



Annual Report & Consolidated Financial Statements

**For the year ended
31 December 2023**

Registered Charity Number: 298555

Company Number: 02141770

St. Luke's Hospice (Harrow & Brent) Ltd

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1. Introduction from the Chair of Trustees

2023/2024 has been a period of positive change at St Luke's Hospice as we progress the implementation of our strategic ambitions whilst providing valuable and valued services to the Harrow and Brent communities. Total patient numbers continue to grow across all core services as we strengthen our support and invest in our people and systems



With over 30 years' experience of serving the palliative and end of life needs for Harrow & Brent, St Luke's focus continues to be to ensure that our services reflect the community's needs and that our future is assured due to the quality of our care and our financial sustainability.

In my first year as Chair of the Board of Trustees, the focus has been to work with the CEO to rebuild the leadership and governance teams in line with the requirements driven by the strategic ambitions and the results of the Board evaluation. I am pleased by the quality of new recruits on to the Executive and Trustee Boards and believe that their skills combine well with the considerable talents of the incumbent team members to ensure that we have better structures, remits and ways of working. The ambition to have an empowered Executive Team supported by engaged Trustees and underpinned by strong committees with excellent leadership and clear mandates has started well.

In common with most other hospices in the UK, St Luke's is having to face into the challenge of running a full service for our community at a time that income is under pressure and costs are increasing. In 2023, it is commendable that St Luke's was able to improve its services and help more members of our community whilst maintaining a positive surplus. Income from our Shops Company was severely challenged which was partially offset by excellent outcomes in securing additional commissioning funding as well as strong fundraising and legacies. Expenditure increased as necessary investment in staffing and people services was made to ensure that St Luke's offers a welcoming and safe environment for patients, their families and staff. As we plan for the future, the balance of outstanding service provision at a time of rising costs and challenged income is a tightrope that we are navigating and we work hard to surface additional funding and efficiencies.

Notwithstanding the changes and challenges, I am pleased at how our service to the community continues to be valued and would like to acknowledge the hard work and efforts of all teams, volunteers and trustees throughout the organisation. There is much still to be done; we have started well, together, as a team.

Meg Lustman

2. About St Luke's Hospice

Vision

A world where people experience the best possible last phase of life.

Values

Caring


Respect

Excellence


Inclusivity

Empowerment


Strategic ambitions (2023-24)



1. Build Strong Foundations for the Future



2. Embed Quality



3. Value and Develop our People

Main activities

The Charity's main activities and focus are around providing specialist palliative care to the people of Brent and Harrow facing life limiting illnesses.

Community based care

Two-thirds of our care is provided in the comfort of peoples' homes, as we respect that this is where most people would like to be looked after. Our specialist community team of nurses helps people to manage more complex needs whilst our Hospice at Home team provides care that allows people to remain in their own homes by providing practical care and support. Our consultants offer outpatient appointments in the community and also at the Hospice's main building, Kenton Grange.



Inpatient Unit

Our 12-bed Inpatient Unit (IPU) at Kenton Grange cares for people in their final days, providing intensive care to help get symptoms under control or give respite care. Many of those who are cared for in our IPU often return home again.

Patient and Family Support Services

We offer a holistic and person-centred approach to care through our Patient and Family Support Services.

Our services provide a wide range of expert care and support intended to keep people feeling well, independent and mobile for as long as possible. Our holistic approach to care is intended to support people's wellbeing, including emotional support through services such as social work, spiritual care, exercise groups, advice on welfare benefits, advance care planning support, complementary therapy and physiotherapy services.

In addition to caring for our patients, we also provide bereavement support to family members and carers, through our team of trained, supervised volunteers.

Pall 24

Our 24-hour helpline and referral service, Pall 24, is run by a dedicated team of expert nurses who can give advice, provide a rapid response in times of crisis and effectively co-ordinate care, from arranging prescriptions, to getting vital equipment delivered – anything people need to avoid going to hospital and to stay comfortably in their homes.

3. Service review

Our service activity data reports for the financial period 1 April 2023 to 31 March 2024, in line with local statutory reporting requirements.

St Luke’s Hospice supported **2069** service users (2022: 2042).

Our specialist palliative care community team (Brent) carried out **1844** visits to patients in their homes, which represents an increase of 18% from the previous year (2022: 1554).

Our Inpatient Unit saw an increase in admissions in 2023 to **237**, which is 26% more than the previous year (2022: 188). We also extended our admissions to 7 days a week which resulted in a 253% increase in admissions at weekends, thereby providing a responsive and accessible service to our patients in Harrow and Brent.

A particular highlight for 2023 is the increased activity across all areas of patient and family support services, with an expanded programme of activities and events at our Wood Grange Centre for patients, family members, carers and bereaved people. In 2023, we provided **320** bereavement sessions compared to 304 in 2022 (an increase of 5%) and this demand continues to grow into 2024. The service is delivered by a team of trained volunteers, supported by professional staff, which has been expanded during 2023 to meet the growing need in our community for bereavement support.



4. Strategic report

Achievements and performance

Under our strategic ambitions, our priorities for 2023, as set out in the Trustees’ Annual Report 2022, were:

- 1. Continuous improvement in Quality systems
- 2. Strengthening governance structures including Trustee and Executive Team
- 3. Improving infrastructure including IT and our estate
- 4. Funding and improved, sustainable income generation
- 5. Value and develop our people

2023 saw significant progress and improvements across all areas of our work.

1. Continuous improvement in Quality systems

- The CQC inspection in 2022 identified ongoing areas for improvement in relation to the well-led domain. In August 2023, we appointed to a new senior leadership position - Director of Quality & Governance. Supported by a newly-established Quality team, a comprehensive internal governance framework was established and integrated into the Board governance processes.
- We made good progress on the implementation of a new incident management database (Vantage), which supports the management of risk and improves our reporting on trends and themes. As a result, we anticipate an uplift in the reporting of incidents in the next year.
- Our Quality Account 2023/24 reports the data for this period including progress against the Priorities for Improvement.



2. Strengthening governance structures

- New Articles of Association for St. Luke's Hospice (Harrow and Brent) were approved and adopted during 2023.
- Between January and May 2023, the terms of office of four trustees came to an end and there was a resignation from one trustee. Seven new trustees were recruited to the Board, including a new Chair of Trustees and Vice-Chair.
- A Board governance review in early 2023 was commissioned by the Chair of Trustees which informed changes in our governance structures during the year, including the establishment of a new committee structure, chairs of committees, and terms of reference.
- The new Audit and Risk Committee has overseen the development and first stage implementation of a new Board Assurance Framework including a review of our approach to risk management. This is work in progress and will continue into 2024 to fully embed a new approach to risk management.
- Effective working between the Executive Team and Board of Trustee committees has helped us ensure there are robust processes around decision making, delegation of authority, and transparency of reporting.

3. Improving infrastructure including IT and our estate

- In 2022, the Trustees agreed a programme of works to ensure that our estate is fit-for-purpose to deliver high quality care; compliant with regulatory requirements; and supports efficiencies in working practices. In 2023, further investment was made into an IT infrastructure programme that has significantly improved cyber security, IT capability and use of technology across the Hospice.
- In 2023, there was also investment into health and safety works across the Hospice estate, including our network of shops, resulting in full compliance with legislation.
- In 2024, further strategic discussions will take place around the future of our estate and its suitability in meeting the end of life needs of the local population.



4. Funding and improved, sustainable income generation

During 2023, we focused on some key areas of improvement to support income generation.

- We reviewed our lottery to ensure we maximise our income potential leading to a move to a new lottery provider in 2024.
- We undertook work to understand our supporters and their engagement with the Hospice. A supporter insights survey provided rich data that informs and tailors our approach to supporter engagement and income generation programmes.
- A retail strategy review was commissioned from Charity Retail Consultancy, which started in early 2024, to inform a new approach to retail to ensure sustainable income for the Hospice.

5. Value and develop our people

This strategic ambition is a key enabler for the delivery of our plans in 2023 and 2024. Good progress has been made in strengthening our people processes and infrastructure, including:

- a review and update of key people policies
- a review of staff contracts and staff handbooks
- introduction of a new management training programme
- establishing good governance and ways of working with the new People Committee.

