



St Elizabeth Hospice (Suffolk)

(A company limited by guarantee and
not having share capital)

Annual Report and Financial Statements

Year ended
31 March 2022

Charity No: 289154
Company No: 1794927

Contents

Page:

2	Reference and administrative details
3	Chairman's report
4	Trustees' report (incorporating the Strategic Report)
24	Independent auditor's report
27	Consolidated statement of financial activities
28	Group and Charity balance sheets
30	Consolidated cash flow statement
31	Notes to the cash flow statement
32	Notes forming part of the financial statements

St Elizabeth Hospice (Suffolk)

Reference and administrative details

Hon Vice President

Mr TJ Mott FRCS FRCR - Died on 1st September 2021

Board of Trustees

Mr I J Turner ^{1,2,3,6}	- Chairman
Mr N L Banks ^{1,5}	- Treasurer from 1 April 2021
Mr W D Barnes ^{1,2,6}	
Mrs M Craig	- Appointed 20 th April 2022
Ms G Drummond ⁴	- Resigned 24 th September 2021
Ms P C Fenner ^{4,5}	- Appointed 7 April 2021
Mr N Hatton ^{3,5}	
Mrs A Hogarth ^{2,5}	
Mr T D Hunt ³	
Mr G Mackenzie ^{2,4,5}	
Dr A D J Nicholl ^{1,2,4}	
Mr M W Nicholls ^{1,3}	- Resigned 28 th January 2022
Mrs A Parkinson ^{4,6}	
Mr J Pickering ^{1,3}	- Appointed 15th December 2021
Miss L Watts	- Shadow Trustee

Member of:

- 1 - Finance and Investment Committee
- 2 - Governance and Oversight Committee
- 3 - Income Generation and Communications Committee
- 4 - Care and Clinical Governance Committee
- 5 - People and Culture Committee
- 6 - Remuneration Committee

Registered office

565 Foxhall Road, Ipswich, IP3 8LX

Registered Charity number

289154

Company number

1794927

Auditor

RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk IP33 3SB

Solicitors

Birketts, Providence House, 141-145 Princes St, Ipswich IP1 1QJ
Prettys, 25 Elm Street, Ipswich, Suffolk, IP1 2AD

Bankers

Royal Bank of Scotland PLC, Princes Street, Ipswich, Suffolk, IP1 1QT

Investment advisers

Sarasin & Partners, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU

Principal officers

Mrs J Newman ^{1,2,3,4,5}	- Development Director (to 17 May 2021)
	- Chief Executive Officer (from 17 May 2021)
Dr K Bengtson ⁴	- Medical Director
Mrs V K Jolly ⁴	- Director of Patient Services
Mrs H Bloom ³	- Director of Income Generation
Mrs S Conner ^{2,5}	- Director of Corporate Services
Mr J Hennessey ^{1,2,3}	- Director of Finance

St Elizabeth Hospice (Suffolk)

Chairman's report

Given that our current Strategy was developed before the Coronavirus pandemic started in March 2020, the Board is pleased to note that the strategic objectives have held the charity in good stead over the past two years. The emphasis on collaboration with partners, connecting with local communities and tackling health inequalities have all been invaluable pillars of our response to the pandemic and continue to be vital priorities moving forward.

The landscape of health and social care in the UK is undergoing significant change with new Government legislation taking effect on 1st July 2022 making it a statutory requirement that the voluntary sector are equal partners with the NHS and local authorities in our shared vision of improved health and wellbeing for individuals and communities. St Elizabeth Hospice has leant forward into the opportunities that this vision offers and is playing its full role in the life of the Suffolk and North East Essex Integrated Care System (SNEE ICS) and the place-based Ipswich and East Suffolk Alliance. The Care Quality Commission (CQC) has made it clear that there is a duty to collaborate for all CQC registered organisations and we welcome this direction of travel with the aim of better outcomes for patients and communities.

For the population of Ipswich and East Suffolk, the Board note the continued positive impact of the Palliative and End of Life Co-ordination Hub which was established in April 2020 and was awarded continuation funding to enable the hospice team to strengthen the Hub's co-ordination of end of life care in the community. Working closely with Ipswich Hospital, GPs, District Nurses and the REACT team, the Hub is delivering a live example of what integrated care looks like, with virtual wards keeping more patients out of hospitals and better supported in their own homes. It is an exemplar project for the Ipswich and East Suffolk Alliance and we thank our partners for their positive engagement and support.

The in-patient unit (IPU) at the hospice on Foxhall Road, Ipswich continues to provide the highest standards of patient care and we are humbled by the many thank you letters we receive each month from grateful families. The CQC carried out an unannounced inspection in October 2021 and the Board is pleased to report that the charity's "Outstanding" care rating was repeated, with an increase in scoring. Considering the challenging two years that the organisation has been through, we commend the Senior Leadership Team and their teams, under the guidance of hospice CEO, Judi Newman, for continuing to maintain these exceptional standards of care for our local community.

Our partnership with East Coast Community Healthcare (ECCH) to provide specialist palliative care in Great Yarmouth and Waveney continues to build through the six beds in Beccles Hospital, in-reach into the James Paget University Hospital and community teams. This service enables the community of Great Yarmouth and Waveney to access the 24/7 OneCall telephone advice line, which receives over 30,000 calls a year from across our area. The partnership gives us the opportunity to work within a second ICS Area, (Norfolk and Waveney,) and to further establish and cement our strategy.

With improved patient outcomes in mind, the Trustees of St Elizabeth Hospice have continued their endeavours this year to work collaboratively with the Trustees of East Coast Hospice, based in Gorleston, to consider whether a partnership will improve palliative and end of life care for the population of Great Yarmouth and Waveney. A Memorandum of Collaboration was signed to explore the possibilities and there is a positive relationship building between the two charities. Lawyers for the two charities are advising on a potential merger.

Financially, the accounts will show that we are experiencing a lot of volatility in our finances with the final installations of non-recurrent Covid funding reflecting our high activity levels during the pandemic, through to some traditional income-generating and retail activities being very negatively affected by Covid restrictions and a slow return to supporter confidence to attend gatherings or in-person events. We remain vigilant and cautious about future income, especially as the impact of inflation and cost of living pressures may affect fundraising and retail as well as our own expenditure costs. However, the Board are humbled to record notification of a number of significant and very generous legacies that we are recognising in these accounts. The largest of these, we believe, is the biggest legacy ever received by the hospice. As it is a substantial one-off gift, the Board are now working with our staff and advisors to consider the most appropriate way to do justice to this extraordinary gift in a lasting way both for the long-term sustainability of the charity and to best help to meet the needs of those we look after. This does not distract from our recurrent fundraising requirements for our day-to-day running costs, as these core costs for our clinical and support staff remain urgently needed by our local community to sustain services.

My role as Chair is only possible with the support, guidance and totally unselfish commitment of my fellow Trustees. My sincere thanks to them all. I would also like to pay tribute to Mark Nichols and Grainne Drummond, two long-standing Trustees who completed their service to the hospice this year. Mark served the Board both in terms of his financial investment insight and in fundraising. He continues as a Director of the St. Elizabeth Care Agency and as an invaluable member of various important fundraising groups in aid of the hospice. Grainne joined the board from Waveney Hospice Care when it merged with St Elizabeth some years ago. Her senior nursing experience was both highly insightful and influential in our care committees and environments. Grainne continues to play an important ambassadorial role for the Hospice.

The hospice survives and indeed thrives because of the unstinting service of our wonderful staff, the gift of time of our 1500 volunteers, the trust of our statutory funders and the outstanding generosity of our donors. An achievement that all can be justifiably proud.

Ian Turner
Chair

Trustees' report

Our core purpose is to improve life for people living with a progressive illness.

The strategy employed to achieve the charity's aims and objectives is to provide a range of palliative care services and support free to those in need. These services are provided in a number of different settings including an in-patient unit, day units and in patients' own homes by dedicated and skilled staff.

The charity offers a range of services and employs appropriate staff to meet the needs of patients and their families as well as benefitting from the support of over 1,500 volunteers. These services include medical, nursing, spiritual, well-being services including family support, art and music therapy, counselling, physiotherapy, occupational therapy and complementary therapy and bereavement counselling.

Feedback through audits and surveys continues to demonstrate a high level of satisfaction. Where complaints or incidents do occur we use these experiences to learn lessons that improve quality of care. The charity is registered with the Care Quality Commission and received an assessment of "Outstanding" at the last inspection in October 2016. The Hospice did not identify any serious untoward incidents (SUI) as defined by the NHS during the year. Equally, there were no areas of concern which the Patient and Family Services Committee felt merited escalation to the Board of Trustees.

Public benefit statement

The Trustees confirm that they have complied with their duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit 'Charities and Public Benefit'.

St Elizabeth Hospice's charitable purpose is enshrined in its objects - "to promote the relief of persons of either sex (without regard to race or creed) who are suffering from any chronic or terminal illness or from any disability or disease attributable to old age or from any other physical or mental infirmity, disability or disease and of the families of such persons". The trustees ensure that this purpose is carried out for the public benefit by delivering a range of services to the people in the area free at the point of delivery. Access to these services is based solely on assessed need. The charity offers specialist medical, physical, emotional, spiritual and practical support to people with life limiting conditions and their families.

Trustees' report

The Trustees present their strategic report for the year ended 31 March 2022, containing a review of achievements and performance, a financial review, plans for future periods and the principal risks they consider the Charity and Group faces.

Achievements and performance

Along with all our partners in the voluntary and healthcare sectors, we have experienced another twelve months where the impact of Covid-19 remained ever present through extra infection control measures, workforce self-isolation numbers, visitor restrictions or a shadow over mass participation fundraising events. Despite all the challenges and restrictions, the Board is pleased to note the continued resilience of the charity, its staff and volunteers in providing palliative and end of life care for our community. We also continue to play a very active role in supporting the wider health and social care system across Ipswich, East Suffolk, Great Yarmouth and Waveney, particularly through the avoidance of hospital admissions and by providing a pathway for hospital discharges. Our 24/7 OneCall phone advice line received almost 31,000 calls in 2021/22 (2021: 30,000): this hugely valuable service has grown considerably during the pandemic and shows no sign of declining back to pre-pandemic numbers.

We had an unannounced Care Quality Commission (CQC) routine inspection at the Hospice on Foxhall Road on 21st October 2021, our first since October 2016. The CQC look for evidence to confirm that the services provided are safe, effective, caring, responsive and well-led. For these five categories we were rated good for safe and effective, and outstanding for caring, responsive and well-led. This resulted in an overall rating of "Outstanding". The Board commend the staff and volunteers for this revalidation by our regulatory body and welcome the increase from two outstanding categories in 2016 to three outstanding categories in 2021.

The provision of hospice beds continues to be a vitally important service for our community with 475 admissions during 2021/22 across the Ipswich Hospice and the six specialist palliative care (SPC) beds within Beccles Hospital (2021: 481). In the Ipswich hospice, an average of 50% of admissions are related to symptom control with patients returning home after treatment and 50% are to provide end of life care. In Beccles Hospital, we work in partnership with East Coast Community Healthcare (ECCH) to focus on specialist palliative care - a different model of care provision but helping to meet a vital need in the absence of a physical hospice building in Great Yarmouth and Waveney.

As predicted in our strategy in 2020, we are continuing to see significant growth in demand for our community teams, both for Community Nurse visits and Community Healthcare Assistant (CHCAs) visits to patients' usual place of residence, whether that is in their own homes or in care homes. In Ipswich and East Suffolk, there were 3,261 Community Nurse visits in 2021/22 (2021: 2,151) and 3,624 CHCA visits in 2021/22 (2021: 2,837) – increases of 52% and 28% respectively. In Great Yarmouth and Waveney, Community Nurse visits numbered 2,817 in 2021/22 (2021: 1,689) – an increase of 67%: this may partly reflect a growth in awareness of the new service as the partnership with ECCH moved into its third year.

Medical Outpatient appointments in East Suffolk grew by 21% to 670 appointments in 2021/22 (2021: 556)), defined as all medical face to face, telephone and video contacts excluding the patients who are in IPU.

Historically, we have referred to the total number of service users in a way that actually refers to the cumulative total of new patients who have received a referral to our hospice services. In 2021/22 the total number using that definition was 2,842. However, moving forward, it would be more accurate to report the number of patients who have received at least one face to face, telephone or video contact in the year as this is a true reflection of service users. In 2020/21, that number would have been 3,940 which increased by 3% in 2021/22 to 4,063.

As previously reported, day care services had to be paused due to the restrictions of Covid-19, but we are pleased to note that these services have been refreshed and re-introduced as the Community Care Unit service. They provide outpatient appointments, therapy, counselling, physiotherapy and occupational therapy as well as group support and medical interventions such as blood transfusions and infusions which do not need a hospice or hospital admission. During the intervening period while the day care corridor could not be used, a cross-hospice team has worked to design a new shared social space which will be much more conducive to the activities of the Community Care Unit. It is due to be opened on 5th September 2022 and will be named Ridley's Atrium after the late Nicholas Ridley who was the Hospice's President. We thank the Wolfson Foundation for their generous contribution towards this important new space.



With continued support from the Ipswich and East Suffolk Alliance, the Palliative and End of Life Co-ordination Hub, which has a team based at Foxhall Road consisting of a range of skills, has continued to be a beacon of integrated care. The team coordinates end of life care in the community with daily contact with District Nurses, the REACT team, GPs, families and patients. The team has received almost 31,000 incoming calls into the OneCall phone advice line this year and the Care Co-ordinators are able to answer over a third of the enquiries directly without the need to refer them on to a clinical colleague. The logistics team has provided a continual rota of volunteers on every day shift to divert as many logistical tasks as possible away from the clinical and medical teams.

