ST OSWALD'S HOSPICE LIMITED

England & Wales · Charity number 503386

Details

Status	Registered
Legal form	Charitable company
Company number	01166239
Registered	1974-06-28
Register	View on the Charity Commission register

Contact

Address	St. Oswalds Hospice Regent Avenue Newcastle Upon Tyne NE3 1EE
Phone	01912850063
Email	enquiries@stoswaldsuk.org
Website	www.stoswaldsuk.org

Activities

Objects: THE OBJECTS OF THE CHARITY ARE TO PROMOTE THE RELIEF OF SICKNESS IN SUCH WAYS AS THE CHARITY SHALL FROM TIME TO TIME THINK FIT INCLUDING BUT NOT LIMITED TO: 1. THE PROVISION OF RESIDENTIAL AND DAY CARE AND CARE IN THE COMMUNITY FOR PERSONS SUFFERING FROM A LIFE THREATENING OR CHRONIC ILLNESS; 2. THE PROVISION OF CARE AND SUPPORT TO PATIENT'S FAMILIES, FRIENDS, CARERS AND OTHERS IN NEED; 3. THE ADVANCEMENT OF EDUCATION AND TRAINING FOR PROFESSIONALS AND VOLUNTEERS ENGAGED IN PALLIATIVE AND END OF LIFE CARE; 4. THE PROMOTION OF AWARENESS OF THE VIRTUES, PRINCIPLES AND PRACTICE OF HOSPICES AND PALLIATIVE AND END OF LIFE CARE AND SUPPORT; 5. THE PROVISION OF SPIRITUAL HELP TO PATIENTS, THEIR FAMILIES, CARERS AND STAFF.

Activities: The principal activity of the Hospice is to provide specialist palliative medical and nursing care to patients with life limiting illnesses.

Downloaded from opencharities.uk/ew/503386

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Durham
- Gateshead
- Newcastle Upon Tyne City
- North Tyneside
- Northumberland
- South Tyneside
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£17,565,412	£18,134,211	£17,412,257	391
2024-03-31	£17,265,790	£16,457,540	£17,891,169	366
2023-03-31	£15,350,031	£14,688,256	£17,004,983	348
2022-03-31	£13,940,356	£13,084,034	£16,352,924	335
2021-03-31	£13,445,189	£12,723,846	£15,448,000	337

Downloaded from opencharities.uk/ew/503386

Trustees

Name	Role	Appointed
Dame Nicola Stephenson		2025-01-06
David Hicks		2018-09-25
David Iain Reynolds		2022-12-01
Dr Alison Charlewood		2025-04-28
Dr Andrew Cuff		2025-05-21
Dr Neil Morris		2021-09-09
Imogen Holland		2021-02-03
James Holmes		2021-07-19
Kirste Worland		2025-01-06
Laura O'Driscoll		2020-07-20
Richard Taylor		2021-11-24
Sahreen Safdar		2025-09-08
Stephen James		2019-05-21
Sue Sinton		2021-11-24
Tricia Phillips		2019-03-26

Downloaded from opencharities.uk/ew/503386

ST OSWALD'S HOSPICE LIMITED

England & Wales - Charity number 503386

Accounts

St Oswald's Hospice



Trustees' Annual Report and Financial Statements

for the year ended 31 March 2025

Quality time for everyone

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

CONTENTS **Page**

Welcome to our Annual Report 2

Reference and Administrative Details 2

Message from our Chair 3

Board of Trustees and Management at 31 March 2025: 5

Our Professional Advisors at 31 March 2025 6

Structure, Governance and Management 7

Related parties and co-operation with other organisations 9

Objectives and Aims 10

STRATEGIC REPORT 11

- Our 2023-2027 Strategy 11
- Strategy Progress 2024-2025 11
- Achievements and Performance 14
- Research 22
- Financial Performance 25
- Section 172 Statement 29
- Ensuring Quality Care: Monitoring and Compliance 30
- Policies to Achieve Our Objectives 32
- Sustainability 35
- Managing Risk 37
- Regulatory statements 40

Trustees' Responsibilities Statement 43

Financial Statements for the Year Ended 31 March 2025 45

Independent Auditor's Report 46

Consolidated Statement of Financial Activities 51

Balance Sheet (Group and Hospice) 52

Consolidated Cash Flow Statement 53

Notes to the Financial Statements 55

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2025.

Here you will find out all about our work, who we care for and how we operate. We have also detailed our mission and our objectives and highlighted our achievements this year and our strategic plans going forward.

This report also includes a full set of audited financial statements for the year ended 31 March 2025. The financial statements comply with the Charities Act 2011, the Companies Act 2006, Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and Administrative Details

St Oswald's Hospice is a company limited by guarantee, number 01166239 (not having a share capital). The company is a Registered Charity, number 503386 and its Articles of Association govern its functions.

St Oswald's Hospice's Articles of Association were last amended on 29th November 2016.

Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding £1.00.

Our Registered Office

We are registered at St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE. You can contact us by telephone on: 0191 285 0063 or by email at: enquiries@stoswaldsuk.org

If you would like to find out more about our work, please go to our website: www.stoswaldsuk.org or follow us on Facebook, Instagram, X, LinkedIn and YouTube.

Board of Trustees and Directors

The Board of Trustees who served during the year are set out on page 5, where you will also find details of the Hospice Management Team. Our professional advisors are detailed on page 6.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Message from our Chair

It is a huge privilege to write this introduction in my first year as Chair of the Board of Trustees. Following eight years of great leadership, incredible service and personal warmth, the inspiring Dr Christine English, has stepped down as our Chair. It is with pride and a little trepidation that I take on this role to continue the important work of supporting our patients, their families, and our staff and volunteers.

St Oswald's Hospice owes a huge debt of gratitude to Christine – her knowledge and insight will be missed greatly; however, part of her legacy remains in the Strategy that was developed during her tenure. I see a major part of my role now being to ensure that we deliver on these promises and the improved outcomes therein.

This has been another challenging year for St Oswald's Hospice, yet sprinkled with many moments of excitement, pride and real joy as we continue to grow and develop in line with our Strategy. As always, we have remained focused on providing compassionate care to new and existing patients, as well as their families and carers.

We are a place where people matter. A place that focuses both on living and dying well with our promise of Quality Time for Everyone. Together, with the vital support of our staff, volunteers, donors, customers and supporters, we provide expert, dignified and compassionate care for everyone, of all ages, who are living with a progressive, life-limiting condition, and their families and carers too.

Our Strategy sets out an inspiring future for St Oswald's Hospice, where the hospice delivers 'More and better palliative and end-of-life care, for more people of all ages, in more places'. This is a challenging objective, particularly when budgets are under threat, costs are increasing, and everyone is facing financial pressures. Nonetheless, over the past year we have been resolute and maintained this direction of travel. Through the hard work of our staff and volunteers and the generosity of our supporters, it is great to see some of the strategic outcomes we set out in the Strategy beginning to unfold. These outcomes are three-fold; firstly, in terms of what we do (for example around addressing issues of unmet need, access to services and community-based solutions), secondly, how we do it (for example working with more partners and increasing our research and education outcomes), and finally, seeing the St Oswald's Hospice message and identity grow and flourish as a result.

As a real example of our Strategy in action, it's been wonderful to see the construction of the new Young Adults Accommodation taking shape; this will allow us to provide a new service in a different way that is built around their needs. Having met with some of the young adults, I know that this project is less about bricks and mortar and more about building a place where they feel truly at home and can thrive. We cannot wait to welcome the first group of young adults later in 2025.

Message from our Chair (continued)

Another example is that our retail team opened a dedicated donation point in Ouseburn, now a thriving community hub for supporters to drop off pre-loved items six days a week. Next door, we launched 'the space' – a versatile venue for pop-up shops, events, and fundraisers. We're excited to see its impact grow as we become an even more important part of the community.

Whilst shiny new things are great, our progress in improving day to day care has been, as ever, impressive. For example, our inpatient and outpatient care and support services continue to develop and the partnership we have with Newcastle upon Tyne Hospitals goes from strength to strength with the ongoing delivery of the Combined Supportive Care Service. Also, our Children's Outreach Service, which launched last spring, is now supporting more children with complex life-limiting conditions in the community and really delivers on our promise of providing 'Quality Time for Everyone' when they need it most. Our new partnership with Northumbria Primary Care (NPC) will also help to train staff across their GP practices to deliver essential bereavement support within their communities.

All of this great work has been done against a backdrop of financial challenge, with an underlying position that relies on significant new money being generated every year. We could not provide the services we do without the unbelievable contribution of our supporters, customers and donors, large and small, and their support for the hospice year in, year out. All of which is, of course made possible by the incredible work of our fundraising, marketing, communications and retail teams who always find new and exciting ways to raise awareness of hospice services, boost vital funds and connect with our supporters. A couple of examples this year being 'Portraits with Purpose: Continuing Bonds', a bereavement-focused art project and our Alternative Christmas Wish List fundraising appeal featuring items and services to support our hospice family.

Next year is equally demanding as we look to balance the ambition of our Strategy and our desire to provide 'more and better care for more people in more places' with the prudence and good management required to deliver a challenging budget during difficult times. However, I know that we can succeed because we have great people.

So finally, I would like to thank everyone at St Oswald's Hospice – the dedicated and brilliant staff, volunteers and trustees – for their support and hard work across the year. I am looking forward hugely to the next few years as I know there is much that we can do to enrich the care we provide and give quality time to our patients, their families and carers. I am confident that through strong leadership, partnerships and collaboration, we will deliver on the objectives that we've set for ourselves in our ambitious Strategy.



Steve James

25/09/25

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Board of Trustees and Management at 31 March 2025:

Vice-Presidents

Lady Craft
Mr J Docherty
Mrs D Van der Velde
Mr M P Robson
Dr K Mannix
Mrs M Liston

Board of Trustees

Mr S James (Chair)
Mr D Reynolds (Treasurer)

Mr D Hicks	Mrs T Phillips	Dr N Morris
Mrs L O'Driscoll	Miss I Holland	Mr J Holmes
Mrs S Sinton	Mr R Taylor	Mrs K Worland
Dame N Stephenson	Dr A Charlewood	Dr A V Cuff

Changes in the year:

Resignations

Mr N Hobdey resigned as Trustee on 25 October 2024.
Mrs C English resigned as Trustee on 20 November 2024.
Mrs M Stabler resigned as Trustee on 13 January 2025.

Appointments

Mrs M Stabler was appointed as Trustee on 3 April 2024.
Mr S James was appointed as Chair of Trustees on 20 November 2024.
Mrs K Worland was appointed as Trustee on 6 January 2025.
Dame N Stephenson was appointed as Trustee on 6 January 2025.
Dr A Charlewood was appointed as a Trustee on 28 April 2025
Dr A V Cuff was appointed as a Trustee on 21 May 2025

The Hospice Management Team who, alongside the Board of Trustees, are also the Organisation's key Management Personnel

Ms S Edusei	Chief Executive
Mrs K Maclaren	Finance Director
Mrs A Egdell	Director of Care Services
Ms S Peart	Director of People
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development
Ms H Eadington	Director of Corporate Services (resigned on 9 April 2024)

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Our Professional Advisors at 31 March 2025

Statutory Auditor:
RSM UK Audit LLP
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Internal Auditor:
Azets Audit Services Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Solicitors:
Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Hay & Kilner LLP
Merchant House
30 Cloth Market
Newcastle upon Tyne
NE1 1EE

Bankers:
Barclays Bank PLC
Bank House, East Pilgrim Street
Newcastle upon Tyne
NE1 6QE

Investment Managers:
UBS Wealth Management (UK) Ltd
2 St James' Gate
Newcastle upon Tyne
NE4 7JH

Health & Safety Advisors:
Pivotal Safety Services
Seaton Carew
Hartlepool
TS25 2AR

Pension Advisors:
Azets Wealth Management Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Insurance Advisors:
PIB Insurance Brokers
Poppleton Road
Low Poppleton Lane
York
North Yorkshire
YO26 6GZ

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Structure, Governance and Management

Our Board of Trustees

St Oswald's Hospice is governed by its Board of Trustees. Trustees are appointed for a four-year term of office, by election at Trustee meetings. Trustees may be reappointed for a further term of four years if they put themselves forward for re-election and such reappointment is approved by the other Trustees, but at the end of that period they must step down. As an exception however, at the absolute discretion of Board of Trustees, the Chairman and Treasurer may be re-appointed for a maximum of a further five years. Trustees are not paid for the duties they undertake.

A minimum of two places are allocated for the appointment to Trustee posts from St Oswald's Hospice volunteer workforce. There are currently two Trustees who regularly volunteer at the Hospice. The People Committee identify other Trustee posts and expertise required within the Board of Trustees.

Recruitment to Trusteeship is achieved by identifying and approaching potential members, advertising vacancies on our website and social media platforms and occasionally we advertise in appropriate media and professional associations. We look to create a Trustee board that offers St Oswald's Hospice diversity of skills and expertise and a balance of viewpoints.

All new Trustees follow an induction programme, which has a general component, and a section tailored to their individual needs. Trustees are invited to provide feedback on this process, so we can continually look to improve the induction programme.

As part of their involvement in the work of St Oswald's Hospice, Trustees visit departments periodically during the year. Staff and volunteers can talk in confidence to Trustees, who then report their overall findings back to the Hospice Management Team (HMT) and recommend changes to be made, as they deem appropriate. Visits are valued by staff, volunteers and Trustees alike, providing insight into the day-to-day operations of St Oswald's Hospice and acting as an important communication tool for the organisation. Trustee visit reports are forwarded back to HMT for a management response to any issues raised and copies are made available to each team, members of the Clinical Governance and Quality Committee and all Trustees. Trustees visit our retail shops every two years, with HMT members undertaking an informal visit in the intervening year.

Board of Trustee and Director Meetings

Our Board of Trustees and Directors meet on alternate months in each year and review achievements and progress made against strategic objectives. In October each year, a closed session is held to review its own performance in accordance with good practice. From this work Trustees are able to further define their training needs, as highlighted above.

Board of Trustee and Director Meetings (continued)

The Board of Trustees and Directors (also referred to as 'the Board' within this report) have four Committees that aid the conduct of their responsibilities. These are:

- Audit and Finance Committee;
- People Committee;
- Clinical Governance and Quality Committee; and
- Technology and Business Intelligence Committee

Most Trustees and Directors serve on one or more of the Committees as noted below:

Committee Membership at 31 MARCH 2025

Audit and Finance	**People**	**Clinical Governance and Quality**	**Technology and Business Intelligence**
Trustees:	**Trustees:**	**Trustees:**	**Trustees:**
Mr D Reynolds (Chair)	Mrs T Phillips (Chair)	Dr N Morris (Chair)	Mr J Holmes (Chair)
Mr S James	Mr S James	Mr S James	Miss I Holland
Mrs T Phillips	Mr D Reynolds	Miss I Holland	Mrs K Worland
Mr R Taylor	Dame N Stephenson	Dame N Stephenson	

Attending Directors:	**Attending Directors:**	**Attending Directors:**	**Attending Directors:**
Ms S Edusei	Ms S Edusei	Mrs A Egdell	Mr S Gordon
Mrs K Maclaren	Ms S Peart	Ms S Peart	Mrs K Maclaren

Average Trustee attendance at the Board meetings stands at 73.07%.

Average Trustee attendance at Audit and Finance, People, Clinical Governance and Quality Committee, and Technology and Business Intelligence meetings during the year stood at 100%, 86.66%, 73.75%, and 88.88% respectively.

The charity has made qualifying third-party indemnity provisions for the benefit of its trustees during the period. These provisions remain in force at the reporting date.

St Oswald's Hospice Promotions Limited

St Oswald's Hospice Promotions Limited is a wholly-owned, non-charitable subsidiary of St Oswald's Hospice Limited and is a company registered in England number 03146260.

The primary activities of the subsidiary are to run a lottery and to co-ordinate other promotional or trading activities to generate funds for the charity. Taxable profits generated by the subsidiary are passed on to the parent company by Gift Aid.

The Board is currently made up of three Trustees from the holding company (one of whom is the Chair), the Chief Executive, and the Director of Strategy and Development. Our Director of Income and Marketing, Finance Director, Head of Retail and Head of Fundraising also attend the meetings.

Hospice Management Team and Delegation of Powers

The management of St Oswald's Hospice is delegated to the Hospice Management Team (HMT), comprising the Chief Executive and five other Management Team members, each with responsibility for specific aspects of the work the Hospice undertakes (as outlined on page 5). The Chief Executive, with the support of the Management Team, reports to the Board, which approves major decisions and has overall responsibility for the Hospice's activities and direction.

The Board reviews and approves its Reservation of Powers, Delegation of Powers, Scheme of Delegation, Standing Orders and Standing Financial Instructions on a biennial basis to ensure high quality governance, the safeguarding of its assets and the good name of the charity.

Changes in our Management Team

There was one change in our management team during this financial year. Helen Eadington resigned from the Director of Corporate Services post, and this post was not replaced.

Related parties and co-operation with other organisations

We are contracted to provide care and support to local adults by our local Integrated Care Board and one NHS Foundation Trust. We also have a Service Level Agreement with Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust in respect of medical revalidation.

With regards to our Children and Young Adults Service, joint health and social care contracts with Local Authorities are in place for under 18s provision of specialist short breaks; young adult stays are spot purchased by local authorities on a case-by-case basis.

We train and educate undergraduates and postgraduate students in a range of health care professions from Newcastle University, Northumbria University, Sunderland University and Teesside University.

Related parties and co-operation with other organisations (continued)

One of our strategic objectives recognises the need to work more closely with other organisations to help develop palliative care and end of life services; we are part of the Hospices North East and North Cumbria collaborative of independent hospices, and further details of our other collaborative work is included later in the report.

We are members of the umbrella organisations Together for Short Lives and Hospice UK, who provide a national voice for children and adult hospices.

We are also a member of the Hospice Lotteries Association and the Lotteries Council.

Objectives and Aims

The principal activity of the Hospice is to provide specialist palliative and end of life care to adults, children and young people from the North East of England.

Our Vision and Mission statements, based upon our principal activity, are:

Vision:

Together, with others, we will make the most of time and improve quality of life for everyone, of all ages, in the North East who are living with a progressive life-limiting condition, and for their families and carers too.

Mission:

Together, with the vital support of our staff, volunteers, donors, customers and supporters, we will continue to develop and grow our services so that everyone in our region gets expert, dignified and compassionate care when and where they need it.

The Trustees have followed Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 and believe that the above objectives and vision, and the activities described throughout this report are undertaken to further the charity's purposes for the benefit of the public.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Our 2023-2027 Strategy

The overarching aim of our 2023-2027 Strategy is to ensure there is:

More and better palliative and end of life care, for more people of all ages, in more places.

Our Strategy has at its heart our aim to continue to grow and develop high quality clinical and support services for those people in our community with progressive life-limiting conditions, and those caring for them. The 3 care service areas of focus are: Frailty, Bereavement and Transition.

The Strategy encompasses 4 strategic aims that provide the focus for the way we work and 4 foundations that we need to strengthen to support everything we do:

Our 4 Strategic Aims

- Partnerships
- Community
- Sustainable Funding
- Education and Research

Our 4 Foundations

- Our People
- Effective, Efficient and Sustainable
- Equity, Inclusion and Diversity
- Identity, Presence and Message

Strategy Progress 2024-2025

During 2024-25, we continued to embed our aims and foundations across the organisation, and we were committed to taking action towards delivering '*more and better palliative and end of life care, for more people of all ages, in more places*'.

We took this action by:

- Making several staff and volunteer appointments to help steer and deliver the Strategy.
- Partnering with other organisations who align with our Values.
- Taking our own care and expertise out to more people in the community.
- Exploring cutting-edge technologies that can help our patients and families achieve a better quality of life for longer.
- Supporting research to improve services for people with palliative care needs, and their families.
- Consulting and learning from health leaders and other sector experts.

In line with our strategic aim around Partnerships, we have enlisted the expertise of several prestigious healthcare and other sector leaders. These people bring a wealth of knowledge and experience as they advise and guide us on our Strategic journey.

STRATEGIC REPORT – Strategy Progress 2024-2025 (continued)

They include:

- Dr. Seamus O'Neill, Managing Director at Liverpool Health Partners and previous CEO of The Northern Health Science Alliance. He is an experienced and committed leader with expert knowledge in research and management.
- Prof. David Jones, OBE, Director of the Newcastle Health Research Partnership, who is a leader in the development and innovation of health and care research.
- Dr. Christine English, a leader and innovator in the field of nursing, who we're delighted will continue to advise us on areas of strategy and research after she stepped down as Chair of our Board of Trustees
- Jon Holden, Chief Information Security Officer at Atom Bank and leader of the North East's Cyber Security network, Cyber North. He will be guiding us strategically and sharing his extensive cyber security knowledge.

Here is a round-up of how we're working towards our **Strategic Aims**, and how they relate to our 3 Care Services of Focus: Frailty, Bereavement and Transition from Childhood to Adulthood**:**

- **Frailty:**
  - Strategic Aims – *Education and Research / Partnerships*:
    In January, we hosted The Regional Frailty Conference 2025. Healthcare, social care, and other sector professionals joined our team for a dynamic day of presentations and discussions on improving care for local patients living with frailty and multiple long-term conditions. This event helps establish us as leaders in the care of patients living with frailty.
  - Following this, Levi Buckley, Chief Delivery Officer of North East and North Cumbria NHS has asked our CEO, Steph Edusei and our Director of Strategy and Development, Simon Gordon, to feed into the NHS Integrated Care Board's (ICB) "ageing well" plan.

- **Bereavement:**
  - Strategic Aims – *Community / Partnerships:*
    As part of a new partnership development with Northumbria Primary Care (NPC) we have secured future funding to train staff at their GP practices to raise their competence and confidence in supporting people who have been bereaved in their communities.

- **Transition from Childhood to Adulthood**
  - Strategic Aim – *Sustainable Funding:*
    Construction of our new Young Adults Accommodation (see page 19 for more information) – made possible through generous funding by the Winifred Futter Will Trust. To help fund vital equipment to be used in the new accommodation, we led a special appeal which raised more than £46,000.

STRATEGIC REPORT – Strategy Progress 2024-2025 (continued)

- Strategic Aim – Partnerships:
  Exploring HealthTech to support transition from childhood to adulthood – Jo Elverson, Consultant in Palliative Medicine, attended a workshop organised by NIHR HealthTech Research Centre in Paediatrics and Child Health.

Here's how we're working on strengthening our **Strategic Foundations** to support us in achieving our aims:

Our People
We made several key appointments last year, focusing on managing different elements of our Strategy:

- Community Projects Lead – Bereavement (Strategic Aim – *Community /Partnerships*): to ensure more bereavement support is delivered in the community and form key partnerships.
- Community Projects Lead (Strategic Aim – *Community*, Foundations – *Equity, Diversity, Inclusion/ Identity, Presence and Message*): to build stronger relationships with community leaders and organisations, especially for groups who haven't always been well represented when it comes to accessing hospice care.
- Strategy and Development Administrator (Strategic Aim – *Education and Research*): to support our Strategy and Development team and manage research.
- Service Transformation Lead – Bereavement (Strategic Foundation – *Effective, Efficient, Sustainable)*: to support the long-term sustainability of our bereavement care.

As part of our strategic commitment to strengthen our team, we have continued our work to:

- Deliver training and development opportunities for staff and volunteers. One example is our Volunteer to Career Pathway to support volunteers with clinical career aspirations. (Find out more about Engagement and Involvement on page 33).
- Promote positive staff and volunteer health and wellbeing. For example, we now have 20 trained Mental Health First Aiders who have been particularly active, holding awareness days and promoting mental health support. (For more on wellbeing see page 33.)

Effective, Efficient, Sustainable
We are undergoing a major digital transformation to make sure our services are as efficient and effective as possible and that our systems and processes are fit for purpose. This will protect and future-proof the hospice for the years ahead. Two examples achieved this year are:

- New Cyber Resilience Group – focused on strengthening our defences against cyber threats.
- Using retail data more effectively – retail and BI teams have been working closely to explore retail data to identify areas and gaps where we can drive more productivity and income in our shops.

STRATEGIC REPORT – Strategy Progress 2024-2025 (continued)

Equity, Diversity, Inclusion

We are committed to Equity, Inclusion and Diversity throughout the organisation and ensuring St Oswald's Hospice is a welcoming place for all. This year, through the new Community Projects Lead role, we have continued connecting with community and faith groups to listen to all parts of our community, building better understanding for strong, positive, long-term relationships. (See page 33 for more information on EDI.)

Identity, Presence and Message

We continuously look to improve our communications, creating new ways to share our message so more people know more about what we do and feel that our services are designed with them in mind. Two examples this year:

- New Focus on Living film and leaflets which highlighted a little-known service and busted hospice myths (see page 17 for more information).
- New branded 'Meet the Care Team' boards across all our care services
- 'Portraits with Purpose: Continuing Bonds' project and exhibitions – opening up conversations in the community around death, dying and bereavement (see page 22 for more information).

Achievements and Performance

Our fundamental aim is to make a difference to the lives of local people by providing excellence in specialist palliative and end of life care.
Detailed below, we explain how we have supported local families over the last year and demonstrate the impact of our work.

Adult Services

Our Adult Service offers an inpatient service; a lymphoedema service; a 'Focus on Living Centre' comprising of therapeutic activities in both group and one-to-one sessions; an ambulatory care service; a combined supportive care service, complementary therapy; carer and bereavement support. Patients are usually referred to us from Newcastle, Gateshead, North Tyneside and Northumberland, with occasional specialist referrals from further afield.