The year ahead

- In 2024, St Luke's starts work on a new strategy for the next three years. It will set out our plans for a new model of care, how we will engage with our community, and how we will fund our work to ensure the Hospice is sustainable.



- We will work with the North-West London Integrated Care Board on the implementation of a new model of care for community specialist palliative care services, ensuring our own services and model of care meets the needs of our population in Brent and Harrow.
- Collaboration with our charity hospice partners is of key importance to us and we will explore opportunities for close working and greater efficiencies.
- A key focus in 2024 will be on improving the performance and contribution of our retail network, including a retail strategy review and a review of the governance of our trading company.
- We will implement new fundraising initiatives including a new lottery partnership and we will join national campaigns that will increase awareness of hospice funding as well as fundraising.
- We will prioritise the delivery of our strategic ambitions around developing and valuing our people. An ambitious work programme is in place for 2024 including a review of pay and reward, employee value proposition, and a new performance management process.
- We will ensure that St Luke's estate is fit for purpose and fit for the future to deliver the services our local community needs at end of life.



Relationship with stakeholders

St Luke's Hospice maintains engagement and regular consultation with our services users and local partners. In 2023, we carried out a supporter insights survey to inform our future engagement with stakeholders. In addition, feedback is sought from all our service users who attend activities or receive care from St Luke's Hospice and this is used to inform improvements to our care services.

The four adult charity hospices in North-West London have started to work together collaboratively including developing joint bids for funding, regular CEO / Chair meetings, providing support and collaboration around operations and services, and engagement as a group with the ICB and commissioners. It is hoped that this will become more formalised in 2024.

St Luke's maintains a strong relationship with our commissioners at the North London Integrated Care Board, with whom the Hospice has a formal contract for the delivery of specialist palliative care services in the boroughs of Harrow and Brent. In December 2023, our commissioners attended a special session of our Board of Trustees to discuss the proposed new model of care for community specialist palliative care services in North-West London.

During 2023, we expanded our engagement with local councils, charities and voluntary organisations, with collaborations established in training and education, support to carers, and social work engagement. We also hosted visits to the Hospice from the leader of Brent Council and his team, and local councillors in Kenton.



5. Structure, governance and management

The purpose of the charity, as set out in its Articles of Association (2023) are “The relief of sickness and the preservation of health of those suffering from any life limiting illness, primarily but not exclusively, within the areas of the London Boroughs of Harrow and Brent by:

1. maintaining a Hospice providing palliative and end of life care for them in a range of settings;
2. promoting and providing services, support and care for them, their families, friends, and carers to help relieve physical, emotional, mental, or spiritual distress;
3. promoting and providing education about all aspects of palliative and end of life care;
4. carrying out research into the development and improvement of care services, in particular all aspects of palliative and end of life care; and
5. promoting and providing other services and support in such ways as the Trustees shall from time to time think fit through the provision of health and social care services of all types.”

a. Public benefit

The charity exists to provide a palliative care end of life service for the residents of Harrow and Brent. In reviewing the objectives and activities for the year, the Trustees have satisfied themselves that all our charitable activities focus on that care and further our charitable purposes for the public benefit. The Trustees take into account Charity Commission guidance in this regard. The charity is a local organisation providing professional and compassionate services to the community in Harrow and Brent. It receives the majority of its funding from local individuals and organisations (including local NHS commissioning), therefore beneficiaries are mainly (although not exclusively) from the London boroughs of Harrow and Brent.

b. Corporate structure

The Articles of Association govern the charity and set out its charitable objectives and powers. In 2023, updated Articles of Association were adopted following Charity Commission consent.

The organisation is a charitable company limited by guarantee, incorporated on 22 June 1987.

St. Luke's Hospice (Harrow & Brent) Ltd. has a wholly owned trading subsidiary, St. Luke's Hospice (Harrow & Brent) Charity Shops Ltd (company number 02454552) through which it operates a network of charity shops and a lottery. The trading subsidiary exists to maximise income for the Hospice and all profits are donated to St Luke's Hospice using Gift Aid regulations. In 2024, a governance review was commissioned for the trading company, with implementation of its recommendations scheduled for completion in 2024. In addition, a review of the lottery was undertaken and plans approved to move to an external lottery provider.

c. Governance

St. Luke's Hospice is governed by a Board of Trustees which meets at least four times a year. The Board of Trustees is responsible for setting the strategic direction of the Hospice. Additional Board business is carried out between formal meetings in line with procedures set out in the Articles of Association, including discussion, decisions and voting by email. In addition to attending Board meetings, every Trustee sits on a committee.

In 2023, a new governance structure was implemented, following an independent Governance Review:

- Finance & Performance Committee (F&P) – overseeing the financial performance of the Hospice and the delivery of strategic objectives in line with resources, including income generation, marketing, IT, and estates management.
- Audit and Risk Committee (A&R) – overseeing risk management, governance, and compliance across the Hospice.
- Clinical Governance Committee (CGC) – overseeing all areas of governance and compliance in relation to clinical services and patient safety.
- People Committee (PC) – overseeing all areas of people, culture and organisational development.
- Remuneration Committee (RemCo) – overseeing the remuneration of senior management.

The Board delegates day-to-day management of the charity to the Chief Executive Officer and the Executive Team.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 9 to the Accounts.

d. Appointment of Trustees

Trustees, including the Chair of Trustees, are appointed by the Board following an open recruitment process including advertising, application and interview. The Board reviews the skills it needs in deciding selection criteria to maintain breadth of expertise. Once appointed a Trustee will serve for an initial term of 3 years, with a maximum of 3 terms. In 2023, seven new trustees were appointed to the Board.

e. Trustee induction and training

St Luke's Hospice operates a thorough induction programme for all new Trustees, including engagement with our services, and meetings with the Chief Executive Officer and members of the Executive Team. Trustees are provided with a comprehensive pack of information for reference including the Charity Governance Code. All Trustees are required to complete e-learning modules via the Hospice's online training portal and are also offered relevant training courses. Annual appraisal of all Trustees is conducted by the Chair and Vice-Chair. In addition, the Chair has an annual appraisal which is led by the Vice-Chair.

f. Principal risks

The organisation has developed its approach to risk management during 2023. Following a review of the Board Committee Structure the Audit and Risk Committee was established. The Committee provides assurance to the Board that risk management, internal control and governance arrangements are robust, effective and that the charity's responsibilities in relation to financial legislation and other applicable regulations as set out by the Care Quality Commission and the Charity Commission have been met.

The organisation has implemented Vantage incident, risk and compliance management software during 2023, initially launching the incident management module across the organisation, with further module implementation planned for 2024.

The Executive Team and the Audit and Risk Committee have agreed the organisation's principal risks which are regularly reviewed. Organisational policies and procedures are in place in relation to the principal risks.

Risk	Management / Mitigations
Commissioning	Regular meetings with Commissioners Contract in place Provision of monthly activity and quality data
Financial Sustainability	Finance and Performance Committee Regular monitoring of management accounts and financial position Approved budget for financial year Appointed auditors
Health and Safety	Health and Safety Group and Audit and Risk Committee Health and Safety Competent advisors Various risk assessment Business Continuity Plan
The environment	Structural surveys Planned maintenance programme Strategic plan for building upgrade
Infrastructure	IT review and programme of work External IT contractor
Communication and engagement	Communications and Marketing Team Mailings, social media and engagement events
Governance and Compliance	Clinical Governance Committee and Board level committees Internal governance groups Risk, incident and complaint management
Safeguarding	Safeguarding Lead and Trustee with responsibility for safeguarding Safeguarding training and compliance monitoring Freedom to Speak Up Guardian
Data governance, security, privacy and quality	Information Governance Group Data Protection Officer, Senior Information Risk Officer, Caldicott Guardian Compliance with the Data Security and Protection Toolkit (DSPT)
Clinical Services	Education and Training provision of staff Competency programmes
Infection Prevention and Control	External expert advisors Risk assessment Audit and Monitoring programmes Training and education
Workforce recruitment	People and Organisational Development Committee Diverse recruitment methods
Workforce capability	People and Organisational Development Committee Recruitment, probationary and appraisal processes Competency programmes Mandatory training and external training opportunities Education Team
Employment law, HR and payroll compliance	Remuneration Committee Specialist advisor support Contracts of employment



g. Our people

There were on average 152 people employed (2022: 156) in the Hospice and the hospice's Shops Company (full time and part time). Of these, 98 people were employed in the Hospice and 54 people in the Shops Company.

