

Company Registration number 1812104
Charity Registration number 289466

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

DIRECTORS' AND TRUSTEES REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

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ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

Report of the Trustees and Strategic Report for the year ended 31 March 2022

The Trustees of the charity submit their annual report and the financial statements for the year ended 31st March 2022, which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes. The Trustees have adopted the provisions of the statement of Recommended Practice (FRS102) 'Accounting & Reporting by Charities' issued in October 2019 in preparing the annual report and financial statements of the charity, and the Charities Act 2011.

HISTORY OBJECTIVES AND ACTIVITIES OF THE CHARITY

Name of Charity: St Luke's Hospice (Basildon & District)

Charity No.: 289466

Company No.: 1812104

Governing Document: St Luke's Hospice (Basildon & District) is a company limited by guarantee, governed by Memorandum & Articles of Association dated April 27th 1984

Description: A Hospice providing specialist medical and nursing care affording social and psychological support to individuals at all stages of any advanced progressive non-curative disease. As well as supporting family and friends

Address: St Luke's Hospice, Nethermayne, Basildon, Essex, SS16 5NJ.

Trustees:	Mr G W Peaty – Chairman	appointed 27.04.1984
	Mrs M Moura	appointed 08.07.1997
	Dr R Maunder	appointed 28.02.2006
	Mrs P Stone	appointed 30.09.2016
	Mr B Wellman	appointed 30.09.2016
	Mrs D Squier	resigned 31.07.2021
	Mr D Lawrence	appointed 18.02.2020
	Mr M Nice	appointed 18.02.2020
	Ms. G Rodgers	appointed 23.11.2022
	Ms. L Iles	appointed 23.11.2022
	Mr. A Gibbins	appointed 23.11.2022

Chief Executive	Mrs E Marshall - Chief Executive	appointed 30.09.2002
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Structure, Governance & Management Appointment of Trustees

The requirements of the Strategic Report are covered within the Trustees Report.

The Memorandum and Articles of Association provides for a minimum and maximum number of Trustees. The Board of Trustees is currently comprised of 10 members. Members are elected for a period of three years after which they are eligible for re-election at the next Annual General Meeting Trustees may sit on other nominated Committees or groups, as determined and agreed collectively by the Board.

For the period, the Trustees of the charity are also Directors of an associated company, SLH Trading Limited that exists purely for generating income for the Hospice through the sale of donated goods.

The Board meet approximately every six weeks. All Members of the Board give their time voluntarily and receive no benefits from the charity.

The Chief Executive Officer is appointed by the Board to manage the day-to-day operations of the charity. Role and job descriptions for the Trustees and Chief Executive identify the responsibilities of the respective roles and the levels of delegation.

Trustees are recruited to ensure an appropriate range of skills exists. The Trustees will periodically undertake a skills analysis to determine whether there is a need to recruit individuals with other specific skills or whether particular skill areas need to be strengthened.

Recruitment processes take into account the individual's skills, knowledge, ability, and eligibility to serve as a Trustee.

Trustee Induction & Training

New Trustees undertake an induction programme, which sets out the role and responsibilities of Trustees. The programme provides an opportunity to meet with senior staff of the Hospice to gain an understanding of services and activity as well as the priorities of the organisation as a whole.

New Trustees also receive a handbook, which provides a range of information, including key reference documents and Charity Commission guidance. Each new member is appointed a mentor from within the Board. New Trustees appointments are subject to a six-month review to assess performance and capacity to continue in the role.

The Board periodically undertakes training to update their knowledge of issues facing the charity. Training is delivered within a workshop format and allows dedicated time to reflect on and discuss a range of strategic issues at both a local and national level, as well as Board effectiveness.

Within the period of this report, these sessions have enabled the Board to consider the changes within the NHS commissioning structures and the impact on the hospice and other issues affecting activity and service delivery because of Covid-19 and other pressures.

The Chairman conducts annual evaluations with all board members, which provides an opportunity to discuss performance and to identify any specific needs or views of members, thereby enabling training and updates to be designed to be pertinent to the needs of board members.

Related Parties

The Hospice has worked closely over the years with two primary Clinical Commissioning Groups (CCG's) Basildon and Brentwood CCG and Thurrock CCG. This collaboration has enabled significant service development, which has broadened and strengthened local service delivery across the area, supporting innovation and robust service delivery.

Changes to NHS structures and the creation of new structures, which will launch larger integrated care systems across Mid and South Essex, were still being formulated in 2021-2022. The Hospice welcomes the opportunity to work within the new structures and the continuance of working collaboratively to deliver palliative and end of life care services.

Additionally the Hospice also received funding from two further neighbouring CCG's to support the South Essex Lymphoedema Service, which operates across South Essex. The Hospice also works with Essex County Council, Basildon Council and Thurrock Unitary Authority.

The Hospice continues to work with SPDNS Nurse Care and Marie Curie to deliver the One Response Service, this coordinated response maximises local resources and retains patient focus. The Hospice is recognised as a Lead Provider and has a commissioning role with Saint Francis Hospice for the area of Brentwood.