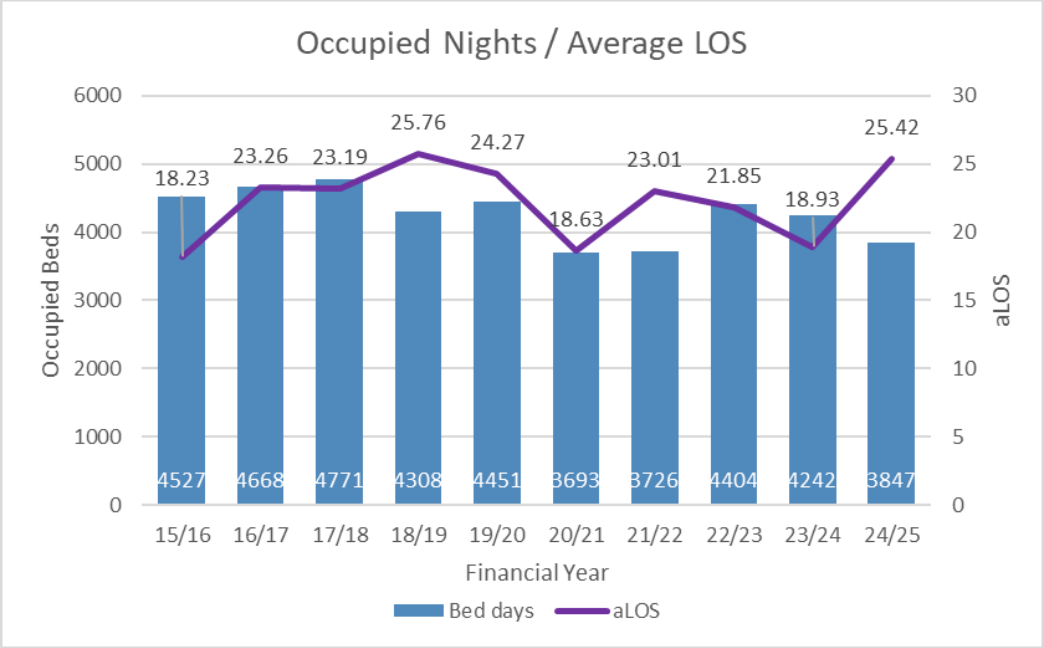
Adult Inpatient Unit

Our 15-bedded inpatient unit caters for patients needing pain and symptom control, emergency respite, and end of life care. Our multidisciplinary team works together to: ensure patients with specialist palliative care needs can maximise their quality of living by providing pain and symptom control, psychosocial, emotional and spiritual support; facilitate a safe and timely patient discharge to home or transfer to a continuing care service, as well as providing a supportive environment at the end of life.

In the financial year 2024/25

- 152 adult inpatient admissions (2024: 236 admissions) – admissions were lower this year due to bed closures for maintenance work.

- 49 patient discharges (2024: 68 discharges) and 106 deaths (2024: 166 deaths).
- Patients stayed with us for an average length of stay of 25 days (2024: 19 days).



- 3,847 bed days were occupied during the year (2024: 4,242 bed days)
- Average bed occupancy was 81% (2024: 81%).

This year, admissions were lower than the previous year – this was largely due to a decrease in beds to allow for an essential electrical re-wiring of the whole unit. This meant that between 6 January and 26 March 2025 we only had 7 (of 15) beds available, then from 26 March – 7 April 2025 we had 11 beds available. This combined with the increase in average patient stay on the ward contributed to lower admissions.

This year, we introduced the 'cuddle bed' to our Adult Inpatient Service, offering patients the chance to share precious moments with their loved ones. Generously funded by The JGW Patterson Foundation, the bed has all the essential features of a hospital-style bed but can extend at the touch of a button - allowing partners, spouses, or children to lie beside their loved one.

In June 2024, we introduced electronic prescribing in our Adult Inpatient Service to enhance patient safety and prescribing accuracy. Already used in hospitals and GP practices, this system automatically flags potential issues – like drug interactions or incorrect dosages – ensuring patients receive the right medication safely and efficiently, while giving our teams and those we care for greater peace of mind.

In November 2024, we introduced 'What Matters to You?', a person-centred

approach helping us to continue ensuring our care aligns with individual patient needs and values. Driven by the Rehabilitative Palliative Care Group, this initiative empowers patients by asking what brings them comfort and dignity. Staff are trained to record and respect these wishes, integrating them into care plans. Team members wear badges to raise awareness, and plans are underway to expand the initiative across the hospice.

Our old Complementary Therapy room has been transformed into a cosy guest bedroom, giving visitors a private, comfortable space to rest while staying close to loved ones. It includes a sofa bed, fridge, and kettle for added comfort. We've also created a quiet, private area outside our bereavement space for families to have supportive, confidential conversations when needed. Our family room and beautiful gardens continue to offer relaxed and peaceful spaces away from a patient's bedside. We aim to help all families to spend quality time together during their time at the hospice.

What families said. . .

"I am writing to say that the people in the Hospice are simply wonderful. They took our whole family into their care, complete strangers and gave us compassion, love, care, tenderness, dignity and respect. They are simply amazing human beings. They wrapped their arms around us, held us up when we were exhausted. They held our hands through the end of life of one of the family who we all love the most. As soon as we arrived and went to the room, J immediately said she felt safe, calm, loved, cared for and said she knew she was in the right place to face her death. They turned our unbearable pain and heartache into love and peace and we are forever in their debt."

"It is hard to put into words how grateful we are to you all and how thankful we are that Dad spent the last precious weeks of his life at St Oswald's. Your love, care and attentiveness to Dad have been outstanding and you have helped us as a family get through an incredibly difficult time. We are comforted to know that Dad was comfortable and at peace when he died and we thank you for making that possible. We'll remember the stories, the tears, the laughter, the songs and prayers which we shared together along with numerous cups of tea and biscuits! We will fondly remember special moments like Father's Day and their wedding anniversary which you went out of your way to make feel special."

Adult Day Services

In 2024-25, we've seen a significant increase in the number of patients receiving care in our Focus on Living Centre, while our Lymphoedema Service has also seen some modest but steady growth in patient numbers, with a similar number of referrals to the previous year, but with fewer outreach appointments.

Our Focus on Living Centre prides itself on offering personalised, holistic care with a rehabilitative approach to support palliative patients to live as well as possible with their condition. In line with our Strategy, we are continually reviewing our

services, working closely with the NHS and other healthcare partners to ensure we're meeting the needs of patients. We continue to work in partnership with Newcastle Hospitals NHS Foundation Trust to provide two thriving, fully embedded services:

- The Ambulatory Care Service which provides people with palliative care needs with a safe and comfortable environment for planned procedures such as blood transfusions/ blood product support and bisphosphonate and iron infusions.

- The Combined Supportive Care Service, which provides personalised care for people with lung cancer or mesothelioma. This service offers a comfortable and relaxing environment for patients, as well as freeing up much needed capacity in hospitals. The service has been proven to reduce hospital admissions.

In 2023, we launched a project, funded by Hospice UK, to widen access to our Focus on Living Centre, to raise awareness amongst people who we don't traditionally engage with hospice care. This year, as part of the ongoing project, we created a film that offers an inside look at the activities and services provided at our Focus on Living Centre. The film, which aims to bust myths and dispel fears about hospice care, features staff and some of our wonderful patients too. The film has been shared online and, along with new leaflets for patients and healthcare providers, it has been shared within the west and east ends of Newcastle to raise awareness about hospice care, promote discussions around the choices people have when they have been diagnosed with a palliative, life-limiting illness and encourage more referrals. Next year, we will roll this out in more areas.

Recognised as a national centre of excellence in Lymphoedema management, St Oswald's Hospice is the largest specialist Lymphoedema service provider in the North East. We are specialists in our field and we regularly treat the most complex, severe cases. All patients are cared for on a pathway approach, covering assessment, treatment and planned review and discharge. Our pathways mirror the International Lymphoedema Framework Best Practice Consensus Document (2006).

Our "Living Well with Lymphoedema" sessions continued this year. The sessions aim to give our patients the ability to successfully self-manage their condition. Patients attend two sessions over two weeks and can bring a family member or carer, so they can learn about the condition too. We've had great feedback from patients about the sessions.

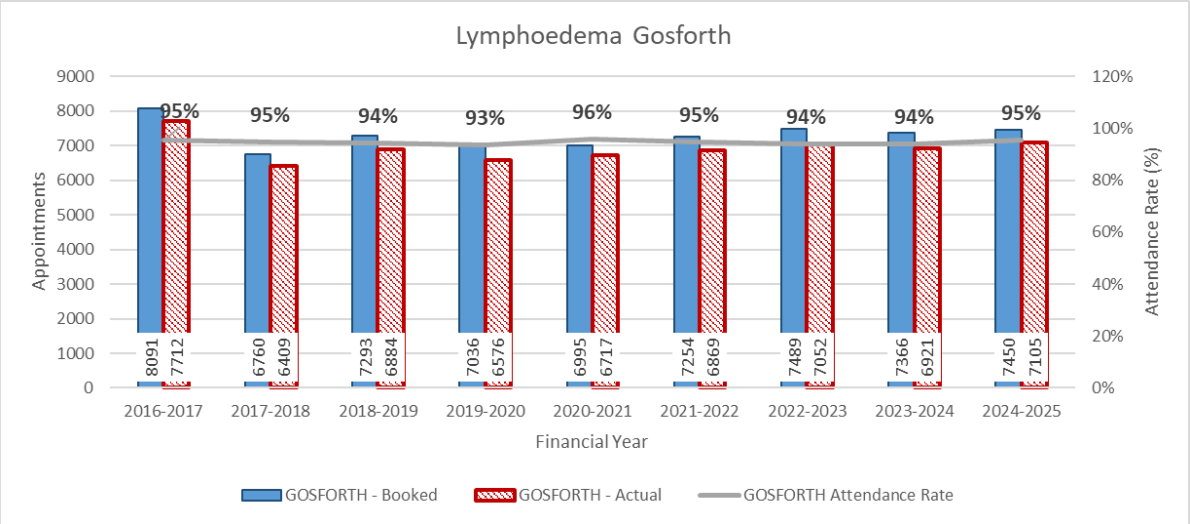
- Within Focus on Living Centre, 2,132 one-to-one contacts were recorded for 298 patients (125 in 2024).

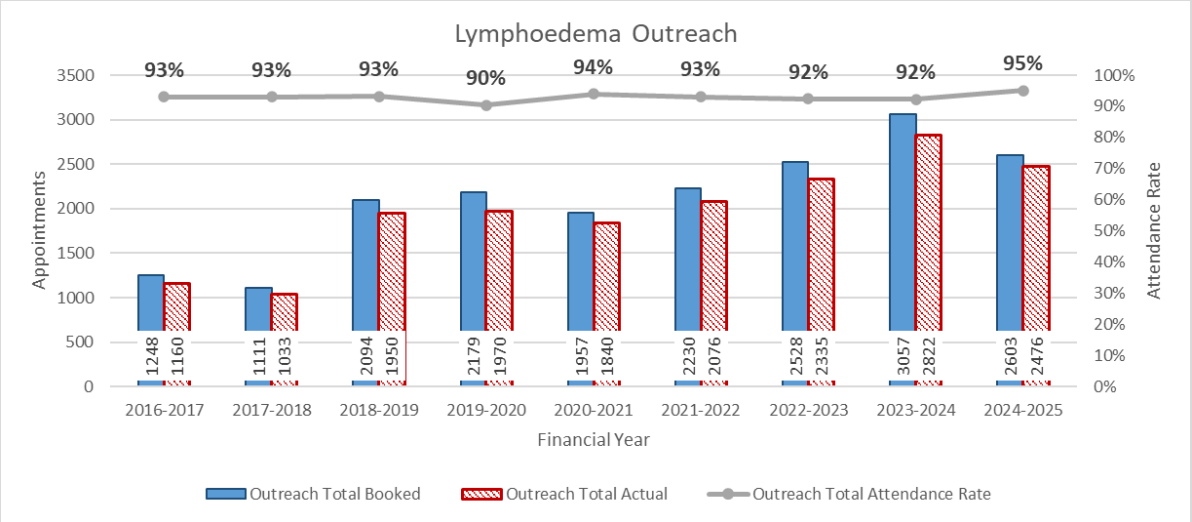
- 1094 referrals to our Lymphoedema Service (2024: 1090 referrals) and a total of 9,581 Lymphoedema attendances (2024: 9,743) across all of our clinics.

Clinic appointments include new patient assessments, review appointments, garment fittings and intensive treatments which can involve attending clinic daily over a number of weeks.

STRATEGIC REPORT – Achievements and Performance (continued)

- We continued to operate outreach clinics to care for and support people living with lymphoedema closer to home in Shiremoor, Blaydon and South Tyneside. This included 1,792 appointments in South Tyneside (2024: 2,056), 341 appointments in our Shiremoor Outreach Clinic (2024: 318) and 343 appointments (2024: 448) held in Blaydon.





What our Day Services Patients and their families think. . .

"You know, I'd never been to a hospice, but now that I've been, I don't see end of life. It's about living the best life that you can, with the diagnosis that you've been given. It's about focussing on living. So, if somebody gives you the opportunity to come, then take it."

"The Living Well sessions were wonderful. The specialist nurse was so professional – full of knowledge and created an environment of support and understanding. The sessions are helping me to begin to understand my own body and how the conditions are affecting my physical and mental health."

"*I was so pleased to finally get referred to the Lymphoedema Service, the staff were amazing. The nurse I saw figured out straight away what it was. She prescribed me with some different creams to look after my legs and compression stockings. Honestly, the difference was outstanding! If I hadn't been referred to St Oswald's Hospice, I don't know where I'd be. The care and support I've received have made a huge difference in my life.*"

Children and Young Adults Service

We provide specialist short breaks and palliative care to babies, children and young adults, aged from 0 to 25, with progressive, life-shortening conditions. We also provide end-of-life care and care after death. Specialist, medically-supported care is provided, 24 hours a day, seven days a week. For part of this year, from January 2025, our standard six-bed capacity was reduced to four beds due to facilities maintenance work that was taking place.

Children staying with us can enjoy a range of activities such as sensory play, music therapy, arts and crafts and baking. Teens and young adults benefit from their own living area – complete with games consoles, wide screen TV and PCs. They also enjoy trips out – such as taking to the seas to enjoy incredible trips with the "Wetwheels" crew on board the specially-built, fully accessible powerboat.

In July, our Children and Young Adults Service celebrated its 21st birthday with a special party for our children, young adults, families and our staff and volunteers. It was an amazing day, with a fantastic photo booth, a brilliant bubble show, funky face painting, and, of course, lots of cake. We 're so proud of how our Children and Young Adults Service has grown in the last 21 years. As one mum said at the party: "You feel the love when you walk in."

One of the standout moments for our young adults happened in July 2024. Professional footballer and Children and Young Adults Ambassador, Kieran Trippier, visited the hospice. During his visit, Kieran spent quality time with young adults Dylan and Ewan, engaging in a friendly yet competitive game of FIFA. Kieran has continued to pop in throughout the year.

In June 2024, we broke ground on our new Young Adults Accommodation building – a milestone moment in our commitment to supporting young adults with complex needs and part of our Strategy around Transition. The project, funded primarily by the Winifred Futter Will Trust, has taken shape over the past year and building work is now complete. This purpose-built accommodation is designed to provide a safe, supportive, and empowering environment where young people can develop more independence and life skills as they transition into adulthood. It will increase our capacity to offer short breaks to young adults up to the age of 26 years old. As we look ahead, our focus is on preparing the accommodation for its first residents — ensuring it is fully equipped and ready to open.

In December 2024, Jo Elverson, Consultant in Palliative Medicine, attended a National Institute for Health and Care Research (NIHR) workshop in Sheffield exploring how technology can support young people transitioning to adult care.

Discussions focused on using creative tech to improve communication and gather feedback from young people with diverse needs, helping bridge gaps between healthcare services.

Our Children and Young Adults team has continued to grow our Outreach Service which supports those who need individualised care at home due to complex health and social care needs. The service has been able to expand the team through the recruitment of two new Nursing Associates and they are currently supporting 8 families with long-term packages of care. This service helps to reduce waiting lists and allows more families across the North East to access our specialist care. The service is having a positive impact on the families we support.

We also offer dedicated support for siblings, this year we ran three 'Sibz Days' for brothers and sisters of children with chronic conditions who stay with us for short breaks. Sibz Days involve sharing feelings and experiences and expressing them in different ways – including art, crafts and music. Children get the chance to have fun, make new friends and even play with medical equipment that their brother or sister may use, in a safe environment.

If a child dies at St Oswald's Hospice, their own home or in hospital, we are also here to provide ongoing bereavement support to families.

- 50 children and their families benefited from our Children's Service (2024: 53).
- A further 13 young adults were cared for at St Oswald's Hospice (2024: 13).
- We had 669 admissions, 1,945 bed days (2024: 1,988) were occupied with an 90% occupancy rate (2024: 81%).
- The average length of stay is 3 nights per visit (2024: 3) for children and young adults.

We continue to work closely with Great North Children's Hospital and Newcastle upon Tyne Hospitals NHS Trust.

What children, young adults and their families said

"St Oswald's Hospice has been the lifeblood of our family. It's given us time back with our older daughter and enabled us to recharge our batteries. It helps to make a better quality of life for all of us."

"The new Young Adults Accommodation is so important because there are very few places for young adults like E to go. Some of the young adults might end up in old people's residential homes, which is not great for them – or the other residents. E really enjoys his time at St Oswald's Hospice, and it means that when he comes for short breaks, I can relax, and I don't worry because I know he's being so well taken care of. When E's dad died, the staff at St Oswald's Hospice were so supportive. They took E for extra nights, so I could sort out things at home. They've always been a lifeline to our family. This new accommodation will make such a difference to E's independence."

Carer, Bereavement and Family Support

Our services to carers include complementary therapy, carers' drop-in sessions, group sessions and one-to-one support.

We also offer a range of support services to bereaved individuals and families on a one-to-one basis and in groups.

Any bereaved person can access bereavement support. They are offered face to face or telephone support, which is private, confidential and nonjudgemental.

We offer bereavement groups sessions where people have the opportunity to discuss their feelings with others who are also dealing with the grief and loss of a loved one.

The bereavement team also provides training to health care professionals and teachers to enable them to support individuals more effectively and understand how grief effects people in different ways.

This year, our bereavement team continued holding 'Bereavement Cafés' at St Oswald's Hospice. The cafés are for anyone grieving and allow people in a similar situation to come together, talk about their loved ones and share how they are feeling in a safe and supportive environment.

Our Young Advocates Bereavement Support Group continued, where children learn how to support other children in schools. The idea is to normalise bereavement and prevent children from feeling isolated while in school education.

Our Corporate Bereavement Online Training also continued in partnership with Hospice UK, delivered by one of our Bereavement Support Workers who is a qualified Bereavement Facilitator for Hospice UK's Compassionate Employers training programme. This programme offers practical guidance and support to companies to manage bereavement in the workplace and support staff back to work following a death.

As part of our commitment to improving bereavement care across our region, this year we began working closely with Northumbria Primary Care (NPC) to deliver training to staff within their GP practices. NPC provides primary care services to around 134,000 patients across 12 GP practices at 20 locations. This initiative aims to strengthen the support available to patients and families experiencing loss, ensuring compassionate, consistent care in community settings. This partnership reflects a shared vision and marks a significant step in embedding hospice expertise into everyday primary care. Training delivery commenced in May 2025.

In January 2025, we welcomed a Service Transformation Lead to our team. Jon Saunders, is leading a project to review and enhance our Bereavement Support Service, ensuring it meets the needs of those we care for. The project focuses on mapping the bereavement journey, streamlining processes from referral to discharge, and identifying areas for improvement. This work will support the long-term sustainability of our bereavement care and aligns with our strategic priorities.

STRATEGIC REPORT – Achievements and Performance (continued)

Our collaborative project called 'Portraits with Purpose: Continuing Bonds' with portrait artist, Leanne Pearce, continued this year. Leanne worked alongside bereavement and 12 families to create a collection of portraits that celebrate the lives of loved ones and provide a positive, creative focus for grieving or pre-bereaved families, supporting them in their 'continuing bonds' process. As part of Portraits with Purpose, we hope to encourage more open conversations about death, dying and grief while challenging some of the perceptions around 'hospice care'. A public exhibition of the 12 original artworks took place at Newcastle Civic Centre, 10th – 17th May, 2024, during Dying Matters Week. After the exhibition, the portraits were gifted to the families. Prints were then made and exhibited in the Hospice cloisters, as well as at Newcastle Cathedral in October 2024.

Last year…

- 162 adults and 157 children accessed bereavement support, on average each person has 10 to 12 contacts with the service.

What people said about our Bereavement Services…

"I can't speak highly enough about her empathy, support, assistance and guidance it is invaluable. The whole bereavement team is truly inspiring for the work they do to help us through our dark days."

"It was the first Bereavement Training that most staff had accessed, and all staff felt that it was a very worthwhile training session…The training helped staff to feel reassured that just "being there" to support children is what they may need and to understand all of the emotions they will be experiencing.
Brenda and Beth are inspirational in the work they do. Their support of the young people and their families is exceptional. Their partnership with schools, regarding individual pupils is so important at such difficult parts of the life of these children and families."

Research

St Oswald's Hospice is significantly advancing its research efforts, aiming to improve palliative care through collaborative, evidence-based initiatives. Key highlights include strengthened governance, expanded research capacity, successful funding acquisitions, and a growing portfolio of active projects and partnerships.

Key Achievements & Developments

- **Governance & Oversight:**
  - We have strengthened and streamlined the governance processes by merging the former 'Research Operations' and 'Clinical Audit' groups into the 'Clinical Audit and Research Group'. This has also enhanced internal engagement in research.
  - A central research dashboard and a revamped publicly accessible research website provide improved oversight and visibility of all projects.

STRATEGIC REPORT – Research (continued)

- **Funding Successes:**
  - The research projects we were involved with across the full year brought over £145,500 funding to the Hospice.
  - Received over £40,000 from the contingency fund of the Regional Research Delivery Network (RRDN) North East & North Cumbria (NENC) in support of our portfolio work in 2024/25, plus an additional £20,000 project funding for the 'Positive Steps for Inclusive Palliative Care' (PSIP) project which is due to start in the next financial period.

- **Capacity Building**:
  - Successfully secured two internships via the NHS England (North-East and Yorkshire) Integrated Clinical Academic Programme (Freya Hepburn for AIPU and Amelia Davies for Lymphoedema) – this also brought a further £22,400 into the Hospice to allow for appropriate backfill and mentoring support.
  - Successfully launched a 'Research Volunteer' programme, attracting highly skilled individuals to support our service evaluation and research projects.
  - The Strategy & Development Administrator post was successfully appointed to, providing additional support for strategic projects, including research governance.

- **Collaborative Bids & Partnerships:**
  - Developing new research relationships with organisations like Academic Primary and Community Care Unit (APCCU), Northumbria
  - Primary Care, Northumbria Trust, Tynedale Hospice, Havens Hospice (Essex), St Luke's Hospice (Sheffield), and Children's Hospices Northern Collaboration.
  - Exploring partnership with Oxford University for an NIHR development grant to build a network for large-scale palliative care research and pilot studies.
  - We are actively involved in several joint bids to the National Institute for Health and Care Research (NIHR) - one with the Open University, in support of our transition work and another, with Dorothy House Hospice, to develop a toolkit to support staff when considering intimacy needs of people during their stays with us. These bids will hopefully be submitted in the next financial year.

- **Active Projects:**
  - The Hospice is actively involved in 17 studies (see below), with 10 continuing into the next financial period. Noteworthy active projects include MND-OT Study, HOPSCOTCH, PROMISE, P-CARE Study, and those addressing intimacy needs, bereavement care, and care coordination for multiple long-term conditions.

- **Visibility & Impact:**
  - St Oswald's Hospice has received national recognition through invitations to present at major conferences. Amanda Lee represented hospices at the National Research Development Forum Conference,

which had over 900 attendees and also presented at the launch of the North East and North Cumbria Regional Research Delivery Service, which was attended by 150 people.

- Efforts are underway to develop a toolkit from the 'Finding Lost Voices' project to maximise research impact.