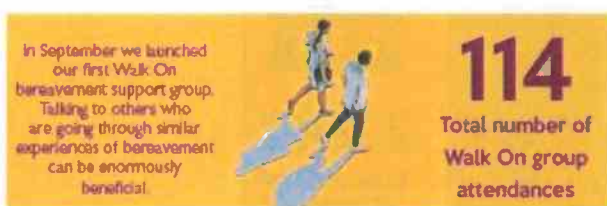
This year, within Suffolk and North East Essex (SNEE), we have taken on the role of chairing the Integrated Care System (ICS) End of Life Group and working with the Transformation leads in each of the three Alliances to co-ordinate the development of a new ICS End of Life strategy with the new End of Life Clinical Lead. This group has representatives from acute trusts, primary care, public health, adult hospices and East Anglia's Children's Hospice (EACH), the University of Suffolk, Marie Curie, a representative from the Regional NHS East of England Palliative and End of Life Strategic Clinical Network (SCN) and a representative from each of the three Alliances' End of Life Programme Boards. This co-ordination role also extends to representing the hospices on the SNEE Integrated Care Partnership (ICP). This work directly correlates to the intention of the new Health and Social Care Act 2022 which requires health and social care organisations to work together to meet the health needs of their local population.

The use of digital technology is growing, with the introduction of electronic prescribing and medicines administration to improve the recording and management of prescriptions now in place. Now that almost all GP surgeries in our area are on SystmOne, there is an improvement in patients only needing to tell their story once and all professionals involved in their care being able to access the same information.

LIVINGGRIEF

Let's talk about grief...

LivingGrief is the St Elizabeth Hospice bereavement service, co-ordinating bereavement support for East Suffolk.



Coping with illness, loss and change is not easy for anyone. We help patients and families with the emotional aspects of facing life with an illness.



Given the nature of the pandemic, we anticipated that the call on our bereavement services would increase and this raised awareness that we are able to support all those in the community affected by a bereavement, and not only those whose loved one received care from the hospice. Over 2021/22, 979 bereavement packs were delivered and there have been over 2,000 contacts for a bereavement support intervention either face to face, by phone or video call.

We have increased our resources on our LivingGrief website and there have been 2,769 hits on our website's bereavement pages. We continue to promote our 565 Service which provides emotional support to children and families living with a family member with a progressive illness.

We introduced Walk On bereavement walking groups with 114 group attendances over the year and have run 15 Compassionate Conversations sessions to better equip anyone in our community who wants to strengthen their confidence to support their own networks or friends and family about the experiences of death, dying or grief. We remain committed to improve death literacy in our community and are working with others to encourage the adoption of Compassionate Communities in this region.



565 Service provides emotional support for children, young people and families living with a family member with progressive illness. The service also provides bereavement support following the loss of a loved one, via family meetings, one to one counselling and group work.



St Elizabeth Hospice (Suffolk)

Trustees' report (continued)

The Zest programme for young adults has continued to grow, with two independent research projects evaluating the significant impact the service has for the young adults, their families and caregivers. Everyone associated with Zest was pleased to see the reopening of weekly Zest Days on Fridays providing social activities for the young adults, a break for family members and an opportunity to access appropriate support. Due to Covid restrictions and the vulnerability of many of the young adults that access the Zest service, we were only able to run the Zest Days for five months of the year but there were still 112 attendances across 17 sessions. The Zest team supported 40 young adults over the year, with 41 Short Break attendances over 21 sessions: family feedback remains strongly in support of this nurse-led overnight care for respite and social interaction for the young adults who want to have an independent break away from home. During the year, we were able to start taking referrals from West Suffolk where there isn't a comparable service.

With the partnership with EACH, young adults transition from the children's hospice services to Zest by gradually getting to know the Zest team from age 14 onwards. The age profile of the 40 young adults supported by Zest is:

Age Category	Patients Cared For
Under 18	11
18 - 25	22
Over 25	7
Grand Total	40

We continue to deliver Specialist Palliative Care services to the community of Great Yarmouth and Waveney through our partnership with East Coast Community Healthcare (ECCH). This involves six specialist beds in Beccles Hospital, in-reach support to the James Paget Hospital, a community service of specialist palliative care, an outpatients service, a counselling service and access to our 24/7 OneCall advice line. Over the year, we saw 131 admissions to the In-patient Unit at Beccles Hospital and 2,817 community nurse visits across Great Yarmouth and Waveney. As we were able to recommence day care we started Community Care Unit services in Beccles Hospital, Sole Bay Health Centre in Southwold and Martham Medical Centre, north of Great Yarmouth. We thank ECCH for their continued support and partnership working to maximise the availability of specialist palliative care services for this part of the region. We continue to promote awareness of the service. The marked increase in referrals and service users highlighted in the introduction to this report indicates considerable success in this area. We value our good relationship with the Norfolk and Waveney Integrated Care System (N&W ICS) and will continue to play our part on the N&W ICS Palliative and End of Life Collaboration Board.



During the year, we began to consult with Strategic Partners to explore how we could work together to grow palliative and end of life services, as we seek to ensure that the local population of Great Yarmouth and Waveney can have equitable access to services. These conversations continue positively and we are extending the discussions to other stakeholders to help achieve the best outcome for the community who have campaigned for many years to improve services in this area for those with a life-limiting diagnosis.

Partnership working has been a key theme for all those working in health and social care in this financial year, working towards the new Health and Social Care Act 2022 being on the statute books on 1st July 2022. As Chief Executive of St Elizabeth Hospice, Judi Newman represents the hospice on the Ipswich and East Suffolk Alliance Committee and is the hospice representative on the Suffolk and North East Essex Integrated Care Partnership. Judi is a member of the SNEE ICS VCSE Design Panel which is helping to shape how best the voluntary sector can play its part and make the most of the opportunities that the legislation allows, given that the VCSE is an equal partner in Integrated Care Systems. The philosophy behind the new Act requires the NHS, social care, public health to work together with the voluntary sector to understand the social determinants of health, improve health outcomes for local populations and tackle health inequalities. The hospice movement is well placed to play a full role in both leadership and delivery of these aspirations.

Although we only had two weeks of national lockdown in the financial year 2021/22 affecting retail trading due to shop closures, we were repeatedly affected by absence of staff and volunteers who were required to self-isolate due to contact with others who were Covid-positive. Throughout the year, there was a nervousness to plan mass participation fundraising events due to the likelihood of needing to cancel with short notice and not wanting to appear reckless in bringing large numbers of people together. Therefore it was a celebration when we were able to proceed with the outdoor Midnight Walk in October 2021 which has traditionally been a flagship fundraiser for the hospice and a poignant event for many supporters who walk the course in memory of a lost relative or friend. Similarly, the return of in-memoriam events such as Suffolk Remembers and Daisy Day enabled relatives and friends to gather and remember after the isolation of the pandemic, a reminder to all that such events often have a significance to participants that goes well beyond fundraising for a favourite charity.

Retail colleagues have continued to innovate with the opening of the hospice café in Stowmarket, an increased Zest retail presence on the online platform Depop and the development of the café brand "Moments" which will be rolled out to Stowmarket, Heath Road café in Ipswich and a new café in central Ipswich in 2022. A hospice gift card is available to be used across Zest, Moments and the hospice shops and the Zest store in Ipswich has performed strongly with its alternative identity as a younger brand with an emphasis on eco-projects such as refilling stations and eco- new goods. The difficult decision was made to close the Zest store in Colchester but the team continue to be responsive to opportunities and trends in the retail charity sector, connecting with influencers and an increasing use of video content.

St Elizabeth Hospice was grateful to benefit from NHS England's support of the hospice movement during the Covid-19 pandemic. Participating hospices were required to complete daily capacity tracker data submissions throughout the year, to capture the capacity and activity levels of each hospice. Due to the high activity levels of our IPU and Community teams, we were eligible for funding to ensure the sustainability of our services at a time when all hospital discharges and hospital avoidance were invaluable to ease pressure from the acute trusts of the NHS. This non-recurrent income came from NHS England via Hospice UK and was one-off funding to alleviate system pressures due to the additional pressures of Covid-19.

We have also been very grateful to receive notification of substantial legacy bequests this year which will enable the hospice to recover from the deficit years that we experienced before the pandemic as well as the fundraising challenges that Covid-19 has caused in our retail and fundraising during the lockdowns since April 2020. The bequests will enable us to plan an investment in our estates to future proof the clinical services that are needed, to become more energy efficient with green investments in our infrastructure, and suitably equipped to expand our Co-ordination Hub facilities to co-ordinate more community services as there is considerable growth in need. We remain humbled and grateful for the generosity of our supporters who choose to leave a bequest for the long-term sustainability of our palliative and end of life care, with the ability to develop services to meet future demand projections with an aging population and increasing complexity of care.

Our marketing and press team continues to engage strongly with all channels of local and regional media including social media, press and radio. 730 pieces of press coverage were achieved in 2021, ranging from being shortlisted for national Nursing Times awards through to the opening of the new hospice café in Stowmarket and case stories of patients and families who are grateful for the support given and keen to raise awareness of hospice services.

Accessibility of information on our services was improved during 2021/22 with the introduction of the Recite Me tool bar on our website which enables website users to change language, font size, play audio and change the readability of colours used. The translation service extends to all the pdfs on our website which means that all our service information leaflets can be translated and downloaded at the point of need. Our videos now have subtitles and we are trialing the use of a 24/7 instant access British Sign Language translation service.

OUR VALUES



Since introducing the new strategy in 2020, we were conscious that our values needed to be refreshed to better reflect the new integrated care landscape and our commitment to tackling health inequalities. Using staff and volunteer webinars, focus groups and 1:1 interviews, we were pleased to coproduce a new set of values together which are being now used in our recruitment, appraisals and a touchstone to our activities and conversations both internally and externally. The new People and Culture Committee is now in place and helping to support the new values and workplace culture.



A key development for the Education team this year has been the collaboration with St Helena Hospice, with St Elizabeth's Mandy Summons becoming the Head of Education for both hospices and a new Hospice Education brand launched. The team has delivered a series of sessions at both sites sharing resources, materials and knowledge, and offering choice of location to SNEE ICS colleagues. We have purchased external continual professional development training to support clinical and non-clinical staff at both sites (Dementia virtual tour bus, Mesothelioma and LGBTQ+) cutting costs and enabling networking opportunities for staff. Conversations with other potential partners continue as the model can be expanded.

The first Compassionate Citizen education course took place for BTEC Level 3 health and social care students at Suffolk New College, with all five clinical educators involved over the four full day course. CCG funding was secured for extra Verification of Expected Death (VOED) training across the SNEE ICS and the team continue to work closely with the University of Suffolk to help co-produce palliative and end of life master modules as well as content to support best practice across their current nursing programmes.

Objectives for the coming year

The strategic plan for the period 2020 to 2024 continues to be our compass and the charity's business plan remains in sync with those original strategic objectives. With an emphasis on collaborative working, tackling health inequalities and broadening awareness and confidence in supporting others through the experience of palliative and end of life care, the hospice's strategy aligns closely to that of our partners in the Integrated Care System and remains relevant and appropriate. A growing area that is likely to appear more strongly in the next strategic plan is a focus on research, as a partner with the University of Suffolk's "Suffolk in Sync" campaign to develop their new Health and Wellbeing quarter. From autumn 2021, we will have a presence in the University's Health and Wellbeing building and we are participating in the University's National Institute for Health and Care Research (NIHR) bid for further palliative and end of life research funding.

Trustees' report (continued)



Our first strategic objective to deliver and support holistic and coordinated care continues to drive our service activities. Working closely with partners through the Palliative and End of Life Co-ordination Hub, we continually look to enhance services that will support patients and families from the point of diagnosis through to end of life care. A new development for 2022/23 will be the doubling of our virtual ward with the recruitment of 10.8 more Community Healthcare Assistants (CHCAs) in a match-funded programme with the acute trust, ESNEFT (East Suffolk and Northeast Essex Foundation Trust) to avoid hospital admissions and help discharge more patients from hospital by providing a virtual ward in patients' own homes in the last six weeks of life. At present, we are caring for 5 to 8 patients at any one time on our virtual ward but we are aiming for this to increase to 12-16 patients depending on the geography of the patients' homes and the recruitment of CHCAs. This is in keeping with the NHS' national programme to see more virtual care delivered at home.

The public may be more familiar with the clinical and medical care given but our services also include emotional and wellbeing support for both patients and families, as well as physiotherapy to improve and maintain quality of life for as long as possible. We are establishing a new Hospice Engagement Group to ensure we co-produce new service delivery with those who use our services and, from April 2022, we are benefiting from an East Suffolk implementation of an Electronic Palliative Care Co-ordination System (EPaCCS) within our SystmOne records for better coordination of patient records and palliative care preferences. The opening of the Ridley's Atrium in September 2022 will be a positive return to our Community Care Unit services for those in need of outpatient appointments and day services.



Good progress has been made towards our second strategic objective to tackle health inequalities, identifying the potential barriers to accessing our services and improving our own education of the issues by listening to communities who are underrepresented amongst our service users. Since the strategy was set, a small working party has been active and this year we have improved accessibility to our services through the Recite Me and SignLive services but also introducing blind recruitment to mitigate against unconscious bias. Having held our first Hospice for All event in partnership with local community group The Hive, we want to hold more in-person events where we can invite communities to visit the hospice and understand how broad and accessible our services are. For example, feedback from the first Hospice for All event highlighted that in some cultures, families would be disappointed if a family member had to be admitted to a hospice as they would prefer to care for their loved one at home. At this event, it was explained that the hospice community team could support at-home care to be maintained and potentially avoid an admission. A priority for 2022/23 is an internal Inclusion Matters campaign for staff and volunteers to access a broader range of resources and video content to improve awareness and approaches that can improve inclusivity and diversity of our services, workforce and awareness within the wider community.