The benefits of working collaboratively was particularly highlighted during the Covid-19 pandemic. The need to share resources, adjust protocols and processes to continue services in a safe and coordinated way, enabled a level of collaborative working with other partners which was affirming and effective. The aim is to continue this model in forthcoming years and as such, St. Luke's Hospice will be exploring this approach with commissioners, and other health providers.

Hospices across Mid and South Essex have strengthened their collaborative relationships with proposals for a number of joint initiatives to be implemented.

The Hospice continues to maintain a working relationship with Hospice UK.

Public Benefit Statement

The strategies and objectives of the charity focus on the provision of care and support to individuals with life limiting illnesses, including but not exclusive to cancer and are undertaken to further the organisation's charitable purposes, as a requirement of charity law, for the public benefit.

Risk Management

The organisation has a robust corporate and clinical governance process, which is thoroughly embedded into the culture, and ethos of the organisation at all levels.

Consideration is given to the risks to which the charity may be exposed from both a clinical and business perspective. Risks are regularly assessed throughout the year and managed via internal risk management processes.

Primary risks for consideration include:

The Impact of Covid-19

Whilst the initial impact and prevalence of Covid-19 has decreased, there continues to be a need to adapt and adjust practice to ensure staff and patients remain safe during any future outbreaks.

The clinical leads regularly review the level of incidence to enable modification to practice as required, in accordance with national and local guidance.

Staff Recruitment

The Hospice recognises that the organisation's reputation relies on the commitment and quality of the team it employs. A national shortage of trained clinical staff and staff with other skills and expertise makes recruitment particularly difficult in a highly competitive market.

The Hospice has sought to review and strengthen its position within the recruitment market, and continued to build on this work to encourage applicants to the organisation and to maintain retention levels. Work also continues to explore options for increased flexibility across the workforce.

Income

Charitable income is subject to fluctuations and in some areas of Fundraising and Trading; recovery to pre-Covid-19 levels is still to be achieved.

Income received by the Hospice in respect of support to the NHS during Covid-19 assisted in the financial position of the organisation. However, the emphasis now is on strengthening all income sources as well as exploring opportunities for new income streams.

Changing Health and Social Care Systems

Undoubtedly the new structures allow the Hospice a greater opportunity to influence the strategic direction of palliative care delivery which is welcomed, however as yet with the Integrated Care System in its infancy within the region the financial position and systems that will govern it are yet to be made clear. In the interim, the Hospice continues to build on its excellent relationships with local commissioners with a joint focus on patient care and service delivery.

Objectives & Activities

The objectives of the charity are to:

- Promote and encourage high standards of palliative care for people within South West Essex, who have specialist palliative care needs principally, but not solely restricted to cancer, without discrimination
- Adopt a holistic approach to service provision, providing for the physical, social, emotional and spiritual needs of the patient in partnership with families, friends and other health and social care teams
- Provide information to enable patients to make their own choices about the care they receive and the setting in which it is provided
- Teach other professionals about the needs of palliative care patients so that all who are involved in their care may feel equipped for their responsibility whether they are in hospices, hospitals, or in the community
- Support staff and provide a healthy and safe environment in which to work to a standard of excellence

Clinical Governance

Clinical governance continues to play an important part within the monitoring of the organisation. Investment has been made to strengthen governance analysis and to monitor patient experience and safeguarding. Incidents and concerns are fully investigated reported on and learning is always taken from every event.

The Hospice has an extensive and full range of internal policies and procedures, which are easily accessible to staff at all levels across the organisation.

Opportunities exist for staff to raise concerns about any aspect of the operation of the organisation and its work via the Freedom to Speak Up Guardian.

National guidance is regularly reviewed and professional advice sought where necessary.

Purpose and Difference We Make

The Hospice remains passionate about the provision of high-quality end of life care and support to individuals with life limiting illness.

The ethos of the organisation is to make services as flexible as possible to meet the individual needs of patients whilst also supporting their families and carers at all stages of care. The Hospice works with other healthcare professionals to provide a seamless service model, with the patient at the focus of all that we do.

Services continue to operate within the Hospice and in the wider community in people's places of residence, the latter of which has seen rapid increases in recent years.

Covid-19 drove an increased commitment across the region for collaborative working and this has continued, as the benefits a greater collaboration has been evidenced to all.

The Hospice has been committed to partnerships and collaborative working for many years and continues to see the benefits of an enhanced approach to this across the region.

The Hospice works in close association with NHS colleagues, other local hospices and healthcare professionals. Elements of the Hospice Community Services are delivered in conjunction with Mary Curie and SPDNS, a local care agency.

The Hospice retains its award from the CQC as Outstanding, which is a reflection of the work of our teams and the focus of our priorities across our community.

Transformation

The impact of Covid-19 interrupted previous strategic plans and necessitated re-evaluation of some services. Collectively these issues have brought the Hospice to a position of reviewing aspects of service delivery and structures within the scope of a reset and recovery plan.

These reviews allow services to continue to be patient focused and flexible as well as adding a range of opportunities to react and engage with our patients.

This has included delivery of services or consultations remotely, where it is safe to do so. By combining face-to-face and remote consultations, activity levels have increased across some services.

