of website costs.

10 Fixed asset investments

	2022	2021
	£000	£000
Equities at market value	18,286	14,405
Fixed interest investments including Government stocks, at market value	1,944	1,599
Hospice Quality Partnership loan notes	9	10
Investment properties (see below)	550	550
	20,789	16,564

Equities and fixed interest investments

	2022	2021
	£000	£000
Market value at beginning of year	16,004	15,066
Additions	5,202	2,243
Disposals	(2,741)	(5,195)
Investment gains / (losses)	1,765	3,890
Market value at end of year	20,230	16,004
Historical cost at end of year	15,956	12,886

Fixed asset investments include quoted equities and Government stocks listed on the London Stock Exchange.

There were no individual shareholdings of more than 5% of the total portfolio value as at 31 March 2022 (2021: none).

	2022	2021
	Total	Total
	£000	£000
Properties		
Cost at beginning and end of year	163	163
	163	163
Revaluation at beginning of year	387	387
Revalue to fair value	1,067	-
Revaluation at end of year	1,454	387
Transfer to land held for sale	(1,067)	-
Valuation at end of year	550	550

All investment properties form part of the unrestricted funds balance.

Also included in fixed asset investments are the following investments in subsidiaries:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Investment in subsidiaries	-	-	2	2

11 Land held for sale

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Nailsea land	1,067	-	1,067	-
	1,067	-	1,067	-

The sale of the Nailsea land was completed in May 2022.

12 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade debtors	102	54	95	49
Gift aid receivable	11	12	11	12
Other debtors	151	103	149	101
Prepayments and accrued income	978	1,458	978	1,458
Accrued legacy income	1,130	359	1,130	359
	2,372	1,986	2,363	1,979

Trade debtors totalling £2,517 for the charity and £2,667 for the group (2021: £120 for the charity and £696 for the group) were written off in the year.

13 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	2	88	-	88
Pension contributions (note 22)	50	48	50	48
Amounts owed to group undertakings	-	-	35	11
Accruals and other deferred income	554	368	544	357
	606	504	629	504

The movement on deferred income in the year was as follows:

Group and Charity

	2022	2021
	£000	£000
Balance as at 1 April	62	30
Utilised in the year	(62)	(30)
Deferred in the current year	85	62
Balance as at 31 March	85	62

14 Provision for liabilities

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Dilapidations provision (see below)	296	305	296	305
	296	305	296	305

The movement on the dilapidations provision in the year was as follows:

	2022	2021
	£000	£000
Balance as at 1 April	305	208
Additions in the year	-	102
Utilised in the year	(9)	(5)
Balance as at 31 March	296	305

The dilapidations provision is a provision for the cost of repairs to shops at the end of their leases. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain.

15 Endowment funds

2022	Balance			Balance
	1 April	Investment	Investment	31 March
	2021	fees	gains	2022
	£000	£000	£000	£000
John James	3,671	(23)	499	4,147
Needham Cooper	8,329	(68)	1,147	9,408
	12,000	(91)	1,646	13,555

2021	Balance			Balance
	1 April	Investment	Investment	31 March
	2020	fees	(losses) / gains	2021
	£000	£000	£000	£000
John James	2,815	(25)	881	3,671
Needham Cooper	6,519	(54)	1,864	8,329
	9,334	(79)	2,745	12,000

The John James Endowment Fund was set up with the intention of generating an investment income for the Hospice. The fund consists of a donation from the John James Bristol Foundation of £500,000 together with an equivalent amount raised by the Hospice by the end of 1984. A further £500,000 was received from the Foundation in 1997 and the Hospice has in previous years received gifts from others of £350,000 towards matching this last amount. In 2008/09 a further £390,000 was donated to the fund. The total capital raised is £2,240,000 and gains to date, net of fees, are £1,907,000.

The Needham Cooper fund represents investments made as a result of the sale of land previously owned near Bristol (formerly known as the Peg Hill fund). The £1,200,000 Charity Property Fund was consolidated into the Needham Cooper fund in November 2019. The total capital invested was £6,871,000 and gains to date, net of fees, are £2,537,000.