In Great Yarmouth and Waveney we will endeavour to grow our services to move closer towards parity of services for the whole of our community and will continue our conversations with stakeholders to improve access to a broader range of services.

Trustees' report (continued)

We remain alert to opportunities to extend the provision of the Zest young adult service, conscious of the inconsistency of services across the East of England for this cohort of young adults with very complex needs when they reach adulthood and leave children's hospice services. For 2022/23, we are working with partners to provide the Zest offering to young adults in need of this service across the SNEE ICS footprint and Great Yarmouth and Waveney. We have submitted a collaborative bid with the SNEE ICB and EACH to a national NHS funding opportunity to be able to extend Zest services across the SNEE geography and await the outcome.



Our third strategic objective is to better equip members of our community to support each other and their own networks of friends and family through a life limiting illness or a bereavement. This continues to develop well in partnership with others. The Compassionate Conversations training, supported by the Ipswich and East Suffolk Alliance, has continued to provide confidence building to 317 participants and whilst it is not easy to establish a population evaluation of change, the service evaluation of this training evidenced that some were keen to learn how to support Advance Care Planning which is a core objective for palliative care ambitions in the UK.

A priority for 2022/23 is to work with the SNEE ICS team to deliver an ICS "Thinking Differently Together" summit on Compassionate Communities, followed by a plan to adopt the Compassionate Communities Civic Charter encouraged by a Community of Practice with partners, supported by Dr Guy Peryer of UEA and the NIHR Applied Research Collaboration for the East of England. In Great Yarmouth and Waveney, we sub-contracted our Compassionate Communities work to the Pear Tree Centre in Halesworth where there is a flourishing group of volunteers and community development work, and we await the assessment of that project which we hope will be a springboard for more activity.



For our fourth strategic objective, the Senior Leadership Team remains committed to ensuring we have the right people in the right place with the right resources. Recruitment is a challenge for all healthcare organisations following the pandemic so we have to ensure that we are as attractive an employer as possible, including the environment in which our staff work. A priority for the year ahead is to ensure that – coming out of Covid-19 restrictions – we are able to return our facilities to be as welcoming and conducive to excellent care as possible, which we know our staff wish to see too. We are currently drawing up plans to improve our reception and dining hall offering which is an important feature for our visitors, staff and volunteers and we also are considering our longer term plans for future proofing our energy efficiency and appropriate estates for the growth of our community and education programmes.

The new Palliative and End of Life Statutory Guidance will require all organisations working in this sector to have robust data and accountability, with a strong grounding in population health management intelligence to understand the forecast of care needs both today and into the future. This is an area that we wish to learn more alongside our system partners as we develop system strategies together using outcome-based accountability.

Trustees' report (continued)

Our commitment to Great Yarmouth and Waveney will remain a priority in 2022/23 and we will continue to work with partners and stakeholders to maximise the potential for our collaboration with ECCH and new opportunities to expand services for the community. As awareness of our service delivery in the area grows, our local fundraising is able to invest in the growth of services and this year, a mid-grade doctor was added to the medical team as an additional resource.

Fundraising in 2022/23 will be dominated by the delivery of a Wild in Art trail taking place in Ipswich over the summer of 2022. From June to September 2022, there will be 50+ Big Hoot brightly coloured sponsored owls across Ipswich town centre bringing together local councils, media, businesses and families to raise funds for the Hospice. The art trail will culminate in an auction of the owls in September. Suffolk County Council and Ipswich Borough Council have been very supportive of the art trail and we hope to see a repeat of the £2.4m economic boost the previous art trail in 2019 made to the Ipswich economy with additional footfall to the town centre resulting in extra hospitality, food and shopping.

Third party event fundraising and personal challenges are returning, with a number of supporters re-organising events or fundraisers that were postponed during the pandemic, such as the family of the late Zoe Goddard who are determined to raise £30,000 for the hospice to mark what would have been Zoe's 30th birthday. The hospice remain immensely grateful for all such fundraising efforts from our community without which we simply could not continue to provide our care.

The Retail Strategy continues to guide the team, notwithstanding the disruption of the pandemic. To add to the two existing cafes in Stowmarket and on Heath Road in Ipswich, we have agreed terms to open a third café in the beautiful Town Hall in Ipswich town centre. As well as providing an income for the hospice, it enables the marketing team to create a presence in the heart of the town and will be a natural hub for community activity. All three cafes will have the new "Moments" branding with the strapline of "Care in every cup" and the same identity will be used inside the hospice's new internal catering offering for visitors, families, staff and volunteers when the dining room is redeveloped.

Hospice Education will continue to seek further opportunities to expand its programme, with the launch of Care Home accreditation in North East Essex and a Care Agency accreditation pilot and launch in Suffolk. Staff development pathways for hospice staff are being developed with Grow-Your-Own training pathways and training of Health Care Assistants (HCAs) which enables us to broaden the recruitment pool to include staff who are willing to be trained. From October 2022, we are planning to relocate all external hospice education into the new education facilities for health and wellbeing at the University of Suffolk and one of our Hospice Education clinical practice educators will be based there one day a week, contributing to the work of the Integrated Care Academy. We want to deliver more Compassionate Citizens training and are hoping to deliver this content to students at Suffolk One and Colchester Institute with a view to this becoming a regular feature of the health and social care curriculum.

In summary, the new values of St Elizabeth Hospice express our strategic conviction to be here for our local population, removing as many barriers as possible to everyone in our community to access outstanding quality palliative and end of life care. We can only do so with the support and encouragement of those we serve and the partners we work with shoulder-to-shoulder to continually improve services, challenge ourselves to be courageous and look to the horizon ahead of us. Our shared objective is to ensure we have sustainable plans, estates and resources to meet the increased demand that we know will come as people live longer with greater palliative care needs that often accompany a longer life. We want long lives to be lived in the best health possible and, for that, we need to raise awareness of the role a hospice can play to help raise the quality of life for the years you have, as well as the dignity and support required when end of life care is needed.

St Elizabeth Hospice (Suffolk)

Trustees' report (continued)

Financial Review

	Income	Expenditure	Contribution	2021
	(£000's)	(£000's)	(£000's)	(£000's)
Cost of delivering hospice services		8,159	(8,159)	(7,883)
This cost is funding by the following sources:				
Grants	6,821	0	6,821	7,335
Fundraising	1,766	930	836	865
Legacies	9,727		9,727	2,405
Lottery	452	184	268	283
Trading	4,156	4,161	(5)	(459)
Investment Income	202	38	164	170
Gains/Losses in value of investments	113	0	113	965
Other Income	116	116	0	(430)
Total Contribution	23,353	5,429	17,924	11,134
Net Surplus			9,765	3,251

The Hospice has had its second year of positive financial results following the 6 previous years of having net losses. This strong financial performance, largely driven by legacies, has allowed the Trustees to begin planning for the expansion of services and better position the Hospice to withstand anticipated future financial pressures.

Retail

Under the Government's lockdown starting from March 2020 the Trustees closed all of the charity's retail shops. These were reopened in April 2021. Retail performance remained reasonable during the first 8 months of the financial year, but then dipped slightly as the country dealt with the Omicron wave of the pandemic during the last 4 months of the year.

The hospice acquired the Tall Order coffee shop in Stowmarket in April. The impact of the pandemic adversely impacted this new venture and as a result the hospice recognised losses of £118,000 during the year. The coffee shop has now been rebranded and it is anticipated that it will start generating a surplus by 2024. Without the loss from Tall Orders, the hospice would have generated a trading surplus of £99,000.

Fundraising

The Fundraising team were able to deliver only a portion of their fundraising events during the year due to continuing restrictions on social contact. Despite this, the fundraising team still achieved 96% percent of their planned contribution, with only a slight deterioration in performance in the final months. Individual Giving and Trust income were the strongest performing areas along with tight control of fundraising expenditure.

Grants

The Hospice continues to receive funding from NHS CCG's to support the delivery of services. Funding for additional out of hospital services which began last year was extended twice and will continue to be funded in the next financial year. Funding for services in Great Yarmouth & Waveney were increased from April 2021 in line with the increase in services provided to this community.

Hospice UK

The Government, through Hospice UK, provided grant funding to enable Hospices to continue to deliver Hospice care. Funding totaling £1.68m was recognised during the year, including £690,000 relating to Omicron related funding received in the final four months of the financial year.

Legacies

Legacy performance was strong in 2021/22, with the Hospice receiving notification of £9.7m in legacies for the year from 54 individuals. The largest legacy was for £7.65m; Trustees are now considering how this extraordinary gift should be spent.

St Elizabeth Hospice (Suffolk)

Trustees' report (continued)

Gains on investments

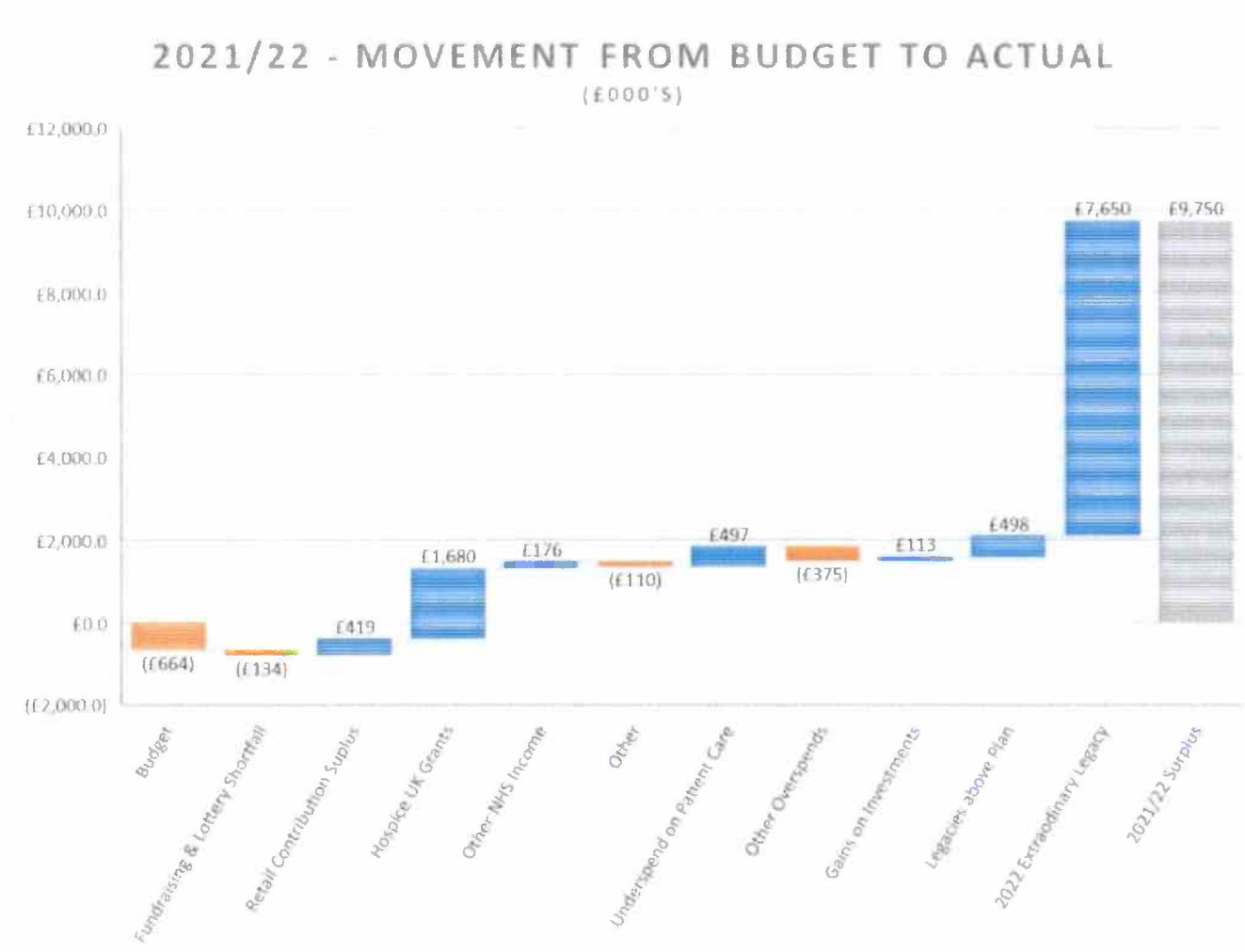
Global markets have experienced significant uncertainty driven by the pandemic and the war in the Ukraine. Most of the gains recognised during the first three quarters were largely reversed in the 4th quarter. Gains for the year were

£113k, significantly down on the level of gains earned last year, which included recovery from Covid-related investment losses incurred in 2019/20. Continued global market pressures have adversely impact investments during the first quarter of 2022/23.

As a result, the Hospice has ended the year in a strong position, showing a surplus of £9.75 million for the year.

Performance against Plan

The Trustees set a detail financial plan each year. For 2021/22, the Plan reflected the expected growth in services and the uncertainty relating to income due to the continuing pandemic. The chart below shows the movement from starting with an expected £664,000 deficit to the sizeable surplus primarily driven by legacy income.