The Hospice recognised the pressures of the pandemic and its impact on the wider acute health systems and the community as a whole. The Hospice worked closely with NHS colleagues wherever possible, to make resources available to support colleagues in the NHS during the pandemic and in periods of peak demand.

More recently, the Hospice has been preparing for the adjustments dictated by changes in the wider health and social care system, which are still being implemented within the region. The modified structures provide an opportunity to influence and contribute to strategy across Mid and South Essex, which is welcomed. It is our aspiration that our influence will assist in developing services for palliative and end of life care which meet the needs of our community, providing the choice and support that everyone needs.

Volunteers are an essential part of the delivery of the charity's services and work. The pandemic prevented many of our volunteers attending so it is pleasing to see them return to support the Hospice and our patients and we are incredibly grateful for their continuing support.

New volunteer roles have emerged including the addition of Bedside Companions, who work within our In-Patient Unit supporting patients. The hope is that in the future this scheme can be extended to provide support across the community in people's own homes, and place of residence.

Within the last twelve months, the Hospice has reviewed the volunteer recruitment process, enabling a quicker transition from enquiry to appointment. Applicants and teams have welcomed this change, as we continue to build our greatly valued volunteer team.

Objectives for the Year

The charitable environment within which the Hospice operates continues to be unpredictable, driven by both local and national changes. Demand and expectation remains high where resources can be challenging and competition for funds is increasing.

During the forthcoming year, the Hospice will:

- Continue to address the impact of the pandemic on services and embed new practices to ensure the highest level of patient care
- Improve the patient experience with the implementation of a Population Needs Assessment outcome to ensure care truly reflects the needs and aspirations of our community
- Embed a new referral hub process to improve the communication at the point of referral across all teams
- Expand outpatient activity to provide an extensive range of outpatient appointments delivered in a welcoming environment to suit the individual needs of patient lifestyles and commitments as flexibly as possible
- Development of an Eco Therapy Programme for children and young people
- Develop therapeutic Transition support
- Participate in the development of End of Life Care Strategy developments via the new emerging NHS structures maintaining strong relationships with colleagues
- Continue to work collaboratively with other professional organisations including local hospices as part of a collaborative partnership
- Implement new data reporting strategies to improve activity and outcome reporting and to inform future strategy
- Implement new CQC Standards to ensure full compliance and that the highest standards are maintained
- To consolidate income streams to increase income post pandemic and build income levels
- To enhance our supporter journey with increased digital focus, including a Hospice website review
- To explore new income generating opportunities
- Invest in IT Systems and software to increase productivity and efficiency and further develop the digital framework of the organisation
- Enhance the position of the Hospice as a notable employer, reviewing terms of engagement to support recruitment and retention
- Offer further opportunities for volunteers to support the work of the organisation in a valued and supportive environment
- Raise the profile of the staff Health and Wellbeing Programme, in recognition of the demands experienced and placed on teams in recent years

Achievements in 2021– 2022

The pandemic continued to impact on the work of the Hospice throughout 2021-2022 as the various stages of the outbreak presented.

Throughout the year, the Hospice addressed the challenges and considered key elements of service delivery, integration and sustainability as part of the Re-Set and Recovery Programme, prompting numerous reviews.

Arising from this was the amalgamation of existing therapeutic services to form the Integrated Therapy Services Department. The change, which was welcomed by staff and patients, enabled services to be provided more efficiently with increased transference of skills between the various specialisms.

Lymphoedema services operate across the whole of South Essex and continued to see year on year growth, within the period, 650 referrals were received, 56% of patients treated had a non-cancer diagnosis. The

service continues to evidence excellent success rates in improving the mobility and comfort of patients receiving treatment.

Occupational Health received 432 referrals in 2021/2022 which was a decrease compared to 2020-2021 in part attributed to the difficulties of recruiting specialist staff, 77% of patients referred to the service had a cancer diagnosis.

Complementary Therapy services could not operate during the pandemic, but resumed in September 2021, with an average caseload of 30 patients.

Within the year, the Hospice established a Referral Hub, a single point of referral for all hospice services, simplifying the referral process and making it quicker for patients to access the correct service through a streamlined process.

With the closure of Day Hospice Services, which were directly impacted by the pandemic, the organisation established a new therapeutic Wellbeing Information and Support Hub (WISH) to support the emotional wellbeing of patients.

All services remained busy with continuing high activity levels reported.

In-Patient referrals within the year equated to 248 (203 in 2020/21), demonstrating an increase on the previous year when visiting restrictions attributed to the pandemic, saw numbers decrease.

The majority of patients attending the unit received symptom control/assessment (51%) with 41% of patients for end of life care. A small percentage (8%) attended for planned respite to ease the burden on carers.

During the year Hospice Community Services relocated to leased accommodation enabling all of the community services to work from one site, this created a safer space for the team to operate during the pandemic, but also provided greater continuity of operation between the various teams for the benefit of patients.

The service received 928 referrals with an average caseload of 485 patients throughout the period, with 70% of patients having a cancer diagnosis.

35,467 calls were received by OneResponse, representing a decrease on the previous year, when pandemic pressures greatly affected incoming calls and service demand at that time. However, there was a 2% increase in care provided in comparison to 2020/21 demonstrating that although there were less calls more care was provided.