16 Restricted income funds

2022	Balance			Transfers to	Balance
	1 April			designated	31 March
	2021	Income	Expenditure	funds	2022
	£000	£000	£000	£000	£000
COVID-19 NHS England service funding	-	639	(639)	-	-
Patient vehicle	-	32	-	(27)	5
CNS service	-	54	(54)	-	-
Various funds	15	178	(168)	(10)	15
	15	903	(861)	(37)	20

2021	Balance			Transfers to	Balance
	1 April			designated	31 March
	2020	Income	Expenditure	funds	2021
	£000	£000	£000	£000	£000
Capital Appeal fund	-	16	-	(16)	-
COVID-19 NHS England service funding	-	4,043	(4,043)	-	-
Various funds	35	144	(157)	(7)	15
	35	4,203	(4,200)	(23)	15

The Capital Appeal fund is funds donated to support the rebuilding of the Inpatient Unit.

NHS England awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose. In 2021/22 further funding was awarded for the period December 2021 to March 2022.

The patient vehicle fund was to purchase a new, specially adapted vehicle for transporting patients.

CNS service funding was general funding for our Community Nurse Specialists.

Various other funds relate to small amounts received where the donor has restricted the use of the funds.

17 Income and expenditure account

2022	Group	Charity
	£000	£000
At 1 April 2021	6,595	6,426
Net income for the year – unrestricted	2,146	2,031
Investment gains – unrestricted	119	119
Transfer from designated funds (note 18)	1,261	1,261
At 31 March 2022	10,121	9,837

2021	Group	Charity
	£000	£000
At 1 April 2020	10,535	10,315
Net income for the year – unrestricted	725	775
Investment gains – unrestricted	1,145	1,145
Transfer to designated funds (note 18)	(5,810)	(5,809)
At 31 March 2021	6,595	6,426

18 Designated funds**Group**

2022			Transfers	Transfers	
	Balance		from	from / (to) income	Balance
	1 April		restricted	and expenditure	31 March
	2021	Expenditure	funds	account	2022
	£000	£000	£000	£000	£000
Fixed assets fund	8,032	(526)	37	33	7,576
Operating deficit fund	-	-	-	2,200	2,200
Projects programme	675	(74)	-	299	900
Post-pandemic enhancement programme	-	-	-	2,000	2,000
Risk management fund	5,793	-	-	(5,793)	-
	14,500	(600)	37	(1,261)	12,676

2021			Transfers	Transfers	
	Balance		from	from / (to) income	Balance
	1 April		restricted	and expenditure	31 March
	2020	Expenditure	funds	account	2021
	£000	£000	£000	£000	£000
Fixed assets fund	8,564	(574)	23	19	8,032
Capital and projects fund	103	(54)	-	626	675
Risk management fund	-	-	-	5,793	5,793
	8,667	(628)	23	6,438	14,500

Fixed assets fund represents the net book value of fixed assets used in the Hospice. The transfers in the year represent the movement in the net book value of the fixed assets.

Operating deficit fund provides for expected operating deficits over the next three years. The transfer in the year is to reduce the fund level accordingly.

Project programme fund (formerly capital and project fund) represents the amounts set aside to support a programme of projects. The transfer in the year is to increase this fund to the expected value of the project plan for the next three years.

Post-pandemic enhancement programme fund is new this year and is to fund post-pandemic recovery activities over the next three years. The transfer in the year is to fund the expected cost of these plans for the next three years.

Risk management fund was to allow the charity to operate normally if risks materialised and provide time and funds for the charity to adjust its operations. This fund has been released as part of a restructure of our reserves.

Charity

2022			Transfers	Transfers	
	Balance		from	from / (to) income	Balance
	1 April		restricted	and expenditure	31 March
	2021	Expenditure	funds	account	2022
	£000	£000	£000	£000	£000
Fixed assets fund	8,072	(527)	37	33	7,615
Operating deficit fund	-	-	-	2,200	2,200
Projects programme	675	(74)	-	299	900
Post-pandemic enhancement programme	-	-	-	2,000	2,000
Risk management fund	5,793	-	-	(5,793)	-
	14,540	(601)	37	(1,261)	12,715

18 Designated funds (continued)**Charity**

2021			Transfers	Transfers	
	Balance		from	from / (to) income	Balance
	1 April		restricted	and expenditure	31 March
	2020	Expenditure	funds	account	2021
	£000	£000	£000	£000	£000
Fixed assets fund	8,605	(575)	23	19	8,072
Capital and projects fund	103	(54)	-	626	675
Risk management fund	-	-	-	5,793	5,793
	8,708	(629)	23	6,438	14,540