In 2023, 497(2022: 474) people volunteered with the Hospice and Shops Company.

h. Remuneration policy for key management personnel

As part of the Board Governance Review in 2023, it was recommended that a Remuneration Committee be established to review the pay and remuneration of the Executive Team. This new committee met for the first time in early 2024, with membership including the Chair of Trustees and the Chair of the People Committee. During 2023, an external agency was commissioned to carry out an exercise to benchmark executive salaries and benefits with comparable roles in the charity sector. The benchmarks were drawn from national and local charities in organisations of a similar size. The output will inform executive pay policies into the future.

i. Diversity, equity and inclusion

In 2023, the Board approved the establishment of a newly created post, Learning & Development Partner. It is anticipated that 2024 will see the introduction of sessions for all staff and volunteers to raise awareness of the importance of diversity and inclusivity in the workplace. Statutory and mandatory training continues to include modules on DEI.

j. Environmental impact - energy and carbon reporting

Work will be undertaken in 2024 to develop the organisation's environmental policy, identify the organisation's key environmental impacts and ensure that systems are developed for reporting and data collection.

The organisation undertook a number of initiatives in 2023 to improve our impact on the environment, including:

- Installation of new condensing boilers
- Installation of a new Building Management System (BMS) to enable more effective monitoring and management of various aspects of the buildings operation
- Installation of a high efficiency water cylinder
- Commencement of a replacement programme to single phase pumps providing increased efficiency and decreased power usage
- Completion of lighting replacement project to install LED lighting across the Kenton Grange site
- Ongoing recycling programme including plastics, papers, batteries, toner cartridges and the recycling of rag across our retail operation
- Order placed for electric vans for the retail operation.

6. Financial performance

a. Financial performance

In 2023, the Hospice Group recorded a surplus of £170k (2022: £186k). The Shops Company contributed profit of £357k (2022: £713k).

The Charity’s income arises from:

	2023	2022
North-West London Integrated Care Board (ICB) and others	40%	30%
Fundraising	33%	39%
Shops Company	26%	29%
Other Income	1%	2%
	100%	100%

The total income of the Group decreased by 3% (excluding grants relating to the Ageing Well Programme – see below) and prior to unrealised investment gains and losses.

The Hospice’s statutory income from North-West London Integrated Care Board and others was temporarily inflated in 2023 due the Charity receiving delayed funding from Central London Community Health Care (CLCH) relating to the Ageing Well funding programme. Outstanding payments were received during 2024. Without this funding (which is not recurring), the percentage funding from ongoing NHS grants in 2023 remains around 30%.

The net profit contribution from the Shops Company was lower in 2023 than 2022 which was largely attributed to investment in health and safety works across the Shops Estate, payment of the London Living Wage to staff, and costs relating to a move to a new Donations Centre and Superstore. The lottery also raised less income in 2023, but we saw an increase in Gift-Aid donations following a targeted effort across the shops.

The total costs of the Group increased by 7% which reflects investment into the Hospice’s Quality, Governance and Organisational Development work to meet the key recommendations of the Care Quality Commission’s 2021 Report; investment into IT infrastructure; and general inflationary increases in costs.

Cash has reduced to £1.7m from £3.3m due to investment in fixed assets and an increase in the debtors as of 31st December 2023. All debt and accrued income have been realised subsequently.

b. Fundraising approach, controls and performance

St Luke’s Hospice is dedicated to engaging and collaborating with its local community, whilst also maintaining high standards of fundraising and lottery activity.

St Luke’s is registered with the Fundraising Regulator, is a member of Hospice UK and the Hospice Income Generation Network (HIGN). Our lottery is licensed with the Gambling Commission, and St Luke’s operates within the Fundraising Code of Practice, employing a team of paid colleagues to deliver our fundraising and communications activities. The team regularly attend events and training to increase their understanding of fundraising developments within the hospice sector, and we have a dedicated supporter care team for data maintenance and record-keeping to comply with Fundraising Regulator requirements. In the period of 1 January to 31 December, we received thirteen complaints, all of which were investigated and dealt with in line with the Hospice complaints policy.

The Hospice commits to its fundraising policies and practice being legal, open and honest. From time to time we work with established and reputable service providers, including mailing houses and fundraising agencies, to undertake our direct mailings and telephone appeals. The Hospice has also signed up to receiving marketing suppressions under the Fundraising Preference Service, and none were received in the period 1 January to 31 December 2023.

We make every effort to operate GDPR compliant procedures and regularly review and update records for accuracy. All Fundraising activities are reported to the Finance and Performance Committee on a quarterly basis.

Excellent supporter stewardship and experience is a key priority for the Fundraising and Communications team, and during 2023 we actively sought feedback from our donors through a large insights survey. This provided important information regarding communication wishes and highlighted more of a need to demonstrate impact, and the difference that donations make in our marketing. It also gave the opportunity to update supporter contact preferences on our fundraising database.

We are immensely grateful to our generous donors and supporters for their continued commitment to all our work; in 2023, fundraising income generated £2,833k, compared to a prior year figure of £2,847k. This was made up of donations, events, and other fundraising income (corporate, in-memory etc), and also includes a £253k contribution from our lottery, which is reported within the retail contribution figure.

The Hospice was once again supported in many ways by the local communities of Harrow and Brent in 2023, and we were delighted that our flagship event, the Midnight Walk, attracted over 1,000 people and generated over £100k in income (a significant increase on 2022). 35 legacy gifts also contributed income of £996k, compared to £1,058k in 2022.

In 2023 the Hospice was grateful to receive £523k via a combination of unrestricted and restricted grants and donations (2022: £363k). Our huge thanks to all the Charitable Trusts and Foundations listed, and those who prefer to remain anonymous: Albert Hunt Trust; Arja Samaj Middlesex Hindu Charity UK; The Arts Society Harrow; Asian Foundation for Help; Betty Messenger Foundation; Cecil Rosen Charitable Trust; Childwick Trust; City Bridge Foundation; The February Foundation; Hamilton Wallace Trust; Hugh Dinan Charitable Trust; Jaspar Foundation; The Kingsbury Charity; Lenore Reynell Trust; Mahavir Trust; MAPS Medical Benevolent Charitable Trust; Mason Le Page Charitable Trust; Pauline and Harold Berman Trust and the RUB White Charitable Trust.

c. Retail and lottery performance

St Luke’s Hospice Shops Company Ltd continued to provide profits generated within the trading company to the Hospice to support its work and services. In August 2023, a new warehouse and superstore opened, whilst we saw the closure of two stores in our retail network as a result of leases ending. By the end of the year, the Shops Company operated 17 shops.

Donations of goods continued to be high and shops remain strongly supported by the local community. Nevertheless, the net contribution of all retail activity (including e-commerce) for 2023 was £357,525 compared to £713,960 in 2022. The decrease in net contribution was the combined effect of increased costs (warehouse and superstore investment; staff pay awards in line with London Living Wage; refurbishment and health and safety works across the shops estate); lower sales generally across the shops network including the loss of two shops; and ongoing challenges with recruitment to key roles within the shops business.

In early 2024, a retail strategy review was commissioned and completed by the Charity Retail Consultancy. The findings are being implemented during 2024 as part of a shops-wide organisational development programme, with the aim of improving the profitability of the shops.

During 2023, we received six complaints in relation to our retail network.

In 2023, our lottery contributed £253k which is reported within the retail contribution figure. Player retention was a key focus and recruitment in player numbers for long-term lottery growth will be the focus for 2024/2025.

d. Reserves policy

The Board of Trustees Reserves Policy aims to maintain six months of total expenditure as reserves.