In total, the service supported the avoidance of 4,400 admissions to hospital, thereby lessening the strain on local acute services.

The charity's Frailty and Care Homes Palliative Support Service (FCHPSS) continued to support Care Home colleagues. The service continues to be one of the Hospice's busiest and 859 calls were received from care homes. The Hospice worked collaboratively with Basildon and Brentwood CCG to support a Quality Assurance Nurse working with Care Homes to improve the quality of care. The FCHPSS team assisted with the successful delivery of this service.

Carers support received 322 referrals, a 29% increase compared to the previous year. 52% of clients were caring for someone with a cancer diagnosis and 28% with a diagnosis of dementia. Group sessions, which afford the opportunity for carers to meet and socialise with other carers, were not possible during this period, but the telephone and virtual contact with the Carers Support Team lessened the feelings of isolation and provided a point of contact for advice and support.

Counselling services for adults saw a decrease in clients which was not expected given the rate of deaths from Covid-19, although it is anticipated that demand for services will subsequently rise, as the impact of loss becomes more keenly felt..

Luke's Counselling Service for Children and Young People received a high number of referrals. The majority of referrals were received from clients aged between 9-13 years (39%), Referrals from groups 14-19 years and 5-8 year old both equated to 28%, with much lower referrals from those in the 0-4 age group. The service continued to work closely with schools to support young people. The Supportive Care service relocated to the new Thurrock Hospice location where support is delivered in purpose built and fitted accommodation with a larger dedicated space for exploration of bereavement issues through creativity and play.

After many years of planning and subsequent construction, the long awaited new Hospice site at Thurrock was completed. Relocation of services including Fundraising, Marketing, Counselling and Corporate Services took place during 2021/22.

Teams from all departments continued to work to exceptional standards of delivery during 2021/22. In September 2021, the whole team had the first opportunity to come together to collectively recognise the impact of the pandemic and to acknowledge the pressures under which we had worked in difficult circumstances. Staff contributed to the creation of mosaics, which were combined in an installation and placed at each Hospice location to symbolise the teams working collectively together to make something amazing as a symbol for the future.

The health and wellbeing of our staff remains a priority as we move forward.

Financial Review

The principal funding sources were received from Clinical Commissioning Groups, donations and gifts and fundraising activities.

There was a surplus for the year of £1,973,273 compared to a surplus of £5,065,358 for the previous year. This was due to the gift of the new Thurrock Hospice building in the previous year.

External statutory funding from NHS sources is primarily secured via both Basildon and Brentwood CCG and Thurrock CCG. The Hospice maintains a good and strong relationship with both CCG's in developing and advancing services for the local community. Statutory income has continued to be boosted by funding for the OneResponse and Fast Track services. There is a collective Commitment to deliver innovative and streamlined services, many of which are Commissioner Requested Services.

Funding is also received from Castle Point & Rochford and Southend CCGs to support the South Essex Lymphoedema Service, which operates across the whole of South Essex.

Considerable success was also achieved in securing and retaining funding from Children in Need and, The National Lottery Community Fund.

The associated Trading Company SLH Trading continued to perform well throughout the year. The company achieved against predicted targets with a final contribution of £450,000 to the Hospice (£320,000 2021). Local Hospice Lottery income also performed well within the year, with a total contribution to funds of £231,384 (£233,483 2021).

The Hospice relies heavily on the goodwill and generosity of the local community, with funds raised through general donations, appeals and other fundraising activities. Whilst Fundraising continued to evolve and respond to changes and challenges, we remain sincerely grateful to all those who support St. Luke's Hospice and enable us to provide essential services in the catchment.

Whilst Legacy income can be difficult to predict, large legacy contributions were received throughout the year to the value of £282,610 (£283,298 2021)

Gift Aid and Local Hospice Lottery income continued to perform well throughout the year.

Hospice UK Resilience Funding

The NHSE awarded funding to allow the Hospice to make available bed capacity and community support from December 2021 to March 2022, the funding through Hospice UK saw grants throughout the last quarter of the year with a total income of £1,841,711.

Expenditure across the organisation was well managed with savings achieved against budget

Reserves Policy

The Board of Trustees undertook an annual review of the Reserves Policy for the period and determined that unrestricted funds held by the charity should, where possible, continue to be between three and six months of the annual expenditure. The Board remain confident that, at this level, charitable activities can continue should a significant drop in income occur. The remaining funds are held to further the aims of the charity.

Restricted funds were received throughout the year and held for specific capital purchases, or allocated to specific services as defined by the donors. A percentage of legacy income received by the charity supplements general funds, the remainder is wherever possible, directed to Reserves.

At 31st March 2022 the Charity held total reserves of £11,963,295 (inclusive of fixed assets), which is split as follows

Restricted Reserves	£964,201
Fixed Assets	£5,695,210
General Reserves	£5,303,884

The general reserves of £5,303,884 are held for equipment and working capital.