Balance Sheet

The Group's balance sheet remains strong with bank and cash balances standing at £7.7m at the end the financial year. Increases in debtors and creditors reflect accrued legacy income and income received in advance respectively. This strong balance sheet has allowed Trustees to earmark funding for particular projects through the use of Designated Funds.

St Elizabeth Hospice (Suffolk)

Trustees' report (*continued*)

Legacies

We very fortunate to receive a lot of support via gifts left to the Hospice in Wills. The amount that people feel able to bequeath to the charity varies but we are always grateful to supporters who help us in this way. One in five patients who receive care from the hospice is funded from a legacy gift. This year we have received a total of £9.73m from gifts in Wills and we would like to acknowledge our gratitude for the generosity of:

Mrs Irene Argent	Mrs Jessica Arthur	Mrs Carol Ann Baker	Mrs Pamela Blatchley
Mrs Sheila Bugg	Mr Ian Bunting	Mrs Dorothy Burch	Mrs Patricia Burrage
Mrs Kathleen Clarke	Mr Bryan Clow	Mrs Joan Crane	Ms Mary Cresswell
Miss Margaret Curwen	Mrs Joyce Dumper	Mrs Rosemary Farrand	Mrs Ruth Felton
Mr Peter Grimwade	Mrs Muriel Hazard	Mr Eric Holton	Mr Roy Hubbard
Mrs Janet Jackaman	Mrs Winifred Jacobs	Mr Paul King	Mr John Lankester
Mrs Alexis Maddison	Mrs Patricia Marshall	Mrs Jacqueline May	Mrs Jean May
Mrs Elizabeth Moore	Mr Wylie Moore	Reverend Ian Morgan	Mr David Murphy
Mr Russell Parker	Ms Peggy Parker	Mrs Christine Pickering	Mrs Vivienne Quayle
Mr Laurie Rand	Miss Daphne Randle	Mr Raymond Rix	Mrs Hilda Rogers
Mr John Sadd	Mr David Seager	Mr Robert Seaman	Mrs Joyce Shaw
Lady Mary Sinclair	Mrs Eileen Stansfield	Ms Enid Stimpson	Mrs Sheila Thomas
Mr John Ware	Mrs M Waterhouse	Mr David Whittaker	Mr John Wilkinson
Mrs Alexander Wood	Miss Isobel Yonge		

Reserves Policy

The charity needs financial resources to achieve its purposes and has to plan for the longer term to ensure continuity. The Trustees regularly review the charity's reserves policy. In determining the appropriate level of reserves Trustees have regard to the following matters:

1. Forecasts of expenditure as the basis of planned activity.
2. Working capital required for the day-to-day running of the hospice.
3. Income risks including:
 - a. The reliability of the various income sources.
 - b. The prospect of developing new sources of income.
 - c. An assessment, on the best evidence available, of the likelihood of each of these varying adversely and the potential impact on the charity of not being able to deal with variations.
4. Analysis of future needs which would be unlikely to be met out of the charity's regular income.
5. Funds required to replace assets.
6. Potential loss of value of the asset form in which reserves are held.
7. The need to provide capital and revenue support to continue to develop services.

Trustees reviewed their reserves policy in 2019. In line with current thinking, they moved away from a single measure of proportion of income in favour of a more risk-based approach. The current policy requires an assessment of the reasonable foreseeable risk of income loss, of increases to current planned expenditure and allows a sum for contingency. It was also resolved that provision should be made for the risk of major unforeseeable events such as prolonged downturn in income due to recession. Such an additional reserve maximises the potential for the Hospice to continue to maintain vital services to our community despite such occurrences.

The Finance & Investment Committee reviewed these risks and reserve levels at meetings in January and March 2022 and confirmed that the reserve policy was still appropriate. The Governance & Oversight Committee also reviewed this work and the calculation indicating a direct income risk of £2,038,000 and an unchanged expenditure risk of £655,000. This indicates a total target reserve of around £2.7m. This was then agreed at the Trustee meeting in March 2022.

During the year the Trustees reviewed the future needs of the Hospice and decided to amalgamate 2 designated funds, remove one fund and add four additional designated reserves for future risks or events.

St Elizabeth Hospice (Suffolk)

Trustees' report (*continued*)

Designated Fund	Change	Amount
Building Refurbishment Provision for office refurbishments to allow for updating of the parts of the Hospice most in need of updating and to create some flexible space to accommodate more modern methods of working.	Increased from £500,000 at March 2021	£3,500,000
Patient Services Projects A number of planned investments in future patient services where statutory funding is not available. (Incorporates the Young Adults Project separately identified as a designated fund at March 2021)	Increased from £1,065,000 at March 2021.	£2,420,000
Energy Efficiency & Carbon Neutral Investment The Hospice recognizes investment is needed to ensure that the Hospice is energy efficient and actively contributes to the reduction in carbon emissions	Newly created designated fund	£500,000
Anticipated Future Deficits 2022-25 The Hospice does not anticipate operating at a breakeven position over the next 3 years due to inflationary and service pressures. It is assumed that a reserve will therefore need to make up this shortfall as the Hospice works to move back into annual financial balance.	Newly created designated fund	£1,700,000
Legacy Deferral In addition to the above Anticipated Future Deficit fund, Trustees have agreed to spread recognition of larger legacies over four financial years for financial planning purposes, so that the volatile nature of legacies income can be smoothed. Based on three legacies notified in 2020/21 and 2021/22, there will be £1.177million deferred for release over the next 3 years.	Additional legacy added and the release of the second year of legacies previously designated	£1,177,000
Major Legacy Received in 2022 The Hospice was notified of a significant legacy, which is expected to be received in 2022/23. Accounting rules mean that this needs to be recognised as income in 2021/22 since the amount can be reasonably estimated. The Trustees are now beginning discussions on how this significant investment can be used to improve and expand services provided by the Hospice	Newly created designated fund	£7,650,000
Retail Lockdown fund This fund was established during the pandemic to offset potential losses from the adverse impact on the Hospice's retail activities. It is now deemed not to be required.	Discontinue as a designated fund at March 2022	£0
Out of Hospital Project with ESNEFT The Hospital has agreed to expand its out of hospital services through working with ESNEFT. This three-year project will begin in 2022. Each party has committed £690,000 to the project, creating a project with a combined budget of £1.38m	Newly created designated fund	£690,000
Total Designated Funds		£17,637,000

At 31 March 2022 the Group's reserves were as follows.

	2022 £000	2021 £000
Restricted Funds	166	253
Designated Funds		
Fixed Asset Fund	5,413	5,870
Building refurbishment fund	3,500	500
Patient services fund	2,420	1,000
Energy efficiency & carbon neutral investment	500	-
Anticipated future deficits 2022-25	1,700	-
Legacies deferral	1,177	1,012
Major Legacy Received in 2022	7,650	-
Retail lockdown	-	550
Out of Hospital Project with ESNEFT	690	-
Service Development Fund (<i>now consolidated into Patient Services fund</i>)	-	65
Total Designated Funds	23,050	8,997
General fund	2,994	7,195

The Fixed Assets fund represents the value of Fixed Assets on the balance sheet.

St Elizabeth Hospice (Suffolk)

Trustees' report (*continued*)

The balance of the General Fund (unrestricted) is £2,994,305 slightly in excess of the target reserves figure above. Similarly, Free Reserves, which consist of the General Reserves along with Legacy Deferral reserve (£1,177,000) and the Anticipated Future Deficit reserve (£1,700,000) is £5,871,304 (31 March 2021 - £8,206,851), which is in excess of the target reserve level of £2,700,000 (31 March 2021 - £6,329,000). Trustees have approved a budgeted operating deficit of £774,000 for the year ending 31 March 2023.

Trustees recognise the crucial importance of the Hospice's services to our communities. The amounts held in reserves referred to above, combined with the committed grant income from Ipswich & East Suffolk CCG, and from East Coast Community Healthcare in relation to services in Great Yarmouth and Waveney, and other sources of income from these areas give the Trustees confidence as to the capacity to assure the continuity of service provision to both communities over the coming years.

Investment Policy

The overall objective of the charity's investment policy is to create sufficient income and capital growth to enable the charity to carry out its purposes consistently year by year. This objective is achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a Recognised Investment Exchange and unit trusts and OEICs (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000. The charity's investments are managed by Sarasin & Partners, specialists in charity investment. The Finance Committee meets regularly with Sarasin & Partners to review and discuss investment policy and performance against agreed benchmarks.

The portfolio was invested mainly in UK and overseas equities, fixed interest securities, specialised charity equity funds, unit trusts and cash deposits. The target portfolio asset allocation is along the following lines:

Equities	70%
Fixed interest / cash	18%
Property / other	12%

The charity also holds cash deposits to cover short term working capital and expenditure requirements. Trustees endeavour to exclude exposure to any investments in companies that draw a major part of their income from tobacco or related products.

Fundraising policies

St Elizabeth Hospice has signed up to the Fundraising Regulator and complies with its voluntary regulation scheme. We are entitled to display the Fundraising Regulator badge on our website and all fundraising resources which will give confidence to our supporters that we comply with best fundraising practices. Our lottery members also will have confidence that we are members of the Gambling Commission, Gamble Aware and the Lotteries Council.

We take pride in keeping all fundraising activities in house. Although we use high quality partners to help deliver a wide range of events and giving opportunities, all fundraising aspects are undertaken by our own staff. We do not outsource any fundraising. This direct control enables us to ensure a high quality and ethical approach and ensure vulnerable people are protected in line with industry best practice as set out in the regulatory scheme.

No complaints have been logged regarding our fundraising activities and we are not aware of any failures against the scheme standards.

St Elizabeth Hospice takes the protection of individuals' information seriously. It is committed to ensuring that it complies with principles of good practice within UK General Data Protection Regulation (UK GDPR). We only obtain personal information with the individuals consent and will only use it in a fair and lawful way to further the objects of the charity. We store personal details securely and will only use them to provide the individual with the service that they have requested and communicate with them in the way or ways that they have agreed to. Individuals data may also be used for analysis purposes, to help us to provide the best service possible. We will only allow information to be used by suppliers working on our behalf and we'll only share it if required to do so by law. We do not share data with third parties.

Going concern

The financial review outlines the performance of the Hospice. The Trustees have assessed future financial projections to 31st March 2024 to include anticipated sources of income, expenditure and cash flows and the strength of the Hospice's reserves and its liquidity. Whilst it is acknowledged that fundraising and income generated from our charity shop network continues to recover from the impact of the pandemic the Trustees have considered all of the sources of income and its operations in making their assessment of the Hospice's ability to operate and deliver patient services. The Trustees are happy there are no material uncertainties in relation to going concern.

Following this assessment the Trustees are of the opinion that the Hospice and its trading subsidiary have adequate financial resources to continue their activities for the foreseeable future. The Trustees will continue to monitor the financial performance of the Hospice against its future financial plan and take action to mitigate any identified risk factors. The Trustees therefore feel it is wholly appropriate to continue to adopt the going concern basis in preparation of the Group financial statements.

Remuneration policy

In order to achieve its objectives, the charity needs to employ people with the necessary skills and experience across the whole organisation. To that end, it offers a level of pay reflecting individual performance and responsibilities to attract and retain appropriately trained and skilled staff. The pay structure and levels of pay are reviewed by the Remuneration Committee (which comprises the Chairman and three Trustees) and is validated objectively against market comparators including salary survey data and guidance from professional advisors as appropriate. Particularly reference is made to NHS pay scales for clinical and medical staff. The pay framework sets out pay bands and is available to all staff. The charity operates an annual salary review with increases awarded for individual performance. The charity does not operate a bonus scheme.

Pay for the senior management team is managed through the same process. The number of staff in receipt of £60,000 and above is shown (in bands of £10,000) in note 3 to the accounts. The pension provisions for the Chief Executive Officer and the Senior Leadership Team are on the same terms as other employees.

All trustees give their time freely and are unremunerated.

Principal risks and uncertainties

Trustees have a Board Assurance Framework in place to support the risk management strategy which comprises:

- maintaining risk registers that cover all parts of the organisation,
- an annual review of the risks the charity may face,
- the establishment of systems and procedures to mitigate those risks identified in the Board Assurance Framework and risk registers,
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
- maintaining adequate insurance cover.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Finance and Investment Committee. The Board of Trustees and senior management regularly consider the major risks to which the charity is exposed.

The Governance and Oversight Committee reviews the risk registers and gains assurance that management implement appropriate procedures and controls and that appropriate insurance cover is in place.

The major risks St Elizabeth Hospice faces are as follows:

- **NHS funding:**

The Hospice has two significant NHS funding sources - a grant agreement negotiated with the Ipswich & East Suffolk CCG (I&ESCCG) and a contract with ECCH; both agreements end in March 2024. The I&ESCCG agreement seeks to align the contribution from this source of funding to the national average level of hospice support. Both contracts have an annual incremental increase. However, there is a risk that this rate of increase does not keep pace with cost increases in real terms. The I&ESCCG grant agreement includes a regular review of contribution level.

The Hospice also has a supplemental agreement with I&ESCCG for the provision of hub and out of hospital services. This funding source continues to be periodically extended, with the current extension in place until March 2023.

The Hospice continues to work closely with NHS colleagues via the Alliance Board and participation in the End of Life Review, consistently demonstrating the value of the services and the contribution the Hospice provides

St Elizabeth Hospice (Suffolk)

Trustees' report (continued)

- **Generated income shortfall:**

The charity needs to offset NHS income risk by ensuring it has a diverse range of activities for generating funds that is independent of income from the NHS. The charity develops and maintains a wide range of income sources and is always seeking new potential income streams to support its charitable activities.