For information, the research projects that we are involved with in the period 2024-2025 are listed below (active in the year and also those that closed during this period):

- Palliative Care Incubator (Host - Lead: Dorothy House Hospice Care)
- Experiences and decision-making processes leading to premature withdrawal from important occupations in Motor Neurone Disease (MND): co-production of a novel Occupational Therapy Intervention to promote occupational engagement (MND-OT Study) (Lead Site)
- HOPSCOTCH: Helping Optimise Palliative Care Support during Transition from Children's Hospices (Host - Lead: University of Leeds)
- Paramedic delivery of end-of-life care: A mixed methods evaluation of service provision and professional practice (ParAid Study) (Host - Lead: University of Southampton)
- PROMISE: Palliative Care trajectories of people with multiple long term conditions (Lead Site)
- The P-CARE Study - Developing a UK Palliative CAre & ethnicity REsearch Consensus statement (Host - Lead: Hull York Medical School)
- Transforming care and improving safety for patients with multiple long-term health conditions (Host - Lead: Newcastle University)
- Informal Caregiving in Non-Malignant Respiratory Disease at End of Life (Host - Lead: UWE Bristol)
- Exploring the Intimacy Needs of People During Palliative and End of Life Care to Inform Hospice Patient and Family Services (Host - Lead: Dorothy House Hospice Care)
- A cluster randomised trial of Clinically-assisted Hydration in cancer patients at End of Life (CHELsea II) (Host - Lead: University of Surrey)
- Parent and Professional Experiences of 24/7 Paediatric End of Life (Host - Lead: University of York)
- DECIDE – Diverse Experiences of End-of-Life care for Dementia - Establishing Consensus and Capacity through Collaboration and Co-production (Host - Lead: Newcastle University)
- Equitable Bereavement Care for All (Host - Lead: Kings College London)
- Validation of the Self-competence in Death Work Scale among helping professionals in palliative and hospice care in the United Kingdom (Host - Lead: Northumbria University)
- Children's Palliative care Outcome Scale (C-POS) Validation study (Host - Lead: King's College London)
- ACCORD – Appropriate measure of Care-COoRDination for patients with Multiple Long-Term Conditions (Lead Site)
- NIHR Multiple Long-Term Conditions (MLTC) Cross - NIHR Collaboration (CNC) - Models of Care Workstream (Lead Site)

Financial Performance

Summary of Financial Performance

For the year ended 31 March 2025, the group reported a deficit of £479k (2024: £886k surplus), as outlined in the Statement of Financial Activities on page 51. The hospice-only result was a deficit of £434k (2024: £734k surplus). While the move into deficit is disappointing after several years of surpluses, it is important to note that the outturn is more favourable than the planned budgeted use of general reserves required to bridge the funding gap. Year-on-year comparison should also take into account that the 2023/24 surplus included the recognition of £966k in capital grant income related to the completion of the new Young Adults Accommodation — a non-recurring item not repeated in 2024/25.

In 2024/25, income for charitable activities from statutory sources provided a solid foundation, increasing by 9.2% (2024: 0.6%) to £6,526k (2024: £5,977k). Meanwhile, the Income Generation directorate performed strongly in securing funds to subsidise commissioned services (public sector income covers only a portion of the services' costs) and to generate income for services that are entirely unfunded and rely wholly on the generosity of our supporters. This includes legacies which have continued to offer a valuable source of unrestricted funding in the year increasing to £2,785k (2024: £2,298k). We were grateful to be awarded a restricted capital grant of £259k administered by Hospice UK on behalf of the Department of Health and Social Care. The grant was used to partially fund the rewiring of the Adult Inpatient building.

Despite being a highly successful year in terms of strategic achievements, including the development of a new purpose-built facility for our young adults and the provision of wide-ranging care and support to patients and their families, the year was not without its challenges. Persistent inflation, political and economic uncertainty, the increases in employer national insurance contributions and a highly competitive employment market have all exerted upward pressure on expenditure. Meanwhile, the uplift in statutory contract income has fallen short of the level required to cover the increase in expenditure.

A rolling four-year financial plan is actively maintained and has been updated to reflect the most recent data. This ensures that reserves remain within acceptable limits, as outlined in the reserves policy (see page 41).

Financial Performance in Detail

For the year ended 31 March 2025 the group recorded a net deficit, before accounting for movement on the investment portfolio, of £569k (2024: £808k).

For the group, total incoming resources for the year increased by 1.7% (2024: increase of 12.5%) to £17,565k (2024: £17,266k). Total resources expended increased by 10.2% (2024: increase of 12.0%) to £18,134k (2024: £16,458k).

For the hospice only, total incoming resources for the year increased by 3.0% (2024: increase of 10.9%) to £16,963k (2024: £16,463k). Total resources expended increased by 10.6% (2024: increase of 12.4%) to £17,486k (2024: £15,807k).

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

During the year £972k (2024: £1,581k) was gratefully received in grants and donations to cover specific projects. This is shown in the financial statements as "restricted income", and the appropriate expense is shown against it as "restricted expense". This differentiates it from the normal ongoing operations of the Hospice, which is named "general" income and expense.

The movement on general funds is a true reflection of financial performance in the year and can be summarised as follows:

Group	**2024/25**	**2023/24**	**Movement**
General income	16,593,002	15,684,510	908,492
General expenditure	(17,164,783)	(15,454,053)	(1,710,730)
Net income before movement on investments	(571,781)	230,457	(802,238)

Hospice	**2024/25**	**2023/24**	**Movement**
General income	15,990,602	14,881,583	1,109,019
General expenditure	(16,517,081)	(14,803,740)	(1,713,341)
Net income before movement on investments	(526,479)	77,843	(604,322)

Incoming Resources

Income is usually categorised as Generated Income (being Donations, Legacies, Trading Activity income and Investment income) or Income from Charitable Activities, more detail about which is outlined below:

Incoming Resources from Generated Funds

Donations and income from regular donors totalled £2,408k (2024: £2,766k) of which £519k was restricted (2024: £1,139k). Legacy income has continued in a similar vein as the past few years and is extremely high at £2,785k (2024: £2,298k). Income from other trading activities fell slightly as there was no art trail in the current year, to £5,664k (2024: £6,013k).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year it was able to gift aid £660k (2024: £705k) to the parent charity. The subsidiary's main activity is the Hospice lottery, and last year hosted the hospice's Shaun the Sheep art trail. The decrease in gift aid received is largely due to there being no equivalent event to the art trail in 2024/25 as this generally happens one in every three years.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Investment income, comprising interest and dividends received is £182k in the year (2024: £212k). The slight dip year-on-year can be attributed to lower bank interest; the hospice has taken advantage of an interest-bearing cash deposit account, to earn £132k in the year (2024: £163k).

Incoming Resources from Charitable Activities

As in previous years our charitable activities received partial funding from the NHS and local authorities, totalling £6,526k in the year (2024: £5,977k). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totals £2,107k (2024: £2,156k). Our Children and Young Adults' Service continues to be funded by local authorities on an activity-basis via a payment per night for each child or young adult accommodated, generating total income of £1,647k (2024: £1,350k).

As in previous years a grant was received from NHS England of £453k (2024: £443k), to support the activities of our Children's Service. The Children's Outreach Service also continues to be in development, and is now working towards being self-funding, generating tariff income of £79k in the year (2024 £13k).

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedema income for 2025 was £2,188k (2024: £1,962k).

Resources Expended

Resources Expended are classified as either Cost of Raising Funds, or Cost of Charitable Activities, of which a more detailed description is provided below.

In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2019, costs of support services are shown relating to our direct charitable services. The costs of Human Resources, Corporate Services, Information Management and Technology and Finance departments have been allocated to each of the direct service departments or income generation departments. The allocation is calculated according to the most appropriate measure of usage for each area of expenditure. Note 10: Analysis of Support Costs gives greater understanding of the costs incurred and their allocation.

Costs of Raising Funds

The cost of raising funds totalled £6,123k overall (2024: £5,461k). The increase is driven by higher staffing costs, particularly within our Retail team.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Costs of Charitable Activities

Expenditure on our charitable activities of £12,011k (2024: £10,996k), including property costs, depreciation charges and support costs, represents 66% of total expenditure (2024: 67%). Staff costs remain by far the greatest type of expenditure incurred, and as above, accounts for the increase year-on-year.

Balance Sheet

The Balance Sheet at 31 March 2025 shows funds of £17,412k (2024: £17,891k) of which £11,305k (2024: £9,840k) is represented by fixed tangible and long-term investment assets. The year-on-year increase is mainly due to the construction of the new Young Adults' Accommodation which is included as capital work in progress in Note 15.

The hospice was fortunate to receive large capital grants totalling £966k as upfront funding for the construction of a two bedroomed purpose-built young adults' accommodation. This restricted income was released in the prior year when all planning permission conditions were discharged shortly after the financial year end.

At 31 March 2025, £1,004k was held in an interest-bearing short term deposit account (2024: £3,158k); £2,158k was drawn down from the deposit account during the year to fund ongoing working capital requirements and capital commitments.

Notes 15 and 16 to the financial statements set out expenditure and other movements relating to fixed assets and fixed asset investments.

Investment Policy and Performance on page 40 further details the performance of long-term investments and the short-term deposit account.

Key Performance Indicators

	Unit of measure	Target	2024/25	2023/24
Value of free reserves	£000's	8,856	6,600	7,127
Expenditure variance from budget	%	<5%	7%	3%
Retail profit margin	pence in £	24	17	26
Fundraising income ratio	Multiple	3.76	4.96	4.72
Staff turnover	%	<5%	9%	12%
Adult inpatient occupancy	%	84%	81%	81%
Children and young adults occupancy	%	90%	90%	81%

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Expenditure was higher than budget in 2024/25, due to higher than budgeted staffing costs; both as a result of pay awards approved by trustees in order to keep us competitive with NHS Agenda for Change pay scales and non-clinical employment markets, and a higher number of staff to cover absence due to sickness and maternity cover.

Retail profit (pence in £ profit) is lower than target as trading, particularly within our online offering, failed to meet target. Fundraising income ratio (£ income generation per in £ investment) is much better than budgeted; significantly higher income from campaigns and legacies was generated with very minimal additional outlay.

Staff turnover, although improved on last year, continues to be very high; the employment market is extremely competitive at present, and often the charity sector does not have wage parity with private sector salaries. Whilst we benchmark pay to similar roles outside of the organisation, and aspire to move towards these levels, as a charity we must balance the requirement to manage our expenditure on a recurring basis with the need to reduce staff turnover, and so this is not always possible.

Occupancy rates within the Adult Inpatient Unit are consistent with the prior year (based on available bed nights); Children and Young Adult's Unit is improved compared to the prior year due to an increase in staffing ratios.

Section 172 Statement

The Trustees are the directors of St Oswald's Hospice and have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- the likely consequences of decisions in the long term
- the interests of employees
- the need to foster the Charity's relationships with third-party stakeholders which, in the case of St Oswald's Hospice, includes our patients and their families, the local community, the NHS and our supporters
- the impact of the Charity's operations on the community and the environment
- the desirability of the Charity maintaining a reputation for high standards of business conduct.

The charity's strategy takes into account the likely consequence of any decision in the long term. The areas of focus for our updated strategy for 2023-27 are set out on page 11. The Board usually meets every second month throughout the year. It assesses progress against the strategy, identifies areas for focus for the following year and receives updates on the Charity's performance and plans. Its committees also review plans, strategies and activities with regard to the particular terms of reference overseen by the committee concerned. The Board also has two mini away days each year, for strategic planning.

STRATEGIC REPORT – Section 172 Statement (continued)

The Board obtains assurance that attention is given to the factors set out in section 172 when promoting the success of the Charity, by monitoring that the Hospice Management Team and the wider organisation are delivering the aims and objectives of the charity, its strategy and complying with specific policies. Engagement with the Charity's main stakeholders are as set out on page 29. The Hospice Management Team report to the Board on key stakeholder relations and engagement activities, current issues and relevant feedback received from interactions with stakeholders.

The Trustees follow a formal process to regularly manage and review risks that are faced by the Charity, set out on pages 37-40.

The Charity ensures that it maintains a reputation for high standards of business conduct by having in place a range of policies and processes that promote corporate responsibility and ethical behaviour. Areas covered include fundraising (our fundraising practices are outlined on page 31, gifts and hospitality, conflicts of interest, safeguarding, respect at work and freedom to speak up. Policies are reviewed periodically. Within the Hospice Management Team and the Board of Trustees, we also have dedicated leads for Equity, Diversity and Inclusion (EDI), Safeguarding and Freedom to Speak Up.

STRATEGIC REPORT - Monitoring and Compliance

Ensuring Quality Care: Monitoring and Compliance

We have a range of mechanisms in place to ensure we continue to provide an outstanding service to adults, children and young people.

We are monitored and regulated by the Care Quality Commission (CQC) and at last inspection (September 2015) we were awarded an overall rating of 'Good'. The CQC awarded us 'Outstanding' for care, and 'Good' for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made. The Single Assessment Framework is in place, and we have reviewed our performance against the requirements set out in the Quality Statements. We continue to engage with CQC as they transition to a new approach to regulation. We continue to promote the CQC feedback portal with patients and families.

Service User experience as always is a priority. We continue to listen and act on the feedback of our patients, children, young adults and families where we can. Internally, patient experience is measured by questionnaires, face to face interviews, focus groups and submissions to our 'feedback bank' alongside our formal complaints policy and procedure. Our feedback bank serves as a central store for all patient experience data, as well as comments, complaints, compliments and suggestions from wider stakeholders. This year we continued to develop the Consultation Network, a group of people, not necessarily already known to us, who contribute to developments within the Hospice.

Our Clinical Quality Team is tasked with reviewing all issues relating to patient experience and providing a quality service. They are involved in Clinical audit, policy

development and review, medicines management, safeguarding both vulnerable adults and children and many other areas of work, the team is made up of clinical quality leads from each service, led by the Clinical Quality Lead. Regular updates are provided to Trustees via our Clinical Quality and Governance Committee.

Ensuring Quality in Fundraising Practice: Monitoring and Compliance

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and adhere to the Code of Fundraising Practice. We update our Fundraising Policy every three years, and it is available on request.

It has cost us £12,011k (2024: £10,996k) to provide our charitable hospice services this year. Approximately 54% of this of this came from statutory funding. We aim to raise the balance of funding required through our fundraising activities.

Our fundraising efforts include donations and gifts in wills, running events and operating a lottery.

Our lottery and raffles are regulated by the Gambling Commission, and we comply with the conditions set out in our licence.

We ensure that the correct safeguards are in place with our suppliers and those who fundraise on our behalf. We require them to confirm that they comply with the Code of Fundraising Practice.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received one complaint in the 2024/25 financial year (in 2023/24 we also received one complaint). The complaint received was reviewed in line with our policy and has since been resolved and closed.

We have published our vulnerable person policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us.

Under GDPR, our supporters have many legal rights over the way their personal data is used. We ensure that we have an appropriate legal basis to use personal data, including when and how we contact supporters. For more information on how we use personal data in our fundraising, please see our Privacy Policy on the website.

Ensuring Quality in Retail: Monitoring and Compliance

In line with our organisational values, St. Oswald's Hospice retail department is committed to providing a safe, supportive, and professionally driven working environment for all staff and volunteers.

We play an active role in internal forums such as the Fire Focus Group, Health and Safety Group, and Emergency Planning Group, ensuring we stay aligned with internal standards and expectations. Additionally, we work closely with our external Health and Safety consultant, Steve Totty, to remain current with legislative updates and industry best practices.

STRATEGIC REPORT - Monitoring and Compliance (continued)

As members of the Charity Retail Association (CRA)—the UK's leading membership body for charity retailers—we benefit from sector insights, legislative updates, and benchmarking data. We participate in the CRA's People Management and Gift Aid special interest groups, helping us stay informed about regulatory changes and the necessary control measures. We also regularly review CRA benchmarking data to evaluate our performance and identify areas for improvement. Attendance at the annual CRA Conference supports our ongoing professional development and sector engagement.

This year, we've successfully digitised our volunteer training records, introducing bespoke, role-specific training modules for nearly 600 volunteers. This has enhanced both our due diligence and the consistency of training delivery. All retail staff continue to receive a comprehensive induction programme combining online learning, on-the-job training, and coaching. A management development programme is currently underway, beginning with Sexual Harassment Awareness Training for all Shop Managers.

In work led by Sarah Peart, Director of HR, we've also reviewed all Shop and Fire Risk Assessments using a new, improved framework. Training compliance is monitored regularly to ensure high standards are maintained across the department.

Our transport fleet has been equipped with data matrix technology and dash cams, allowing us to monitor and improve driving behaviour and safety standards.

All retail projects are now delivered under a structured project framework, where risks are clearly identified and appropriate control measures are implemented to mitigate them wherever possible.

Gift Aid continues to be a vital income stream for us. As part of our ongoing Gift Aid project, we have reviewed all internal processes to ensure full compliance with

HMRC rules and regulations. Each claim is internally audited to ensure traceability back to the original declaration. Gift Aid training is delivered as part of all new starter inductions by Eproductive. Our EPOS system, Kudos, has built-in measures to meet HMRC data capture requirements, and we worked directly with HMRC during implementation to ensure a seamless transition.

Policies to Achieve Our Objectives

Recruitment, Retention and Development of Staff & Volunteers

It is essential that we have the right staff and volunteers in place to enable us to achieve our strategic objectives and to provide a quality service for everyone who accesses our services. We do this by making sure that we have effective systems and procedures in place to ensure we recruit, develop, support and manage our people, ensuring they have the skills, knowledge and values we need to deliver our services both now and in the future.

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

Our People related policies and procedures comply with legislative and regulatory requirements, reflect best practice and govern all our activities, ensuring our staff and volunteers work within safe and effective systems.

St Oswald's Hospice Criminal Records Policy requires all applicants for paid and voluntary, permanent or temporary posts to disclose, as a minimum, any unspent criminal convictions as part of their application. In addition, the Safeguarding Vulnerable Groups Act 2006 requires that certain roles (paid or voluntary) with access to children or vulnerable adults are subject to a criminal records check, via The Disclosure and Barring Service (DBS), before employment, volunteering or placements commence.

Wellbeing

Wellbeing is a key theme of our People Strategic Action Plan which is based on the principles of 5 Ways to Wellbeing. St Oswald's Hospice have the Bronze Award for Better Health at Work and we continue to support the mental health of our dedicated teams in various ways including wellbeing days, mental health first aiders, bereavement support, counselling support, menopause support, support groups, financial wellbeing initiatives plus many others.

We have two Freedom to Speak up Guardians in place.

Engagement & Involvement

We operate a program of quality 1-1 conversations between staff and their line managers instead of a formalised appraisal system. This is via our People Management System, Cascade.

Each year we deliver planned learning, development and education programmes to ensure our staff and volunteers are able to undertake their roles safely, in a well-managed environment, equipped to deliver high quality services. Our approach is still blended learning with any on-line elements being delivered through our Learning Management System (Bluestream Academy). This year, following feedback, we have streamlined our volunteer recruitment process to make it more accessible and remove barriers. As a result, we have seen an increase in the number of volunteers who complete the recruitment and induction process.

The views of staff and volunteers are sought via line managers, feedback bank, special briefings, focus groups, surveys and departmental visits from HMT and Trustees.

Equity, Diversity & Inclusion

The Equity, Diversity and Inclusion (EDI) group has a clearly defined plan that supports EDI in service provision and in supporting and developing all our people. The plan is supported by various training opportunities for staff and volunteers, to help them support others within the organisation.

We conduct an annual Workforce Equality Survey (WES) which includes all characteristics of our staff and volunteer workforce.

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

Staff Remuneration
Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. Our People Committee sets the salaries of the Hospice Management Team and Medical Consultants.

Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

Pay Policy for Senior Staff
The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the Hospice on a day-to-day basis. All Trustees give their time freely without remuneration. Details of any trustee expenses and related party transactions are disclosed in the financial statements.

Trustees are required to disclose all relevant conflicts of interest in line with St Oswald's Hospice Conflict of Interest Policy including registering them with the Company Secretary and, in accordance with the policy, withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Hospice People Committee and any recommended uplift is approved by the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities and relevant organisations of similar size and turnover and seek to compare like with like posts.

Equality of Opportunity
St Oswald's Hospice is committed to ensuring that all current and potential staff and volunteers are treated with dignity, fairness and respect, regardless of their sex, marital status, age, sexual orientation, race, ethnic or national background, religion, beliefs or disability.

We promote an environment in which individual staff and volunteers can utilise their skills and talents to the full, and that the best people are recruited for our jobs from as wide and diverse a pool of talent as possible.

Disability in Employment
We are a Disability Confident Leader and actively encourage applications for employment from disabled people.

Volunteers
We are a volunteering organisation which is exceptionally proud of our volunteers. Volunteers are active in most departments across the Hospice and Promotions

Company, lending their skills, experience, expertise and time. Together with our staff, our volunteers form our fantastic team of people who ensure we are able to provide vital hospice services to local people and families.

Our Volunteering strategy supports the continuing development of new opportunities for innovation whilst ensuring our volunteering offer is robust and meets the evolving needs of all areas of the organisation.

We operate a Volunteer to Career Pathway to support volunteers with clinical career aspirations within the Health and Social Care Sector and have launched our Retail Volunteer to Career pathway this year.

Sustainability

St Oswald's Hospice is committed that together everyone in our region gets expert, dignified and compassionate care when and where they need it and that we do this while tackling climate change and focusing on our environment and sustainability. This is embedded in our 2023-27 Strategy and underpinned by the Safety, Health, Environment and Fire (SHEF) focus of our organisation to ensure that we continue to be a reliable partner for the NHS and other organisations we work with.

To deliver our goals, we have our Environment and Sustainability steering group. They report into our senior leadership team and aim to integrate the assessment, management, and control of environmental issues into the day-to-day management of our business.

Addressing waste issues continues to be high on our agenda. Our Retail Team is instrumental in providing an outlet for people to reuse and recycle unwanted clothes, books, and household items, while being able to shop sustainably.

What we have achieved in 2024/25

- Embedded environmental sustainability into our strategy
- Reviewed the membership and objectives of our environmental and sustainability working group
- Submitted our energy action plan with the Environment Agency
- Work began and to replace all lighting across our Adult Inpatient Unit with LED lighting whilst continuing to replace in other areas of the hospice
- Installed motion activated lighting
- Reduced our printers across the site as our behaviours have changed and print less. Using less energy and less paper
- Implementation of e-prescribe in Adult Inpatients
- Provided mending workshops to our staff and volunteers.
- There are daily vegan and vegetarian options on offer in our kitchen
- Using the kitchen garden for our herbs
- Supporting our local suppliers to reduce miles and support our local economy
- Using a cardboard shredder – reusing boxes as packaging for our eBay parcels
- Saved 925,859 kg of books from landfill

STRATEGIC REPORT – Sustainability (continued)

What we intend to do: Our three main objectives for 2025/26

- Waste: Reduce what we send to landfill
- Staff Awareness Campaign:
  - What is climate change and its effects
  - Why is it important to St Oswald's Hospice
  - What can we do as individuals and an organisation
- **Energy:**
  - Reduce our consumption
  - Energy security and renewable energy

Streamlined Energy and Carbon Reporting (SECR) Statement

		2024/25	2023/24	2022/23
UK Energy Consumption kWh	Gas (Scope 1)	1,657,372	1,515,647	1,557,257
	Other fuels (Scope 1)	-	-	-
	Transport Fuel	171,364	165,692	161,682
	Electricity (Scope 2)	722,360	678,726	697,699
	Grey Fleet (Scope 3 - Category 6)	59,732	58,820	58,166
	Total	2,610,828	2,418,885	2,474,804
		2024/25	2023/24	2022/23
UK Emissions (tCo2e) Consum	Gas (Scope 1)	303	273	280
	Other fuels (Scope 1)	-	-	-
	Transport Fuel	38	40	39
	Electricity (Scope 2)	149	140	143
	Grey Fleet (Scope 3 - Category 6)	19	14	14
		509	467	476

Intensity ratio

		2024/25	2023/24	2022/23
Intensity ratio	Normlisation Metric (FTE)	317	299	282
	Intensity Ratio (tCo2e/FTE)	1.61	1.56	1.69
	Normalisation SQM	10,426	9,000	8,900
	Intensity ratio (tCo2e/SQM)	0.049	0.052	0.053

We have provided two different intensity metrics this year:

- kWh per FTE (fulltime equivalent employee) (same measure we have used the previous two years)
- Square Metre (SQM) of our estate

STRATEGIC REPORT – Sustainability (continued)

Carbon footprint:
We now have the data for 3 years which shows that our total emissions have increased from those in the previous two years. This increase can be explained by a number of factors:

- improved recording of staff miles
- included water emissions for the first time
- increase in our staffing numbers
- increase in size of our estate (new Young Adults Accommodation, some retail units moving to larger, more fit for purpose premises)

When reviewing our intensity ratio, while our emissions per FTE has risen from 1.56 tCo2e to 1.61 tCo2e per annum our ratio per square meter has reduced from 0.052 tCo2e to 0.049 tCo2e.

In this coming year we need to be more aware of our energy consumption and take steps to reduce it. The rewiring and LED light replacement project continues and is heading towards a close.

An education and engagement program is scheduled and participation in Great Big Green Week took place in June 2025. The next phase in the e-prescribe project is to be rolled out in the first quarter of the 2025-26 year with our Children and Young Adults team.

Methodology

Methodology followed the HM Government report guidelines for SECR using the emissions factors for company reporting. For Scope 1, 2 and 3 using the billing data from the utility companies and fleet data collated from our tracking system and fuel card reporting. Our grey fleet information was collated from expense claims.

Managing Risk

Keeping patients, families, staff and visitors safe is a fundamental principle at St Oswald's Hospice and as such, risk management is firmly embedded in the culture and structure of the organisation.

Trustees and HMT have continuous access to the Risk Register and the associated action plans, trustees are notified of adverse events via reporting to the committee structure and they are escalated to Board if required.

There are a number of dedicated sub-groups which feed into the Hospice Management Team operational meetings, the output of which are reviewed at committee level and shared with the Board where required.

We have a Clinical Quality Team which is led by the Clinical Quality Lead. Other Team members include experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained across the Hospice based on best available evidence. The Clinical Quality Team monitors and reviews clinical activity, service user feedback, engagement and involvement,

STRATEGIC REPORT - Managing Risk (continued)

clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme.

A Clinical Quality Report is presented at each meeting of the Clinical Governance and Quality Committee (a sub-committee of the Board of Trustees). The report provides the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Clinical Quality Improvement work within St Oswald's. This report also gives a summary of various sub-groups and outlines the plans going forward.

A Safety Health Environment Fire/Risk Management Report is also presented at each Clinical Governance & Quality Committee meeting.