Investment Policy

The Investment Policy is similarly subject to annual review with consideration given to ethical considerations, risks and the strategic objectives of the organisation. The Board have considered investment rates for longer term investments but are reluctant to enter into such arrangements when interest rates are so low and funds may be required to support progression of capital development initiatives. The Hospice has therefore continued to maximise investment income, by investing in a range of opportunities, which provide the most preferable rates of return on short to medium term investment programmes.

Approved by the Trustees on23/11/22..... and signed on behalf

 G.W. Peaty

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

Independent Auditor's Report To the Members of St Luke's Hospice (Basildon & District) Limited year ended 31st March 2022

Opinion

We have audited the financial statements of St Luke's Hospice (Basildon & District) Limited for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its 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 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 entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a

material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard

Opinion 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' and strategic report, which includes the directors' report prepared for the company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The strategic report and the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to Report by Exception

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

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement on pages 1 & 2 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 preparation the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities of 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the

financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.

Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include operating license, environmental regulations, health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>.

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.



.....
J. Boyden FCA (Senior Statutory Auditor)
Pocknells Audit Limited
Chartered Accountants and Statutory Auditor

46 Hullbridge Road
South Woodham Ferrers
Essex
CM3 5NG

Dated: 23/11/22

Statement of Financial Activities
For the year ended 31 March 2022

SUMMARY OF INCOME AND EXPENDITURE ACCOUNT

	Note	<u>Unrestricted</u>	<u>Restricted</u>	<u>2022 Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021 Total</u>
Income							
<u>Donations and Legacies</u>							
Donations and Gifts	2	696,579	299,109	995,688	3,312,773	736,462	4,049,235
Legacies		282,610	-	282,610	283,298	-	283,298
Trusts and other Organisations	3	55,676	158,247	213,923	6,224	267,488	273,712
Coronavirus Job retention scheme		-	-	-	233,429	-	233,429
Lottery		231,384	-	231,384	233,483	-	233,483
<u>Income from Trading Activities</u>							
Fundraising		669,586	-	669,586	490,519	-	490,519
Cycle to work scheme		1,417	-	1,417	816	-	816
Investment income	4	9,662	-	9,662	7,759	-	7,759
Other Income		325	-	325			
<u>Income from Charitable Activities</u>							
Education		16,940	-	16,940	30	-	30
Hospice UK resilience funding		-	1,841,711	1,841,711	-	2,258,823	2,258,823
CCG	3	5,261,501	364,616	5,626,117	5,110,814	359,343	5,470,157
Total income		7,225,680	2,663,683	9,889,363	9,679,145	3,622,116	13,301,261
Expenditure							
<u>Expenditure on raising funds</u>							
Fundraising	5	456,086		456,086	371,657	-	371,657
<u>Resources expended on Charitable activities</u>							
In Patient Unit	5	3,305,558	1,685,229	4,990,787	3,537,875	1,777,010	5,314,885
Day Care		560,957		560,957	462,057	227,580	689,637
Hospice at Home and Hospice at Home Social Care			406,025	406,025	-	357,050	357,050
SAAS		876,364		876,364	562,656	277,129	839,785
SELS		208,466		208,466	108,122	53,254	161,376
Counselling information and education		105,347	312,058	417,405	82,110	419,403	501,513
Total expenditure		5,512,778	2,403,312	7,916,090	5,124,477	3,111,426	8,235,903

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

**Statement of Financial Activities
For the year ended 31 March 2022**

SUMMARY OF INCOME AND EXPENDITURE ACCOUNT (cont'd)

	Note	<u>Unrestricted</u>	<u>Restricted</u>	<u>2022 Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021 Total</u>
Net Income		1,712,902	260,371	1,973,273	4,554,668	510,690	5,065,358
Transfer between Funds		523,602	(523,602)	0	(81,977)	81,977	0
Net Movement of Funds		2,236,504	(263,231)	1,973,273	4,472,691	592,667	5,065,358
<u>Reconciliation of funds</u>							
Total funds brought forward at 1st April 2021		8,762,590	996,233	9,758,823	4,289,899	403,566	4,693,465
Total funds carried forward at 31st March 2022		10,999,094	733,002	11,732,096	8,762,590	966,233	9,758,823

All the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for the Companies Act purposes comprises the net income for the year.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

**Balance Sheet
as at 31 March 2022**

	Note	2022	2021
		£	£
Fixed Assets			
Tangible Assets	9	5,695,210	6,026,871
Current Assets			
Debtors	10	2,585,550	2,819,000
Cash at Bank		<u>6,005,808</u>	<u>3,119,947</u>
		8,591,358	5,938,947
Creditors			
Amounts falling due within one year	11	<u>2,323,273</u>	<u>1,975,796</u>
Net Current Assets		<u>6,268,085</u>	<u>3,963,151</u>
Total Assets Less Current Liabilities		<u><u>£11,963,295</u></u>	<u><u>£9,990,022</u></u>
Funds of the Charity			
Unrestricted income funds:			
General Reserve	14	10,999,094	8,762,590
Restricted income funds	14	<u>733,002</u>	<u>996,233</u>
		11,732,096	9,758,823
Revaluation fund	14	<u>231,199</u>	<u>231,199</u>
		<u><u>£11,963,295</u></u>	<u><u>£9,990,022</u></u>

Approved by the board on
and signed on its behalf:

G.W. Peaty – Director and Trustee



Date 23/11/22

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31st MARCH 2022

	31/03/2021	31/03/2022
	£	£
Net cash provided by (used in) operating activities	4,317,694	2,634,355
Cash flow from investing activities:		
Purchase of fixed assets	(3,209,810)	(137,494)
Disposal of fixed assets	-	389,000
Increase/(decrease) in cash and cash equivalents in the year	<u>1,107,884</u>	<u>2,885,861</u>

Notes to the cash flow statement

	31/03/2021	31/03/2022
	£	£
a) Reconciliation of changes in resources to net inflow from operating activities		
Net income/(expenditure)	5,065,358	1,973,273
Depreciation	73,855	80,155
(Increase)/decrease in debtors	(667,475)	233,450
Increase/(decrease) in creditors	(154,044)	347,477
Net Cash provided by/(used in) operating activities	<u>4,317,694</u>	<u>2,634,355</u>

	31/03/2021	Cash Flow	31/03/2022
	£	£	£
b) Analysis of cash and cash equivalents			
Cash at bank and in hand	<u>3,119,947</u>	<u>2,885,861</u>	<u>6,005,808</u>

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

Notes to the financial statements for the year ended 31 March 2022

1 Accounting policies

1 (a) Basis of preparation of the accounts

The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The charity constitutes a public benefit entity as defined by FRS 102.

The charity's functional and presentational currency is the pound sterling.

1 (b) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and impairment charges.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 10% on cost and 25% on cost
Land and buildings	- Land not provided for
	- Buildings 0-1% on cost
Property Improvements	- 25% on cost
Motor Vehicles	- 25% on cost

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

1 (c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, receipt is virtually certain and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of Income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the Charity where this can be quantified.
- Legacies are accounted for at the time of receipt of the gift or once there is sufficient probability of receipt.
- Investment income is included when receivable.
- Government COVID-19 grants with a total income of £1,841,711 were received by the charity during the year.

1 (d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT, which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

1 (e) Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for any other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

The revaluation fund represents the revaluation to fair value of the charity's freehold buildings

1 (f) Pension scheme

The company operates a defined benefit scheme and a defined contribution group personal pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme as it is part of the state run NHS pension scheme. Likewise, any future contributions which may be required to make up any funding deficit are also unable to be quantified. The assets of the group personal scheme are held separately from those of the Charity in an independently administered fund.

The pension costs charge represents contributions payable by the Charity to the funds for the year.

During the year, the company paid £211,789 into the NHS benefit scheme, and £236,074 into the group personal pension scheme for the benefit of staff.

1 (g) Financial instruments

Financial instruments are recognised in the Charity's balance sheet when it becomes a party to the contractual provisions of the financial instrument.

Trade debtors

Trade debtors are non-interest bearing and are stated at original invoiced amount.

Cash

Cash comprises cash at bank and in hand.

Trade creditors

Trade creditors are non-interest bearing and are stated at the original invoiced amount.

1(h) Operating Leases

The charity classifies the lease of certain property and business equipment as operating leases, the title to equipment remains with the lessor, rental charges are charged on a straight line basis over the term of the lease.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

	2022 £	2021 £
2 Donations and Gifts		
Individuals and Trusts	483,052	574,235
Corporate	450,000	320,000
Thurrock Building	-	3,155,000
Sale of House	62,636	-
	<u>995,688</u>	<u>4,049,235</u>

3 Grants received

Grants received include the following:

Clinical Commissioning Group for running of the Hospice £3,893,143 (2021 £3,650,343)
Clinical Commissioning Group to fund SELS £230,309 (2021 £225,794).
Clinical Commissioning Group to fund Hospice at Home Service £187,579 (2021 £212,184)
Clinical Commissioning Group to fund Adult Bereavement Service £61,701 (2021 £42,279)
Clinical Commissioning Group to fund Child Bereavement Service £64,152 (2021 £60,174)
Clinical Commissioning Group to fund Hospice at Home Social Care £18,444 (2021 £17,301)
Clinical Commissioning Group to fund SAAS £716,684 (2021 £702,632)
As lead provider, we also receive income from the Clinical Commissioning Group for Marie Curie and St Francis services £640,180 (2021 £559,450)
Hospice UK government scheme £1,841,711 (2021 £2,258,823)
Big Lottery - £120,404 (2021 £157,607)
Children in Need - £37,843 (2021 £36,699)
The Albert Hunt Trust - £10,000
Masonic Charitable Foundation - £1,375
The Childwick Trust - £15,000
Garfield Weston - £40,000
Thurrock CVS - £5,000
Fowler Smith and Jones Charitable Trust - £5,000
Souter Charitable Trust - £3,000
Cazenove Charitable Trust - £1,000
Enterprise RAC UK Limited - £1,500
Enterprise RAC UK Limited - £1,500
The Paget Charitable Trust - £4,000
The Thomas J Horne Memorial Trust - £6,500
The Sir Jules Thorn Charitable Trust - £5,000
East Tilbury Relief In Need Charity - £1,000
East Tilbury Relief In Need Charity - £1,000