The Finance and Performance Committee of the Board of Trustees reviews the Reserves Policy in line with future anticipated financial demands of the Charity. In 2023, reserves were £4,842k (six months of £9,683), compared to £4,512k in 2022 (six months of £9,023k) which was considered adequate by the Board of Trustees to meet the policy.

Free reserves held at 31 December 2023, as per the table below, were £5,172k, which indicates a surplus of £330k. The Trustees anticipate that this surplus will reduce in line with the Reserves Policy during 2023 and 2024. Further inflationary increases in Hospice running costs are anticipated in 2024, and in line with other hospices in the charity sector, the Trustees have approved a deficit budget for 2024. Therefore, the Trustees confirm that whilst the reserves at 31 December 2023 were in excess of the Charity’s Reserves Policy, they will be used in 2024 to support a deficit budget, ensure high quality clinical services are maintained, and that our estates remain fit for purpose to support the delivery of our services. The reserves position also ensures that there are sufficient reserve of liquid funds available to meet unexpected shortfalls in its funding streams, timing differences in receipt of those funds, or sudden increases in costs.

As at 31 December 2023, the Charitable Group held the following General and Designated Reserves:

Fund	£000's		Timeline for Use
	2023	2022	
Designated Fixed Asset Fund - Hospice	5,294	5,065	The designated fixed asset funds represent the net book value of the fixed assets. These funds are identified separately as they are illiquid funds and not available for use.
Designated Fixed Asset Fund - Shops	512	41	
TOTAL Designated Fixed Asset Funds	5,806	5,106	
General Unrestricted Fund	5,173	5,487	Available for general purposes and core costs
Risk Management Reserve	1,372	1,498	General Purposes – against perceived potential risks to income – see below
Pension Deficit Reserve	300	300	Held towards a potential future buy-out of the Defined Benefits Pension Scheme – see Note 20 of the Financial Statements
TOTAL FREE RESERVES	6,845	7,285	
TOTAL UNRESTRICTED FUNDS	12,651	12,391	As per Balance Sheet

The Risk Management Reserve was set up to enable the Hospice to manage any unexpected shortfall in income. This is required to protect the needs of our patients and also to give a reassurance of security for the staff.

Comprehensive details about the Pension Deficit Reserve can be found in Note 20 to the Accounts.

e. **Investment policy**

Messrs Rathbones plc were appointed as Investment Managers to the Charity in 2016 to manage the Charity’s investment portfolio. Rathbones were initially allocated approximately £1,600k to manage on behalf of the charity. An additional investment of £2.5m was made in December 2021. Before placing investments on behalf of the Charity the Trustees have asked the fund managers to screen for tobacco and health care companies. The fund managers report to the Charity on a quarterly basis.

As at 31 December 2023 the investments were valued at £4,011k (2022 - £3,861K).

Details of changes in the investments held are detailed in Note 11 of the Accounts.

7. Statement of responsibilities of the Trustees

The Trustees are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity and group’s auditors are unaware
- the Trustees have taken all reasonable steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The Trustees are responsible for maintenance and integrity of the charity and financial information included on the charity’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may vary from legislations in their jurisdictions.

Auditor

Haysmacintyre LLP has indicated its willingness to be reappointed as statutory auditor for the next financial year.

The Trustees’ Report, which incorporates a Strategic Report, was approved by the Trustees and signed on their behalf by

Margaret Lustman
Chair of Trustees

Date 2024

8. Independent Auditors' Report to the members of St. Luke's Hospice (Harrow & Brent) Ltd

We have audited the financial statements of St. Luke's Hospice (Harrow & Brent) Ltd for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Charity and Group Balance Sheets, the Statement of Consolidated Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and of the parent charitable company's affairs as at 31 December 2023 and of the group's and parent charitable company's net movement in funds, including the 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 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 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Message from the Chairman and Chief Executive. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have 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 its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 23, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with regulatory requirements of the Care Quality Commission, Charity Commission, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' meeting minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year-end or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

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

Use of 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.

Lee Stokes (Senior statutory auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor
10 Queen Street Place,
London,
EC4R 1AG

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including an Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Total 2022 £'000
Income from:						
Donations and legacies						
• Donations	2	1,784	433	-	2,217	1,976
- Covid grants	2	-	-	-	-	473
• Legacies	3	996	-	-	996	1,058
		<u>2,780</u>	<u>433</u>	<u>-</u>	<u>3,213</u>	<u>3,507</u>
Charitable Activities						
• NHS commissioning		3,596	-	-	3,596	2,504
• Other income		<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>437</u>
	5	<u>3,696</u>	<u>-</u>	<u>-</u>	<u>3,696</u>	<u>2,941</u>
Other trading activities						
• Fundraising events	2	251	-	-	251	224
• Gross income from shops and lottery	4	<u>2,411</u>	<u>-</u>	<u>-</u>	<u>2,411</u>	<u>2,754</u>
		<u>2,662</u>	<u>-</u>	<u>-</u>	<u>2,662</u>	<u>2,978</u>
Income from Investments						
		<u>117</u>	<u>-</u>	<u>-</u>	<u>117</u>	<u>105</u>
Total income		<u>9,255</u>	<u>433</u>	<u>-</u>	<u>9,688</u>	<u>9,531</u>
Expenditure on:						
Raising funds						
- Fundraising costs		1,417	-	-	1,417	625
• Fundraising events costs		230	-	-	230	245
• Shops and lottery expenditure		2,390	-	-	2,390	2,726
• Investment management costs		<u>19</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>23</u>
		<u>4,056</u>	<u>-</u>	<u>-</u>	<u>4,056</u>	<u>3,619</u>
Charitable activities						
• In patient services		1,721	146	-	1,867	1,941
• Outpatient services		437	156	-	593	545
• Community services		1,743	112	-	1,855	1,782
• General clinical support		<u>1,293</u>	<u>19</u>	<u>-</u>	<u>1,312</u>	<u>1,136</u>
		<u>5,194</u>	<u>433</u>	<u>-</u>	<u>5,627</u>	<u>5,404</u>
Total expenditure	7	<u>9,250</u>	<u>433</u>	<u>-</u>	<u>9,683</u>	<u>9,023</u>
Net income before gains/(losses) on investments						
		5	-	-	5	508
Net gains/(losses) on investments	11	150	-	-	150	(347)
Pension revaluation gain		<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>25</u>
Net income	6	<u>169</u>	<u>-</u>	<u>-</u>	<u>169</u>	<u>186</u>

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (continued)
(Including an Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Total 2022 £'000
Net income	6	169	-	-	169	186
Transfer between funds		62	(76)	14	-	-
		<u>231</u>	<u>(76)</u>	<u>14</u>	<u>169</u>	<u>186</u>
Net movement in funds		231	(76)	14	169	186
Reconciliation of funds						
Total funds brought forward		<u>12,420</u>	<u>76</u>	<u>214</u>	<u>12,710</u>	<u>12,524</u>
Total funds carried forward		<u><u>12,651</u></u>	<u><u>-</u></u>	<u><u>228</u></u>	<u><u>12,879</u></u>	<u><u>12,710</u></u>

All amounts relate to continuing activities. There are no recognised gains or losses for the current or preceding financial year other than as shown above, therefore no Statement of Total Recognised Gains & Losses has been presented. Income and expenditure by fund for the year ended 31 December 2022 is given in note 19 to the accounts.

The net result of the charity's own activities for 2022 was a loss of £187,745 (2022: surplus £528,697).

The notes on pages 23 to 54 form part of these accounts.