Environment and Fire Risks

Pivotal Safety Services provide St Oswald's Hospice with safety, health, environment and fire risk management advice and an additional layer of scrutiny to our operations. Pivotal Safety Services continue to provide advice on implementing a wide-ranging action plan and offer ad-hoc advice and support, where necessary.

Clinical Risks

There are a number of dedicated sub-groups which feed into the Clinical Quality Team, namely: Clinical Systems Steering Group, Infection Prevention and Control, Water Hygiene, Emergency Preparedness, Resilience and Response (EPRR), Clinical Audit and Research, Nutrition and Hydration, Medicines Management, Manual Handling and Falls Prevention, Clinical Education, Medical Gases, Palliative Care Advice Line, Outcome Assessment and Complexity Collaborative (OACC), Enablement Group, Equity, Diversity and Inclusion, Sexuality, Safeguarding, Bereavement, Children and Young Adults Service Outreach Steering Group, Service User Involvement and Engagement. The Clinical Quality Lead presents reports from the Clinical Quality Team to the Clinical Governance and Quality Committee.

Each of the clinical units hold a clinical risk register which monitors the key risks and control measures for each unit. These are live documents monitored by each team through their leadership meetings.

Adverse events provide vital information in the identification and monitoring of risk and the process is used as a source of learning. A regional Hospice plan utilising the Patient Safety Incident Response Framework (PSIRF) is now in place, which emphasises the learning response to incidents rather than apportioning blame.

External Bodies

Our external auditor, RSM UK Audit LLP, brings considerable expertise in the not-for-profit, public and private sectors.

STRATEGIC REPORT - Managing Risk (continued)

Throughout the financial year, Azets Audit Services has acted as internal auditor conducting a programme of works reviewing all aspects of financial control, alongside non-financial controls, procedures and governance.

Financial Risk Factors

Risks are reviewed annually by the Trustees and the most significant financial risks facing St Oswald's are as follows:

Income Risk

Income Risk is the reliance on volatile income streams such as lottery income, voluntary donations, retail and fundraising, including legacies. Additionally, statutory commissioners (the NHS and local authorities) do not provide sufficient funds to match NHS and wider employment market pay rises, which will therefore be increasingly subsidised by our charitable funds, placing greater strain on our fundraising efforts.

The financial landscape has been shaped over the past few years by high inflation, increased interest rates, and the ongoing cost-of-living crisis. The lasting effects of Brexit, the Russia-Ukraine conflict, and the COVID-19 pandemic continue to create uncertainty in the charity's ability to generate income from the general public, our philanthropic funders and our commissioners.

The risk is mitigated as far as possible by adapting fundraising strategies to be responsive to the local environment and also having good donor stewardship to maintain positive links with existing donors. Financial pressures within the NHS and local authorities may result in some of the Hospice's services becoming economically unviable. Strenuous efforts are made to communicate regularly with commissioners and to instigate negotiations wherever necessary.

Fraud and Financial Crime Risk

With the increasing digitisation of financial transactions, the hospice faces heightened risk of cyber fraud, "phishing" attacks and supplier impersonation schemes aimed at obtaining cash through deception. These fraudulent activities are growing in sophistication, requiring continuous vigilance and proactive security measures. Also, as an organisation handling high volumes of cash, the charity remains vulnerable to fraud and theft. An Internal Financial Controls policy is in place to outline operating procedures to minimise these risks.

Staff are made fully aware of their responsibilities in respect of cyber security and handling cash during induction, and through ongoing education campaigns. All changes to bank details are verified by telephone with a known contact and a log of changes maintained for reference, while email links and attachments from unknown sources are regarded with suspicion. Should any incident of theft or financial crime be suspected, the procedure detailed in the Fraud policy is followed and the appropriate authorities and Trustees are notified in a timely manner.

STRATEGIC REPORT - Managing Risk (continued)

Investment Risk

The Hospice's investment portfolio is exposed to fluctuations in the stock market affecting its overall value; performance is monitored by the Audit and Finance Committee at each of their meetings throughout the year. The portfolio is designed both to generate a stream of dividend income and long-term investment growth. The risk profile of the portfolio is under constant review by the Audit and Finance Committee, which is advised by the Hospice's investment manager, UBS. The value of the investments has increased over the course of the year and generated a yield of 4% (2024: 4%), despite market volatility.

Liquidity Risk

Trustees monitor the Hospice's liquidity by means of KPI reporting through the management accounts alongside cash flow forecasts. Since its establishment, the Hospice's inflow of cash income has been sufficient to service cash expenditure. Should problems arise in the future, Trustees have access to the hospice's investment portfolio and short-term cash deposits to remedy a situation if needed, without compromising the Hospice's operations.

Regulatory statements

We are required to make a number of statements to provide further understanding of how we manage our affairs and how we are governed.

Investment Policy and Performance

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile. Once again, this year no withdrawals were made from the investment portfolio (2024: £nil sold). Dividend income is paid over to the Hospice as it is received. The portfolio has experienced a net gain of £89k (2024: net gain of £78k) during the year, as detailed in Note 16 of the financial statements.

In response to the high Bank of England base rate, the hospice continued to make use of a 95-day notice deposit account, attracting interest at a rate of 0.05% above base rate. The funds held on deposit were reduced to £1 million over the course of the year (2024: £3 million) to fund two large capital projects and supplement working capital requirements; despite this, interest earnings in the year totalled £132k (2024: £163k). This is notwithstanding the Bank of England base rate declining from 5.25% at the start of the year to 4.50% at its close (compared to an increase in 2023/24 from 4.25% at the start of the year to 5.25% March 2024).

Reserves Policy

Strategic financial plans are updated on a rolling programme, providing a financial year's budget plan with an accompanying three-year projection that outlines the likely financial impact on reserves.

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Reserves Policy (continued)

The annual business plan enables Trustees to assess longer-term financial pressures and opportunities for St Oswald's Hospice, be they external factors or internal objectives. Our plans highlight the pressures and uncertainties placed on our resources by changes in the employment market, volatility in the wider economy, the fundraising and retail environments, the NHS, changes in the demand for our various services, alongside our continued reliance on potentially unpredictable sources of income such as legacies. To counter these pressures, reserves are held to ensure continuity of services, meet contractual obligations, and provide contingency funding. Where we feel it is appropriate, and we consider we have sufficient free reserves to allow, we will invest our reserves in capital assets to maintain or enhance our services.

In considering our policy on reserves, we establish a minimum level required to counter possible fluctuations in income and meet the costs of our legal obligations and anticipated medium term costs of maintenance to all our premises. We also establish a maximum level of reserves based on income and expenditure expected in a twelve-month period.

Our acceptable range of free reserves is reviewed annually and for this year the range is considered to be between £4.4 million and £13.3 million. Within this broad range, we have a target of £8.9 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

As at 31 March 2025, our group accumulated general funds stood at £11,565k (2024: £12,035k). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets and not designated and not held within the subsidiary trading reserve. Using this definition, the free reserves of the Charity (and Group) at 31 March 2025 were £6,600k (2024: £7,127k).

Whilst acknowledging free reserves are below our target of £8.9 million, it is worthy of note that in the year, two significant funds remain designated at 31 March 2025, to ring-fence a segment of the reserves for use in the coming year: The first is for the planned re-wiring of the original hospice. In the previous financial year £500k was designated, and in year transfers out of the fund has totalled £271k, leaving a designated fund balance of £229k. This major project is required to replace the original wiring which was installed when the hospice was constructed almost 40 years ago. The second is £510k allocated to fund a shortfall in capital grants required to undertake the Young Adults' accommodation project. At the 31 March 2025 work is well underway; however, the full value of the fund remains designated.

The four-year financial forecast has been refreshed, taking a fair view of predicted income and expenditure in the context of the volatile financial environment we are currently operating within. This has meant that we have had to expect deficit financial results in the next few years, but this has been carefully planned with reference to the reserves balance, ensuring that at no point is the minimum acceptable level of free reserves breached. In considering the reserves as part of the budget-setting cycle, the trustees are confident there is sufficient remaining

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Reserves Policy (continued)

to fund the planned future deficits between income and expenditure, and also to invest non-recurrently in the charity's facilities and technology infrastructure.

A medium-term strategy was launched in the prior financial year; in developing this, trustees loosened the requirement that any new initiatives, or developments to existing services, must be self-financing; general reserves can be used to provide start-up funding for such projects where it is deemed beneficial to do so and the initiative is highly likely to become self-funding within a short time-frame.

The Hospice designates certain reserves for specific purposes, and trustees approve a list of designated reserves each year. In addition to the two large new funds mentioned above for re-wiring and funding the Young Adults Accommodation project, smaller funds raised from appeals and donations for specific items totalled £91k at 31 March 2025 (2024: £123k). These reserves are set aside for a specific use in the following financial year.

Future Plans

Our strategy informs the medium-term direction of the charity, to aim to deliver more and better care to more people in more places. To achieve this, the trustees remain committed to safeguarding the financial stability of the Hospice. Expenditure of general reserves is limited to non-recurring costs, essential outlays required to maintain existing services, or initiatives with a high degree of confidence in achieving self-sufficiency following initial start-up funding.

Plans for Fundraising and Retail strategies for future years remain creative and responsive to our supporters and stakeholders to maximise net income generation. Construction of a new Young Adults Unit commenced in June 2024 which will bring two purpose-built bedrooms to the service, designed to specifically meet the needs of our young adults. This project is possible due to a grant of £896k which was released from deferred income last financial year as restricted income and has been used towards the design and construction of the facility, which is shown under Capital Work In Progress in note 15.

Going Concern

The Trustees are aware of the risks to income from the rising cost of living and commissioning organisations experiencing financial pressures, coupled with rising costs from extremely high inflation and salary market forces. We are also in the midst of two significant capital projects, one being the construction of the Young Adults Accommodation and the other, a large-scale programme of re-wiring in the oldest part of the hospice's estate. Both projects have placed commitments on our reserves. With this in mind we have developed a cautious four year business plan to forecast income and expenditure, and the necessary use of free reserves to bridge any shortfall in funding, while ensuring levels remain well within our stated acceptable limits. Contingency plans, however, are in place to adjust the charity's

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Going Concern (continued)

obligations should it be required in the future. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future.

The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register is regularly reviewed and updated to reflect the new exposures faced. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' Responsibilities Statement

The trustees (who are also directors of St Oswald's Hospice Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the income and expenditure of the charitable 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 judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and

Trustees' Responsibilities Statement (continued)

- the trustees have taken all 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 the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

RSM UK Audit LLP have indicated their willingness to continue in office as auditor, and a resolution concerning their reappointment will be proposed at this year's Annual General Meeting.

By Order of the Board

Steve James

S P James
Chair
Date: 25/09/25

ST OSWALD'S HOSPICE LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

For the Year Ended

31 MARCH 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED

Independent Auditor's Report

Opinion

We have audited the financial statements of St Oswald's Hospice Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Group and Company (Hospice) Balance sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

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 within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 43 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

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

conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

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

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

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety, the Care Act 2014 and the Gambling Commission. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected copies of the annual return to regulators.

The group audit engagement team identified the risk of management override of controls, valuation and completeness of grant, contract and legacy income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to management override of controls included but was not limited to testing journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates. Audit procedures performed in relation to valuation and completeness of grant and contract income included but was not limited to verifying a sample of income to supporting documentation including grant offer letter or service contract, reviewing the income recognition policy and confirming income is recognised in accordance with the SORP criteria and any corresponding accrued or deferred amounts have been correctly recorded. Audit procedures performed in relation to the valuation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

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

of legacy income included but were not limited to verification to third party supporting documentation, reviewing the income recognition policy and confirming income is recognised in accordance with the SORP criteria and agreeing receipt to bank statements, where applicable. Audit procedures performed in relation to the completeness of legacy income included but were not limited to the review of the legacy pipeline, and correspondence within the legacy files.

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

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

Sarah Mallinson

SARAH MALLINSON FCA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date 30/09/25

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	General funds	Restricted funds	Total 2025	Total 2024
Income and Expenditure		**£**	**£**	**£**	**£**
Income from:					
Donations and legacies	2	4,673,725	519,410	5,193,135	5,063,892
Other trading activities	3	5,664,137	-	5,664,137	6,013,125
Investments	5	181,752	-	181,752	211,981
Charitable activities	6	6,073,388	453,000	6,526,388	5,976,792
Total income		16,593,002	972,410	17,565,412	17,265,790
Expenditure:					
Costs of raising funds					
Voluntary Income	7	802,490	-	802,490	543,193
Cost of activities for generating funds	7	5,310,494	-	5,310,494	4,908,471
Investment Management Fees	7	10,173	-	10,173	9,457
Cost of Charitable Activities	8	11,041,626	969,428	12,011,054	10,996,419
Total Expenditure		17,164,783	969,428	18,134,211	16,457,540
Net (expenditure) / income before movement in investments		(571,781)	2,982	(568,799)	808,250
Gain on investment assets	16	89,887	-	89,887	77,936
Net movement in funds		**(481,894)**	**2,982**	**(478,912)**	**886,186**
Total funds brought forward					
At 1 April	22	12,035,151	5,856,018	17,891,169	17,004,983
Transfers between funds	22	11,919	(11,919)	-	-
Total funds carried forward at 31 March	22	**11,565,176**	**5,847,081**	**17,412,257**	**17,891,169**

All of the activities were continuing. There were no recognised gains and losses other than those included in the surplus this year.

The notes on pages 51 to 89 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2025

Group/Hospice

	Notes	Group 2025 £	Group 2024 £	Hospice 2025 £	Hospice 2024 £
Fixed Assets					
Tangible assets	15	9,929,910	8,546,739	9,929,910	8,546,739
Investments	16	1,375,353	1,292,910	1,375,355	1,292,912
Long term deposit		-	-	-	-
		11,305,263	9,839,649	11,305,265	9,839,651
Current Assets					
Stocks		70,858	39,590	32,704	15,472
Debtors	17	2,773,348	3,064,569	2,774,412	3,128,998
Short term deposit		1,004,393	3,158,134	1,004,393	3,158,134
Cash at bank and in hand		3,474,456	2,840,526	3,311,147	2,540,280
		7,323,055	9,102,819	7,122,656	8,842,884
Creditors: Amounts falling due within one year	18	(1,216,061)	(1,051,299)	(1,197,520)	(1,018,525)
Net current assets		**6,106,994**	**8,051,520**	**5,925,136**	**7,824,359**
Total assets less current liabilities		17,412,257	17,891,169	17,230,401	17,664,010
Provisions for liabilities	19	-	-	-	-
Net assets		**17,412,257**	**17,891,169**	**17,230,401**	**17,664,010**
Funds					
Unrestricted funds:					
General funds	22	11,383,320	11,807,992	11,383,320	11,807,992
Non-Charitable Trading Reserve	22	181,856	227,159	-	-
		11,565,176	12,035,151	11,383,320	11,807,992
Restricted funds	22	5,847,081	5,856,018	5,847,081	5,856,018
Total funds		**17,412,257**	**17,891,169**	**17,230,401**	**17,664,010**

The net deficit before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £433,609 (2024: net surplus £733,571).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 51 to 89 were approved by the members of the Board of Trustees on 25/09/25 and signed and authorised for issue on their behalf by:

Steve James

S P James
Chair

David Reynolds

D Reynolds
Treasurer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2025 £	2024 £	2024 £
Cash flows from operation activities:				
Net cash provided by operating activities		116,790		367,871
Cash flows from investing activities:				
Dividend, interest and rents from investments received	181,752		211,981	
Proceeds from sale of tangible fixed assets	-		-	
Purchase of tangible fixed assets	(1,825,797)		(487,353)	
Proceeds of sale of investments	316,466		224,179	
Purchase of investments	(300,771)		(231,449)	
Net cash used in investing activities		(1,628,350)		(282,642)
(Decrease) / increase in cash held in portfolio		(8,251)		19,682
(Decrease) / increase in cash in the reporting period		(1,519,811)		104,911

Reconciliation of net income to net cash flow from operating activities	2025 £	2024 £
Net (outgoing) / incoming resources	(568,799)	808,250
Depreciation	440,985	388,402
Investment income	(181,752)	(211,981)
Loss on disposal of Fixed Assets	1,641	2,381
(Increase) in stocks	(31,268)	(20,499)
Decrease in debtors	291,221	477,993
Increase / (decrease) in creditors	164,762	(1,076,675)
	116,790	**367,871**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Reconciliation of net cash flow to movement in net funds	2025	2024
	£	£
Decrease in cash in the year	633,930	(1,035,557)
Cash from increase in liquid resources (short term deposits movement)	(2,153,741)	1,140,468
Movement in net funds in the year	(1,519,811)	104,911
Net funds at 1 April	5,998,660	5,893,749
Net funds at 31 March	4,478,849	5,998,660

Analysis of net funds	Opening net funds 01/04/24	Cash Flow	Closing net funds 31/03/25
	£	£	£
Cash at bank and in hand	2,840,526	633,930	3,474,456
Short term deposits	3,158,134	(2,153,741)	1,004,393
	5,998,660	(1,519,811)	4,478,849

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) **Basis of preparation and consolidation**

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of accounting

St Oswald's Hospice Limited is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE.

St Oswald's Hospice Limited meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the provision of hospice services to members of the public suffering from life-limiting illnesses.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), and the Companies Act 2006. The financial statements have been prepared in pounds sterling and are rounded to the nearest £1.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, St Oswald's Hospice Promotions Limited. The results of the subsidiary are consolidated on a line-by-line basis. The Charity has taken the opportunity presented by FRS 102 not to disclose related party transactions or balances with the subsidiary.

No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. The financial position of the charity and group is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan, which includes an Income and Expenditure Statement and a cashflow forecast to March 2027 and have reviewed the organisation's resources. As such, we have an expectation that the charity and group has

adequate reserves and working capital to continue its operations for the foreseeable future. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Reduced Disclosures

In accordance with FRS 102, the charity has taken advantage of the exemption from the following disclosure requirements for parent charity information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cashflow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

(b) **Hospice status**

The Hospice is a company limited by guarantee. The guarantors are the members of the company. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member.

(c) **Fund accounting**

General funds are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the Hospice.

Also within unrestricted funds, the non-charitable trading reserve represents the reserves held within St Oswald's Hospice Promotions Limited.

Restricted funds are subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds comprise general funds that have been set aside at the discretion of the Members of Council for specific purposes. The purpose and use of these designated funds is set out in the notes to the financial statements.

(d) **Goods for resale**

Goods donated for resale are recognised as income on their sale. No value is attributed to these items prior to sale.

(e) **Legacies receivable**

Income arising from legacies is recognised in the financial statements when the Hospice is notified of these entitlements, it is probable probate will be received and the amount receivable can be defined with reasonable accuracy.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(f) **Deferred income**

Income received in advance of entitlement is treated as a creditor and recognised as income in the period that it is entitled.

(g) **Donated income**

Donations which are freely given (rather than as consideration for a benefit or service) are recognised on receipt.

(h) **Lottery income**

Lottery subscriptions are recognised as income once the applicable draw has been made. Upfront lottery payments made in advance are classified as deferred income until the relevant lottery is drawn, at which point they are released and recognised as income.

(i) **Gifts in kind**

The economic value of services provided by volunteers is not recorded in the financial statements. Volunteers carry out a great variety of roles, both regular and ad hoc, utilising skills and experience with differing economic values. To try and measure the value of each service provided is considered an exercise that would be too time consuming and too costly, utilising resources that could be better used for the benefit of patients and their families.

(j) **Grants receivable**

Grants receivable are recognised in the Statement of Financial Activities as income. Where grants are received in relation to capital assets, the income is restricted as a reserve and written down in line with the depreciation relating to the asset concerned. Revenue grants are recognised in the year in which entitlement, probable and measurable criteria are met.

(k) **Public Sector Contract income**

Contract income (mainly from NHS and local authorities) for the supply of services is classified as unrestricted income and is recognised in line with the delivery of the contracted service.

(l) **Resources expended**

All expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs associated with the raising of funds from all the possible sources of incoming resources.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Cost of activities in furtherance of the charity's objects comprise expenditure incurred by the charity in meeting its main charitable objectives, namely the provision of hospice services.

Governance costs comprise those costs relating to the management of the charity's assets, an allocation of administration costs and compliance with constitutional and statutory requirements.

Support costs have been allocated to an activity in proportion to the income generated by that activity where appropriate.

(m) **Pension costs**

The company contributes to the National Health Service Pension Scheme in respect of employees who were members of the scheme prior to their employment with the Hospice. This scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales.

Consequently, it is not possible for the company to identify its share of the underlying assets and liabilities of the scheme. The scheme is therefore accounted for as a defined contribution scheme in accordance with FRS 102. For other employees the Hospice contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions due for the year under both schemes are charged to the Statement of Financial Activities.

(n) **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

(o) **Operating leases**

The annual rentals are recognised in the Statement of Financial Activities as incurred over the lease term.

(p) **Irrecoverable VAT**

Irrecoverable VAT in relation to capital assets is capitalised with the cost of the assets concerned. Irrecoverable VAT that is incurred in each financial period in relation to items of revenue expenditure is recognised as a separate category of expenditure which is then allocated as a support cost as under note (l) above.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(q) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Only assets with a cost of more than £500 are capitalised. Items costing less than this are treated as expenditure items.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold premises	-	2% straight line
Short lease premises	-	Spread over the term of the lease
Motor vehicles	-	25% straight line
Fixtures, fittings and equipment	-	10%-25% straight line

Capital work in progress is not depreciated. No depreciation is charged on freehold land. Depreciation has been charged in relation to buildings from the date that each service became operational. These buildings are reviewed on an on-going basis to ensure their value is not subject to any impairment.

(r) **Investments**

Listed investments are stated in the balance sheet at mid-market value at the balance sheet date. Unlisted investments are stated at historic cost or, if gifted, at nominal value. Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities. Unrealised gains and losses relating to movements in market value of investments are recognised in the Statement of Financial Activities.

(s) **Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

(t) **Liquid Resources**

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

(u) **Financial instruments**

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charities financial assets and financial liabilities qualify as basic financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets: Trade and other debtors
Trade, group and other debtors, including accrued income, which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities: Trade and other creditors
Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

(v) **Critical accounting estimates and areas of judgement**

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

Critical areas of judgement

Legacy recognition - legacies are recognised on a case by case basis after considering whether probate has been granted, and when the executor of the estate has communicated in writing both the amount and settlement date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Donations	1,888,620	519,410	2,408,030	2,765,763
Legacies	2,785,105	-	2,785,105	2,298,129
Total	**4,673,725**	**519,410**	**5,193,135**	**5,063,892**
2024 Total	**3,925,378**	**1,138,514**	**5,063,892**	

St Oswald's Hospice Limited has an established team of volunteers who offer their time to each department across both the Trading Company and the Charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is in the region of 800 volunteers working side by side with paid staff to support them to fulfil their duties. Volunteers are a valued resource to the organisation and we recognise their commitment and value.

3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Special events	621,383	-	**621,383**	753,560
Sale of donated goods	3,908,429	-	**3,908,429**	3,726,806
Catering sales	32,913	-	**32,913**	24,848
Trading subsidiary income (Note 4)	1,101,412	-	**1,101,412**	1,507,911
Total	**5,664,137**	**-**	**5,664,137**	**6,013,125**

The income from Other Trading Activities all relates to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

The Hospice controls the whole of the issued ordinary share capital of St Oswald's Hospice Promotions Limited, a company registered in England. The taxable profits of the subsidiary are transferred to the Hospice each year by Gift Aid.

The results of the subsidiary are summarised below:

	Total 2025	Total 2024
	£	£
Turnover	1,101,412	1,507,911
Cost of sales	(311,450)	(442,272)
Gross profit	789,962	1,065,639
Administrative expenses	(174,914)	(208,038)
Operating profit	615,048	857,601
Interest receivable	-	-
Profit on ordinary activities	**615,048**	**857,601**

The net assets of the subsidiary at 31 March 2025 amounted to £181,859 (2024: £227,161).

5. INVESTMENTS

	Total 2025	Total 2024
	£	£
Dividends received	50,160	48,778
Interest received - charity	131,592	163,203
	181,752	**211,981**

Dividends receivable arise from the fixed asset investment portfolio.

The income from investments in 2025 and 2024 all related to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Public Authority contributions:				
Adult inpatient services	2,107,652	-	2,107,652	2,156,088
Adult day care services	2,188,277	-	2,188,277	1,962,381
Children & young adults' services	1,647,056	453,000	2,100,056	1,793,228
Children's outreach service	79,152	-	79,152	12,791
Educational activities	12,512	-	12,512	10,852
Other professional income	38,739	-	38,739	41,452
Total	**6,073,388**	**453,000**	**6,526,388**	**5,976,792**
2024 Total	**5,534,026**	**442,766**	**5,976,792**	

Included in restricted income is a grant of £453,000 (2024: £442,766) received from NHS England for Children and Young Adults' services.