4 Investment income

	2022 £	2021 £
Bank interest receivable	9,662	7,759
	<u>9,662</u>	<u>7,759</u>

Notes to the financial statements (cont'd)
for the year ended 31 March 2022

5. TOTAL RESOURCES EXPENDED

		Hospice @Home & Hospice @Home				Counselling Information & Education		Fundraising	2022	2021
		Ipu £	Day Care £	Social Care £	SAAS £	SELS £	£	£	TOTAL £	TOTAL £
Staff costs	D	3,397,761	195,520	396,648	817,955	200,305	393,594	386,136	5,787,919	5,801,119
Staff volunteers expenses and training		250	4,602	7,202	3,784	3,095	1782	1440	22,155	25,778
Property & equipment		20,855	-	-	35,800	-	2,386	6400	65,441	51,516
Marketing	D	-	-	-	-	-	-	-	0	-
Other costs	D	140,271	4,548	2,175	18,825	5,066	19643	13072	203,600	291,152
Fundraising events		-	-	-	-	-	-	49,038	49,038	33,522
Governance costs - Audit Fee		6,500	-	-	-	-	-	-	6,500	6,500
Total of direct costs		3,565,637	204,670	406,025	876,364	208,466	417,405	456,086	6,134,653	6,209,587
Support Costs Allocated to activities										
Staff costs	C	867,132	216,783						1,083,915	1,436,552
Building & facilities		492,594	123,149						615,743	515,909
Depreciation	C	65,423	16,356						81,779	73,856
		4,990,786	560,958	406,025	876,364	208,466	417,405	456,086	7,916,090	8,235,904

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

6 Expenditure

	2022	2021
	£	£
The following are included in expenditure:		
Depreciation	80,155	73,855
Auditor's remuneration	6,500	6,500

7 Staff costs

	2022	2021
	£	£
Salaries	4,758,891	4,993,069
Employers national insurance	376,132	354,618
Pension contributions - defined benefit scheme	211,789	215,585
- group personal scheme	236,074	220,347
	<u>5,582,886</u>	<u>5,783,619</u>

No trustee received any remuneration from the Charity (2021: £Nil).

No trustee received any expenses in the year (2021: £Nil).

Staff termination payments during the year £8,438. (2021 £3,540)

The Hospice considers that the key management personnel comprise the trustees, the Chief Executive and the Executive Team. The total salaries and employer pension contributions of the key management personnel of the Hospice were £465,011 (2021 £470,599).

The highest paid member of staff salary is £68,308 (2021 £62,049), there were 2 other members of staff with a salary higher than £60,000 per annum.

The average number of employees employed on a full-time equivalent (FTE) basis and in total (NO) by the Charity during the year (excluding directors) was:

	2022	2022	2021	2021
	FTE	NO	FTE	NO
Medical	87	115	76	101
Counselling, Bereavement and Information	9	19	12	21
Fundraising	12	13	10	11
Administration	33	42	32	44
	<u>141</u>	<u>189</u>	<u>130</u>	<u>177</u>

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

8 Taxation

No liability to Corporation Tax arose for the year ended 31st March 2022 nor for the year ended 31st March 2021.

9 Tangible fixed assets

	Property Improvements £	Land and Buildings £	Plant and Machinery £	Motor Vehicle £	Totals £
Cost					
At 1 April 2021	447,761	5,805,736	1,141,241	72,985	7,467,723
Additions	3,000		134,494		137,494
Revaluations	-	-	-	-	-
Disposals	-	(385,000)	-	(4,000)	(389,000)
At 31 March 2022	450,761	5,420,736	1,275,735	68,985	7,216,217
Depreciation					
At 1 April 2021	386,907	1,111	987,279	65,555	1,440,852
Additions	28,906	658	50,756	2,115	82,435
Disposals	-	-	-	(2,280)	(2,280)
At 31 March 2022	415,813	1,769	1,038,035	65,390	1,521,007
Net book Value					
At 31 March 2022	34,948	5,418,967	237,700	3,595	5,695,210
At 31 March 2021	60,584	5,804,625	153,962	7,430	6,026,811

There are two buildings owned by the charity, Fobbing Farm, Nethermayne, Basildon, Essex SS16 5NJ which was professionally valued on 20th December 2016 by R. Freese B.Sc (Hons) MRICS of Kemsleys LLP to determine the fair/open market value of the property. This value (£2,250,000) is reflected in these accounts and the excess over cost has been credited to a Revaluation Reserve. The other building, Farriers Way, Bulphan, RM14 3EB is included at a value of £3,155,000 as valued by D Butcher BSc (Hons) MRICS in September 2021. The trustees consider these to represent the fair value of the buildings at the balance sheet date.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

10 Debtors

	2022	2021
	£	£
Due within one year		
Trade Debtors	161,003	1,295,005
Prepayments and accrued income	2,001,849	1,200,923
Other debtors	422,698	323,072
	<u>£2,585,550</u>	<u>£2,819,000</u>

11 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	254,432	319,999
Other creditors and accruals	675,762	383,111
Deferred income	1,393,079	1,272,686
	<u>£2,323,273</u>	<u>£1,975,796</u>

Deferred income comprises CCG grant income of £1,268,074 received in advance which relates to the period 1st April 2022 to 30th June 2022. In addition to CCG income there was a grant from ECC received for 1st April 2022 – 31st March 2023 of £100,000, and Local Hospice Lottery income received for April 2022 – 31st March 2027 of £25,005.