Some of the charity's income is quite volatile and unpredictable, particularly legacies. The charity maintains a level of reserves that enables it to handle these fluctuations in income without impacting service delivery in the near term.

Retail performance is still an area with significant uncertainty. While the impact of the pandemic has hopefully diminished, the current economic climate has meant that income plans for retail performance has been slightly scaled back with costs increasing faster than expected income.

- **Patient care quality:**

The charity is registered with the Care Quality Commission (CQC), the sector's care regulator. The quality of patient care is key to meeting the care standards required and maintaining the high reputation of the charity in its local community which also, in turn, affects the ability to raise funds. The charity takes considerable care to ensure it maintains high patient care standards and that these are regularly monitored and improved. The Hospice again received an Excellent rating from the CQC after its most recent inspection in October 2021. This risk is mitigated by ensuring that suitably qualified staff are recruited, rewarded and are appropriately skilled and trained.

- **Staff knowledge and skills:**

Key to an effective organisation and especially to the delivery of high quality care is the knowledge and skills of the charity's staff. Our education department oversees the arrangement, delivery and monitoring of all staff training and development.

Governing Document

St Elizabeth Hospice (Suffolk) is a charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 24 February 1984. These were updated and amended on 27th January 2022. It is registered as a charity with the Charity Commission. Volunteers are eligible for membership of the charitable company after one year's service and the Board of Trustees can invite others to become members at their discretion. The 'Associate Member' category was introduced on 27th January 2022 and this meant that employees would no longer be able to vote at meetings and would not have the same responsibilities as full members. All current employees who were full Members as at 27th January 2022 have now been transferred to Associate Membership. When employees leave the organization then they can apply to become full members. At 31 March 2022 there were 77 members (2021 - 78), each of whom agrees to contribute £1 in the event of the winding up of the charitable company.

Recruitment and appointment of Board of Directors

The Trustees are also the Directors of the Company for the purposes of company law and under the company's Articles. Under the requirements of the Memorandum and Articles of Association the members of the Board are elected to serve for a period of three years after which they must stand down and be re-elected at the next Annual General Meeting. New Trustees are recruited to the Board as required via a formal recruitment process.

On 1st April 2021 Mr Nick Banks was appointed to the role of Treasurer and Chair of the Finance and Investment Committee. He is a Chartered Accountant and a Partner in the firm Scrutton Bland.

Three new Trustees were appointed to the Board during the year. Mr John Pickering was appointed as a Trustee on 15th December 2021. He is a Chartered Accountant and was previously the Chair of Trustees for East Anglia's Children's Hospices (EACH) and is a current Trustee of the Lord Belstead Charitable Trust. Mrs Pam Fenner is the Eastern Region Representative on the National Council for Palliative Care. She is a clinical adviser on Palliative and End of Life Care to the Norwich CCG and was Chair of the Norfolk and Waveney Palliative and End of Life Collaborative. She was appointed as a Trustee on 7 April 2021. Mrs Melanie Craig was appointed as a Trustee on 20th April 2022. She has extensive experience in the NHS at CEO level and is currently on secondment to the role of Director of General Practice (NHS) having previously held the role of CEO at Norfolk and Waveney NHS Trust.

In accordance with the Articles of Association, at the 2021 AGM three Trustees retired by rotation. Mr Ian Turner, Mr William Barnes, Mr Terry Hunt and Mrs Grainne Drummond put themselves forward for re-election and were re-appointed to the Board. Mr Mark Nicholls and Grainne Drummond retired as Trustees later in the year and we are very grateful for their years of dedicated service as Trustees.

St Elizabeth Hospice (Suffolk)

Trustees' report (continued)

Lucy Watts continues as a shadow Trustee. Lucy is a palliative care patient from Essex. She is a regular public speaker and advocate with a national profile. The role of a shadow Trustee is intended to ensure that the views and opinions of younger people are heard as part of the charity decision making. Shadow Trustees attend and play an active role in both board and sub-committee meetings. The role does not have a voting right.

Trustee induction

New board members undergo an orientation programme to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board and decision making processes, the business plan and recent financial performance of the charity. During their induction they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events in order to further facilitate the undertaking of their role.

Organisational structure

The board, currently consisting of twelve full Trustees and one shadow Trustee, meets regularly and has six principal sub-committees; the Finance and Investment Committee, the Governance and Oversight Committee, the Income Generation and Communications Committee, the Care and Clinical Governance Committee, the People and Culture Committee and the Remuneration Committee, all of which have at least three Trustee members. The committees are in turn supported by a number of operational groups supporting the charity's various activities. The Memorandum and Articles of Association allow for a minimum of three Trustees but no maximum. The Trustees have responsibility for the strategic direction of the charity, ensuring that it is solvent, operating in a professional manner and delivering the outcomes for which it has been set up. The board met on eight occasions during the year.

Attendance at board and sub – committees is set out below:

	Board of Trustees	Finance & Investment	Governance & Oversight	Income Generation & Comms	Care & Clinical Governance	People & Culture
Nick Banks	8/8	5/5	2/4			5/6
William Barnes	8/8	5/5	4/4			
Pam Fenner	5/8				3/4	5/6
Nick Hatton	5/8			4/4		5/6
Ann Hogarth	8/8		4/4			6/6
Terry Hunt	7/8			4/4		
Graham Mackenzie	5/8		3/4		2/4	6/6
Anthony Nicholl	7/8	4/5	4/4		4/4	
Ann (Nina) Parkinson	5/8				3/4	
Ian Tumer	8/8	5/5	4/4	4/4		5/6
Resigned Trustees						
Grainne Drummond	1/2				2/2	
Mark Nicholls	1/6	2/4		3/3		
New Trustees						
John Pickering	2/3	1/1		1/1		

The Chief Executive Officer is appointed by the Trustees with delegated authority for operational matters including finance, employment and care-related activity. The Chief Executive Officer is responsible for ensuring that the charity delivers the services specified and key performance indicators are met. The Senior Leadership Team has responsibility for the day-to-day operational management of the charity, individual supervision of various groups of staff, ensuring that staff develop their skills and good working practices.

St Elizabeth Hospice (Suffolk)

Trustees' report (*continued*)

Governance

The Governance and Oversight Committee, chaired by Ann Hogarth and comprising the Chief Executive Officer, the Director of Corporate Services, the Director of Finance and four Trustees, has responsibility for the operational governance of the charity. This committee carries out regular reviews of the governance procedures, terms of reference of the Board sub-committees and the role description of Chairman, Treasurer and other Trustees.

The Board has developed a Board Assurance Framework (BAF) approach to risk. A BAF is in place which is reviewed by Trustees and is supported by a series of risk registers relevant to the area of responsibility and agreed with the Board sub-committees of Finance, Care and Clinical Governance, Income Generation and Communications, Governance and Oversight and People and Culture.

Disabled persons

The Charity has an Equal Opportunities policy. This means that we have undertaken to support disabled people employed within the Charity.

Employee Engagement

The Charity is committed to providing information to employees on matters of concern to them and consulting employees, or their representatives, all staff are provided with a weekly communication via email updating on current issues and events. Our internal magazine 'Get Involved' is published monthly and is provided to both staff and volunteers, the magazine provides an update from the Chief Executive Officer, highlights news and events from the past month, staff and volunteer changes and upcoming events. The Charity operates a quarterly staff and volunteer forum. The meeting is attended by the Chief Executive Officer and is a forum to update and engage with representatives on all aspects of the charity. During COVID-19 email updates were provided more regularly, along with video messages from the Chief Executive Officer and Chairman of Trustees updating and thanking staff and volunteers. The charity also has a Freedom To Speak Up guardian to ensure staff have a safe space to raise any concerns.

Trustees' responsibilities in relation to the financial statements

Trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting regulations.

Company law requires Trustees to prepare financial statements for each financial year. Under that law Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view. In preparing those financial statements, Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- follow FRS 102 (The Financial Reporting Standard applicable) subject to any materials departures disclosed and explained in the financial statements;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

Trustees are responsible for ensuring the charity keeps adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

St Elizabeth Hospice (Suffolk)

Trustees' report (*continued*)

Statement as to disclosure of information to the auditors

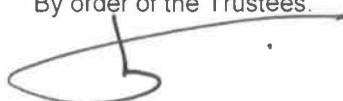
In accordance with company law the Trustees, as the company's directors, certify that:-

- So far as we are aware, there is no relevant audit information of which the charitable company's auditor is unaware.
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution to reappoint RSM UK Audit LLP, Chartered Accountants, as auditor will be put to the members at the annual general meeting.

By order of the Trustees.

A handwritten signature in black ink, appearing to be 'I J Turner', written over a horizontal line.

I J Turner (Chairman)
6th September 2022

Opinion

We have audited the financial statements of St Elizabeth Hospice (Suffolk) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Group and Charity Balance Sheets, the Consolidated cash flow statement and notes to the financial statements, including 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 the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report (incorporating the Strategic Report) other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report (incorporating the Strategic 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ELIZABETH HOSPICE (SUFFOLK) (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report (incorporating the Strategic Review) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report (incorporating the Strategic Report).

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 22 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ELIZABETH HOSPICE (SUFFOLK) (continued)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to any new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Quality Commission. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with the regulator during the year.

The group audit engagement team identified the risk of management override of controls and the completeness of certain income streams as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business and performing tests of detail in relation to completeness of income.

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

Use of our report

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



CLAIRE SUTHERLAND (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Blenheim House

Newmarket Road

Bury St Edmunds

Suffolk

IP33 3SB

Date 22 September 2022

St Elizabeth Hospice (Suffolk)

Consolidated Statement of Financial Activities incorporating the Income and Expenditure Account For the year ended 31 March 2022

		Unrestricted Funds £	Restricted Funds £	2022 £	Unrestricted Funds £	Restricted Funds £	2021 £
Income from donations, legacies and grants	5	11,352,640	140,790	11,493,430	4,050,797	147,257	4,198,054
Income from charitable activities	6	5,106,811	1,714,261	6,821,072	4,493,613	2,841,853	7,335,466
Income from trading activities							
Commercial trading		4,084,717	-	4,084,717	1,715,520	-	1,715,520
Lottery subscriptions		452,484	-	452,484	477,080	-	477,080
Other income		71,085	-	71,085	55,350	-	55,350
		<u>4,608,286</u>	<u>-</u>	<u>4,608,286</u>	<u>2,247,950</u>	<u>-</u>	<u>2,247,950</u>
Investment income	7	201,981	-	201,981	205,650	-	205,650
Other Income		115,946	-	115,946	894,809	-	894,809
Total income		21,385,664	1,855,051	23,240,715	11,892,819	2,989,110	14,881,929
Expenditure on: Raising funds	8	5,421,867	7,505	5,429,372	4,712,997	-	4,712,997
Charitable activities:	8	6,224,521	1,934,410	8,158,931	5,064,396	2,818,274	7,882,670
Total expenditure	8	11,646,388	1,941,915	13,588,303	9,777,393	2,818,274	12,595,667
Net income from operational activities		9,739,276	(86,864)	9,652,412	2,115,426	170,836	2,286,262
Net gains / (losses) on investments	11	113,186	-	113,186	965,372	-	965,372
Net movement in funds before transfers		9,852,462	(86,864)	9,765,598	3,080,798	170,836	3,251,634
Transfers	17	-	-	-	-	-	-
Net movement in funds after transfers		9,852,462	(86,864)	9,765,598	3,080,798	170,836	3,251,634
Reconciliation of funds							
Fund balances brought forward		16,192,340	252,645	16,444,985	13,111,542	81,809	13,193,351
Fund balances carried forward	17	26,044,802	165,781	26,210,583	16,192,340	252,645	16,444,985

St Elizabeth Hospice (Suffolk)

Balance sheet as at 31 March 2022

Company no. 1794927

		Group		Charity	
	Note	2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	10.1	5,311,241	5,723,990	5,297,453	5,723,990
Intangible assets	10.2	102,257	146,615	102,257	146,615
Investments	11	6,156,108	5,537,351	6,186,108	5,567,351
		<u>11,569,606</u>	<u>11,407,956</u>	<u>11,585,818</u>	<u>11,437,956</u>
Current assets					
Stocks	13	91,792	72,611	5,760	6,554
Debtors	14	12,117,858	2,616,164	12,273,671	2,636,218
Cash at bank and in hand	15	7,663,953	4,397,247	7,649,593	4,395,388
		<u>19,873,603</u>	<u>7,086,022</u>	<u>19,929,024</u>	<u>7,038,160</u>
Creditors: amounts falling due within one year	16	5,200,804	2,048,993	5,154,389	1,978,852
		<u>14,672,799</u>	<u>5,037,029</u>	<u>14,774,635</u>	<u>5,059,308</u>
Net current assets					
		<u>14,672,799</u>	<u>5,037,029</u>	<u>14,774,635</u>	<u>5,059,308</u>
Provisions for liabilities	16.1	31,822	-	31,822	-
		<u>26,210,583</u>	<u>16,444,985</u>	<u>26,328,631</u>	<u>16,497,264</u>
Net assets					
		<u>26,210,583</u>	<u>16,444,985</u>	<u>26,328,631</u>	<u>16,497,264</u>
General fund (unrestricted)		2,994,304	7,194,851	3,126,140	7,247,130
Designated funds (unrestricted)					
Fixed assets fund		5,413,498	5,870,605	5,399,710	5,870,605
Building refurbishment fund		3,500,000	500,000	3,500,000	500,000
Patient services projects fund		2,420,000	1,064,884	2,420,000	1,064,884
Future deficit offset		1,700,000	-	1,700,000	-
Legacies deferral fund		1,177,000	1,012,000	1,177,000	1,012,000
Major legacy received in 2022		7,650,000	-	7,650,000	-
Out of hospital project with ESNEFT		690,000	-	690,000	-
Energy efficiency and carbon neutral investments		500,000	-	500,000	-
Retail lockdown fund		-	550,000	-	550,000
Restricted funds		165,781	252,645	165,781	252,645
		<u>26,210,583</u>	<u>16,444,985</u>	<u>26,328,631</u>	<u>16,497,264</u>
Total funds	17	<u>26,210,583</u>	<u>16,444,985</u>	<u>26,328,631</u>	<u>16,497,264</u>

St Elizabeth Hospice (Suffolk)

Balance sheet as at 31 March 2022 (continued)

Company no. 1794927

No separate Statement of Financial Activities has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006. The unconsolidated figure for the net movement in funds of the Charity, including donations from its subsidiaries is £9,831,366 (2021: net movement in funds of £3,273,702).