7. RAISING FUNDS: OTHER TRADING ACTIVITY

	Direct Activity	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Costs relating to donations & legacies	802,490	-	**802,490**	543,193
Event costs	590,352	-	**590,352**	588,864
Sale of donated goods	4,036,025	-	**4,036,025**	3,509,858
Catering and other sales	197,753	-	**197,753**	159,439
Costs of trading subsidiary (Note 4)	486,364	-	**486,364**	650,310
Investment management fees	10,173	-	**10,173**	9,457
Total	**6,123,157**	**-**	**6,123,157**	**5,461,121**
2024 Total	**5,461,121**	**-**	**5,461,121**	

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. COSTS OF CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Adult Inpatient Services	3,987,564	110,358	4,097,922	3,893,159
Adult Day Care Services	3,396,094	69,365	3,465,459	3,056,564
Children & Young Adults' Services	2,460,981	642,572	3,103,553	2,858,101
Children's Outreach Service	111,715	64,652	176,367	167,447
Bereavement Centre	257,265	31,566	288,831	263,681
Medical Outreach	62,975	-	62,975	65,548
Strategic Projects	169,111	46,303	215,414	119,552
Educational Activities	247,368	4,612	251,980	233,871
Governance Costs	348,553	-	348,553	338,496
Total	**11,041,626**	**969,428**	**12,011,054**	**10,996,419**
2024 Total	**9,992,932**	**1,003,487**	**10,996,419**	

9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES

Net incoming resources before recognised gains and losses are stated after charging:

	Group 2025	Hospice 2025	Group 2024	Hospice 2024
	£	£	£	£
Depreciation	440,985	440,985	388,402	388,402
Auditor remuneration:				
Audit fees	33,000	28,000	29,000	25,000
Tax services	1,900	1,900	4,300	2,775
Internal audit fees	10,374	10,374	7,013	7,013
Operating lease charges (land & buildings)	560,655	560,655	557,153	557,153
Pension costs	824,145	813,372	770,946	759,821
Net loss on disposal fixed assets	1,641	1,641	2,831	2,831

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. ANALYSIS OF SUPPORT COSTS

The expenditure shown in the Statement of Financial Activities includes the direct costs of each activity and a proportion of support costs incurred, as required by the Statement of Recommended Practice - Accounting and Reporting by Charities. The basis of allocation is explained in Note 1, Accounting Policies and a separate analysis of the costs that have been allocated is set out below:

	Human Resources £	Inform'n Systems £	Finance £	Corporate Services £	Total Allocation £
Donations & Legacies	10,312	38,250	18,982	22,444	89,988
Commercial trading activities:					
Event costs	9,495	35,219	17,478	20,665	82,857
Sale of donated goods	66,428	246,410	122,284	144,585	579,707
Catering sales	5,793	21,488	10,664	12,608	50,553
	92,028	341,367	169,408	200,302	803,105
Charitable activities					
Adult inpatient services	38,330	142,183	70,560	83,428	334,501
Adult day services	23,979	88,950	44,142	52,193	209,264
Children's services	41,402	153,575	76,213	90,113	361,303
Children's outreach Service	2,799	10,382	5,152	6,092	24,425
Medical outreach	3,713	13,772	6,834	8,081	32,400
Educational activities	2,729	10,122	5,023	5,939	23,813
Bereavement Centre	4,338	16,092	7,986	9,442	37,858
Strategic projects	2,038	7,559	3,751	4,435	17,783
Governance	4,809	17,838	8,852	10,467	41,966
	124,137	460,473	228,513	270,190	1,083,313
Total allocated support costs	**216,165**	**801,840**	**397,921**	**470,492**	**1,886,418**

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Activity Costs	Support Costs (Note 10)	Depreciation	Total 2025	Total 2024
	£	£	£	£	£
Voluntary	709,346	89,988	3,156	802,490	543,193
Cost of activities for generating funds:					
Event costs	504,589	82,857	2,906	590,352	588,864
Sale of donated goods	3,381,524	579,707	74,794	4,036,025	3,509,858
Catering and other sales	129,815	50,553	17,385	197,753	159,439
Costs of trading subsidiary (Note 4)	486,364	-	-	486,364	650,310
	4,502,292	713,117	95,085	5,310,494	4,908,471
Investment management fees	10,173	-	-	10,173	9,457
Total cost of activities for generating funds	4,512,465	713,117	95,085	5,320,667	4,917,928
Charitable activities:					
Provision of hospice services:					
Adult inpatient Services	3,642,599	334,501	120,822	4,097,922	3,893,159
Adult day services	3,155,842	209,264	100,353	3,465,459	3,056,564
Children and Young Adults' services	2,637,919	361,303	104,331	3,103,553	2,858,101
Children's Outreach Service	151,942	24,425	0	176,367	167,447
Medical outreach	30,161	32,400	414	62,975	65,548
Educational activities	221,556	23,813	6,611	251,980	233,871
Bereavement Centre	250,518	37,858	455	288,831	263,681
Strategic projects	197,344	17,783	287	215,414	119,552
	10,287,881	1,041,347	333,273	11,662,501	10,657,923
Governance costs	306,188	41,966	399	348,553	338,496
Total	**15,815,880**	**1,886,418**	**431,913**	**18,134,211**	**16,457,540**

Governance costs comprise mainly the proportion of the costs of the Hospice Management Team and associated members of staff which relate to governance activities.

12. TRUSTEES

The trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2024: £nil). The amount of expenses reimbursed to Trustees during the year was £nil (2024: £nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. STAFF COSTS - GROUP

	2025	2024
	£	£
Wages and salaries	10,930,440	9,854,101
Social security costs	990,743	874,147
Pension costs	824,145	770,946
Staff costs	**12,745,328**	**11,499,194**

There were ten employees (2024: nine) whose emoluments amounted to over £60,000. Of these employees, four (2024: four) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	2025	2024
	Number	Number
£60,001 - £70,000	2	5
£70,001 - £80,000	4	1
£80,001 - £90,000	-	2
£90,001 - £100,000	2	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	-

Pension contributions made in respect of those staff classified as higher paid employees were £98,5284 (2024: £92,464) in aggregate. Of these staff five were accruing benefits under a defined contribution scheme (2024: three) and five were accruing benefits under a defined benefit scheme (2024: seven), no employees received employer pension contributions (2024: none).

Staff breakdown:	2025 Number	2025 Whole time equivalent Number	2024 Number	2024 Whole time equivalent Number
Direct charitable services	213	169	198	160
Support services	48	38	44	35
Management and administration	6	6	7	6
Fundraising and publicity	29	26	28	26
Trading activities (including subsidiary)	95	79	89	73
	391	**318**	**366**	**300**

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. STAFF COSTS – GROUP (continued)

Average staff numbers have been stated as full-time working equivalents, based on a full time working week of 37.5 hours.

The company makes contributions to approved pension schemes for staff based on their earnings.

Key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £519,091 (2024: £516,386).

The key management personnel of the charity comprise the Trustees and Hospice Management Team listed on page 5 of this report

The key management personnel of St Oswald's Hospice Promotions Limited are:
Ms S Edusei
Mr S Gordon
Mrs A Ball
Mrs K MacLaren

Changes in the year:

Resignations
Mrs H Eadington resigned as a director of St Oswald's Hospice Promotions Limited on 9 April 2024.

Appointments
Mr S Gordon and Mrs L O'Driscoll were appointed as directors on 23 April 2024.

14. TAXATION

As a registered charity, the company is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s252 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes only. It is therefore not normally liable to UK Corporation Tax.

Taxation of £nil (2024: £nil) has been accounted for in the results of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TANGIBLE FIXED ASSETS

Group	Capital Work in Progress	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equip't £	Total £
Cost						
1 April 2024	128,700	11,164,527	829,004	132,391	3,369,194	15,623,816
Disposals	-	-	(166,284)	0	(323,012)	(489,296)
Additions	909,794	-	411,190	53,074	451,739	1,825,797
31 March 2025	**1,038,494**	**11,164,527**	**1,073,910**	**185,465**	**3,497,921**	**16,960,317**
Depreciation						
1 April 2024	-	3,607,866	709,387	93,186	2,666,638	7,077,077
Disposals	-	-	(166,284)	-	(321,371)	(487,655)
Charge for the year	-	179,542	71,494	25,068	164,881	440,985
31 March 2025	**-**	**3,787,408**	**614,597**	**118,254**	**2,510,148**	**7,030,407**
Net book value:						
31 March 2025	**1,038,494**	**7,377,119**	**459,313**	**67,211**	**987,773**	**9,929,910**
31 March 2024	128,700	7,556,661	119,617	39,205	702,556	8,546,739

The freehold land and buildings, short lease premises, motor vehicles and fixtures, fittings and equipment are all used for charitable purposes.

Hospice	Capital Work in Progress	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equip't £	Total £
Cost						
1 April 2024	128,700	11,164,527	829,004	132,391	3,360,694	15,615,316
Disposals	-	-	(166,284)	-	(314,512)	(480,796)
Additions	909,794	-	411,190	53,074	451,739	1,825,797
31 March 2025	**1,038,494**	**11,164,527**	**1,073,910**	**185,465**	**3,497,921**	**16,960,317**
Depreciation						
1 April 2024		3,607,866	709,387	93,186	2,658,138	7,068,577
Disposals	-	0	(166,284)	0	(312,871)	(479,155)
Charge for the year	-	179,542	71,494	25,068	164,881	440,985
31 March 2025	**-**	**3,787,408**	**614,597**	**118,254**	**2,510,148**	**7,030,407**
Net book value:						
31 March 2025	**1,038,494**	**7,377,119**	**459,313**	**67,211**	**987,773**	**9,929,910**
31 March 2024	128,700	7,556,661	119,617	39,205	702,556	8,546,739

The fixed asset register has been reviewed in the year and assets no longer in use have been reflected as disposals.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TANGIBLE FIXED ASSETS (continued)

Capital work in progress of £1,038,494 (2024: £128,700), as shown in a separate category in the table, is the preliminary design and consultancy fees relating to the proposed construction of a purpose-built young adults' accommodation.

An application for planning permission was submitted in the year, with permission being granted and all associated conditions discharged in May 2024. The asset under construction will not be depreciated until in use.

16. INVESTMENTS HELD AS FIXED ASSETS

	Group			Hospice	
	Listed	Unlisted	Total	Listed	Unlisted	Total
	£	£	£	£	£	£
Listed investments						
Value at 1 April 2024	1,210,805	-	1,210,805	1,210,805	2	1,210,807
Additions	300,771	-	300,771	300,771	-	300,771
Disposals	(316,466)	-	(316,466)	(316,466)	-	(316,466)
Net investment gain	88,349	-	88,349	88,349	-	88,349
Value at 31 March 2025	**1,283,459**	**-**	**1,283,459**	**1,283,459**	**2**	**1,283,461**
Real Estate						
Value at 1 April 2024	-	69,992	69,992	-	69,992	69,992
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Net investment gain	-	1,538	1,538	-	1,538	1,538
Value at 31 March 2025	-	**71,530**	**71,530**	**-**	**71,530**	**71,530**
Cash and time deposits held in portfolio:						
At 1 April 2024	12,113	-	12,113	12,113	-	12,113
Movements in cash	8,251	-	8,251	8,251	-	8,251
At 31 March 2025	**20,364**	**-**	**20,364**	**20,364**	**-**	**20,364**
31 March 2025	**1,303,823**	**71,530**	**1,375,353**	**1,303,823**	**71,532**	**1,375,355**
31 March 2024	1,222,918	69,992	1,292,910	1,222,918	69,994	1,292,912

All of the investments are unrestricted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. INVESTMENTS HELD AS FIXED ASSETS (continued)

Distribution of listed investments (market value)

	Group	
	2025	**2024**
	%	**%**
UK fixed interest	13.3	16.6
UK equities	46.9	44.4
Overseas equities	33.1	32.7
Real Estate	5.2	5.4
Cash	1.5	0.9
	100.0	**100.0**

	Group	
	2025	**2024**
	£	**£**
Historical cost of listed investments	**1,137,338**	859,002
Historical cost of real estate	**87,202**	87,202

The shareholding in the subsidiary trading company has been valued at the nominal value of the shares, to be consistent in the valuation of private company shares. The results of the trading subsidiary are set out in Note 4. The hospice single entity holds a £2 shareholding in the trading subsidiary, St Oswald's Hospice Promotions Limited.

17. DEBTORS

	Group		Hospice	
	2025	**2024**	**2025**	**2024**
	£	**£**	**£**	**£**
Amounts owed by subsidiary undertaking	-	-	8,633	64,925
Trade debtors	779,639	611,667	772,601	605,663
Prepayments	402,245	440,275	401,615	439,707
VAT debtor	106,328	109,931	107,709	116,006
Accrued income	1,482,945	1,900,700	1,481,663	1,900,701
Other debtors	2,191	1,996	2,191	1,996
	2,773,348	**3,064,569**	**2,774,412**	**3,128,998**

Accrued income includes legacy income notified but not received at year end of £1,401,417 (2024: £1,730,067). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	376,241	382,969	370,040	376,283
Taxation and social security costs	230,126	213,238	230,126	213,238
Deferred income	48,709	115,182	48,709	96,185
Other creditors	119,575	133,235	119,575	133,235
Accruals	441,410	206,675	429,070	199,584
	1,216,061	**1,051,299**	**1,197,520**	**1,018,525**

The deferred income balance is mainly registration income received from participants of the 2025 Great North Run and an upfront payment for bereavement services which will be delivered in the next financial year. In 2024 the deferred income balance included income for participants of the overseas trek which took place in November 2024 and has since been released.

The movement in deferred income is as follows:

	Group		Hospice	
	2025	2024	2025	2024
	£	£	£	£
At 1st April 2024	115,182	1,139,054	96,185	918,405
Payments received	1,086,122	635,841	1,105,119	616,844
Income recognised	(1,152,595)	(1,659,713)	(1,152,595)	(1,439,064)
At 31st March 2025	**48,709**	**115,182**	**48,709**	**96,185**

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. CONTINGENT LIABILITIES

In the year end 31 March 2021, the Hospice received £500 from a local solicitor's firm which was the distribution of dormant client funds totalling £500 and was recorded as voluntary income. Similarly in the year ended 31 March 2014, the Hospice received £26,972 of dormant client funds, also from another local solicitor's firm. Trustees consider it unlikely that either of the sums noted will be repayable but the Hospice has indemnified the solicitors' firms for the amounts recorded and consequently notes a contingent liability for the same total amount.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP At March 2025	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	4,134,483	5,795,427	9,929,910
Fixed asset investments	1,375,353	-	1,375,353
Current assets	7,271,401	51,654	7,323,055
Current liabilities	(1,216,061)	-	(1,216,061)
Total net assets	**11,565,176**	**5,847,081**	**17,412,257**

HOSPICE At March 2025	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	4,134,483	5,795,427	9,929,910
Fixed asset investments	1,375,355	-	1,375,355
Current assets	7,071,002	51,654	7,122,656
Current liabilities	(1,197,520)	-	(1,197,520)
Total net assets	**11,383,320**	**5,847,081**	**17,230,401**

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets or designated funds. Using this definition, the free reserves of the Charity at 31 March 2025 were £6,600,167 (2024: £7,127,405).

GROUP At March 2024	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,775,164	4,771,575	8,546,739
Fixed asset investments	1,292,910	-	1,292,910
Current assets	8,018,376	1,084,443	9,102,819
Current liabilities	(1,051,299)	-	(1,051,299)
Total net assets	**12,035,151**	**5,856,018**	**17,891,169**

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (continued)

HOSPICE At March 2024	General Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	3,775,164	4,771,575	8,546,739
Fixed asset investments	1,292,912	-	1,292,912
Current assets	7,758,441	1,084,443	8,842,884
Current liabilities	(1,018,525)	-	(1,018,525)
Total net assets	**11,807,992**	**5,856,018**	**17,664,010**

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP

Statement of funds – Group - for the year ended 31st March 2025

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**10,675,410**	15,311,405	(16,442,913)	258,655	660,351	89,887	10,552,795
Non-charitable trading reserve	**227,159**	1,101,412	(486,364)	-	(660,351)	**-**	181,856
Designated funds:							
Sundry donations for specific purposes – unrestricted	**122,582**	180,185	(223,602)	11,919	-	**-**	91,084
Young Adults' Accommodation Fund	**510,000**	-	-		-	**-**	510,000
Hospice Re-wiring Fund	**500,000**	-	(11,904)	(258,655)	-	**-**	229,441
Total unrestricted funds	**12,035,151**	**16,593,002**	**(17,164,783)**	**11,919**	**-**	**89,887**	**11,565,176**
Restricted funds:							
Ray of Light Trust	12,701	-	(1,292)	-	-	-	11,409
Ray of Light Trust 2	-	4,129	(4,129)				-
Albert Hunt Trust	-	30,000	(1,934)	-	-	-	28,066
Barbour Foundation 1	1,214	-	(1,128)	-	-	-	86
Barbour Foundation 2	-	50,000	(41,608)	-	-	-	8,392
BBC Children in Need 1	3,000	-	(3,000)	-	-	-	-
chART	300	-	(287)	-	-	-	13
Children's service building fund	1,804,051	-	(79,975)	-	-	-	1,724,076
Children's Service Fund	-	15,000	(15,000)	-	-	-	-
Children's Kitchen Fund	82,479	-	(8,839)	-	-	-	73,640

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
Coleman fund	197,198	-	(4,613)	-	-	-	192,585
Community Foundation 1	379	1000	(379)	-	-	-	1,000
Community Foundation 2	-	1,451	(1,451)	-	-	-	-
Community Foundation 3		1,500	(1,500)				-
Community Foundation 4		7,500	(7,500)				-
Community Foundation 5		1,000	(1,000)				-
Co-op Bank via Hospice UK	-	1,000	(1,000)				-
Daisy Marr	996	-	(165)	-	-	-	831
Day hospice building fund	380,941	-	(16,450)	-	-	-	364,491
Day services building fund	1,372,695	-	(38,097)	-	-	-	1,334,598
EP Robson	381	-	(110)	-	-	-	271
Elizabeth Casson Trust	-	16,037	(16,037)				-
Elsie Davis Trust	10,930	11,400	(14,850)	-	-	-	7,480
Elsie David Trust 2	-	1,000	-				1,000
Family Room Upgrade Fund:	158,175	-	(3,451)	-	-	-	154,724
Guyll Leng Trust	1,740	-	(1,740)	-	-	-	-
Hadrian Trust	1,000	-	(1000)	-	-	-	-
Harrison Foundation	20,000	-	-	-	-	-	20,000
Hospice Building fund	560,617	-	(28,642)	-	-	-	531,975
Hospice UK 1	-	20,270	(20,270)	-	-	-	-
Hospice UK 2	-	9,996	(9,996)	-	-	-	-
Hospice UK 3	-	258,655	(4,031)	-	-	-	254,624
Information centre	52,602	-	(5,078)	-	-	-	47,524
JGW Patterson	13,829	-	(1,495)	-	-	-	12,334
JGW Patterson	6,780	-	(487)	-	-	-	6,293

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
Karbon Homes	356	-	(356)	-	-	-	-
Karbon Homes 1	2,836	-	(2,836)	-	-	-	-
Kavli Trust	22,891	-	(2,628)	-	-	-	20,263
Lisa Shaw	-	2,675	(2,675)	-	-	-	-
Main Kitchen upgrade	50,754	-	(12,958)	-	-	-	37,796
Mark Benevolent Fund	2,882	-	(364)	-	-	-	2,518
Mel Weir Charitable Trust	1,408	-	(234)	-	-	-	1,174
Mel Weir Charitable Trust 1	-	5000	(5,000)	-	-	-	-
Morrisons Foundation	49,950	-	-	-	-	-	49,950
National Emergencies Trust - Community Foundation 2	1,383	-	(200)	-	-	-	1,183
NEPAC 1	1,275	-	(150)	-	-	-	1,125
NEPAC 3	655	-	(101)	-	-	-	554
NHS England CYP Palliative and End of Life Care Match Fund	26,576	-	(26,576)	-	-	-	-
Newcastle Building Society (via Community Foundation)	1,169	-	(192)	-	-	-	977
NHS England and NHS Improvement	-	453,000	(453,000)	-	-	-	-
OSM Province	63	-	(63)	-	-	-	-
Prime Fund via Community Foundation	2,112	-	(1,195)	-	-	-	917
Proctor and Gamble 1	883	-	(171)	-	-	-	712
Kans and Kandy	5,000	-	(5,000)	-	-	-	-
Rathbones Investment Management	5,086	2,000	(2,991)	-	-	-	4,095
Rothley Trust	1,200	-	-	(1,200)	-	-	-
Rothley Trust	850	-	-	(850)	-	-	-
Seahouses and District Cancer Research and Relief fund	2,458	-	(500)	-	-	-	1,958
The Sir Jules Thorn Trust	6,034	-	(991)	-	-	-	5,043

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2024	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2025
Southampton Hospital Charity	38,076	-	(38,076)	-	-	-	-
The Shears Foundation	-	30,000	(30,000)	-	-	-	-
Squires Foundation	19,137	-	(927)	(9,869)	-	-	8,341
TSG Foundation	7,523	-	(1,887)	-	-	-	5,636
Together for Short lives 1	1,362	-	(1,362)	-	-	-	-
Together for Short lives 2	-	1,000	(1,000)				-
Together for Short lives 3	-	1,197	(1,197)				-
Tyne Tunnel 2	17,800	-	(1,200)	-	-	-	16,600
WA Handley Trust 1	1,024	-	(170)	-	-	-	854
WA Handley Trust 2	1,510	-	(434)	-	-	-	1,076
WA Handley Trust 3	1,612	-	(242)	-	-	-	1,370
WA Handley Trust 4	-	2,600	(2,600)	-	-	-	-
The William Leech Charity	-	35,000	(35,000)	-	-	-	-
Winn Futter Trust	896,322	-	-	-	-	-	896,322
Nurse Call System (outpatients) fund	3,823	-	(618)	-	-	-	3,205
4Q Cancer	-	10,000	-				10,000
Total restricted funds	**5,856,018**	**972,410**	**(969,428)**	**(11,919)**	**-**	**-**	**5,847,081**
Total funds	**17,891,169**	**17,565,412**	**(18,134,211)**	**-**	**-**	**89,887**	**17,412,257**

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2024

	1 April 2023	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2024
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**11,612,401**	14,098,166	(14,761,672)	(1,056,405)	704,984	77,936	**10,675,410**
Non-charitable trading reserve	**74,542**	1,507,911	(650,310)	-	(704,984)	**-**	**227,159**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**100,815**	78,433	(42,071)	(14,595)	-	**-**	**122,582**
Young Adults' Accommodation Fund	**-**	-	-	510,000	-	**-**	**510,000**
Hospice Re-wiring Fund	**-**	-	-	500,000	-	**-**	**500,000**
Total unrestricted funds	**11,787,758**	**15,684,510**	**(15,454,053)**	**(61,000)**	**-**	**77,936**	**12,035,151**
Restricted funds:							
Ray of Light Trust	-	12,916	(215)	-	-	-	12,701
Albert Hunt Trust	8,417	-	(8,417)	-	-	-	-
Barbour Foundation	283	-	(283)	-	-	-	-
Barbour Foundation 1	2,342	-	(1,128)	-	-	-	1,214
BBC Children in Need 1	-	9,000	(6,000)	-	-	-	3,000
BBC Children in Need 2	4,936	9,137	(14,073)	-	-	-	-
chART	-	300	-	-	-	-	300
Children's service building fund	1,884,026	-	(79,975)	-	-	-	1,804,051
Children's Service Fund	-	-	(61,000)	61,000	-	-	-
Children's Kitchen Fund	-	-	(5,891)	88,370	-	-	82,479

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2023	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2024
Coleman fund	201,811	-	(4,613)	-	-	-	197,198
Community Foundation 1	400	500	(521)	-	-	-	379
Community Foundation 2	-	3,200	(3,200)	-	-	-	-
Co-operative Foundation	-	750	(750)	-	-	-	-
Daisy Marr	1,161	-	(165)	-	-	-	996
Day hospice building fund	397,391	-	(16,450)	-	-	-	380,941
Day services building fund	1,410,792	-	(38,097)	-	-	-	1,372,695
EP Robson	491	-	(110)	-	-	-	381
Elsie Davis Trust	8,840	11,000	(8,910)	-	-	-	10,930
Family Room Upgrade Fund:	161,626	-	(3,451)	-	-	-	158,175
Guyll Leng Trust	3,191	-	(1,451)	-	-	-	1,740
Hadrian Trust	-	1,000	-	-	-	-	1,000
Harrison Foundation	-	20,000	-	-	-	-	20,000
Hospice Building fund	589,259	-	(28,642)	-	-	-	560,617
Information centre	57,680	-	(5,078)	-	-	-	52,602
JGW Patterson	-	14,950	(1,121)	-	-	-	13,829
JGW Patterson 1	-	6,780	-	-	-	-	6,780
Karbon Homes	356	-	-	-	-	-	356
Karbon Homes 1	2,836	-	-	-	-	-	2,836
Kavli Trust	25,319	-	(2,428)	-	-	-	22,891
McManus	-	10,400	(10,400)	-	-	-	-
Main Kitchen upgrade	63,712	-	(12,958)	-	-	-	50,754
Mark Benevolent Fund	3,246	-	(364)	-	-	-	2,882
Mel Weir Charitable Trust	1,642	-	(234)	-	-	-	1,408
Mel Weir Charitable Trust 1	-	2,500	(2,500)	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2023	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2024
Morrisons Foundation	-	49,950	-	-	-	-	49,950
National Emergencies Trust - Community Foundation 2	1,583	-	(200)	-	-	-	1,383
National Lottery Community Fund 1	8,077	-	(8,077)	-	-	-	-
Neighbourly Foundations	1,750	-	(1,750)	-	-	-	-
NEPAC 1	1,425	-	(150)	-	-	-	1,275
NEPAC 3	756	-	(101)	-	-	-	655
NHS England CYP Palliative and End of Life Care Match Fund	93,800	-	(67,224)	-	-	-	26,576
Newcastle Building Society (via Community Foundation)	1,361	-	(192)	-	-	-	1,169
NHS England and NHS Improvement	-	442,766	(442,766)	-	-	-	-
OSM Province	191	-	(128)	-	-	-	63
Prime Fund via Community Foundation	3,307	-	(1,195)	-	-	-	2,112
Proctor and Gamble 1	1,054	-	(171)	-	-	-	883
Proctor and Gamble 2	24,480	-	(24,480)	-	-	-	-
Kans and Kandy	-	5,000	-	-	-	-	5,000
Rathbones Investment Management	5,519	4,300	(4,733)	-	-	-	5,086
Rothley Trust	1,200	-	-	-	-	-	1,200
Rothley Trust 1	850	-	-	-	-	-	850
Seahouses and District Cancer Research and Relief fund	2,958	-	(500)	-	-	-	2,458
The Sir Jules Thorn Trust	7,025	-	(991)	-	-	-	6,034
Southampton Hospital Charity	193,670	-	(67,224)	(88,370)	-	-	38,076
The Shears Foundation	-	30,000	(30,000)	-	-	-	-
Squires Foundation	-	19,909	(772)	-	-	-	19,137
TSG Foundation	-	10,000	(2,477)	-	-	-	7,523
Together for Short lives	2,777	-	(1,415)	-	-	-	1,362

NOTES TO THE FINANCIAL STATEMENTS (continued)

	1 April 2023	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2024
Tyne Tunnel 2	-	18,000	(200)	-	-	-	17,800
WA Handley Trust 1	1,194	-	(170)	-	-	-	1,024
WA Handley Trust 2	1,944	-	(434)	-	-	-	1,510
WA Handley Trust 3	1,854	-	(242)	-	-	-	1,612
WA Handley Trust 4	-	2,600	(2,600)	-	-	-	-
The William Leech Charity	26,250	-	(26,250)	-	-	-	-
Winn Futter Trust	-	896,322	-	-	-	-	896,322
Nurse Call System (outpatients) fund	4,443	-	(620)	-	-	-	3,823
Total restricted funds	**5,217,225**	**1,581,280**	**(1,003,487)**	**61,000**	**-**	**-**	**5,856,018**
Total funds	**17,004,983**	**17,265,790**	**(16,457,540)**	**-**	**-**	**77,936**	**17,891,169**

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

General Funds
Included with the general accumulation funds are the non-charitable trading reserves. These represent the retained profit of the trading subsidiary, St Oswald's Promotions Limited. The gross income and expenditure of the subsidiary have been shown, and the transfer represents the amount of profit passed to the parent company by Gift Aid.