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.
CHARITY AND GROUP BALANCE SHEETS
AT 31 DECEMBER 2023

		Group		Charity	
	Notes	2023 £'000	2022 £'000	2023 £'000	2022 £'000
FIXED ASSETS					
Tangible assets	10	5,806	5,106	5,294	5,065
Investments	11	4,011	3,861	4,011	3,861
		<u>9,817</u>	<u>8,967</u>	<u>9,305</u>	<u>8,926</u>
CURRENT ASSETS					
Debtors	12	2,140	1,375	2,747	2,316
Cash at bank and in hand		1,717	3,293	1,491	2,262
		<u>3,857</u>	<u>4,668</u>	<u>4,238</u>	<u>4,578</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	13	(625)	(686)	(494)	(556)
NET CURRENT ASSETS		<u>3,232</u>	<u>3,982</u>	<u>3,744</u>	<u>4,022</u>
Long term liabilities (Pension deficit)	20	(170)	(239)	(170)	(239)
NET ASSETS	14	<u>12,879</u>	<u>12,710</u>	<u>12,879</u>	<u>12,709</u>
Represented by					
Unrestricted funds					
Designated funds		7,478	6,904	7,478	6,863
General fund		5,173	5,516	5,173	5,556
		<u>12,651</u>	<u>12,420</u>	<u>12,651</u>	<u>12,419</u>
Endowment funds		228	214	228	214
Restricted funds		-	76	-	76
	15	<u>12,879</u>	<u>12,710</u>	<u>12,879</u>	<u>12,709</u>

The financial statements were approved and authorised for issue by the Board of Trustees on2024 and signed on their behalf by:

M Lustman
Chair of Trustees

The notes on pages 23 to 54 form part of these accounts

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.
STATEMENT OF CONSOLIDATED CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £'000	2022 £'000
Cash flows from operating activities:		
Net cash flow provided by/(used in) operating activities (note A)	(748)	931
Cash flows from investing activities:		
Dividends, interest and rents from investments	117	105
Purchase of property, plant and equipment	(884)	(27)
Disposal of investments	374	911
Acquisition of investments	(479)	(3,208)
Change in investment cash	105	2,379
Pension creditor revaluation	(61)	(93)
Net cash used in investing activities	<u>(828)</u>	<u>88</u>
Change in cash and cash equivalents in the reporting period	(1,576)	1,019
Cash and cash equivalents at the beginning of the reporting period	3,293	2,274
Cash and cash equivalents at the end of the reporting period	<u>1,717</u>	<u>3,293</u>
A) Reconciliation of net (expenditure)/income to net cash flow from operating activities	2023 £'000	2022 £'000
Net income for the reporting period (as per the statement of financial activities)	169	188
Adjustments for:		
Depreciation charges	183	98
Losses/(gains) on investments	(150)	264
Gain on pension revaluation	(14)	(25)
Dividends, interest and rents from investments	(117)	(105)
Decrease/(increase) in debtors	(765)	362
Increase/(decrease) in creditors	(61)	149
Other	7	-
Net cash flow provided in/(used in) operating activities	<u>(748)</u>	<u>931</u>
Analysis of cash and cash equivalents		
Cash at bank and in hand	1,717	3,293
Total cash and cash equivalents	<u>1,717</u>	<u>3,293</u>

	Balance at 1.1.23 £'000	Balance at 31.12.23 £'000	Other non- cash changes £'000	Balance at 31.12.23 £'000
Cash and bank	3,293	(1,576)	-	1,717

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(i) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(ii) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and accruing for legacies which have not yet been received.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(iii) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs with the exception of investments which are held at fair value. Financial assets held at amortised costs comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

(iv) Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives trustees confidence the charity remains a going concern for the foreseeable future.

(v) Consolidation

These accounts consolidate the results of the charity and its wholly owned subsidiary, St Luke's Hospice (Harrow & Brent) Charity Shops Limited, on a line-by-line basis. A separate Income and Expenditure Account and Statement of Financial Activities is not presented for the charity alone as permitted by the Companies Act 2006 and Charities SORP.

(vi) Income

Income from donations, legacies and grants are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Donations include related gift aid income.

The Shops company acts as agent to sell items donated with a gift aid declaration and to pass the resulting cash donations to the Hospice rather than record them as turnover within the Shops Company. The Hospice also receives the gift aid claimed on these donations.

Legacies are included when the Hospice becomes entitled to the funds and the sum receivable can be reliably quantified. Where they rely on the sale of property or investments, and thus do not have a certain valuation, an estimate of their value is disclosed in the notes to the financial statements.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income from NHS contracts from the Harrow & Brent Clinical Commissioning Groups. They have been dealt with on a receivable basis as a contribution to running costs.

There have been no significant gifts in kind or donated goods and services during the year.

The value of services provided by volunteers is not incorporated in these financial statements. Further detail of the substantial contribution by volunteers can be found in the Report of the Trustees.

(vii) Expenditure

Expenditure is recognised when a liability is incurred. It includes VAT where this is not recoverable.

Expenditure on raising funds is the costs incurred in attracting donation income, organising and managing fundraising events, and the costs incurred in trading activities which raise funds.

Charitable activities include the Hospice care services offered to inpatients, day care patients, those receiving Hospice services in their own homes, and their carers and families. There are also a range of clinical and other services which apply to all these forms of Hospice care. These costs 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 basis consistent with the use of resources, e.g., property costs by floor areas and other costs on the bases shown in Note 7.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with compliance with constitutional and statutory requirements. These have been allocated to activity costs on the same basis as support costs.

(viii) **Tangible fixed assets**

All assets acquired costing more than £2,500 are capitalised.

Leasehold properties	assets acquired prior to 2016 - over the term of the lease assets acquired after 2016 – shorter of 5 years or the remaining term of the lease
Fixtures and equipment	20%
Motor vehicles	20%
IT equipment and systems	20%

The freehold property is not depreciated as the amount of depreciation is considered to be immaterial.

Tangible fixed assets are held at cost and (except for the freehold property) depreciated on a straight line basis over their estimated useful lives as follows.

(ix) **Investments**

Investments are initially recognised at their transaction cost and subsequently valued at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading ‘Net gains/(losses) on investments’ in the Statement of Financial Activities.

(x) **Funds**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for specific purposes.

Endowment funds are restricted funds which are to be retained for the benefit of the charity as a capital fund.

The Hospice has a number of restricted income and capital funds. Details of the funds are given in the notes to the financial statements.

(xi) **Pensions**

The Group currently offers a qualifying defined contribution pension scheme to all staff. In addition the Group is a Direction Employer under the NHS Scheme.

National Health Service Superannuation scheme

This is a statutory superannuation scheme as defined in Section 6.12 (1) Income and Corporation taxes Act 1988, which has no invested funds. Contribution by employers (currently 14.3%) and members are accounted for to the Treasury and benefits are paid from the consolidated fund. This scheme is only open to staff who have been members of the NHS scheme in previous employment under the dispensation rules. The accounting charge represents the employer’s contributions for the period.

Defined Contribution Scheme (Pensions Trust)

With effect from 1 May 2015 the group also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the group. There is no liability under the scheme other than the payment of those contributions.

(xii) **Taxation**

No tax is payable due to the charitable status of the parent company. Taxable profits generated by the trading subsidiary are transferred to the parent company under gift aid.

(xiii) **Leases**

Operating lease rentals are charged to the Statement of Financial Activities over the period of the lease.

(xiv) Legal status

The charitable company is limited by Guarantee and does not have any share capital.

(xv) Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received. Termination benefits are accounted for on an accrual basis and in line with FRS 102.

(xvi) Debtors

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

(xvii) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

(xiii) Creditors and provisions

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

2. DONATIONS – 2023

	Unrestricted funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
Individual donations	234	17	251	318
In memoriam donations	181	4	185	177
Community groups	126	11	137	136
Trust fund donations	135	388	523	363
Corporate donations	101	0	101	192
Major Donors	52	13	65	46
Gift aid	71	-	71	60
Donations & gift aid from sale of goods in our shops	884	-	884	684
	<u>1,784</u>	<u>433</u>	<u>2,217</u>	<u>1,976</u>

Fundraising events in 2023, raised £251,257 (2022: £223,762).