The financial statements were approved and authorised for issue by the board on 15 SEPT 2022, and signed on their behalf by



I J Turner
Director



N L Banks
Director

The notes on pages 32 to 53 form part of these financial statements.

St Elizabeth Hospice (Suffolk)

Consolidated cash flow statement for the year ended 31 March 2022

	Note	2022 £	2021 £
Net cash generated by/(used in) operating activities	A	3,816,472	2,749,054
Cashflows from investing activities			
Interest received		549	1,700
Income from fixed asset investments		201,431	203,950
Purchase of tangible fixed assets		(184,341)	(90,787)
Purchase of intangible fixed assets		(25,834)	(43,842)
Purchase of goodwill		(36,000)	-
Decrease / (Increase) in investment cash		(11)	12,855
Proceeds from sale of fixed asset investments		-	-
Purchase of fixed asset investments		(505,560)	(16,310)
Net cash provided by investing activities		(549,766)	67,566
Change in cash and cash equivalents in the reporting period	B	3,266,706	2,816,620
Cash and cash equivalents at the beginning of the reporting period		4,397,247	1,580,627
Cash and cash equivalents at the end of the reporting period		7,663,953	4,397,247

St Elizabeth Hospice (Suffolk)

Notes to the cash flow statement for the year ended 31 March 2022

A Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the reporting period	9,652,413	2,286,262
Investment income	(201,981)	(205,650)
Depreciation, amortisation and loss on disposal	667,283	401,105
Impairment of goodwill	36,000	-
(Increase)/decrease in stocks	(19,181)	13,734
(Increase)/decrease in debtors	(9,501,694)	(616,032)
(Decrease)/increase in creditors	3,183,632	869,635
Net cash generated by/(used in) operating activities	3,816,472	2,749,054

B Analysis of changes in net funds

	2022 £	2021 £
Operating net funds		
Cash and cash equivalents	4,397,247	1,580,627
 Changes in net funds arising from:		
Cashflows of the entity	3,266,706	2,816,620
 Closing net funds		
Cash and cash equivalents	7,663,953	4,397,247

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, with the exception of investments which are stated at market value. The financial statements have been prepared in accordance with the Companies Act 2006, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, and FRS 102.

St Elizabeth Hospice (Suffolk) is a charitable company limited by guarantee, incorporated in England and Wales, which meets the definition of a public benefit entity under FRS102.

Going Concern

The Trustees, having considered the financial risks as outlined in the Trustees' report and the ongoing impact of Coronavirus and current economic downturn on the ability of the charity to generate sufficient income to continue activities, financial forecasts have been prepared for the current and subsequent three financial years incorporating trading estimates, assumptions on fundraising and legacy income, projected NHS income, and as a result of these forecasts, Trustees are satisfied that there are no material uncertainties and that the Charity will be able to meet all its financial commitments and accordingly have adopted the going concern basis in preparing these accounts for the Charity and the Group.

Group accounts

The consolidated financial statements incorporate the accounts of the Charity and those of its trading subsidiaries, Hospice Trading (Ipswich) Limited and St Elizabeth Care Agency Ltd, for the year ended 31 March 2022. A separate Statement of Financial Activities (SOFA) is not presented as the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The Charity has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosure

Income

Income is included in the Statement of Financial Activities when the Charity is entitled to the income, the amount can be quantified with reasonable accuracy and there is probability of receipt.

The following specific policies apply to categories of income:

- Income for the provision of care services in the St Elizabeth Care Agency is included on a receivable basis.
- Legacies are included on the earlier of the period when the value can reliably estimated and there is certainty of entitlement or the receipt of cash.
- Gifts donated for resale are included when sold at the price they were sold for. No amounts are included in the financial statements for services donated by volunteers.
- Lottery income is accounted for in respect of those draws that have taken place during the year.
- Government grants are credited to income in the period in which the Charity becomes entitled to them unless the grant carries pre-conditions that require the income to be deferred into a future period.

Expenditure

All expenditure is accounted for on an accruals basis and liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. Expenditure has been classified under headings that aggregate all costs related to the category.

- Costs of raising funds are those costs incurred in attracting grants and donations, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the provision of hospice services and include both the direct costs and support costs relating to these activities.
- Support costs include central functions and have been allocated to activity cost categories on a headcount basis.

Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Strategic Report.

1 Accounting policies (continued)

Where services or goods are provided to the Charity as a donation they are included in the financial statements at an estimate based on the value of the contribution to the Charity.

Tangible fixed assets and depreciation

Fixed assets are capitalised where they cost more than £1,000 individually or where their total cost exceeds this value when they form part of a capital project. Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets evenly over their expected useful lives. A full year's depreciation is charged in the year of acquisition and no charge in the year of disposal. No charge is made in the year for assets under construction. Depreciation is calculated at the following rates:-

Freehold buildings	- over 15 - 50 years
Parking and landscaping	- over 7 years
Plant and equipment	- over 5 - 15 years
Fixtures and fittings	- over 7 years
Motor vehicles	- over 5 years
Computer and EPOS equipment	- over 3-5 years

Change in accounting policy

During the financial year ending 31 March 2022, the tangible fixed assets policy was updated to adjust the depreciation rates in line with the estimated useful lives of the assets. The impact of the change in accounting policy in the financial year was an additional depreciation charge of £298,723. The impact of the change in future years will be an increased depreciation charge of approximately £21,000.

Intangible fixed assets and amortisation

Intangible assets are capitalised where they cost more than £1,000 individually or where their total cost exceeds this value when they form part of a capital project. Amortisation is provided to write off the cost, of all intangible assets evenly over their expected useful lives. A full year's amortisation is charged in the year of acquisition and no charge in the year of disposal.

Goodwill represents the excess of consideration for acquired trade and assets compared to the fair value of the net assets acquired. Goodwill is reviewed for impairment if events or changes indicate that the carrying value may be impaired. The goodwill acquired on the business acquisition has been fully impaired during the financial year.

Amortisation is calculated at the following rates:-

Software	- over 5 years
Goodwill	- over 7 – 10 years

Impairment of fixed assets

The need for any fixed asset impairment write-down is assessed by comparison of the carrying value of the asset against the higher of net realisable value and value in use.

Investments

Investments are stated at market value at the balance sheet date except investments in subsidiary undertakings which are held at cost. The Statement of Financial Activities includes gains and losses arising on revaluations and disposals throughout the year.

Realised gains and losses represent the difference between the market value at the date of acquisition and the eventual sale proceeds. Unrealised gains and losses represent the difference between market value at the previous balance sheet date, or cost of any purchases during the year, and the market value at the balance sheet date.

Stocks

Stocks are included at the lower of cost and net realisable value.

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

1 Accounting policies (*continued*)

measured at their settlement value, apart from listed investments which are held at fair value derived as noted within the investments accounting policy.

Debtors

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

Cash at bank and in hand

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

Creditors

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.

Pension costs

A number of employees contribute to the NHS Superannuation scheme and certain other employees participate in personal pension plans. Whilst the NHS Superannuation scheme is a Defined Benefit Scheme, it is a multi-employer scheme for which the Charity's share of the underlying assets and liabilities cannot be identified; it is therefore accounted for as a Defined Contribution Scheme in accordance with FRS 102. The Charity's contributions to these schemes are therefore charged to the Statement of Financial Activities when due.

Operating leases

Rentals paid under operating leases are charged evenly to the Statement of Financial Activities over the period in which the related asset is utilised.

Taxation

St Elizabeth Hospice (Suffolk) is a registered Charity and as such its income and gains are exempt from Corporation Tax to the extent that they are applied to its charitable objectives. The trading subsidiaries are liable to taxation but there is no provision for Corporation Tax in the financial statements of these entities as advantage is taken of the Gift Aid scheme in donating all taxable profits to their charitable parent, St Elizabeth Hospice (Suffolk).

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on the general fund and designated funds. They are available for use at the discretion of the Trustees in furtherance of the charity objectives.

Designated funds are those funds designated for particular purposes or projects at the discretion of the trustees.

Restricted funds are created when grants, donations or legacies are made which have a restriction placed on them by the donor as to their use.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The assessment of the useful economic lives, residual values and the method of depreciating fixed assets requires management estimation. Depreciation is charged to the statement of financial activities based on the useful economic life selected, which requires an estimation of the period and profile over which the group

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

1 Accounting policies (continued)

expects to consume the future economic benefits embodied in the assets. Useful economic lives and residual values are re-assessed and amended as necessary when changes in their circumstances are identified.

2 Net movement in funds

	2022 £	2021 £
This has been arrived at after charging:		
Depreciation	597,091	361,761
Amortisation	33,642	13,913
Impairment of goodwill	36,000	-
Loss on disposal of fixed assets	-	25,431
Government grants – Coronavirus Job Retention Scheme	4,214	635,151
Government grants – Business Rates Relief	105,531	259,656
Government Grants – Workforce Retention Grant	6,200	
Operating lease payments - equipment	34,594	33,826
Operating lease payments - land and buildings	489,840	409,613
Auditor's remuneration - charity	17,950	17,875
Auditor's remuneration - subsidiaries	7,150	6,500
Auditor's remuneration – corporation tax fees	4,450	3,817
Auditor's remuneration – other	1,450	1,349

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

3 Staff costs

	2022 £	2021 £
Salaries	8,817,642	8,606,836
Social security costs	738,197	719,222
Pension costs	647,121	616,314
	<u>10,202,960</u>	<u>9,942,372</u>

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

	2022 Number	2021 Number
£60,001 - £70,000	3	4
£70,001 - £80,000	3	2
£80,000 - £90,000	4	1
£90,001 - £100,000	1	1
£100,000 - £110,000	-	2
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
	<u>12</u>	<u>11</u>

Seven of the employees (2021 - seven) earning more than £60,000 are medical staff paid in accordance with NHS standard remuneration terms of which six accrued benefits within the NHS Superannuation pension scheme, a defined benefit scheme. Three (2021 - three) accrued benefits under the company's defined contribution schemes. Two employees earning more than £60,000 opted out of pension contributions.

The average monthly head count was 430 staff (2021: 409 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2022 Full time equivalent	2021 Full time equivalent
Hospice services	143	142
Fundraising and publicity	19	21
Shops	64	59
Management and administration	53	47
	<u>279</u>	<u>269</u>

None (2021 - none) of the trustees or connected persons received any remuneration during the year. Trustees are entitled to the reimbursement of expenses necessarily incurred on company business. During the year to 31 March 2022, no such expenses were claimed (2021 - none).

The Charity considers that the key management personnel comprises the trustees and the senior leadership team, which consists of the Chief Executive and five other members (2021: Chief Executive and six other members). The total employment benefits, including employer pension contributions of the key management personnel were £594,598 (2021 - £685,695).

The Charity has made payments of £7,368 (2021 - £123,745) under redundancy and settlement agreements, of which £4,592 (2021: £12,235) was non-contractual.

During the year clinicians employed by the National Health Service (NHS) gave their time to the Hospice at no charge. The value of this time, based on NHS rates of pay, was £256,728 (2021: £265,652). This is included in the accounts both as income from, and expenditure on, charitable activities.

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

4 Taxation

The company is a registered charity and is not liable to taxation on its income to the extent that it is applied to its charitable objectives. Income tax deducted at source from income is recovered from HM Revenue and Customs whenever possible.

5 Income from donations and legacies

	2022		2021	
	£	£	£	£
Unrestricted income:				
In memoriam		470,385		497,816
Trusts		302,957		183,170
Fundraising donations and other gifts		851,857		964,844
		<u>1,625,199</u>		<u>1,645,830</u>
Restricted income:				
In memoriam	10,540			
Trusts	106,234		60,469	
Fundraising donations and other gifts	24,016		86,788	
		<u>140,790</u>		<u>147,257</u>
		<u>1,765,989</u>		<u>1,793,087</u>
Legacies-unrestricted	9,727,441		2,404,967	
Legacies-restricted			-	
		<u>9,727,441</u>		<u>2,404,967</u>
		<u>11,493,430</u>		<u>4,198,054</u>

6 Income from charitable activities

	2022	2021
	£	£
Unrestricted income: Grants (Ipswich & East Suffolk CCG)	2,600,066	2,180,366
Unrestricted income: Grants (Great Yarmouth & Waveney CCG)	1,662,120	1,440,531
Unrestricted income: CCG COVID-19 related Grant	844,625	872,716
Restricted income: NHS England grant	1,677,421	2,642,892
Restricted income: Grants	36,840	198,961
	<u>6,821,072</u>	<u>7,335,466</u>

The NHS England awarded funding of £689,275 to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation. The hospice recognised NHS England funding of £988,146 in respect of earlier periods.