Designated funds
The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated. At the year-end designated funds were held for the fit out of the new Young Adults' Accommodation, and funding for music therapy and an infection control nurse.

Restricted Funds

Ray of Light Trust
This money was used to purchase specialist seating for the Children's Unit.

Albert Hunt Trust
This donation was used towards the funding of a Dietician post.

Barbour Foundation 1
This donation was made towards the cost of Rise & Recliner Chairs for our Day Services Unit.

Barbour Foundation 2
This donation was used to fund a nurse salary and purchase clinical equipment.

BBC Children in Need
The grant is funding towards a music therapist in the Children and Young Adult's service.

chART
This donation was used to purchase children's arts and crafts.

Children's Services Building Fund
This reserve was established from voluntary donations during the Jigsaw Appeal to cover the costs of developing and providing a service to children with life threatening illness and their family members. Expenditure during the year relates to depreciation on the assets used by the children's service.

Children's Service Fund
This fund was established to ring-fenced donations restricted to the Children's Service. The £61k transferred in in 2023/24 was from a legacy left to the hospice, which specified the gift was for the Children's Service.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Children's Kitchen Fund
This represents the transfer of monies for the improvements to Children and Young Adults Service kitchen into new kitchen fund.

Coleman Fund
This was established through donations specifically designated for upgrading and construction work to the Hospice, including the establishment of an education centre.

Community Foundation 1
This donation was used to purchase craft and baking supplies for our Children and Young Adults.

Community Foundation 2
This donation was used to support Hydrotherapy sessions for our Children and Young Adults

Community Foundation 3
This donation was used towards the provision of surfing sessions for our Children and Young Adults

Community Foundation 4
This donation was used towards Bereavement service salaries.

Community Foundation 5
This donation was used for the purchase of memory boxes

Co-op Bank via Hospice UK
This donation was used to help those in the hospice celebrate Christmas

Daisy Marr
This donation was used to purchase two 'pea pod' chairs for our Children's Unit.

Day Hospice Building Fund
This was established to construct and equip a new Day Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Day Services Building Fund
This fund was established to cover the cost of the constriction of the Day Services Building and includes a grant of £498,455 from the Department of Health under their Dignity in Care for Older People Capital Gains Programme for Hospices; donations from the family of a patient including gift aid; and the utilisation of £675,632 of free reserves.

EP Robson
This donation was used to purchase a sofa for Children's garden room.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Elizabeth Casson Trust
The donation funds a research salary

Elsie Davis Trust 1
This donation funds a weekly 'Clown doctors' session which is delivered by Tin Arts.

Elsie Davis Trust 2
This donation funds resources for our Children's outreach service

Family Room Upgrade Fund
This project fund was set up to upgrade our family room in the adult inpatient unit.

Guyll Leng Charitable Trust
This donation was used to fund activities for our Young Adults.

Hadrian Trust
This donation was used to fund patient activities.

Harrison Foundation
This donation is to be used towards fixtures and fittings (including a specialist bath) for the new Young Adults Accommodation.

Hospice Building Fund
This fund comprises moneys raised for the original building of the Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Hospice UK 1
This funding supports underserved areas of our community by funding the salary of our Spiritual Care and Projects Lead

Hospice UK 2
This funding supports the salary of our Community Projects Lead to support those in prison

Hospice UK 3
This is a Department of Health capital grant which is being administered by Hospice UK.

Information Centre
This was established to construct and equip an information centre within the grounds of the main Hospice. The project was funded by a grant of £193,356 from the Community Fund, all of which was used to fund capital works. The reserve represents the original grant less accumulated depreciation.

JGW Patterson
This donation was used to purchase a cuddle bed.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

JGW Patterson
This donation will be used to purchase two new rise and recline chairs.

Karbon Homes
This donation was used to fund craft supplies

Karbon Homes
This donation was used to fund a 'silver rings' project for patients.

Kavli Trust
This donation was used to purchase outdoor play equipment for the Children's Service.

Lisa Shaw
This donation was used to fund children's bereavement support sessions.

Main Kitchen Upgrade Fund / Revenue Fund
The donations to this fund were used towards the cost of improving of our catering facilities (capital) and patient nutrition services (revenue).

Mark Benevolent Fund
This donation was made for the purchase of kitchen equipment.

Mel Weir Charitable Trust
This donation was used towards the purchase of a new washing machine for our Adult Inpatient Unit.

Mel Weir Charitable Trust 1
This donation was used towards the cost of a dietician to work within the Adult Inpatient Unit.

Morrisons Foundation
This donation was used towards the funding for the new Young Adults Accommodation.

National Emergencies Trust (via Community Foundation) 2
This donation was used to provide lockers for personal protective equipment (PPE) storage for the Adult Inpatient Unit.

NEPAC 1
This donation was given towards the cost of a specialist bath chair for the Adult Inpatient Unit.

NEPAC 3
This donation was given towards the cost of clinical equipment for our Day Hospice unit.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

NHS England CYP Palliative and End of Life Care Match Fund
This money was used to match funding for development of new children's outreach service (with Southampton Hospital Charity).

Newcastle Building Society (via Community Foundation)
This donation was used for the purchase of clinical equipment.

NHS England and NHS Improvement
Funding received specifically to meet the needs of the Children's Service.

OSM Province
This donation was used for the purchase of IT equipment.

Prime Fund (via Community Foundation)
This money was donated for the purchase of IT equipment for our Focus on Living Service.

Proctor and Gamble 1
This donation was used towards furnishing the new accessible changing facility in the Day Hospice Unit.

Kans and Kandy
This donation will be used to purchase sensory equipment for the Children's Unit.

Rathbones Investment Management
This donation was used to fund activities for our Children and Young Adults.

Rothley Trust
This donation contributed to the Good Night's Sleep Appeal

Rothley Trust 1
This donation contributed to the Good Night's Sleep Appeal

Seahouses and District Cancer Research and Relief Fund
This donation was used to purchase three syringe drivers and drugs storage facilities for our Inpatient Unit.

Sir Jules Thorn Trust
This donation was used to purchases two 'hi/lo' beds for the Adult Inpatient Unit.

Southampton Hospital Charity
This donation was used to fund the Children's Outreach Service (with NHS England CYP Palliative and End of Life Care) and for improvements to Children and Young Adults Service kitchen, transferred into a new kitchen fund.

The Shears Foundation
This donation was used to help fund running costs in our Children's & Young Adults Service.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Squires Foundation
This donation was used to purchase new syringe drivers and 3 new beds.

Together for Short Lives 1
This donation was used to fund a Family Fun Day.

Together for Short Lives 2
This donation was used to fund a trip to London

Together for Short Lives 3
This donation was used to fund a trip to the Carabao Cup Final 2025

TSG Foundation
This donation was used towards the purchase of IT equipment for our shops.

Tyne Tunnel 2
This donation was used to purchase rise recline chairs.

WA Handley Trust 1
This donation was used to purchase an Oska mattress.

WA Handley Trust 2
This donation was used to purchase a powered bath chair.

WA Handley Trust 3
This donation was used to purchase an infusion pump.

WA Handley Trust 4
This donation was used towards the funding of a Dietician post.

The William Leech Charity
This donation is helping us to develop our volunteer services.

Winn Futter Trust
This donation is to be used towards the funding for the new Young Adults Accommodation

Nurse Call System in Outpatients Fund
These monies were donated towards the cost of a new nurse call system.

4Q Cancer
This donation is to create a quiet area for patients and families in the Adult Inpatient Unit.

Transfers made out of restricted funds were made in agreement with funders to cover the shortfall in purchasing children's beds for the Good Night Sleep Appeal.

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. LEASING COMMITMENTS

Operating leases

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2025 relate to short leasehold land and buildings as set out below:

	2025	2024
	£	£
Operating leases that expire:		
Within one year	352,886	346,710
Within two to five years	640,786	717,003
Over five years	1,353	9,863
	995,025	1,073,576

The operating leases represent leases of premises. The leases are of varying terms.

24. CAPITAL COMMITMENTS

Capital commitments outstanding at the end of the year totalled £939,087 (2024: £77,886), being the balance due for the completion of the construction of new young adults' accommodation and the rewiring of the original hospice buildings.

25. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions totalling £47,705 (2024: £41,480) were payable to the fund at the balance sheet date.

The charity also makes contribution to the NHS Pension Scheme on behalf of existing members who remain in the scheme upon commencement of employment with the hospice. Contributions totalling £72,900 (2024: £70,798) were payable to the scheme at the balance sheet date.

26. RELATED PARTY DISCLOSURES

In the year to 31 March 2025, the charity made sales to its trading subsidiary, St Oswald's Hospice Promotions Limited (SOHP) totalling £360,573 (2024: £455,544) and purchases totalling £103,842 (2024: £272,570). On 31 March 2025 a balance of £8,633 was due from SOHP (2024: £64,924).

There are no other related party transactions to disclose.

St Oswald's Hospice

0191 285 0063 | enquiries@stoswaldsuk.org
www.stoswaldsuk.org
St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne NE3 1EE. Reg Charity No. 503386

ST OSWALD'S HOSPICE LIMITED

England & Wales - Charity number 503386

Accounts

St Oswald's Hospice



Trustees' Annual Report and Financial Statements

for the year ended 31 March 2024

Quality time for everyone

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024

CONTENTS

	Page
Welcome to our Annual Report	2
Reference and Administrative Details	2
Message from our Chair	3
Board of Trustees and Management at 31 March 2024	5
Our Professional Advisors at 31 March 2024	6
Structure, Governance and Management	7
Related Parties and co-operation with other Organisations	9
Objectives and Aims	10
Strategic Report	
- Achievement and Performance	11
- Financial Performance	21
- Section 172 Statement	26
- Ensuring quality - Monitoring and Compliance	27
- Strategic Objectives	30
- Policies to Achieve Our Objectives	31
- Sustainability	33
- Managing Risk	36
- Regulatory Statements	39
Trustees' Responsibilities Statement	42
Financial Statements for the Year Ended 31 March 2024	44
Independent Auditor's Report	45
Consolidated Statement of Financial Activities	50
Balance Sheet (Group and Hospice)	51
Consolidated Cash Flow Statement	52
Notes to the Financial Statements	54

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024

Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2024.

Here you will find out all about our work, who we care for and how we operate. We have also detailed our mission and our objectives and highlighted both our achievements this year and our strategic plans going forward.

This report also includes a full set of audited financial statements for the year ended 31 March 2024. The financial statements comply with the Charities Act 2011, the Companies Act 2006, Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective September 2015).

Reference and Administrative Details

St Oswald's Hospice is a company limited by guarantee, number 01166239 (not having a share capital). The company is a Registered Charity, number 503386 and its Articles of Association govern its functions.

St Oswald's Hospice's Articles of Association were last amended on 29th November 2016.

Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding £1.00.

Our Registered Office

We are registered at St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE. You can contact us by telephone on: 0191 285 0063 or by email at: enquiries@stoswaldsuk.org

If you would like to find out more about our work, please go to our website: www.stoswaldsuk.org or follow us on Facebook, Instagram, X, LinkedIn and YouTube.

Board of Trustees and Directors

The Board of Trustees who served during the year are set out on page 5, where you will also find details of the Hospice Management Team. Our professional advisors are detailed on page 6.

Message from our Chair

Once again this year has seen St Oswald's Hospice growing and connecting across the North-East community as we have welcomed many more patients, their families and visitors through our doors.

We are a charitable hospice. We are a place where people matter. A place that focuses both on living and dying well with our promise of Quality Time for Everyone. Together, with the vital support of our staff, volunteers, donors, customers and supporters, we provide expert, dignified and compassionate care for everyone, of all ages, who are living with a progressive, life-limiting condition, and their families and carers too.

It was great to see our new Strategy (2023-2027) launched this year. Particularly because so many people keenly contributed their views, stories and ideas to help us envision an ambitious strategy for services that will truly reflect local need, and fit with wider health and care system priorities. This will help us to provide more and better palliative and end of life care, for as many people, of all ages, in our community as possible.

Our inpatient and outpatient care and support services continue to develop, and, as always, our clinical teams have been innovative in finding the best ways to provide excellent care for everyone. Our Combined Supportive Care Service is now well-established, offering patients living with lung cancer or mesothelioma, from Newcastle Upon Tyne Hospitals Trust (NUTH), a warm and homely environment in which to receive treatments and supportive care. It is always good to hear how this service alongside the Focus on Living Service make such positive contributions to the quality of patient and family experiences.

A new Children's Outreach Service to support children with complex life –limiting conditions in our community is now underway and has been well-received by children, families and health and social care professionals. Other exciting news is that the plans for the building work to develop the new Young Adults' Accommodation have all been finalised and the build started in June 2024!

Delivering excellent services requires excellent people and we continue to strive to recruit and retain the very best staff and volunteers across the hospice – people who demonstrate our values and behaviours. Our Volunteer to Career programme began this year and will help to support those people keen to have a future career in health or social care.

We depend on and value the bright ideas, creativity and flexibility of our fundraising, marketing, communications and retail teams to boost hospice income each year. The Shaun the Sheep on the Tyne art trail was extremely popular this year, with some trailgoers travelling from across the country to take part! It was wonderful to see businesses, families, schools and community groups getting involved and connecting with the hospice. We were totally blown away by the support for Shaun on the Tyne, which raised £310,000 to fund our vital care and support services. In January 2024, our retail team launched an exciting new shop in Blyth creating space for customers to donate and/or buy high-quality and re-sellable, pre-loved goods.

Message from our Chair (continued)

We've continued our work in collaboration with our partners across health, social care and the voluntary and community sector. We have also been growing our connections within the research community to ensure we always stay ahead, not only providing best care now but also in the future. Our relationship with Newcastle Hospitals NHS Foundation Trust continues through our collaborative services and their excellent and ongoing Infection Control Guidance advice. Community and collaboration has been central in our work with charities and community groups focusing on children from socially deprived backgrounds, bereavement and patients and families affected by dementia. We're also building relationships and trust with faith and culture groups.

This will be my final message as Chair of the Board of the Hospice as my term of office comes to an end in November 2024, after 8 years as a Trustee. It has been a great privilege for me to serve as a Trustee at this outstanding hospice and to work alongside so many brilliant staff, volunteers and Trustees. I will always feel great pride to have been part of this dedicated and determined family of people that year after year make sure that St Oswald's Hospice delivers the outstanding care that the patients and their families have come to expect.

Thank you for your continued support.

Christine English

C.English

25/09/24

Board of Trustees and Management at 31 March 2024:

Vice-Presidents

Lady Craft
Mr J Docherty
Mrs D Van der Velde
Mr M P Robson
Dr K Mannix
Mrs M Liston

Board of Trustees

Mrs C English (Chair)
Mr S James (Vice Chair)
Mr D Reynolds

Mr D Hicks	Mrs T Phillips	Dr N Morris
Mr N Hobdey	Miss L Lloyd	Miss I Holland
Mr J Holmes	Mrs S Sinton	Mr R Taylor

Changes in the year:

Resignations

Mr G Boulton resigned as a Trustee on 2nd January 2024

Appointments

There were no appointments during the year. Mrs M Stabler was appointed as a trustee on 3 April 2024.

The Hospice Management Team who, alongside the Board of Trustees, are also the Organisation's key Management Personnel

Ms S Edusei	Chief Executive
Mrs K Maclaren	Finance Director
Mrs H A Eadington	Director of Corporate Services and Company Secretary (resigned 9 April 2024)
Mrs A Egdell	Director of Care Services
Ms D I Heron	Director of People (resigned 31 May 2023)
Ms S Peart	Director of People (appointed 27 November 2023)
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development

Our Professional Advisors at 31 March 2024

Statutory Auditor:
RSM UK Audit LLP
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Internal Auditor:
Azets Audit Services Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Solicitors:
Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Hay & Kilner LLP
Merchant House
30 Cloth Market
Newcastle upon Tyne
NE1 1EE

Bankers:
Barclays Bank PLC
Bank House, East Pilgrim Street
Newcastle upon Tyne
NE1 6QE

Investment Managers:
UBS Wealth Management (UK) Ltd
2 St James' Gate
Newcastle upon Tyne
NE4 7JH

Health & Safety Advisors:
Pivotal Safety Services
Seaton Carew
Hartlepool
TS25 2AR

Pension Advisors:
Azets Wealth Management Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Insurance Advisors:
PIB Insurance Brokers
Poppleton Road
Low Poppleton Lane
York
North Yorkshire
YO26 6GZ

Structure, Governance and Management

Our Board of Trustees

St Oswald's Hospice is governed by its Board of Trustees. Trustees are appointed for a four-year term of office, by election at Trustee meetings. Trustees may be reappointed for a further term of four years if they put themselves forward for re-election and such reappointment is approved by the other Trustees, but at the end of that period they must step down. As an exception however, at the absolute discretion of Board of Trustees, the Chairman, Vice Chairman and Treasurer may be re-appointed for a maximum of a further five years. Trustees are not paid for the duties they undertake.

A minimum of two places are allocated for the appointment to Trustee posts from St Oswald's Hospice volunteer workforce. There are currently two Trustees who regularly volunteer at the Hospice. The People Committee identify other Trustee posts and expertise required within the Board of Trustees.

Recruitment to Trusteeship is achieved by identifying and approaching potential members, advertising vacancies on our website and social media platforms and occasionally we advertise in appropriate media and professional associations. We look to create a Trustee board that offers St Oswald's Hospice diversity of skills and expertise and a balance of viewpoints.

All new Trustees follow an induction programme, which has a general component and a section tailored to their individual needs. Trustees are invited to provide feedback on this process, so we can continually look to improve the induction programme.

As part of their involvement in the work of St Oswald's Hospice, Trustees visit departments periodically during the year. Staff and volunteers can talk in confidence to Trustees, who then report their overall findings back to the Hospice Management Team (HMT) and recommend changes to be made, as they deem appropriate. Visits are valued by staff, volunteers and Trustees alike, providing insight into the day-to-day operations of St Oswald's Hospice and acting as an important communication tool for the organisation. Trustee visit reports are forwarded back to HMT for a management response to any issues raised and copies are made available to each team, members of the Clinical Governance and Quality Committee and all Trustees. Trustees visit our retail shops every two years, with HMT members undertaking an informal visit in the intervening year. We are pleased to report that departmental and retail visits are now fully back in operation.

Board of Trustee and Director Meetings

Our Board of Trustees and Directors meet on alternate months in each year and review achievements and progress made against strategic objectives. In October each year, a closed session is held to review its own performance in accordance with good practice. From this work Trustees are able to further define their training needs, as highlighted above.

Board of Trustee and Director Meetings (continued)

The Board of Trustees and Directors (also referred to as 'the Board' within this report) have four Committees that aid the conduct of their responsibilities. These are:

- Audit and Finance Committee;
- People Committee;
- Clinical Governance and Quality Committee; and
- Technology and Business Intelligence Committee

Most Trustees and Directors serve on one or more of the Committees as noted below:

Committee Membership at 31 March 2024

Audit and Finance	**People**	**Clinical Governance and Quality**	**Technology and Business Intelligence**
Trustees:	**Trustees:**	**Trustees:**	**Trustees:**
Mr D Reynolds (Chair)	Mrs C English (Chair)	Mrs C English (Chair)	Mr J Holmes (Chair)
Mr S James	Mr S James	Mr S James	Mr R Taylor
Mrs T Phillips	Mr D Reynolds	Dr N Morris	Miss I Holland
Miss L Lloyd	Mr N Hobdey	Miss I Holland	
Mr R Taylor	Mrs T Phillips		

Attending Directors:	**Attending Directors:**	**Attending Directors:**	**Attending Directors:**
Ms S Edusei	Ms S Edusei	Mrs H A Eadington	Mrs H A Eadington
Mrs H A Eadington	Mrs H A Eadington	Mrs A Egdell	Mrs K Maclaren
Mrs K Maclaren	Ms S Peart	Ms S Peart	

Average Trustee attendance at the Board meetings stands at 72.85%.

Average Trustee attendance at Audit and Finance, People and Clinical Governance and Quality Committee meetings during the year stood at 92.3%, 73.3% and 77% respectively.

The charity has made qualifying third-party indemnity provisions for the benefit of its trustees during the period. These provisions remain in force at the reporting date.

St Oswald's Hospice Promotions Limited

St Oswald's Hospice Promotions Limited is a wholly-owned, non-charitable subsidiary of St Oswald's Hospice Limited and is a company registered in England number 03146260.

The primary activities of the subsidiary are: to run a lottery and to co-ordinate other promotional or trading activities to generate funds for the charity. Taxable profits generated by the subsidiary are passed on to the parent company by Gift Aid.

The Board is currently made up of three Trustees from the holding company (one of whom is the Chair), the Chief Executive and Director of Corporate Services of the holding company and one independent Director. Our Director of Income and Marketing, Finance Director, Director of Strategy and Development, Head of Retail and Head of Fundraising also attend the meetings.

Hospice Management Team and Delegation of Powers

The management of St Oswald's Hospice is delegated to the Hospice Management Team (HMT), comprising the Chief Executive and six other Management Team members, each with responsibility for specific aspects of the work the Hospice undertakes (as outlined on page 5). The Chief Executive, with the support of the Management Team, reports to the Board, which approves major decisions and has overall responsibility for the Hospice's activities and direction.

The Board reviews and approves its Reservation of Powers, Delegation of Powers, Scheme of Delegation, Standing Orders and Standing Financial Instructions on a biennial basis to ensure high quality governance, the safeguarding of its assets and the good name of the charity.

Changes in our Management Team

There was one change in our management team during this financial year. Deborah Heron resigned from the Director of People post, and Sarah Peart was appointed as Director of People.

Related parties and co-operation with other organisations

We are contracted to provide care and support to local adults by our local Integrated Care Board (previously Clinical Commissioning Groups) and one NHS Foundation Trust. We also have a Service Level Agreement with Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust in respect of medical revalidation.

With regards to our Children and Young Adults Service, joint health and social care contracts, with Local Authorities, are in place for under 18s provision of specialist short breaks.

We train and educate undergraduates and postgraduate students in a range of health care professions from Newcastle University, Northumbria University and Teesside University.

Related parties and co-operation with other organisations (continued)
One of our strategic objectives recognises the need to work more closely with other organisations to help develop palliative care and end of life services; we are part of the Hospices North East and North Cumbria collaborative of independent hospices, and further details of our other collaborative work is included later in the report.

We are members of the umbrella organisations Together for Short Lives and Hospice UK, who provide a national voice for children and adult hospices respectively.

We are also a member of the Hospice Lotteries Association and the Lotteries Council.

Objectives and Aims

The principal activity of the Hospice is to provide specialist palliative and end of life care to adults, children and young people from the North East of England.

Our Vision and Mission statements, based upon our principal activity, are:

Vision:

Together, with others, we will make the most of time and improve quality of life for everyone, of all ages, in the North East who are living with a progressive life-limiting condition, and for their families and carers too.

Mission:

Together, with the vital support of our staff, volunteers, donors, customers and supporters, we will continue to develop and grow our services so that everyone in our region gets expert, dignified and compassionate care when and where they need it.