DONATIONS – 2022

	Unrestricted funds £'000	Restricted Funds £'000	Total 2022 £'000
Individual donations	279	39	318
In memoriam donations	177	-	177
Community groups	136	-	136
Trust fund donations	152	211	363
Corporate donations	187	5	192
Major Donors	46	-	46
Gift aid	60	-	60
Donations & gift aid from sale of goods in our shops	684	-	684
	<u>1,721</u>	<u>255</u>	<u>1,976</u>

COVID GRANTS

	Unrestricted funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
Hospice UK grants	-	-	-	473
Other Grants	-	-	-	45
	<u>-</u>	<u>-</u>	<u>-</u>	<u>518</u>

3. LEGACIES

In addition to the sum of £995,627 from legacies within income (2022: £1,058,256), the Hospice has also received notifications for legacies where the value is currently uncertain until property or equity sales are completed, or probate granted; due to the difficulty with the valuation in light of the uncertainties no estimation has been made for these legacies. In accordance with the Hospice's accounting policy for legacies, these are not included in these accounts on the grounds of uncertainty of measurement.

4. INCOME AND EXPENDITURE FROM SHOPS AND LOTTERY

The Charity owns the entire share capital of St Luke's Hospice (Harrow & Brent) Charity Shops Limited, a company registered in England and Wales, which operates charity shops in support of the Hospice funding. The subsidiary transfers to the Hospice under gift aid an amount not less than its taxable profits.

A summary of the trading results of the subsidiary is shown below. Audited accounts have been prepared in respect of the trading period for the year ended 31 December 2023.

	Total 2023 £'000	Total 2022 £'000
Turnover	2,158	2,436
Income from lottery	253	273
Government grants	-	45
	<u>2,411</u>	<u>2,754</u>
Cost of sale of purchased goods	4	5
Administration expenses	1,960	1,942
Lottery expenditure and prizes	90	93
	<u>2,054</u>	<u>2,040</u>
Net direct income from shops and lottery	357	714
Lease costs relating to shops owned by Charity	(66)	(70)
Donations of goods under gift aid	707	514
Lottery Prizes donated by Players	14	8
	<u>1,012</u>	<u>1,166</u>
Contribution generated by Charity Shops Ltd	<u>1,012</u>	<u>1,166</u>

5. CHARITABLE ACTIVITIES -2023

	Unrestricted funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
NHS commissioning income	3,596	-	3,596	2,504
Service level agreement	<u>3,596</u>	<u>-</u>	<u>3,596</u>	<u>2,504</u>
Other funding	100	-	100	437
	<u>3,696</u>	<u>-</u>	<u>3,696</u>	<u>2,941</u>

NHS commissioning income in 2023 includes funding to deliver Fast Track Brokerage of Care. The current contract runs to March 2025.

Services were also expanded to provide specialist palliative care services at weekends in the Brent area – part of the Ageing Well Project. The above income includes £351,237 relating to the years 2021 and 2022.

CHARITABLE ACTIVITIES -2023

	Unrestricted funds £'000	Restricted Funds £'000	Total 2023 £'000
NHS commissioning income	2,504	-	2,504
Service level agreement	437	-	437
Other funding	<u>2,941</u>	<u>-</u>	<u>2,941</u>

6. NET INCOME

	Total 2023 £'000	Total 2022 £'000
Net income is stated after charging:		
Depreciation	183	98
Auditor's remuneration	18	18
Other fees payable to auditors	12	3
Operating lease rental	<u>525</u>	<u>513</u>

7. EXPENDITURE – 2023

	Basis of Allocation	Shops &				General				
		Fundraising costs £'000	Fundraising event costs £'000	Lottery expenses £'000	Investment Management costs £'000	Inpatient services £'000	Out Patient services £'000	Community services £'000	clinical support £'000	2023 Total £'000
Staff costs	Direct	391	60	1,483	-	1,157	330	1,656	402	5,479
Drugs and medical	Direct	-	-	-	-	128	-	-	-	128
Catering and housekeeping	Direct	-	-	-	-	-	-	-	210	210
Fundraising and community	Direct	880	65	-	-	-	-	-	-945	
Other direct costs	Direct	-	-	571	19	132	65	40	386	1,213
		1,271	125	2,054	19	1,417	395	1,696	998	7,975
Support costs										
Management	Staff time	33	33	87	-	16	16	16	16	217
Quality	Staff time	5	0	25	-	30	19	21	30	130
Finance	Staff time	36	36	109	-	43	24	36	77	361
HR	Headcount	19	9	112	-	78	11	26	56	311
Premises	Floor area	29	15	0	-	181	112	27	67	431
Gen overheads	Headcount	24	11	0	-	102	15	33	69	254
Shops Lease	Amortisation	-	-	4	-	-	-	-	-	4
		146	104	336	-	450	198	159	316	1,708
Total expenditure	2023	1,417	230	2,390	19	1,867	593	1,855	1,313	9,683
Total expenditure	2022	625	245	2,726	23	1,941	545	1,782	1,136	9,023

- The lease rentals relating to two shops owned by Hospice are allocated wholly to Shops and Lottery Expenses.

7. EXPENDITURE – 2022

	Basis of Allocation	Shops &			Investment			General			2022 Total £'000
		Fundraising costs £'000	Fundraising event costs £'000	Lottery expenses £'000	Management costs £'000	Inpatient services £'000	Out Patient services £'000	Community services £'000	clinical support £'000		
Staff costs	Direct	360	78	1,324	-	1,241	299	1,586	291	5,179	
Drugs and medical	Direct	-	-	-	-	66	-	-	-	66	
Catering and housekeeping	Direct	-	-	-	-	-	-	-	170	170	
Fundraising and community	Direct	121	60	-	-	-	-	-	-	-181	
Other direct costs	Direct	-	-	716	23	223	88	40	381	1,471	
		481	138	2,040	23	1,530	387	1,626	842	7,067	
Support costs											
Management	Staff time	45	45	100	-	38	37	38	38	341	
Quality	Staff time	27	26	79	-	32	17	26	57	264	
Finance	Headcount	13	7	80	-	56	8	19	40	223	
HR	Floor area	18	9	-	-	112	70	17	42	268	
Premises	Headcount	41	20	420	-	173	26	56	117	853	
Gen overheads	Amortisation	-	-	7	-	-	-	-	-	7	
Shops Lease											
		144	107	686	-	411	158	156	294	1,956	
		625	245	2,726	23	1,941	545	1,782	1,136	9,023	
Total expenditure	2022										
		552	239	2,493	12	1,579	457	1,529	1,168	8,029	
Total expenditure	2021										

- The lease rentals relating to two shops owned by Hospice are allocated wholly to Shops and Lottery Expenses.

8. STAFF COSTS AND NUMBERS

	Total 2023 £'000	Total 2022 £'000
Salaries and wages	4,930	4,813
Social security costs	470	470
Pension costs	330	498
Total	5,730	5,781
Average number of employees (full time equivalents)		
Hospice	82	83
Shops	49	50
	131	133

There were on average 152 people employed (2022 – 156) full and part time. The employees were supported by 497 unpaid volunteers during the year (2022: 474).

Pension costs include an amount of £32,191 (2022 – £28,325) paid in respect of death in service cover for employees of the company.

Ex Gratia payments made during the year were £14,169 (2022 – £30,000)

The total remuneration for Key Management Personnel included in staff costs above is £546,711 (2022: £481,464).

The number of staff with remuneration in excess of £60,000 were as follows:

£	2023	2022
£60,000 - £70,000	3	1
£70,000 - £80,000	3	1
£80,000 - £90,000	-	-
£90,000 - £100,000	1	-
£100,000 - £110,000	-	1

9. TRUSTEES

None of the trustees received any remuneration or benefits in kind from the charitable company (2022: Nil).

Trustees did not claim any expenses on behalf of the charity during the year. (2022: £734).