Balance at 1 April 2021	1,272,686
Amount released to income earned from charitable activities	(5,451,274)
Amount deferred in year	<u>5,571,667</u>
Balance at 31 March 2022	<u>£1,393,079</u>

12 Related party transactions

£450,000 (2021 £320,000) was paid to the company as a gift from SLH Trading Limited and is an associated company controlled by the same board of directors.

13 Share capital

The company is limited by guarantee and therefore has no share capital.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

14. Analysis of net assets between funds

	Revaluation Fund £	Restricted Funds £	General Funds £	Total £
Tangible fixed assets	231,199	-	5,464,011	5,695,210
Net current assets	-	733,022	5,535,063	6,268,085
As at 31 March 2022	231,199	733,022	10,999,074	11,963,295

Analysis of net assets between funds

	Revaluation Fund £	Restricted Funds £	General Funds £	Total £
Tangible fixed assets	231,199	-	5,795,672	6,026,871
Net current assets	-	996,233	2,966,918	3,963,151
As at 31 March 2021	231,199	996,233	8,762,590	9,990,022

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2022

15 Statement of funds

Statement of Funds

	As 1/4/2021	Income	Expenditure	Transfers	At 31/3/2022
	£	£	£	£	£
Unrestricted funds					
General reserve	8,762,590	8,809,834	(7,096,932)	523,602	10,999,094
Restricted funds					
Specific Bequests	466,095	257,557		(523,602)	200,050
Hospice at Home	182,067	316,579	(316,358)	-	182,288
Adult Bereavement	131,576	182,105	(181,381)	-	132,300
Children's Bereavement	141,168	131,104	(130,677)	-	141,595
IRS	19,306	-	-	-	19,306
Hospicee at Home Social Care	301	90,444	(89,667)	-	1,078
Hospice at Home Enhanced Medical Care	54,744	-	-	-	54,744
Physio Team	976	101,740	(101,075)	-	1,641
	9,758,823	9,889,363	(7,916,090)	-	11,732,096
Revaluation Reserve	231,199				231,199
Total Funds	9,990,022	9,889,363	(7,916,090)	-	11,963,295

	As 1/4/2020	Income	Expenditure	Transfers	At 31/3/2021
	£	£	£	£	£
Unrestricted funds					
General reserve	4,289,899	11,937,969	(7,383,301)	(81,977)	8,762,590
Restricted funds					
Specific Bequests	183,759	493,359		(211,023)	466,095
Hospice at Home	179,688	312,184	(309,805)	-	182,067
Adult Bereavement	127,579	199,886	(195,889)	-	131,576
Children's Bereavement	137,405	157,982	(154,219)	-	141,168
IRS	17,425	71,176	(69,295)	-	19,306
Hospicee at Home Social Care	(42,755)	52,301	(47,245)	38,000	301
Hospice at Home Enhanced Medical Care	54,744	-	-	-	54,744
Physio Team	(254,279)	76,405	(76,150)	255,000	976
	4,693,465	13,301,262	(8,235,904)	-	9,758,823
Revaluation Reserve	231,199				231,199
Total Funds	4,924,664	13,301,262	(8,235,904)	-	9,990,022

Transfer of Funds

The transfer of funds from the Specific Bequest fund to General fund is the expenditure made throughout the year for various items which have been restricted by the funder or donor. The majority of restricted income received in this financial year has been for equipment for the new Thurrock Building, which has subsequently been spent in the year. The restricted income also received for our adult and child counselling services has also been spent during the year via the general fund.

Policy on Reserves and Funds held

The trustees review their policy on reserves annually.

At the Balance Sheet date, the charity had total funds of £11,963,295 comprising restricted funds of £964,201 and unrestricted funds of £10,999,094

Restricted funds are held to provide future services. The charity recognises that the money held has been provided to us by third parties for the provision of specific equipment or services and they are therefore, held for that purpose only.

Of our unrestricted funds (general reserves) of £10,999,094, £5,695,210 is designated funds relating to the fixed assets as shown in note 9. The remainder of the charity's unrestricted reserve fund £5,303,884 is being held to provide for future building needs, equipment and working capital.

Free reserves currently equate to approximately 7 months of total expenditure expected in the forthcoming financial year, which is slightly above our reserves policy which aims to keep 3-6 months running costs in reserve. With a large deficit budget predicted next year, it is likely the reserves will be used for running costs and will be within policy next year. A proportion of future legacy funds will therefore be retained to maintain our policy.

16 Leasing agreements

At the year end the company had total commitments under operating leases for photocopier rental, van lease and property of £108,973 as follows:

1 year	-
2-5 years	108,973
>5 years	-
	<u>£108,973</u>

17 General Information

St Luke's Hospice (Basildon & District) Limited, incorporated in England and Wales, Registered number 1812104, is a private company limited by guarantee. The registered office is Fobbing Farm, Nethermayne, Basildon, Essex, SS16 5NJ.