The Trustees have followed Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 and believe that the above objectives and vision, and the activities described throughout this report are undertaken to further the charity's purposes for the benefit of the public.

STRATEGIC REPORT – Achievements and Performance

Our fundamental aim is to make a difference to the lives of local people by providing excellence in specialist palliative and end of life care.
Detailed below, we explain how we have supported local families over the last year and demonstrate the impact of our work.

Adult Services

Our Adult Service offers an inpatient service; a lymphoedema service; a 'Focus on Living Centre' comprising of therapeutic activities in both group and one-to-one sessions; an ambulatory care service; a combined supportive care service, complementary therapy; carer and bereavement support. Patients are usually referred to us from Newcastle, Gateshead, North Tyneside and Northumberland, with occasional specialist referrals from further afield.

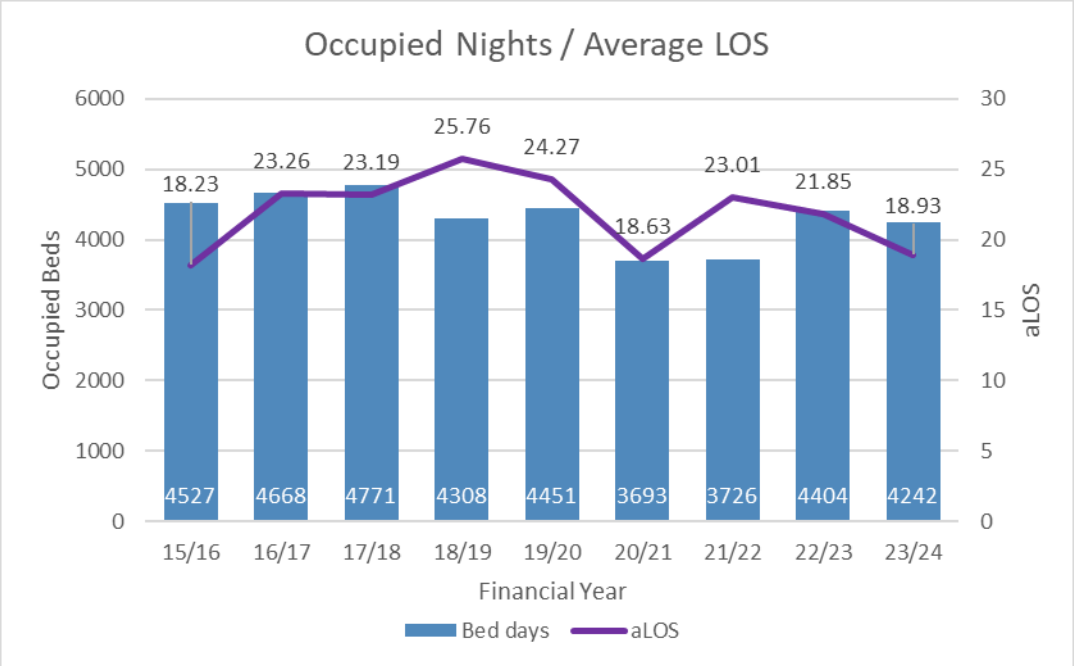
Adult Inpatient Unit

Our 15-bedded inpatient unit caters for patients needing pain and symptom control, emergency respite, and end of life care. Our multidisciplinary team works together to: ensure patients with specialist palliative care needs can maximise their quality of living by providing pain and symptom control, psychosocial, emotional and spiritual support; facilitate a safe and timely patient discharge to home or transfer to a continuing care service, as well as providing a supportive environment at the end of life.

In the financial year 2023/24

- 236 adult inpatient admissions (2023: 199 admissions), 68 patient discharges (2023: 60 discharges) and 166 deaths (2023: 139 deaths).

Patients stayed with us for an average length of stay of 19 days (2023: 21 days).



STRATEGIC REPORT – Achievements and Performance (continued)

- 4,242 bed days were occupied during the year (2023: 4,404 bed days)
- average bed occupancy was 81% (2023: 81%).

Just as we aim to provide excellent standards of care to patients and families, we also want to ensure that we support the education of future palliative care nurses. This year, we have employed our first "Learning Disability Nurse". We are already seeing how the knowledge and skills from this role are bringing a wider perspective to the way we care for patients with a learning disability, alongside a palliative care diagnosis.

We also have two Auxiliary Nurses who are attending Teesside University for the Trainee Nurse Associate Programme this year, which will allow them to join the nursing register when they qualify and will help to sustain the St Oswald's Hospice workforce. In line with our new strategy, two members of the Senior Nurse Team are now part of a research team involved in assessing our patients' eligibility for national trials. This will help to develop their skills in this area and we hope to provide evidence which could improve our patients' experience.

This year, we have been working on launching electronic prescribing, which aims to be in place for summer 2024. There are many benefits to this way of prescribing and administering medication, including our main reason for moving to this system - which is it reduces the risk of medication errors.

Our fantastic family room and beautiful gardens continue to be popular and offer relaxed and peaceful spaces away from a patient's bedside, where families can spend quality time together.

What families said. . .

"Thank you so much for all of your care and compassion, humanity, humour and skill in looking after "N". Equally, thank you for looking after me. It has been a tough time, but being in such an amazing, caring place has made it one of the most special times of my life. You enabled me to be with my Mam in such a positive way. Observing you throughout the time, working as a team and being so caring and cheerful — nothing was routine or too much trouble. Made me appreciate what exceptional people you are."

"I can't begin to tell you how grateful I feel for the fact that mum was in your care for her final weeks. You all cared for her with such kindness and we are sure that is why she stabilised for so long. From the responsive and effective medical care to the lovely way that you all talked to her and the priority given to her needs - including her enjoyment of food, even though she was eating so little - I will be forever grateful."

STRATEGIC REPORT – Achievements and Performance (continued)

Adult Day Services

In 2023-24, we've seen our referrals and attendances grow right across our Day Services.

Our Focus on Living Centre prides itself on offering personalised, holistic care with a rehabilitative approach to support palliative patients to live as well as possible with their condition. In line with our Strategy, we are continually reviewing our services, working closely with the NHS and other healthcare partners to ensure we're meeting the needs of patients.

We continue to work in partnership with Newcastle Hospitals NHS Foundation Trust to provide two thriving, fully-embedded services:

- The Ambulatory Care Service which provides people with palliative care needs with a safe and comfortable environment for planned procedures such as blood transfusions/ blood product support and bisphosphonate and iron infusions.
- The Combined Supportive Care Service, which provides personalised care for people with lung cancer or mesothelioma. We've received great feedback about this service which offers a much more comfortable and relaxing environment for patients, as well as freeing up much needed capacity in hospitals. The service has been proven to reduce hospital admissions.

In 2023, we launched a project, funded by Hospice UK, to widen access to our Focus on Living Centre. Numerous studies have shown that people from economically disadvantaged areas are much less likely to access hospice care and palliative services, compared to those living in affluent areas. Therefore, we're working with health care professionals and communities within the west and east ends of Newcastle to raise awareness about the available hospice care and palliative services and promote discussions around the choices people have when they have been diagnosed with a palliative, life-limiting illness.

Recognised as a national centre of excellence in Lymphoedema management, St Oswald's Hospice is the largest specialist Lymphoedema service provider in the North East. We are specialists in our field and we regularly treat the most complex, severe cases. All patients are cared for on a pathway approach, covering assessment, treatment and planned review and discharge. Our pathways mirror the International Lymphoedema Framework Best Practice Consensus Document (2006).

This year, our Lymphoedema team launched "Living Well with Lymphoedema". The sessions aim to give our patients the ability to successfully self-manage their condition. Patients attend two sessions over two weeks and can bring a family member or carer, so they can learn about the condition too. We are looking into making the sessions available online for those unable to attend in person. We hope to provide essential information for patients to understand their condition,

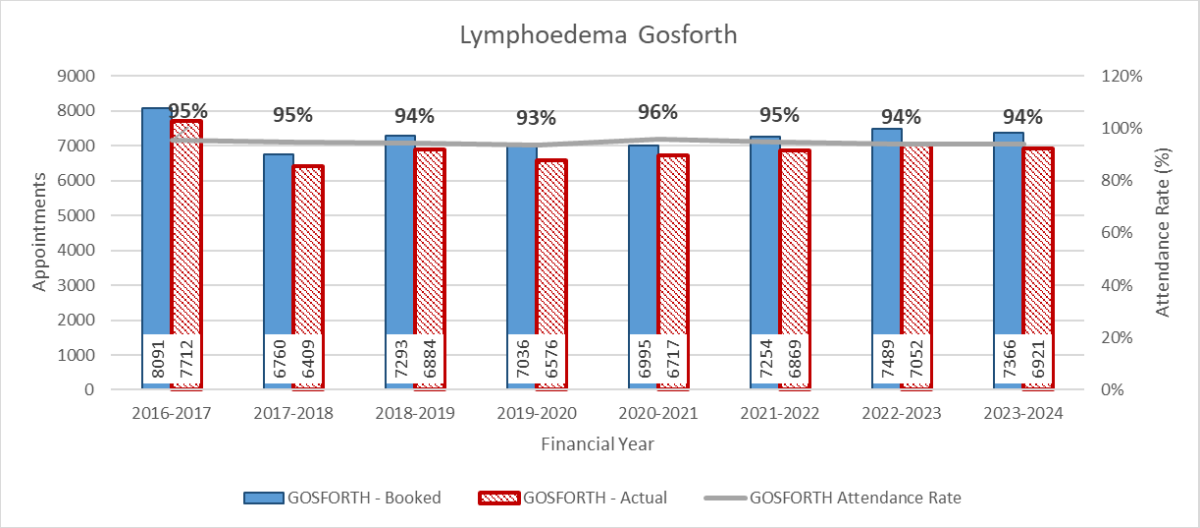
STRATEGIC REPORT – Achievements and Performance (continued)

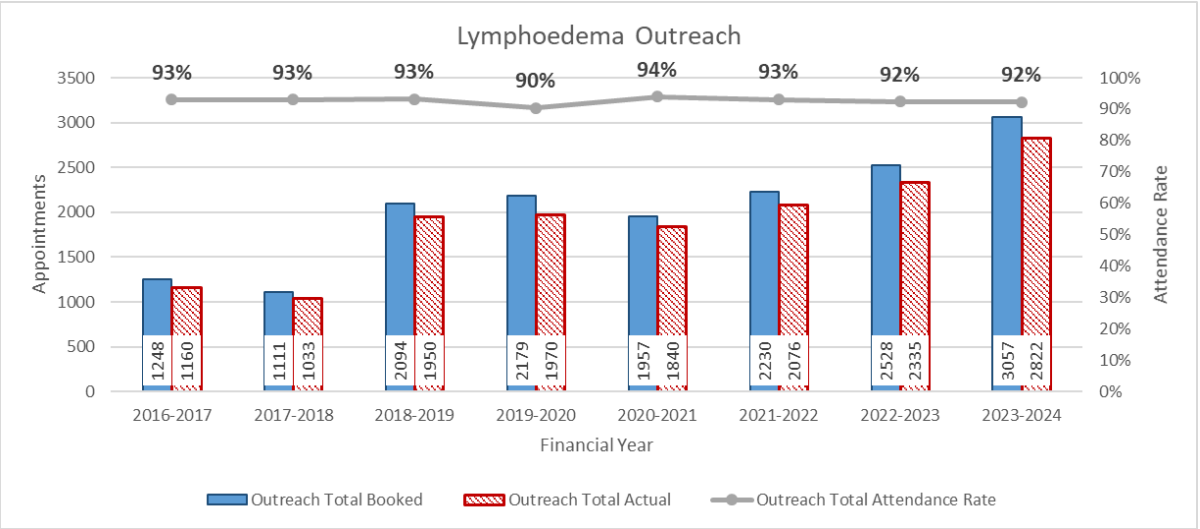
treatment, risk reduction and emphasise the role of the patients in self-management of their condition, alongside their Lymphoedema practitioner.

- Within Focus on Living Centre, 666 one-to-one contacts were recorded for 125 patients (96 in 2023).
- 1090 referrals to our Lymphoedema Service (2023: 991 referrals) and a total of 9,743 Lymphoedema attendances (2023: 9,387) across all of our clinics.

  Clinic appointments include new patient assessments, review appointments, garment fittings and intensive treatments which can involve attending clinic daily over a number of weeks.

- We continued to operate outreach clinics to care for and support people living with lymphoedema closer to home in Shiremoor, Blaydon and South Tyneside. This included 2,056 appointments in South Tyneside (2023: 1,595), 318 appointments in our Shiremoor Outreach Clinic (2023: 288) and 448 appointments (2023: 452) held in Blaydon.





STRATEGIC REPORT – Achievements and Performance (continued)

What our Day Services Patients and their families think. . .

"I can't tell you what a difference coming to Focus on Living has made to my life – not just me, but for my family too. When I first came in for my assessment, I felt for once I could say what I wanted and talk about how I was really feeling. I think I have had to hold everything in with regards to talking about death and dying as it upset my family which meant I couldn't talk about it and it weighed heavy on me. When I was asked if I wanted to come here, I thought this is the end for me, but when I came to Focus on Living…that is what I am doing now – focusing on living the rest of my life. What a good name for a department!"

"After using the Lymphoedema service, I had some self-belief and hope that I'd finally get a solution. Everybody at St Oswald's Hospice went above and beyond to make me feel better and tried all sorts of methods – until I finally got a solution and my leg started to improve."

Children and Young Adults Service

We provide specialist short breaks and palliative care to babies, children and young adults, aged from 0 to 25, with progressive, life-shortening conditions. We also provide end-of-life care and care after death. Specialist, medically-supported care is provided, 24 hours a day, seven days a week.

Children staying with us can enjoy a range of activities such as: sensory play, music therapy, arts and crafts and baking. Teens and young adults benefit from their own living area – complete with games consoles, wide screen TV and PCs. They also enjoy trips out – such as taking to the seas to enjoy incredible trips with the "Wetwheels" crew on board the specially-built, fully accessible powerboat.

In July, our Children's Service celebrated its 20th birthday. The day was a real celebration as our Children and Young Adults enjoyed a photo booth, balloon-arch, bouncy castle and lots of tasty treats. And in December, there was a wonderful Christmas Party with an inflatable grotto, Santa and snow.

In September 2023, our Children and Young Adults kitchen was refurbished, thanks to proceeds from the auction of Banksy's artwork, Game Changer, which was gifted to Southampton Hospitals Charity in May 2020. National Building & Maintenance Solutions, carried out the refurbishment work and also gifted money as part of the revamp to install interactive and sensory experiences for our Children and Young Adults.

In February 2024, some of our Children and Young Adults enjoyed meeting Newcastle United and England footballer, Kieran Tripper, who this year became the official Charity Ambassador of St Oswald's Hospice Children and Young Adults Service.

The plans for our new independent accommodation for Young Adults continued to progress throughout the year and the build started in June 2024. This will increase our capacity to offer short breaks to young adults up to the age of 26 years old. It will also help our young adults explore the possibility of more independent

living and help them transition to adult care services in a more seamless way.

Our Children and Young Adults team have continued to develop our Outreach Service. This year they have supported three children and young adults who need help at home due to complex health and social care needs. To help our team travel round the region more easily and sustainably, Wingrove Motor Company have kindly given us the use of an electric car for the next two years.

We also offer dedicated support for siblings, this year we ran two 'Sibz Days' for brothers and sisters of children with chronic conditions who stay with us for short breaks. Sibz Days involve sharing feelings and experiences and expressing them in different ways – including art, crafts and music. Children get the chance to have fun, make new friends and even play with medical equipment that their brother or sister may use, in a safe environment.

If a child dies at St Oswald's Hospice, their own home or in hospital, we are also here to provide ongoing bereavement support to families.

- 53 children and their families benefited from our Children's Service (2023: 57).
- A further 13 young adults were cared for at St Oswald's Hospice (2023: 15).
- We had 682 admissions, 1,988 bed days (2023: 2,012) were occupied with an 81% occupancy rate (2023: 81%).
- The average length of stay is 3 nights per visit (2023: 3) for children and young adults.

We continue to work closely with Great North Children's Hospital and Newcastle upon Tyne Hospitals NHS Trust.

What children, young adults and their families said

"As soon as we came for a look around, we felt welcome and it felt right. I find it hard to trust anyone with D, but quickly felt that I could trust the team at St Oswald's Hospice. He loves doing fun things like surfing and playing in the sensory room. And he loves the girls who take care of him! The hospice is different to what you'd expect – I'd never go back to not having it for D now. It's such a special place."

"St Oswald's Hospice is a life-saver for us. It's A's favourite place in the world and it gives us time to recuperate while she's staying there. The staff are just awesome and we know she's safe, happy – and she just loves it there!"

Carer, Bereavement and Family Support

Our services to carers include complementary therapy, carers' drop-in sessions, group sessions and one-to-one support.

We also offer a range of support services to bereaved individuals and families on a one-to-one basis and in groups.

Any bereaved person can access bereavement support. They are offered face to face or telephone support which is private, confidential and none judgemental.

STRATEGIC REPORT – Achievements and Performance (continued)

We offer bereavement groups sessions where people have the opportunity to discuss their feelings with others who are also dealing with the grief and loss of a loved one.

The bereavement team also provide training to health care professionals and teachers to enable them to support individuals more effectively and understand how grief effects people in different ways.

In July 2023, our bereavement team started holding 'Bereavement Cafés' at St Oswald's Hospice. The cafés are for anyone grieving and allow people in a similar situation to come together, talk about their loved ones and share how they are feeling in a safe and supportive environment.

Our Young Advocates Bereavement Support Group continued, where children learn how to support other children in schools. The idea is to normalise bereavement and prevent children from feeling isolated while in school education.

Our Corporate Bereavement Online Training also continued in partnership with Hospice UK, delivered by one of our Bereavement Support Workers who is a qualified Bereavement Facilitator for Hospice UK's Compassionate Employers training programme. This programme offers practical guidance and support to companies to manage bereavement in the workplace and support staff back to work following a death.

This year we have also partnered with the Local Authority and the North Tyneside Mental Health Alliance to deliver bereavement training to their staff, as well as delivering a project to HMP Northumberland to train 75 prison staff on how to offer bereavement support to prisoners. This project was funded by the Linder Foundation and brokered by Hospice UK.

In Autumn 2023, we began a collaborative project called 'Portraits with Purpose: Continuing Bonds' with portrait artist, Leanne Pearce. Leanne worked alongside bereavement and 12 families to create a collection of portraits that celebrate the lives of loved ones and provide a positive, creative focus for grieving or pre-bereaved families, supporting them in their 'continuing bonds' process. In May 2024, we plan to hold an exhibition during Dying Matters Week.

In early 2024, we partnered with Rise (wearerise.co.uk) to co-deliver a free 5-week Grief, Loss and Wellbeing course for people in Berwick who were recently bereaved or had experienced significant loss in the past.

Last year…

- 150 individual adults accessed bereavement support with a total of 838 contacts.

What people said about our Bereavement Services…

"Coming to St Oswald's Hospice for bereavement support has given me the tools to help me cope with my grief for N and L."

STRATEGIC REPORT – Achievements and Performance (continued)

"I have loved the natural camaraderie and the mutual support. Everyone is a good listener and very understanding." (Bereavement Café)

"Witnessing the change in those who attended from week one to the final week was astonishing. I truly believe the project has changed the lives of those who attended, allowing them to work through their grief and loss, providing a safe space to discuss their feelings and combating social isolation." (Rise's Adult Health & Wellbeing Strategic Lead)

Research

We are dedicated to enhancing the care and quality of life for our patients and their families through continuous research, innovation, and service improvement. Our goal is to conduct impactful research, leading to change, benefiting our service users and enriching their experiences in our care. By advancing cutting-edge, evidence-based research, we strive to realise our ultimate aim of delivering internationally recognised research to enhance and deliver the best palliative care for people of the North East and beyond.

During the period 2023-2024, St Oswald's Hospice has furthered its collaborative working relationships with existing regional partners (notably Newcastle University; Northumbria University; Newcastle Hospitals NHS Foundation Trust; Northumbria Healthcare Foundation Trust; Clinical Research Network North East & North Cumbria; Applied Research Collaborative North East & North Cumbria and Health Innovation North East & North Cumbria) as well as initiating new working relationships with alternative groups such as the Open University.

Other new/extended collaborative working relationships in the period include:

- Association for Paediatric Palliative Medicine (APPM) joint Research Group
- Palliative Care Congress (organisation committee),
- NIHR Cross Collaborative Multiple Long-Term Conditions – models of care workstream
- National Research Active Hospice Forum
- Sawubona: Equity in Palliative Care for All Forum Meeting – oversight group and main group (research re inequity)

Additionally, the Hospice has continued with its research development, with the following specific highlights:

- From an infrastructure perspective, the Hospice reinforced its research trajectory by allocating additional resources, including the appointment of a new post: the Head of Strategy and Research Development. This role is pivotal in supporting project development, encompassing project management, funding, and governance/oversight.
  Dr Felicity Dewhurst attained a prestigious National Institute for Health and Care Research (NIHR) Advanced Fellowship (6.25 years/1.3 million); the first in the country to be awarded in Palliative Care Research.

Research (continued)

Dr Dewhurst's focus under this fellowship will be studying the palliative care journeys of individuals with multiple long-term conditions.

- Sister Diane Nicholson is nearing successful completion of her award (NIHR Advanced Practice Fellowship from the Applied Research Collaborative (ARC) North East North Cumbria). This fellowship facilitated Sister Nicholson's investigation into Augmentative and Alternative Communication (AAC) methods employed with children and young adults facing communication challenges within hospice and short break environments. (AAC encompasses various techniques substituting spoken communication.) Our forthcoming initiatives involve disseminating key findings to internal teams, as well as sharing insights with external stakeholders across other hospice settings and potentially other sectors too.

For information, the active research projects we were involved with over the period are listed below:

- Research Culture Index (Lead Site)
- Bereavement EducaTion and Training for Employers evaluation and Recommendations (BETTER) (Lead Site)
- NIHR ARC NENC Advance Practitioner Fellowship – Iris project (Lead Site)
- NIHR PEOLC Infrastructure: Collaborative Paediatric Palliative Research Network (CoPPaR) (Lead – York)
- NIHR PEOLC Infrastructure: NE collaborative - now termed "Research in Palliative and End of life care North east" (RIPEN) (Host - Lead: Newcastle University)
- PONDER: supPOrtiNg shared DEcision-making for deprescRibing in palliative care (Host - Lead Newcastle University)
- Serious Illness Conversations (SIC) Programme (Host - Lead: Northumbria Foundation NHS Trust)
- A cluster randomised trial of Clinically-assisted Hydration in cancer patients at End of Life (CHELsea II) (Host - Lead: University of Surrey)
- Experiences and decision-making processes leading to premature withdrawal from important occupations in Motor Neurone Disease (MND): co-production of a novel Occupational Therapy Intervention to promote occupational engagement. (MND-OT Study) (Lead Site)
- DECIDE – Diverse Experiences of End of Life care for Dementia - Establishing Consensus and Capacity through Collaboration and Co-production (Host - Lead: Newcastle University)
- NIHR Advanced Fellowship – PROMISE: Palliative Care trajectories of people with multiple long terms conditions (Host - Lead Newcastle University)
- Children's Palliative care Outcome Scale (C-POS) Validation study (Host - Lead: King's College London)
- Parent and Professional Experiences of 24/7 Paediatric End Of Life (Host - University of York)
- Transforming care and improving safety for patients with multiple long-term health conditions (Host SOH - Lead Newcastle University)

Research (continued)

- The P-CARE study - Developing a UK Palliative CAre & ethnicity REsearch Consensus statement (Host SOH - Lead Hull York Medical School)
- Working with interpreters in end-of life care: Equity in communication outcomes (ECHO) (Host SOH - Lead Hull York Medical School)
- Understanding the experience of patients using video consultations in community specialist palliative care (Host SOH - Lead University Hospital of North Tees)

STRATEGIC REPORT – FINANCIAL PERFORMANCE

Summary of Financial Performance

We are pleased to report a positive group financial result for the year to 31 March 2024 of £886k surplus (2023: £652k surplus) as detailed in the Statement of Financial Activities on page 50. The hospice-only result for the period is a surplus of £734k (2023: £767k surplus); the surplus includes the release of capital grants totalling £966k (2023: £nil) relating to the construction of a new young adults' facility.

Income for charitable activities from statutory sources has provided a strong foundation this year, increasing by 0.6% (2023: 5.2%) to £5,977k (2023: £5,940k) year on year.

The Fundraising and Retail teams have performed very well in raising funds to cover the gap in funding between our public sector income, and the cost of delivering charitable services, exceeding their targets on all fronts. The year has not, once again, been without its challenges: Extremely high inflation at the start of the year, the unpredictable political and economic environments, alongside an extremely buoyant employment market, has placed strong upward pressure on expenditure.

The positive financial result is due to several factors:

- **Release of capital grant income**
  We have secured £966k in funding towards the construction of new purpose-built young adults' accommodation. The funds have been released as restricted income in the year, establishing a new restricted fund for the project. This is a one-off occurrence and no corresponding expenditure has been recognised; spend to date on the project is treated as capital work in progress within tangible fixed assets (see note 15 on page 68). On completion the facility will be capitalised, and the depreciation charges charged against the newly created restricted fund. This significant one-off event significantly affects the financial results, if not considered separately to the ongoing operations of the hospice.

- **Our generous supporters**
  Yet again income from individual donors through regular giving, lottery and appeals has remained a strong and reliable source of funding this year.