10. TANGIBLE FIXED ASSETS

	Freehold properties £'000	Leasehold properties £'000	Fixtures & equipment £'000	Motor vehicles £'000	Total £'000
Group					
Cost					
Opening balance	4,932	599	284	11	5,826
Additions	-	595	289	-	884
Closing balance	4,932	1,194	573	11	6,710
Depreciation					
Opening balance	-	557	155	9	721
Charge for the year	-	125	56	2	183
Closing balance	-	682	211	11	904
Net Book Value					
At 31 December 2023	4,932	512	362	-	5,806
At 31 December 2022	4,932	42	129	2	5,106

	Freehold properties £'000	Leasehold properties £'000	Fixtures & equipment £'000	Motor vehicles £'000	Total £'000
Charity					
Cost					
Opening balance	4,932	33	273	-	5,238
Additions	-	-	289	-	289
Closing balance	4,932	33	562	-	5,527
Depreciation					
Opening balance	-	29	144	-	173
Charge for the year	-	4	56	-	60
Closing balance	-	33	200	-	233
Net Book Value					
At 31 December 2023	4,932	-	362	-	5,294
At 31 December 2022	4,932	4	129	-	5,065

Freehold properties otherwise represents the acquisition and conversion costs of Kenton Grange between 1992 and 2002 shown at historic cost and the costs of building the Woodgrange Centre completed in 2015.

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

11. INVESTMENTS

	Total 2023 £'000	Total 2022 £'000
Market value at 1 January 2023	3,861	4,206
Additions	479	3,208
Disposals	(374)	(827)
Realised and unrealised gains/ (losses)	150	(347)
Movement in investment cash	(105)	(2,379)
Market value at 31 December 2023	<u>4,011</u>	<u>3,861</u>

12. DEBTORS: amounts falling due with one year

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	60	97	60	97
Other debtors	134	66	77	33
Prepayments and accrued income	1,946	1,212	1,731	1,031
Amounts owed by subsidiary undertaking	-	-	879	1,155
	<u>2,140</u>	<u>1,375</u>	<u>2,747</u>	<u>2,316</u>

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	170	289	155	265
Taxation and social security	175	203	142	174
Accruals and deferred income	280	194	197	117
	<u>625</u>	<u>686</u>	<u>494</u>	<u>556</u>

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP – 2023

	Unrestricted funds General £'000	Designated £'000	Endowment Funds £'000	Restricted Funds £'000	Total 2023 £'000
Tangible fixed assets	-	5,806	-	-	5,806
Investments	2,411	1,372	228	-	4,011
Net current assets	2,932	300	-	0	3,232
Long term liabilities	(170)	-	-	-	(170)
Net assets	<u>5,173</u>	<u>7,478</u>	<u>228</u>	<u>0</u>	<u>12,879</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP – 2022

	Unrestricted funds General £'000	Designated £'000	Endowment Funds £'000	Restricted Funds £'000	Total 2022 £'000
Tangible fixed assets	-	5,106	-	-	5,106
Investments	2,469	1,174	218	-	3,861
Net current assets	3,906	-	-	76	3,982
Long term liabilities	(239)	-	-	-	(239)
Net assets	<u>6,136</u>	<u>6,280</u>	<u>218</u>	<u>76</u>	<u>12,710</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CHARITY – 2023

	Unrestricted funds General £'000	Designated £'000	Endowment Funds £'000	Restricted Funds £'000	Total 2023 £'000
Tangible fixed assets	-	5,294	-	-	5,294
Investments	2,411	1,372	228	-	4,011
Net current assets	2,932	812	-	-	3,744
Long term liabilities	(170)	-	-	-	(170)
Net assets	<u>5,173</u>	<u>7,478</u>	<u>228</u>	<u>-</u>	<u>12,879</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS - CHARITY – 2022 (Continued)

	Unrestricted funds		Endowment	Restricted	Total
	General	Designated	Funds	Funds	2022
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	5,065	-	-	5,065
Investments	2,473	1,174	214	-	3,861
Net current assets	3,294	652	-	76	4,022
Long term liabilities	(239)	-	-	-	(239)
Net assets	5,528	6,891	214	76	12,709

15. FUNDS – 2023

	Opening Balance £'000	Income £'000	Expenditure £'000	Investment Gains/ Losses £'000	Transfer/ Pension Surplus £'000	Closing Balance £'000
Restricted funds						
Inpatient care funds	-	146	(146)	-	-	-
Outpatient care funds	-	156	(156)	-	-	-
Community care funds	-	112	(112)	-	-	-
General Clinical funds	-	20	(20)	-	-	-
Capital funds	76	-	-	-	(76)	-
Fundraising Programme	-	-	-	-	-	-
Total restricted funds	76	433	(433)	-	(76)	-
Endowment funds						
Alice Wisbey Capital Fund	24	-	-	1	-	25
D D McPhail	190	-	-	13	-	203
Total endowment funds	214	-	-	14	-	228
Unrestricted funds						
Designated fixed asset fund	5,065	-	-	-	229	5,294
Designated shops assets fund	41	-	-	-	471	512
Designated risk management fund	1,498	-	-	(126)	-	1,372
Pension liability reserve	300	-	-	-	-	300
Total designated funds	6,904	-	-	(126)	700	7,478
Unrestricted funds						
General charitable funds	5,516	6,847	(7,186)	264	(268)	5,173
General non-charitable trading funds	-	2,411	(2,054)	-	(357)	-
Total general funds	5,516	9,258	(9,240)	264	(625)	5,173
Total unrestricted funds	12,420	9,258	(9,240)	138	76	12,651
Total funds	12,710	9,691	(9,673)	151	-	12,879

15. FUNDS – 2023

	Opening Balance £'000	Income £'000	Expenditure £'000	Investment Gains/ Losses £'000	Transfer/ Pension Surplus £'000	Closing Balance £'000
Restricted funds						
Inpatient care funds	-	64	(64)	-	-	-
Outpatient care funds	-	76	(76)	-	-	-
Community care funds	-	20	(20)	-	-	-
General Clinical funds	-	50	(50)	-	-	-
Capital funds	76	25	25	-	-	76
Fundraising Programme	-	20	20	-	-	-
Total restricted funds	<u>76</u>	<u>255</u>	<u>(255)</u>	<u>-</u>	<u>-</u>	<u>76</u>
Endowment funds						
Alice Wisbey Capital Fund	27	-	-	(3)	-	24
D D McPhail	218	-	(2)	(26)	-	190
Total endowment funds	<u>245</u>	<u>-</u>	<u>(2)</u>	<u>(28)</u>	<u>-</u>	<u>214</u>
Unrestricted funds						
Designated fixed asset fund	5,071	-	-	-	(6)	5,065
Designated shops assets fund	105	-	(64)	-	-	41
Designated risk management fund	1,641	-	(7)	(149)	-	1,485
Pension liability reserve	300	-	-	-	-	300
Total designated funds	<u>7,117</u>	<u>-</u>	<u>(71)</u>	<u>(149)</u>	<u>(6)</u>	<u>6,891</u>
Unrestricted funds						
General charitable funds	5,086	6,522	(5,969)	(167)	56	5,528
General non-charitable trading funds	-	2,754	(2,726)	-	(28)	-
Total general funds	<u>5,086</u>	<u>9,276</u>	<u>(8,695)</u>	<u>(167)</u>	<u>28</u>	<u>5,528</u>
Total unrestricted funds	<u>12,203</u>	<u>9,276</u>	<u>(8,766)</u>	<u>(316)</u>	<u>25</u>	<u>12,419</u>
Total funds	<u><u>12,524</u></u>	<u><u>9,531</u></u>	<u><u>(9,023)</u></u>	<u><u>(345)</u></u>	<u><u>25</u></u>	<u><u>12,712</u></u>

15. FUNDS (continued)

A Pension Liability Reserve was set up in 2016 to reflect potential increases in the pension liability. When it was provided in full in 2017, the reserve was reduced. The balance in this fund will be used towards the cost of any future buy-out of the liability.

The late Mrs Alice Wisbey made a bequest to the Hospice with the instruction that the income therefrom should be applied for the comfort of the nursing staff. This is split between Income and Capital funds.

The restricted funds represent grants and donations received, from Trusts and individuals, where the use of the funds was restricted to a specific purpose by the donor. These funds have included contributions towards the cost of our In-patient unit, Day care services, Community and Homecare services, to the provision of complementary therapies and a number of other items.

The D D McPhail Charitable Settlement originally gave £150,000 as an endowment fund. No instructions were given about income so this is applied for the general purposes of the charity. The difference between the original fund value and the current fund value arises through revaluation of the underlying investment.