During the year ended 31 March 2022 drugs to the value of £61,531 (2021 - £60,504) were provided by NHS Suffolk without charge out of central Government funds specifically allocated for voluntary hospices. The NHS also contributes to the cost of salaries of certain medical staff. These amounts have been introduced into the accounts as a grant received in kind and are included in the Ipswich & East Suffolk unrestricted total above.

7 Investment income

	2022	2021
	£	£
Bank deposit and building society interest	550	1,700
Interest and dividends on listed investments	201,431	203,950
	<u>201,981</u>	<u>205,650</u>

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

8 Analysis of expenditure		
Costs of raising funds	2022	2021
<i>Fundraising</i>	£	£
Fundraising expenses	631,265	641,613
Support costs	298,800	286,251
	930,065	927,864
<i>Commercial trading</i>		
Trading costs	3,293,371	2,743,353
Support costs	983,038	811,859
	4,276,409	3,555,212
<i>Lottery prizes and administration</i>		
Prizes and administration	162,819	175,727
Support costs	21,660	18,656
	184,479	194,383
<i>Investment management costs</i>	38,419	35,538
Total Costs of raising funds	5,429,372	4,712,997
Costs of charitable activities		
<i>Inpatient Unit</i>		
Patient care	2,649,206	2,985,498
Catering	174,841	204,516
Support costs	628,840	614,761
	3,452,887	3,804,775
<i>Day Services</i>		
Patient care	424,034	279,251
Support costs	58,870	94,025
	482,904	373,276
<i>Community</i>		
Patient care	2,378,734	2,221,532
Support costs	732,902	573,625
	3,111,636	2,795,157
<i>Therapies and Wellbeing</i>		
Patient care	792,363	687,436
Support costs	319,141	222,026
	1,111,504	909,462
Total costs of charitable activities	8,158,931	7,882,670
Total expenditure	13,588,303	12,595,667

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

9 Support costs allocation

	Finance & legal	Office Mgmt	IT	HR	Property & Depn	PR	Education	2022 Total	2021 Total
	£	£	£	£	£	£	£	£	£
Fundraising	31,825	40,873	47,975	27,380	118,444	15,577	16,726	298,800	286,251
Commercial trading	104,702	134,471	157,835	90,080	389,675	51,248	55,027	983,038	811,859
Lottery	2,307	2,963	3,478	1,985	8,586	1,129	1,212	21,660	18,656
Inpatient Unit	66,977	86,020	100,966	57,623	249,271	32,783	35,200	628,840	614,761
Day Services	6,270	8,053	9,452	5,395	23,336	3,069	3,295	58,870	94,025
Community	78,060	100,255	117,674	67,159	290,521	38,208	41,025	732,902	573,625
Therapies and Wellbeing	33,990	43,656	51,241	29,244	126,507	16,638	17,864	319,140	222,026
	<u>324,131</u>	<u>416,291</u>	<u>488,621</u>	<u>278,866</u>	<u>1,206,340</u>	<u>158,652</u>	<u>170,349</u>	<u>3,043,250</u>	<u>2,621,203</u>

The entity adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. Where they are not directly attributable, support costs are allocated on the basis of FTE headcount.

10.1 Tangible fixed assets

Group and Charity

	Freehold land and buildings £	Lease property £	Equipment, fixtures and fittings £	Motor Vehicles £	Total £
Cost					
At 1 April 2021	6,704,231	-	2,424,598	22,845	9,151,674
Additions	-	17,000	167,342	-	184,342
Disposals	-	-	(99,092)	-	(99,092)
At 31 March 2022	6,704,231	17,000	2,492,848	22,845	9,236,924
Depreciation					
At 1 April 2021	1,665,696	-	1,739,143	22,845	3,427,684
Charge for the year	174,346	2,429	420,316	-	597,091
Eliminated on disposal	-	-	(99,092)	-	(99,092)
At 31 March 2022	1,840,042	2,429	2,060,367	22,845	3,925,683
Net written down value					
At 31 March 2022	4,864,189	14,571	432,481	-	5,311,241
At 31 March 2021	5,038,535	-	685,455	-	5,723,990

The cost of land, not depreciated, included above is £40,000 (2021: £40,000).

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

10.1 Tangible fixed assets (continued)

Charity

	Freehold land and buildings £	Lease property £	Equipment, fixtures and fittings £	Motor Vehicles £	Total £
Cost					
At 1 April 2021	6,704,231	-	2,424,598	22,845	9,151,674
Additions	-	17,000	151,256	-	168,256
Disposals	-	-	(99,092)	-	(99,092)
At 31 March 2022	6,704,231	17,000	2,476,762	22,845	9,220,838
Depreciation					
At 1 April 2021	1,665,696	-	1,739,143	22,845	3,427,684
Charge for the year	174,346	2,429	418,018	-	594,793
Eliminated on disposal	-	-	(99,092)	-	(99,092)
At 31 March 2022	1,840,042	2,429	2,058,069	22,845	3,923,385
Net written down value					
At 31 March 2022	4,864,189	14,571	418,693	-	5,297,453
At 31 March 2021	5,038,535	-	685,455	-	5,723,990

10.2 Intangible fixed assets

Group and Charity

	Goodwill £	Software £	Total £
Cost			
At 1 April 2021	-	180,642	180,642
Additions	36,000	25,834	61,834
Disposals	-	(36,550)	(36,550)
At 31 March 2022	36,000	169,926	205,926
Amortisation			
At 1 April 2021	-	34,027	34,027
Charge for the year	-	33,642	33,642
Impairment loss	36,000	-	36,000
At 31 March 2022	36,000	67,669	103,669
Net written down value			
At 31 March 2022	-	102,257	102,257
At 31 March 2021	-	146,615	146,615

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

10.2 Intangible fixed assets (continued)

Charity

	Software £
Cost	
At 1 April 2021	180,642
Additions	25,834
Disposals	(36,550)
At 31 March 2022	169,926
Amortisation	
At 1 April 2021	34,027
Charge for the year	33,642
At 31 March 2022	67,669
Net written down value	
At 31 March 2022	102,257
At 31 March 2021	146,615

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

11 Fixed asset investments

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Investments in subsidiary undertakings	-	-	30,000	30,000
Long term investments	6,156,108	5,537,351	6,156,108	5,537,351
	<u>6,156,108</u>	<u>5,537,351</u>	<u>6,186,108</u>	<u>5,567,351</u>

The investment in subsidiaries relates to the whole share capital of Hospice Trading (Ipswich) Limited (company registration number 02354082) being 20,000 ordinary shares of £1 each, and St Elizabeth Care Agency Ltd (company registration number 8357715) being 10,000 ordinary shares of £1 each. Hospice Trading (Ipswich) Limited operates as a trading company, the main business of which is the sale of goods purchased for resale. St Elizabeth Care Agency Ltd operates as a provider of domiciliary care. The registered office of both subsidiaries is the same as the parent company.

Long term investments

	Group and charity	
	2022 £	2021 £
Market value		
At 1 April 2021	5,537,339	4,555,657
Additions	505,560	16,310
Disposals	-	-
Realised gains	-	-
Unrealised gains/(losses)	113,186	965,372
	<u>6,156,085</u>	<u>5,537,339</u>
Cash deposits	13	2
Hospice Quality Partnership	10	10
At 31 March 2022	<u>6,156,108</u>	<u>5,537,351</u>
<i>Market value can be analysed as follows:</i>		
UK listed equities and unit trusts	6,156,085	5,537,339
Cash deposits	13	2
Hospice Quality Partnership	10	10
	<u>6,156,108</u>	<u>5,537,351</u>
<i>The historical cost of long term investments can be analysed as follows:</i>		
UK listed equities and unit trusts	3,186,208	2,680,648
Cash deposits	13	2
Hospice Quality Partnership	10	10
Cost at 31 March 2022	<u>3,186,231</u>	<u>2,680,660</u>

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

12 Results of commercial subsidiaries

The results of the trading subsidiary, Hospice Trading (Ipswich) Limited, are shown below. The principal activity of Hospice Trading (Ipswich) Limited is the sale of goods bought in for resale.

	2022 £	2021 £
Turnover	398,883	111,920
Cost of sales	(308,312)	(110,734)
Gross profit	90,571	1,186
Administrative expenses	(194,990)	(102,721)
Operating (loss)/profit	(104,419)	(101,535)
Tax on (loss)/profit	60,866	(866)
(Loss)/profit after tax and profit for the year	(43,553)	(102,401)

Balance Sheet

	2022 £	2021 £
Fixed assets	13,788	-
Current assets	146,898	66,057
Creditors: amounts falling due within one year	(259,051)	(120,869)
Total net (liabilities)/assets	(98,365)	(54,812)
Share capital	20,000	20,000
Reserves	(118,365)	(74,812)
	(98,365)	(54,812)

The parent company acquired an additional location in April 2021, which incurred a loss of £118,853 during the financial year ended 31 March 2022. Trustees of the Hospice have agreed to support Hospice Trading.

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

12 Results of commercial subsidiaries (continued)

St Elizabeth Care Agency Ltd was set up to deliver paid high quality domiciliary care with profits going to support the work of the Charity. First delivery of services began in June 2013 and the first profit was achieved in the quarter to March 2021. The results for the agency are shown below. During 2021/2022 the Directors of the Care Agency reinforced plans which resulted in the agency continuing to trade profitably.

	2022 £	2021 £
Turnover	741,983	696,900
Cost of sales	(448,167)	(443,452)
Gross profit	293,816	253,448
Administrative expenses	(194,289)	(194,505)
Grants receivable	6,200	21,390
Operating profit	105,727	80,333
Tax on profit	(60,000)	-
Profit after tax and for the year	45,727	80,333

Balance Sheet

	2022 £	2021 £
Current assets	119,354	81,348
Creditors: amounts falling due within one year	(109,035)	(48,815)
Total net assets/(liabilities)	10,319	32,533
Share capital	10,000	10,000
Reserves	319	22,533
	10,319	32,533

13 Stocks

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Bought in goods for resale and consumables	91,792	72,611	5,760	6,554

14 Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	2,303,015	346,603	2,206,496	273,583
Other debtors	98,254	48,941	97,389	48,942
Amount due from group undertakings	-	-	253,197	95,519
Prepayments and accrued income	9,716,589	2,220,620	9,716,589	2,218,174
	12,117,858	2,616,164	12,273,671	2,636,218

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

15 Cash at bank and in hand

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cash at bank	7,661,833	4,394,011	7,647,573	4,392,252
Petty cash	2,120	3,236	2,020	3,136
	<u>7,663,953</u>	<u>4,397,247</u>	<u>7,649,593</u>	<u>4,395,388</u>

16 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	167,665	139,245	167,665	139,245
Taxation and social security costs	193,618	152,584	193,618	152,584
Other creditors	356,406	94,703	353,004	91,303
Amount due to group undertakings	-	-	8,475	4,024
Accruals	649,128	571,399	597,640	500,634
Deferred income	3,833,987	1,091,062	3,833,987	1,091,062
	<u>5,200,804</u>	<u>2,048,993</u>	<u>5,154,389</u>	<u>1,978,852</u>
Deferred income				
Balance at 1 April	1,091,062	250,754	1,091,062	250,754
Additional amounts of income deferred	3,703,019	1,476,273	3,703,019	1,476,273
Amount released to income	(960,094)	(635,965)	(960,094)	(635,965)
Balance at 31 March	<u>3,833,987</u>	<u>1,091,062</u>	<u>3,833,987</u>	<u>1,091,062</u>

Deferred income relates to advance grant funding, future events and lottery subscriptions paid in advance.

16.1 Provisions for Liabilities

Group and Charity

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Balance at 1 April 2021	-	-	-	-
Provision made in the year	38,122	-	38,122	-
Balance at 31 March 2022	<u>38,122</u>	<u>-</u>	<u>38,122</u>	<u>-</u>

Provision has been made for the surrendered lease and exit of one retail shop planned for June 2022.