19 Analysis of group net assets between funds**Group and Charity**

2022	Unrestricted	Restricted	Endowment	Total
	funds	funds	Funds	Funds
	£000	£000	£000	£000
Tangible fixed assets	7,576	-	-	7,576
Investment assets	7,223	-	13,566	20,789
Current assets	10,330	20	13	10,363
Creditors due in less than one year	(582)	-	(24)	(606)
Provisions for liabilities	(296)	-	-	(296)
Total net assets	24,251	20	13,555	37,826

2021	Unrestricted	Restricted	Endowment	Total
	funds	funds	Funds	Funds
	£000	£000	£000	£000
Tangible fixed assets	8,032	-	-	8,032
Investment assets	4,559	-	12,005	16,564
Current assets	9,680	15	15	9,710
Creditors due in less than one year	(484)	-	(20)	(504)
Provisions for liabilities	(305)	-	-	(305)
Total net assets	21,482	15	12,000	33,497

Notes (continued)

20 Commitments

Full lease commitments under non-cancellable operating leases are as follows:

Group and Charity

	2022	2022	2022	2021	2021	2021
	Land and	Other	Total	Land and	Other	Total
	buildings			buildings		
	£000	£000	£000	£000	£000	£000
Operating leases						
which expire:						
Within one year	584	41	625	654	48	702
In the second to fifth years inclusive	693	59	752	816	99	915
	1,277	100	1,377	1,470	147	1,617

Capital commitments

At the year end the group and Charity had capital commitments of £17,950 in respect of upgrades to our wide area network (WAN) (2021: £22,475 in respect of a migration to Office 365 and electrical upgrade works).

21 Related party transactions

In accordance with FRS102 section 33.1A, the company has taken advantage of an exemption from disclosing transactions with its subsidiary on the grounds that it is wholly owned.

Ms A Moon is a member of the Board of Trustees, until June 2021, and on the governing body of the Bristol Clinical Commissioning Group (BCCG). Dr P Goyder is a member of the Board of Trustees and is Clinical Lead for Urgent Care at the BCCG. The NHS Primary Care Trust's annual grant to the Hospice is paid by the BCCG. The total amount paid under this grant, plus additional COVID-19 funding, for the year was £2,995,262 (2021: £1,923,888) and £96,005 was outstanding as at 31 March 2022 (2021: £37,742). St Peter's Hospice also invoiced the BCCG for further services amounting to £nil delivered in the year (2021: £22,981). At the year end £nil was outstanding (2021: £nil).

Ms A Moon is also a Non-Executive Director for Gloucestershire Hospitals NHS Foundation Trust. During the year the hospice was charged £132,403 (2021: £117,413) for the provision of doctors employed by the Trust. As at 31 March 2022 there was an outstanding balance of £10,117 (2021: £9,915).

Ms C Buchanan is a member of the Board of Trustees and Chief People Officer at the University of Bristol. During the year the hospice was charged £3,126 (2021: £20,018) for the provision of a doctor employed by the University. As at 31 March 2022 there was an outstanding balance of £250 (2021: £1,917). The hospice received income of £nil (2021: £1,400) in respect of student placement fees. As at 31 March 2022 there was an outstanding balance of £nil (2021: £nil).

Ms H Morgan is a Trustee at St. Monica's Trust. During the year the hospice was charged £24,030 (2021: £20,732) for the provision of laundry services. As at 31 March 2022 there was an outstanding balance of £nil (2021: £nil).

Ms A Wint is a Medical Advisor for Sirona Care & Health. On 6 April 2021 the Sirona palliative home support teams transferred to St Peter's Hospice. Including within the NHS Primary Care Trust's annual grant to the Hospice, paid by the BCCG, is £1,116,000 (2021: £nil) in respect of this team. As at 31 March 2022 there was an outstanding balance of £nil (2021: £nil). The hospice also received income of £790 (2021: £1,525) in respect of course attendance fees. As at 31 March 2022 there was an outstanding balance of £325 (2021: £nil).

22 Pensions

The Charity contributed to two pension schemes in the financial year; Aviva pension scheme and NHS pension scheme. The assets of these schemes are held separately from those of the Hospice in independently administered funds. The amounts charged against income represent the contributions payable to the schemes in respect of the accounting period.

Aviva

This is a Group Personal Pension Scheme, which is a defined contribution scheme. The employer contributions charged against income for the year were £478,000 (2021: £497,000) of which employee contributions under the salary sacrifice scheme were £163,000 (2021: £151,000). Outstanding pension contributions for March, paid in April, were £50,000 (2021: £48,000).