The designated fixed asset fund represents the net book value of the Hospice's fixed assets. It has been set up to assist in identifying funds which are not free funds. Similarly, the designated shops asset fund has been set up to identify fixed assets of the shops company not covered by their working capital.

The designated risk management fund is intended to cover unexpected costs or income shortfalls, ensuring the long-term sustainability of the Hospice. The balance in this fund as at 31 December 2023 was £1,371k (2022 - £1,485k) most of which is managed by Rathbones, our investment manager.

The surplus arising out of the activities during the year resulted in the increase in unrestricted general charitable funds of £442k (2021 - £1,781k). The surplus for the year was created by additional COVID support from NHS England, distributed by Hospice UK. Without that support the Charity would have made a loss.

The general funds represent the unrestricted funds of the group and are therefore "free reserves".

16. OPERATING LEASE COMMITMENTS

The group has the following total commitments under non-cancellable operating leases:

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts due:				
Within 1 year	501	476	69	66
Within two to five years	1,189	1,126	206	264
After five years	802	331	31	104
	<u>2,492</u>	<u>1,933</u>	<u>306</u>	<u>434</u>

17. CAPITAL COMMITMENTS

The group has no capital commitments at the year-end (2022: none).

18. RELATED PARTY TRANSACTIONS

During the year, Trustees, Senior Executive Team members and their close family members donated £1,120 to the Hospice (2022: £2,428). There were no other transactions with related parties during the year (2022: none).

19. STATEMENT OF FINANCIAL ACTIVITIES IN THE PREVIOUS YEAR (2022)

	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Income from:				
<i>Donations and legacies</i>				
• Donations	1,721	255	-	1,976
• Covid grants	473	-	-	473
• Legacies	1,058	-	-	1,058
	<u>3,252</u>	<u>255</u>	<u>-</u>	<u>3,507</u>
<i>Charitable Activities</i>				
• NHS commissioning	2,504	-	-	2,504
• Other income	437	-	-	437
	<u>2,941</u>	<u>-</u>	<u>-</u>	<u>2,941</u>
<i>Other trading activities</i>				
• Fundraising events	224	-	-	224
• Gross income from shops and lottery	2,754	-	-	2,754
	<u>2,978</u>	<u>-</u>	<u>-</u>	<u>2,978</u>
<i>Investments</i>	105	-	-	105
Total income	<u>9,276</u>	<u>255</u>	<u>-</u>	<u>9,531</u>

19. STATEMENT OF FINANCIAL ACTIVITIES IN THE PREVIOUS YEAR (2022)

	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Expenditure on:				
Raising funds				
- Fundraising costs	605	20	-	625
• Fundraising events costs	245	-	-	245
• Shops and lottery expenditure	2,726	-	-	2,726
• Investment management costs	21	-	2	23
	<u>3,597</u>	<u>20</u>	<u>2</u>	<u>3,619</u>
Charitable activities				
• In patient services	1,941		-	1,941
• Day care services	545		-	545
• Homecare services	1,782		-	1,782
• Overall clinical support	901	235	-	1,136
	<u>5,169</u>	<u>235</u>	<u>-</u>	<u>5,404</u>
Total expenditure	<u>8,766</u>	<u>255</u>	<u>2</u>	<u>9,023</u>
Net expenditure before gains on investments	510		(2)	508
Net (losses)/gains on investments	(318)	-	(29)	(347)
Pension revaluation gain	25	-	-	25
	<u>217</u>	<u>-</u>	<u>(31)</u>	<u>186</u>

20. THE CAREER AVERAGE REVALUED EARNING SCHEME (THE PENSIONS TRUST)

Up until 1st May 2015, the group offered a multi-employer pension scheme providing a defined benefit (career average) pension for members.

The company participated in the scheme, a multi-employer scheme which provides benefits to some 36 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2022. This valuation showed assets of £49.6m, liabilities of £57.1m and a deficit of £7.5m. To eliminate this funding shortfall, the Pension Trustee asked the participating employers to pay additional contributions to fund the scheme deficit of £1.67m. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities, and increase by 3% per annum on 1st April each year. It was anticipated that the deficit would be cleared by 31st March 2027.

During 2022 St Luke's contributed £69,272 towards the deficit (2021 - £67,254)

Note that the previous valuation was carried out with an effective date of 30th September 2019. This valuation showed assets of £79m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Pension Trustee asked the participating employers to pay additional contributions to fund the scheme deficit. Annual deficit contributions by participating employers then total £1.53m pa due to the annual 3% increases, and the deficit to be cleared by 30th September 2027.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION	31 December 2023 (£000s)	31 December 2022 (£000s)
Present value of provision	226 =====	308 =====

THE CAREER AVERAGE REVALUED EARNING SCHEME (PENSIONS TRUST) (continued)

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	2023 £'000	2022 £'000
Provision at start of period	310	399
Unwinding of the discount factor (interest expense)	14	5
Deficit contribution paid	(69)	(67)
Remeasurements - impact of any change in assumptions	1	(29)
Remeasurements – amendments to the contribution schedule	(30)	
	<hr/>	<hr/>
Provision at end of period	226	308
	<hr/>	<hr/>
	2023 £'000	2022 £'000
Amounts due within one year	72	69
Amounts due after one year	170	239
	<hr/>	<hr/>
	242	308
	<hr/>	<hr/>

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS	31 December 2023	31 December 2022
	% per annum	% per annum
Rate of discount	4.74	5.10
	=====	=====

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

10. Reference and administrative information

Company Number	02141770
Charity Number	298555
Registered Office	Kenton Grange, Kenton Road, Harrow, Middlesex HA3 0YG
Trustees	<p>The trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:</p> <p>Margaret Lustman (Chair of Trustees) – appointed 9/3/2023 Dr Carole Amobi (Chair of Clinical Governance Committee) – resigned 24/1/2024 Carolyn Bennett – resigned 1/3/2023 Norma Brier (Vice Chair) - resigned 1/3/2023 Natalie Butler – appointed 14/9/2023 Liz Jewitt-Cross (Chair of People Committee) – appointed 7/12/2023 Sarah Gigg – appointed 14/9/2023 Christine Glenn (Chair of Remuneration Committee) Paul Hill (Interim Chair of Trustees to March 2023; Chair of Finance & Performance Committee) Sarah Livingston (Chair of Clinical Governance Committee from March 2023) Dr Reena Majus – resigned 1/3/2023 Jatin Patel (Chair of Audit & Risk Committee) – appointed 14/9/2023 Chandia Radia – appointed 14/9/2023 Neel Radia Dr Gillian Schiller – resigned 31/3/2023 Professor Stephen Spiro (Vice Chair) – appointed 14/9/2023 Raj Thakrar Claire Melia-Tompkins</p>
Key management personnel	
Chief Executive Officer	Lindsey Bennister
Medical Director	Dr Charles Daniels
Director of Clinical Services	Lorraine Gilbert – resigned 3/12/2023 Claire Porter – appointed 29/7/2024
Director of Quality & Governance	Fran Deane – appointed 1/8/2023
Director of Finance	Sue Wilson – resigned 30/11/2023 Geethanjali Umaasuthan – appointed 23/11/2023
Director of People & Organisational Development	Lorna Campbell – appointed 2/5/2023
Director of Fundraising & Communications	Joanna Pearce
Principal Bankers	Barclays Bank plc, Leicester LE87 2BB
Auditors	Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG
Investment Managers	Rathbone Investment Management 8 Finsbury Circus, London EC2M 7AZ
Solicitors	Curry Popeck, Devonshire House, 582 Honeypot Lane, Middlesex, HA7 1JS BDB Pitmans LLP, One Bartholomew Close, London EC1A 7BL
Website	www.stlukes-hospice.org

St. Luke's Hospice (Harrow & Brent) Ltd

St Luke's Hospice, Kenton Grange, 385 Kenton Road, Harrow, HA3 0YG

t: 020 8382 8000 e: info@stlukes-hospice.org

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Registered Charity Number: 298555 Company Number: 02141770.