17 Analysis of fund balances current year (Group)

	Fixed assets £	Investments £	Other net assets £	Total £
General fund (unrestricted)	-	2,956,108	38,196	2,994,304
Designated funds (unrestricted)				
Fixed assets fund	5,413,498	-	-	5,413,498
Building refurbishment fund	-	3,200,000	300,000	3,500,000
Patient services projects fund	-	-	2,420,000	2,420,000
Future deficit offset	-	-	1,700,000	1,700,000
Legacies deferral fund	-	-	1,177,000	1,177,000
Major legacy received in 2022	-	-	7,650,000	7,650,000
Out of hospital project with ESNEFT	-	-	690,000	690,000
Energy efficiency and carbon neutral investments	-	-	500,000	500,000
	<u>5,413,498</u>	<u>6,156,108</u>	<u>14,475,196</u>	<u>26,044,802</u>
Restricted fund	-	-	165,781	165,781
	<u>5,413,498</u>	<u>6,156,108</u>	<u>14,640,977</u>	<u>26,210,583</u>

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 31 March 2022 £
General fund (unrestricted)	7,194,851	21,385,664	(11,646,388)	(14,053,009)	113,186	2,994,304
Designated funds (unrestricted)						
Fixed assets fund	5,870,605	-	-	(457,107)	-	5,413,498
Building refurbishment fund	500,000	-	-	3,000,000	-	3,500,000
Patient services fund	1,064,884	-	-	1,355,116	-	2,420,000
Retail lock down fund	550,000	-	-	(550,000)	-	-
Future deficit offset	-	-	-	1,700,000	-	1,700,000
Legacies deferral fund	1,012,000	-	-	165,000	-	1,177,000
Major legacy in 2022	-	-	-	7,650,000	-	7,650,000
Out of hospital project with ESNEFT	-	-	-	690,000	-	690,000
Energy efficiency and carbon neutral investment	-	-	-	500,000	-	500,000
Total unrestricted funds	<u>16,192,340</u>	<u>21,385,664</u>	<u>(11,646,388)</u>	<u>-</u>	<u>113,186</u>	<u>26,044,802</u>
Restricted funds						
Hospice UK	-	1,677,421	(1,677,421)	-	-	-
Various	252,645	177,630	(264,494)	-	-	165,781
	<u>16,444,985</u>	<u>23,240,715</u>	<u>(13,588,303)</u>	<u>-</u>	<u>113,186</u>	<u>26,210,583</u>

Analysis of fund balances prior year (Group)

	Fixed assets £	Investments £	Other net assets £	Total £
General fund (unrestricted)	-	5,537,351	1,657,500	7,194,851
Designated funds (unrestricted)				
Fixed assets fund	5,870,605	-	-	5,870,605
Building refurbishment fund	-	-	500,000	500,000
Patient services fund	-	-	1,000,000	1,000,000
Retail lock down fund	-	-	550,000	550,000
Legacies deferral fund	-	-	1,012,000	1,012,000
Service development fund	-	-	64,884	64,884
	<u>5,870,605</u>	<u>5,537,351</u>	<u>4,784,384</u>	<u>16,192,340</u>
Restricted fund	-	-	252,645	252,645
	<u>5,870,605</u>	<u>5,537,351</u>	<u>5,037,029</u>	<u>16,444,985</u>

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 31 March 2021 £
General fund (unrestricted)	6,909,577	11,892,819	(9,777,393)	(2,795,524)	965,372	7,194,851
Designated funds (unrestricted)						
Fixed assets fund	6,137,081	-	-	(266,476)	-	5,870,605
Building refurbishment fund	-	-	-	500,000	-	500,000
Patient services fund	-	-	-	1,000,000	-	1,000,000
Retail lock down fund	-	-	-	550,000	-	550,000
Legacies deferral fund	-	-	-	1,012,000	-	1,012,000
Service development fund	64,884	-	-	-	-	64,884
Total unrestricted funds	<u>13,111,542</u>	<u>11,892,819</u>	<u>(9,777,393)</u>	<u>-</u>	<u>965,372</u>	<u>16,192,340</u>
Restricted funds						
Various	81,809	2,989,110	(2,818,274)	-	-	252,645
	<u>13,193,351</u>	<u>14,881,929</u>	<u>(12,595,667)</u>	<u>-</u>	<u>965,372</u>	<u>16,444,985</u>

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

Analysis of fund balances current year (Charity)

	Fixed assets £	Investments £	Other net assets £	Total £
General fund (unrestricted)	-	2,986,108	140,032	3,126,140
Designated funds (unrestricted)				
Fixed assets fund	5,399,710	-	-	5,399,710
Building refurbishment fund	-	3,200,000	300,000	3,500,000
Patient services projects fund	-	-	2,420,000	2,420,000
Future deficit offset	-	-	1,700,000	1,700,000
Legacies deferral fund	-	-	1,177,000	1,177,000
Major legacy in 2022	-	-	7,650,000	7,650,000
Out of hospital project with ESNEFT	-	-	690,000	690,000
Energy efficiency & carbon neutral investment	-	-	500,000	500,000
	5,399,710	6,186,108	14,577,032	26,162,850
Restricted fund	-	-	165,781	165,781
	5,399,710	6,186,108	14,742,813	26,328,631

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 31 March 2022 £
General fund (unrestricted)	7,247,130	20,613,135	(10,808,090)	(14,039,221)	113,186	3,126,140
Designated funds (unrestricted)						
Fixed assets fund	5,870,605	-	-	(470,895)	-	5,399,710
Building refurbishment fund	500,000	-	-	3,000,000	-	3,500,000
Patient services fund	1,064,884	-	-	1,355,116	-	2,420,000
Retail lock down fund	550,000	-	-	(550,000)	-	-
Future deficit offset fund	-	-	-	1,700,000	-	1,700,000
Legacies deferral fund	1,012,000	-	-	165,000	-	1,177,000
Major legacy in 2022	-	-	-	7,650,000	-	7,650,000
Out of hospital project with ESNEFT	-	-	-	690,000	-	690,000
Energy efficiency & carbon neutral investment	-	-	-	500,000	-	500,000
Total unrestricted funds	16,244,619	20,613,135	(10,808,090)	-	113,186	26,162,850
Restricted funds						
Hospice UK	-	1,677,421	(1,677,421)	-	-	-
Various	252,645	177,630	(264,494)	-	-	165,781
Total Restricted funds	252,645	1,855,051	(1,941,915)	-	-	165,781
	16,497,264	22,468,186	(12,750,005)	-	113,186	26,328,631

Restricted funds:

Restricted funds comprise a number of gifts and donations made towards the Charity's running costs and equipment. NHS England, through Hospice UK, provided extraordinary support to hospices during the year due to the COVID-19 pandemic.

Designated funds:

The fixed assets fund was established to reflect the net book value of tangible and intangible fixed assets, thus clearly earmarking those funds which do not form part of the liquid resources available for the day to day operation of the Charity.

During the year the Trustees reviewed the reserves and decided to set up additional designated funds to protect the Hospice from future uncertainty.

- The *building refurbishment fund* provides for work to be done on the oldest part of the building, this fund has been increased to £3.5m in recognition of significant renovation and expansion work currently being planned.
- The *patient services fund* has been consolidated with the *service development fund* and renamed the patient services project fund which has been increased in value to support anticipated expansion in services provided by the hospice and which does not receive NHS funding.
- The *retail lockdown fund* has been removed in recognition that the financial impact of the government lockdown has now passed.
- The hospice anticipates deficit budgets over the next 3-5 and has therefore established both a *future deficit offset fund* and the *legacies deferral fund*. The *legacies deferral fund* spreads the income from larger legacies over four years to protect against sudden falls in this volatile source of funds. Without these funds, the hospice would likely need to reduce services so that annual expenditure matched income. Together, these two funds should allow the hospice to operate at current levels over the next few years while the Trustees develop a financial strategy to ensure ongoing financial stability.
- The hospice was notified of a major legacy late in the year and has ring-fenced this gift while the Trustees develop detailed plans during 2022/23 to appropriately expand its services made possible by this generous gift.
- The Hospice has entered into an agreement with East Suffolk and North Essex Foundation Trust (ESNEFT) to provide an expansion of out of hospital services in East Suffolk. The project has been jointly funded and will run from 2022-2025. This designated fund recognizes the hospice's share of the joint funding.
- The hospice recognizes improvement in its use of energy is needed and has established a designated fund to invest in more energy efficient and carbon neutral technologies to reduce the hospice's carbon footprint.

The reserves policy is reviewed each year in the light of the changes in the environment and growth of activities of the Charity. The detailed reserves policy is set out in the Strategic Report on page 16.

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

Analysis of fund balances prior year (Charity)

	Fixed assets £	Investments £	Net Current Assets £	Total £
General fund (unrestricted)	-	5,567,351	1,679,779	7,247,130
Designated funds (unrestricted)				
Fixed assets fund	5,870,605	-	-	5,870,605
Building refurbishment fund	-	-	500,000	500,000
Patient services fund	-	-	1,000,000	1,000,000
Retail lock down fund	-	-	550,000	550,000
Legacies deferral fund	-	-	1,012,000	1,012,000
Service development fund	-	-	64,884	64,884
	<u>5,870,605</u>	<u>5,567,351</u>	<u>4,806,663</u>	<u>16,244,619</u>
Restricted fund	-	-	252,645	252,645
	<u>5,870,605</u>	<u>5,567,351</u>	<u>5,057,308</u>	<u>16,497,264</u>

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 31 March 2022 £
General fund (unrestricted)	6,939,788	11,205,727	(9,068,233)	(2,795,524)	965,372	7,247,130
Designated funds (unrestricted)						
Fixed assets fund	6,137,081	-	-	(266,476)	-	5,870,605
Building refurbishment fund	-	-	-	500,000	-	500,000
Patient services fund	-	-	-	1,000,000	-	1,000,000
Retail lock down fund	-	-	-	550,000	-	550,000
Legacies deferral fund	-	-	-	1,012,000	-	1,012,000
Service development fund	64,884	-	-	-	-	64,884
Total unrestricted funds	<u>13,141,753</u>	<u>11,205,727</u>	<u>(9,068,233)</u>	<u>-</u>	<u>965,372</u>	<u>16,244,619</u>
Restricted funds						
Hospice UK	-	2,642,892	(2,642,892)	-	-	-
Various	81,809	346,218	(175,382)	-	-	252,645
Total Restricted funds	<u>81,809</u>	<u>2,989,110</u>	<u>(2,818,274)</u>	<u>-</u>	<u>-</u>	<u>252,645</u>
	<u>13,223,562</u>	<u>14,194,837</u>	<u>(11,886,507)</u>	<u>-</u>	<u>965,372</u>	<u>16,497,264</u>

18 Members guarantee

The charitable company has no share capital but is limited by guarantee. Every member of the company is a guarantor and undertakes to contribute to the assets of the charitable company in the event of it being wound up such amounts as may be required. Each guarantor's liability is limited to £1.

19 Pension costs

A number of the charitable company's employees are members of the National Health Service Superannuation Scheme, which is a multi-employer defined benefit scheme funded by contributions from employee and employer. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme as the scheme is unfunded and therefore, in accordance with FRS102, contributions to the scheme are accounted for as if it were a defined contribution scheme.

Employer's contributions to the scheme were made at the rate of 14.38% and employee contributions ranged from 5.6% to 14.5%.

Certain other employees belong to personal pension plans to which the Charity makes contributions.

The assets of these pension arrangements are held separately from those of the charitable company. The total pension cost charge represents employer's contributions payable by the charitable company to the scheme and plans and amounted to £647,121 (2021 - £616,314). Total amounts outstanding at the year-end amounted to £96,346 (2021 - £87,529) and this amount is included in other creditors (note 16).

20 Financial commitments

As at 31 March 2022, the charitable company had total annual commitments under non-cancellable operating leases as set out below:

Group and Charity

	Equipment 2022 £	Land & buildings 2022 £	2022 £	Motor Vehicles 2021 £	Equipment 2021 £	Land & buildings 2021 £	2021 £
Operating lease obligations:							
Within one year	7,425	449,642	457,067	15,963	6,900	456,367	456,367
In one to two years	7,425	298,418	305,843	-	6,900	329,019	329,019
In two to five years	11,351	562,570	573,921	-	16,675	298,365	298,365
Over five years	88	69,125	69,213	-	-	87,687	87,687
	<u>26,289</u>	<u>1,379,755</u>	<u>1,406,044</u>	<u>15,963</u>	<u>30,475</u>	<u>1,171,438</u>	<u>1,171,438</u>

The above leases within Land & Buildings are shop leases which are normal commercial leases and are subject to rent review.

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

20.1 Operating lease as lessor

As at 31 March 2022, the charity is the lessor of the sub lease to Hospice Trading (Ipswich) Ltd. The annual commitments under the non cancellable operating lease are set out below:

	Land and Buildings 2022 £
Operating lease obligations:	
Within one year	28,500
In one to two years	28,500
In two to five years	85,500
Over five years	33,250
	175,750

21 Related party transactions

	2022 £	2021 £
Income from related parties:		
Income from costs recharged to subsidiary undertakings	184,346	127,486
Gift aid from subsidiaries	67,941	-
Donations from Trustees	269	253
	93,750	11,709
Costs from related parties	93,750	11,709
Balance due from subsidiary undertaking at 31 March	253,197	95,519
Balance due to subsidiary undertakings at 31 March	8,475	4,024

During the year the sum of £918 (2021: £833) was paid to obtain Trustee Indemnity Insurance in order to protect the Charity from loss arising from the neglect or defaults of its trustees, employees or agents and to indemnify the trustees and other officers against the consequences of any neglect or default on their part.

There were nil (2021: one) close family members of a trustee employed by the Charity in the year ended 31 March 2022. In 2021, remuneration of £4,653 was paid.

22 Financial instruments

The carrying amount of the group's and company's financial instruments measured at fair value through the Statement of Financial Activities as 31 March were:

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Instruments measured at fair value through SOFA	6,156,095	5,537,349	6,156,095	5,537,349

23 Funds held as agent

The Charity acts as an agent on behalf of the Regional Action Group. £Nil (2021: £Nil) was received on behalf of the Regional Action Group in the year, £2,953 was paid in the year from this fund, on behalf of the Regional Action Group. At the reporting date £0 (2021: £2,953) was still being held on their behalf.

St Elizabeth Hospice (Suffolk)

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

24 Business Combination

On 1 April 2021, Hospice (Suffolk) / Hospice Trading (Ipswich) Limited acquired the trade and assets in respect of Tall Orders, a café in Stowmarket. The cost of the acquisition comprised cash consideration of £53,968.

The goodwill arising on acquisition of £36,000 was fully impaired in the year.

At 1 April 2021 (the 'acquisition date') the assets acquired were at their fair values to the company as set out below.

	Initial Book Value	Fair value adjustment	Initial Book Value
Fixed assets	35,000	(18,000)	17,000
Stock	968	-	968
Net assets	35,968	(18,000)	17,968
Goodwill			36,000
Total Consideration			53,968



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