Notes (continued)

22 Pensions (continued)

NHS scheme

Staff transferring from the NHS may continue to contribute to the NHS Pension scheme. The NHS Scheme is an unfunded defined benefit scheme but the Charity is unable to identify its share of the underlying assets and liabilities. Each member of the scheme pays a common contribution rate. Employer contributions charged against income for the year were £401,000 (2021: £408,000). Deemed employer pension contributions for salaries recharged to the Hospice from NHS Trusts were £23,000 (2021: £46,000). Outstanding pension contributions for March, paid in April were £nil (2021: £nil).

23 Reconciliation of net income to net cash inflow from operating activities

	2022	2021
	£000	£000
Net income	4,329	4,539
Gains on investments	(2,832)	(3,890)
Investment income	(310)	(302)
Depreciation charges	526	574
Loss from disposal of tangible fixed assets	17	96
Increase in stocks	23	11
(Increase) / decrease in debtors	(386)	1,476
Increase / (decrease) in creditors	93	(156)
Net cash inflow from operating activities	1,460	2,348

24 Analysis of changes in net funds

	At 1 April		At 31 March
	2021	Cash flow	2022
	£000	£000	£000
Cash at bank and in hand	4,310	(2,674)	1,636
Current asset investments	3,352	(1,108)	2,244
Total net funds	7,662	(3,782)	3,880

Notes (continued)

25 Consolidated statement of financial activities for the year ended 31 March 2021

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£000	£000	£000	2021
				£000
Income and endowments from:				
Donations and legacies	4,985	159	-	5,144
Charitable activities	2,066	4,043	-	6,109
Other trading activities	3,687	1	-	3,688
Investment income	302	-	-	302
Total income	11,040	4,203	-	15,243
Expenditure on:				
Raising funds	6,267	-	79	6,346
Charitable activities	4,048	4,200	-	8,248
Total expenditure	10,315	4,200	79	14,594
Net income before gains / (losses)	725	3	(79)	649
Net gains / (losses) on investments	1,145	-	2,745	3,890
Net income / (expenditure)	1,870	3	2,666	4,539
Transfers between funds	23	(23)	-	-
Net movement in funds	1,893	(20)	2,666	4,539
Reconciliation of funds:				
Total funds brought forward	19,589	35	9,334	28,958
Total funds carried forward	21,482	15	12,000	33,497

Legal and administrative information

Vice Presidents

Mrs P Davis
Mr A R G James
Mr K T Pearce

Members of the Board of Trustees

Dr P Goyder Chairman
Ms H Staines Vice Chairman
Mr R Isaacs Treasurer (resigned 29 March 2022)
Ms A Godfrey Treasurer (appointed 30 March 2022)
Ms C Buchanan
Mr M Campbell
Mr M Mohan
Ms A Moon (resigned 29 June 2021)
Ms H Morgan (appointed 22 June 2021)
Mr R Naivalurua (appointed 22 June 2021)
Mr D Spicer
Ms A Wint (appointed 30 March 2022)

Company Secretary

Ms F McCloskey (resigned 23 July 2021)
Ms H Fowweather (appointed 26 July 2021)

Principal Officers

Chief Executive

Mr F Noble

Medical Director

Dr A Mullick

Director of Patient Care

Ms C Benson

Director of Finance and IT

Ms F McCloskey (resigned 23 July 2021)
Ms H Fowweather (appointed 26 July 2021)

Director of People and Support

Mr R Rowe

Commercial Director

Ms P J Clarke (resigned 29 December 2021)

Director of Fundraising and Communications

Ms S Allen-Gunn (appointed 9 December 2021)

Retail Director

Mr J Broomhead (appointed 9 December 2021)

Bankers

National Westminster Bank Plc
32 Corn Street
Bristol
BS1 1HQ

Auditor

Mazars LLP
90 Victoria Street
Bristol, BS1 6DP

Solicitors

Veale Wasbrough Vizards
Narrow Quay House
Bristol BS1 4QA

Investment managers

Smith & Williamson
Portwall Place, Portwall Lane
Bristol, BS1 6NA

Veritas Investment Management
90 Long Acre
London, WC2E 9RA

Fundraising office

Block C, Estune Business Park,
Wild Country Lane,
Long Ashton, BS41 9FH
Telephone: 01275 391 400

Registered office

St Peter's Hospice, Charlton
Road, Brentry,
Bristol, BS10 6NL

Registered Charity number
269177

Registered company number
1191227

Web site address

www.stpetersHospice.org