- **Fundraising**
  The Fundraising team has again surpassed their target for the year, with particular success in our Shaun the Sheep on the Tyne Art Trail and an exciting programme of events.

- **Retail**
  The Retail team has achieved higher sales across almost every store, compared to the budget targets they were set for the year. This considerable achievement can be aligned to the creativity of the staff and volunteers who are given the freedom to curate exciting themed displays in the shops while also ensuring high quality stock is available for sale.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

- **Legacies**
  Gifts of legacies bequeathed to the hospice are once again incredibly high at £2,298k (2023: £2,276k).

Legacies, in particular, whilst providing a welcome source of unrestricted funding and corresponding uplift to reserves, are unpredictable in nature and cannot be presumed to provide a long-term reliable flow of income. A rolling four-year forecast is maintained and has been updated with the latest financial information available; it ensures reserves are maintained within acceptable limits (details of our reserves policy are on page 39). This positive result has ensured we have not had to draw upon our free reserves to cover a shortfall in funding to cover operational costs.

Financial Performance in Detail

For the year ended 31 March 2024 the group recorded a net surplus, including grants but before accounting for movement on the investment portfolio, of £808k (2022/23: £662k).

For the group, total incoming resources for the year increased by 12.5% (2023/24: increase of 10.1%) to £17,266k. Total resources expended increased by 12.0% (2023/24: increase of 12.3%) to £16,458k.

For the hospice only, total incoming resources for the year increased by 10.9% (2022/23: increase of 9.5%) to £16,463k. Total resources expended increased by 12.4% (2022/23: increase of 11.2%) to £15,807k.

During 2023/24 £1,581k (2022/23: £916k) was gratefully received in grants and donations to cover specific projects. This is shown in the financial statements as "restricted income", and the appropriate expense is shown against it as "restricted expense". This differentiates it from the normal ongoing operations of the Hospice, which is named "general" income and expense.

The movement on general funds is a true reflection of financial performance in the year and can be summarised as follows:

Group	**2023/24**	**2022/23**	**Movement**
General income	15,684,510	14,433,914	1,250,596
General expenditure	(15,454,053)	(13,880,457)	(1,573,596)
Net income before movement on investments	230,457	553,457	(323,000)

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Hospice	**2023/24**	**2022/23**	**Movement**
General income	14,881,583	13,926,206	955,377
General expenditure	(14,803,740)	(13,257,636)	(1,546,104)
Net income before movement on investments	77,843	668,570	(590,727)

Incoming Resources

Income is usually categorised as Generated Income (being Donations, Legacies, Trading Activity income and Investment income) or Income from Charitable Activities, more detail about which is outlined below:

Incoming Resources from Generated Funds

Donations and income from regular donors totalled £2,766k (2022/23: £1,493k) of which £1,139k was restricted (2022/23: £451k). Legacy income has continued in a similar vein as the past few years and is extremely high at £2,298k (2022/23: £2,276k). Income from other trading activities flourished, rising to £6,013k in the reporting period (2022/23: £5,568k).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year it was able to gift aid £705k (2022/23: £693k) to the parent charity. The subsidiary's main activity is the Hospice lottery, and hosting the hospice's Shaun the Sheep art trail in the year. The increase in gift aid received is largely due to timing of the art trail: The subsidiary incurred upfront expenditure for the art trail of £148k in 2022/23, whilst the income related to this event was not generated until Summer 2023.

Investment income, comprising interest and dividends received is £212k in the year (2022/23: £73k). The year-on-year increase can be attributed to bank interest; the hospice has taken advantage of the increase in interest rates and utilised interest-bearing cash deposit accounts, to earn £163k in the year (2022/23: £25k).

Incoming Resources from Charitable Activities

As in previous years our charitable activities received partial funding from the NHS and local authorities, totalling £5,977k in the year (2022/23: £5,940k). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totals £2,156k (2022/23: £2,179k). Our Children and Young Adults' Service continues to be funded by local authorities on an activity-basis via a payment per night for each child or young adult accommodated, generating total income of £1,350k (2022/23: £1,562k).

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

As in previous years a grant was received from NHS England of £443k (2022/23: £371k), to support the activities of our Children's Service. The Children's Outreach Service also continues to be in development, and is being supported by a restricted grants, of which £94k was recognised in 2022/23, from NHS England, matched with funds from Southampton Hospital's charity (classified as a restricted donation in 2022/23).

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedema income for 2023/24 was £1,962k (2022/23: £1,679k).

Resources Expended

Resources Expended are classified as either Cost of Raising Funds, or Cost of Charitable Activities, of which a more detailed description is provided below.

In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2019, costs of support services are shown relating to our direct charitable services. The costs of Human Resources, Corporate Services, Information Management and Technology and Finance departments have been allocated to each of the direct service departments or income generation departments. The allocation is calculated according to the most appropriate measure of usage for each area of expenditure. Note 10: Analysis of Support Costs gives greater understanding of the costs incurred and their allocation.

Costs of Raising Funds

The cost of raising funds totalled £5,461k overall (2022/23: £5,055k). The increase is driven by higher staffing costs.

Costs of Charitable Activities

Expenditure on our charitable activities of £10,996k (2022/23: £9,633k), including property costs, depreciation charges and support costs, represents 66.8% of total expenditure (2022/23: 65.6%). Staff costs remain by far the greatest type of expenditure incurred, and as above, accounts for the increase year-on-year.

Balance Sheet

The Balance Sheet at 31 March 2024 shows funds of £17,891k (2023: £17,005k) of which £9,840k (2023: £9,678k) is represented by fixed tangible and long-term investment assets. Notes 15 and 16 to the financial statements set out expenditure and other movements relating to fixed assets and fixed asset investments.

The hospice was fortunate to receive a large capital grants totalling £966k to date, as upfront funding for the construction of a two bedroomed purpose-built young adults' accommodation. The income has been treated as deferred income last

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

year end, however, has been released at 31 March 2024 as all planning permission has been granted with conditions, all of which were discharged in May 2024. As a result of the high cash balance a further £1 million was deposited into an interest-million bearing short term deposit account in addition to the £2 million deposited in the prior year (2023 £2 million).

Investment Policy and Performance on page 39 further details the performance of long-term investments and the short-term deposit account.

Key Performance Indicators

	Unit of measure	Target	2023/24	2022/23
Value of free reserves	£000's	8,036	7,127	8,067
Expenditure variance from budget	%	<5%	3%	6%
Retail profit	pence in £	20	26	25
Fundraising expenditure ratio	pence in £	48	27	31
Staff turnover	%	<5%	12%	17%
Adult inpatient occupancy	%	84%	81%	81%
Children and young adults occupancy	%	85%	81%	81%

Expenditure was higher than budget in 2023/24, due to higher than budgeted pay awards being approved by trustees in order to keep us competitive with NHS Agenda for Change pay scales and non-clinical employment markets.

Retail profit (pence in £ profit) is better than target as trading income exceeded budgeted targets, without a matching increase in costs. Similarly Fundraising expenditure ratio (pence in £ profit) is much better than budgeted; significantly higher income from campaigns and legacies was generated with very minimal additional outlay.

Staff turnover, although improved on last year, continues to be very high; the employment market is extremely competitive at present, and often the charity often does not have wage parity with private sector salaries. Whilst we benchmark pay to similar roles outside of the organisation, and aspire to move towards these levels, as a charity we must balance the requirement to manage our expenditure on a recurring basis with the need to reduce staff turnover, and so this is not always possible.

Occupancy rates within both the Adult Inpatient Unit and Children and Young Adult's Unit is consistent with the prior year.

STRATEGIC REPORT – SECTION 172 STATEMENT

The Trustees are the directors of St Oswald's Hospice and have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- the likely consequences of decisions in the long term
- the interests of employees
- the need to foster the Charity's relationships with third-party stakeholders which, in the case of St Oswald's Hospice, includes our patients and their families, the local community, the NHS and our supporters
- the impact of the Charity's operations on the community and the environment
- the desirability of the Charity maintaining a reputation for high standards of business conduct.

The charity's strategy takes into account the likely consequence of any decision in the long term. The Trustees have recently approved the organisation's strategy for the next three years. The areas of focus for our updated strategy for 2023-27 are set out on page 30. The Board meets at least every second month throughout the year. It assesses progress against the strategy, identifies areas for focus for the following year and receives updates on the Charity's performance and plans. Its committees also review plans, strategies and activities with regard to the particular terms of reference overseen by the committee concerned. The Board also has two mini away days each year, for strategic planning.

The Board obtains assurance that attention is given to the factors set out in section 172 when promoting the success of the Charity, by monitoring that the Hospice Management Team and the wider organisation are delivering the aims and objectives of the charity, its strategy and complying with specific policies. Engagement with the Charity's main stakeholders are as set out on page 27. The Hospice Management Team reports to the Board on key stakeholder relations and engagement activities, current issues and relevant feedback received from interactions with stakeholders.

The Trustees follow a formal process to regularly manage and review risks that are faced by the Charity, set out on page 36.

The Charity ensures that it maintains a reputation for high standards of business conduct by having in place a range of policies and processes that promote corporate responsibility and ethical behaviour. Areas covered include fundraising (our fundraising practices are outlined on page 27), gifts and hospitality, conflicts of interest, safeguarding, respect at work and freedom to speak up. Policies are reviewed periodically. Within the Hospice Management Team and the Board of Trustees, we also have dedicated leads for Equality, Diversity and Inclusion (EDI), Safeguarding and Freedom to Speak Up.

STRATEGIC REPORT - Monitoring and Compliance

Ensuring Quality Care: Monitoring and Compliance

We have a range of mechanisms in place to ensure we continue to provide an outstanding service to adults, children and young people.

We are monitored and regulated by the Care Quality Commission (CQC) and at last inspection (September 2015); we were awarded an overall rating of 'Good'. The CQC awarded us 'Outstanding' for care, and 'Good' for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made. The Single Assessment Framework was launched by CQC this year and we have reviewed our performance against the requirements set out in the Quality Statements. We continue to engage with CQC as they transition to a new approach to regulation. We continue to promote the CQC feedback portal with patients and families. In that time, we have received email confirmations that CQC are satisfied and that there is no reason to trigger an inspection or change our rating.

Service User experience as always is a priority. We continue to listen and act on the feedback of our patients, children, young adults and families where we can. Internally, patient experience is measured by questionnaires, face to face interviews, focus groups and submissions to our 'feedback bank' alongside our formal complaints policy and procedure. Our feedback bank serves as a central store for all patient experience data, as well as comments, complaints, compliments and suggestions from wider stakeholders. This year we piloted a Consultation Network, a group of people, not necessarily already known to us, who could contribute to developments within the Hospice. The pilot went well and we hope this Network will become another mechanism to gather a range of stakeholder feedback on a wide variety of Hospice activities including new developments and ongoing improvement of service delivery.

Our Clinical Quality Team is tasked with reviewing all issues relating to patient experience and providing a quality service. They are involved in Clinical audit, policy development and review, medicines management, safeguarding both vulnerable adults and children and many other areas of work, the team is made up of clinical quality leads from each service, led by the Clinical Quality Lead. Regular updates are provided to Trustees via our Clinical Quality & Governance Committee.

Ensuring Quality in Fundraising Practice: Monitoring and Compliance

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We encourage our fundraising service providers we engage with to also be signed up to the code. This report covers the requirements charities must follow as set out in the Charities Act 2011.

STRATEGIC REPORT - Monitoring and Compliance (Continued)

It has cost us £10,996k (2023: £9,633k) to provide our charitable hospice services this year. Approximately 54% of this of this came from statutory funding. We aim to raise the balance of funding required through our fundraising activities.

Our fundraising effort involves encouraging donations and legacies, running events and operating a lottery.

We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. Several of our in-house fundraising team are members of the Institute of Fundraising.

Our lottery and raffles are regulated by the Gambling Commission, and we comply with the conditions set out in our licence.

We ensure that the correct safeguards are in place with our suppliers and those who fundraise on our behalf. We require them to confirm that they comply with the Code of Fundraising Practice.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received one complaint in the 2023/24 financial year (in 2022/23 we received two complaints).

We respond to all complaints within 10 days. We encourage teams to register near misses, adverse events and feedback as well as formal complaints in order to identify possible or underlying areas in which we could improve. Complaints are dealt with in-line with our fundraising complaints policy. Most serious complaints would be escalated to our Hospice Management Team (HMT) and trustees so they can consider lessons learnt. We report to the Fundraising Regulator on the totality of our complaints.

We have published our vulnerable person policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We received, and therefore actioned, no requests from this service last year. In addition to our policy we have an agreed operating procedure to protect vulnerable people, which our fundraisers are familiarised with.

Under GDPR, our supporters have many legal rights over the way their personal data is used. We comply with The Code of Fundraising Practice which requires us to respect the public in how we process and protect their personal data. Processing data means doing something with it, including collecting, storing and using it.

Personal data is any information relating to a living individual who can be directly or indirectly identified from it. This could include keeping records, or using data for direct marketing. We ensure that we have an appropriate legal basis to use personal data, including when and how we contact supporters. For more information on how we use personal data in our fundraising, please see our Privacy Policy on the website.

STRATEGIC REPORT - Monitoring and Compliance (Continued)

The Privacy Policy determines how supporters can ask us to stop processing their data for certain purposes. Our communications provide supporters with information on how to stop receiving them.

Our Fundraising Policy sets out our guiding principles and practices across every aspect of fundraising.

Ensuring Quality in Retail: Monitoring and Compliance

St Oswald's retail department works to a high quality to meet the standards required by the hospice policies. We work alongside other Hospice departments to ensure we comply with GDPR, DPIA and PCI. The department has several working relationships with other organisations which help to strengthen our quality standards.

We are a member of the Retail Charity Association, the primary membership organisation for charity shops in the UK. The association influences and monitors legislation and regulations that affect charity retailing, and promotes the benefits of charity retailing to communities.

All retail staff complete annual mandatory training covering, Health & Safety, Fire Safety, Data Security Training, Manual Handling and Gift Aid training. All shops record daily checks and complete task and environmental Risk Assessment. All transport vehicles are installed with data matrix equipment and dash cam to record driving standards and can be used to monitor and improve standards.

Our retail department runs a Gift Aid scheme which enables us as a registered charity to reclaim tax on a donation of goods made by a UK taxpayer, effectively increasing the amount of the donation made to us. We currently use E-productive to ensure we meet HMRC standards by providing training tools for all retail staff and volunteers and auditable processes and procedures.

We work in accordance with all Local Authorities in regard to household waste, in particular White Goods and Soft Furnishings i.e. Fridge, Freezer, sofa or cushions.

STRATEGIC REPORT – Strategic Objectives 2023/24

As our Vision 2025 drew to an end, we knew it was time to start developing a new strategy, which would cover the period: 2023-2027.

Working with Claire Henry Associates, we engaged with key stakeholders including patients, families and the public, on our new strategy, which will help us deliver the very best care for our patients and their families.

Our Strategy 2023 – 2027 has at its heart our aim to continue to grow and develop high quality clinical and support services for those people in our community with progressive life-limiting conditions, and those caring for them. The 3 care service areas of focus are: Frailty, Bereavement and Transition.

The Strategy encompasses 4 strategic aims that provide the focus for the way we work and 4 foundations that we need to strengthen to support everything we do:

Our 4 Strategic Aims

- Partnerships
- Community
- Sustainable Funding
- Education and Research

Our 4 Foundations

- Our People
- Effective, Efficient and Sustainable
- Equity, Inclusion and Diversity
- Identity, Presence and Message

Towards the end of 2023 we began to spread awareness and embed our new aims and foundations into the organisation – and we will continue to do so – so that every staff member knows how they are contributing to delivering our Strategy. We continue to develop a plan with actions, targets and measures that details the steps we will take each year to deliver this Strategy.

STRATEGIC REPORT - Policies to Achieve Our Objectives

Recruitment, Retention and Development of Staff & Volunteers

It is essential that we have the right staff and volunteers in place to enable us to achieve our strategic objectives and to provide a quality service for everyone who accesses our services. We do this by making sure that we have effective systems and procedures in place to ensure we recruit, develop, support and manage our people, ensuring they have the skills, knowledge and values we need to deliver our services both now and in the future.

Our People related policies and procedures comply with legislative and regulatory requirements, reflect best practice and govern all our activities, ensuring our staff and volunteers work within safe and effective systems.

St Oswald's Hospice Criminal Records Policy requires all applicants for paid and voluntary, permanent or temporary posts to disclose, as a minimum, any unspent criminal convictions as part of their application. In addition, the Safeguarding Vulnerable Groups Act 2006 requires that certain roles (paid or voluntary) with access to children or vulnerable adults are subject to a criminal records check, via The Disclosure and Barring Service (DBS), before employment, volunteering or placements commence.

Wellbeing

Wellbeing is a key theme of our People Strategic Action Plan which is based on the principles of 5 Ways to Wellbeing. St Oswald's Hospice received the Bronze Award for Better Health at Work and we continued to promote Able Futures to support mental health and provide resources to support people with their financial wellbeing.

We offered many activities for our people, for example, wellbeing days, bereavement support, staff choir counselling support and menopause support.

We have trained a large co-hort of Mental Health First Aiders to support our workforce and have an additional new Freedom to Speak up Guardian in place.

Engagement & Involvement

We have launched our new process for quality 1-1 conversations between staff and their line managers to replace a formalised appraisal system. This is via our People Management System, Cascade.

Each year we deliver planned learning, development and education programmes to ensure our staff and volunteers are able to undertake their roles safely, in a well-managed environment, equipped to deliver high quality services. Our approach is still blended learning with any on-line elements being delivered through our Learning Management System (Bluestream Academy).

The views of staff and volunteers are sought via line managers, feedback bank, special briefings, focus groups, surveys and departmental visits from HMT and Trustees.

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

Equality, Diversity & Inclusion
The Equity, Diversity and Inclusion (EDI) group has a clearly defined plan that supports EDI in service provision and in supporting and developing all our people. The plan is supported by various training opportunities for staff and volunteers, to help them support others within the organisation.

We conduct an annual Workforce Equality Survey (WES) which includes all characteristics of our staff and volunteer workforce.

Staff Remuneration
Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. Our People Committee sets the salaries of the Hospice Management Team and Medical Consultants.

Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

Pay Policy for Senior Staff
The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the Hospice on a day-to-day basis. All Trustees give their time freely without remuneration. Details of any trustee expenses and related party transactions are disclosed in the financial statements.

Trustees are required to disclose all relevant conflicts of interest in line with St Oswald's Hospice Conflict of Interest Policy including registering them with the Company Secretary and, in accordance with the policy, withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Hospice People Committee and any recommended uplift is approved by the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities of similar size and turnover and seek to compare like with like posts.

Equality of Opportunity
St Oswald's Hospice is committed to ensuring that all current and potential staff and volunteers are treated with dignity, fairness and respect, regardless of their sex, marital status, age, sexual orientation, race, ethnic or national background, religion, beliefs or disability.

We promote an environment in which individual staff and volunteers can utilise their skills and talents to the full, and that the best people are recruited for our jobs from as wide and diverse a pool of talent as possible.

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

Disability in Employment
We are a Disability Confident Leader and actively encourage applications for employment from disabled people.

Volunteers
We are a volunteering organisation which is exceptionally proud of our volunteers. Volunteers are active in most departments across the Hospice and Promotions Company, lending their skills, experience, expertise and time. Together with our staff, our volunteers form our fantastic team of people who ensure we are able to provide vital hospice services to local people and families.

Our Volunteering strategy will support the continuing development of new opportunities for innovation whilst ensuring our volunteering offer is robust and meets the evolving needs of all areas of the organisation.

We operate a Volunteer to Career Pathway to support volunteers with clinical career aspirations within the Health and Social Care Sector.

STRATEGIC REPORT – Sustainability

St Oswald's Hospice's commitment to tackling climate change and focusing on our environment and sustainability is embedded in our 2024 -27 Strategy. This is underpinned by the Safety, Health, Environment and Fire (SHEF) focus of our organisation to ensure that we continue to be a reliable partner for the NHS and other organisations we work with.

Our Environment and Sustainability steering group report into our senior leadership team and aim to integrate the assessment, management, and control of environmental issues into the day-to-day management of our business.

Addressing waste issues continues to be high on our agenda, and our Retail Team are instrumental in providing an outlet for members of the public to reuse and recycle their unwanted clothes, books, and household items, while equally being able to shop sustainably.

Green and tranquil spaces are especially important to St Oswald's Hospice, and we take huge pride in our beautiful gardens which provide calm and peaceful surrounding for our patients, their families, our staff, and volunteers. It is also a welcome and happy place for our Children to play and enjoy the outdoors. We are continually tending to these spaces and rely on a band of gardening volunteers to look after them.

What we have achieved in 2023 -24:
- Embedded environmental sustainability into our strategy
- Reviewed the membership and objectives of our environmental and sustainability working group
- Taken the first steps to write our Green Plan in line with NHS recommendations

STRATEGIC REPORT – Sustainability (continued)

- Reduced our electricity consumption 3% and Gas consumption by 2%
- Appointed a lead assessor for phase 3 energy saving opportunity scheme
- Appointed contractor to replace all lighting across our Adult Inpatient Unit with LED lighting whilst continuing to replace in other areas of the hospice
- Began transition of our vehicle fleet with the introduction of an EV Van, EV outreach pool car and a hybrid pool car
- Signed up to the Sustainable Procurement Pledge
- Using more technologies to reduce printing and increase efficiencies
- Began the implementation of e-prescribe
- Investigated the opportunity that solar panels may bring to the estate

What we intend to do:

- Share internally monthly metrics with respect to our utility use and our carbon emissions
- Promote a culture of environmental and sustainability issues with our staff and volunteers
- Replacement of boilers and a full replacement of our lighting to LED lighting across our site with PIR

Streamlined Energy and Carbon Reporting (SECR) Statement

		2023/2024	2022/2023
UK Energy Consumption (kWh)	Gas(Scope 1)	1,515,647	1,554,257
	Other Fuels (Scope 1)	x	x
	Transport Fuel (Scope1 - Company Fleet	165692	161682
	Electrcity (Scope2)	678726	697699
	Grey Fleet (Scope3 - Category 6)	58820	58166
	Total	**2,418,885**	**2,471,804**
Uk Emissions (tCo2e)	Gas (Scope 1)	273	280
	Other fuels (Scope 1)	x	x
	Transport fuel (Scope 1 - Company Fleet	40	39
	Electrcity (Scope 2)	140	143
	Grey Fleet (Scope3-category 6)	14	14
	Total	**467**	**476**

STRATEGIC REPORT – Sustainability (continued)

Intensity ratio:
Due to the range of services delivered by St Oswald's Hospice the intensity metric of kWh per FTE (fulltime equivalent employee) was chosen.

Intensity ratio		2023/2024	2022/2023
	Normalistaion Metric (FTE)	299	282
	Intensity Ratio (tCo2e/FTE)	1.562	1.688

Carbon footprint:
This is the first time St Oswald's have reported on their carbon footprint. The data that could be accurately gathered was limited, however, we decided to report 2 years initially so that we could benchmark where our natural progression is. Our two-year data illustrates reductions in our electricity kWh use by 3% and gas purchases by 2.5%, driven by a concerted effort by staff and volunteers to use energy in a more efficient manner, championed by our Sustainability Group.

In the coming year we aspire to collect and report on our consumption to provide a more transparent and holistic picture of our impact. We aim to include emissions from hotel stays, commuting journeys, working from home, and water use. We are exploring the viability of solar panel installation at our main site and working with a partner to investigate what measure we can take to make our buildings carbon neutral.

Our overall position is a 2% decrease in carbon emissions based on the data we have recorded. This is due to the reduction in our energy consumption. However, both our own transport fleet and grey fleet have increased emissions – these are two areas we need to identify opportunities to reduce emissions.

Methodology
We followed the HM Government report guidelines for SECR using the emissions factors for company reporting. For Scope 1 and 2 using the billing data from the utility companies and fleet data collated from our tracking system and fuel card reporting. Our grey fleet information was collated from expense claims.

STRATEGIC REPORT - Managing Risk

Keeping patients, families, staff and visitors safe is a fundamental principle at St Oswald's Hospice and as such, risk management is firmly embedded in the culture and structure of the organisation.

Trustees and HMT have continuous access to the Risk Register and the associated action plans, trustees are notified of adverse events via reporting to the committee structure and they are escalated to Board if required.

There are a number of dedicated sub-groups which feed into the Hospice Management Team operational meetings, the output of which are reviewed at committee level and shared with the Board where required.

We have a Clinical Quality Team which is led by the Clinical Quality Lead. Other Team members include experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained across the Hospice based on best available evidence. The Clinical Quality Team monitors and reviews clinical activity, service user feedback, engagement and involvement, clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme.

A Clinical Quality Report is presented at each meeting of the Clinical Governance and Quality Committee (a sub-committee of the Board of Trustees). The report provides the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Clinical Quality Improvement work within St Oswald's. This report also gives a summary of various sub-groups and outlines the plans going forward.

A Safety Health Environment Fire/Risk Management Report is also presented at each Clinical Governance & Quality Committee meeting.

Impact of Covid-19 Pandemic Risk

Throughout the financial year, while the UK has not been subject to Covid-19 restrictions as in previous years, we have continued to respond dynamically to the infection control guidance applicable to our services. Our clinical services continue to be managed closely via a daily Clinical Planning Group meeting chaired by Director of Care Services.

Environment and Fire Risks

Pivotal Safety Services provide St Oswald's Hospice with safety, health, environment and fire risk management advice and an additional layer of scrutiny to our operations. Pivotal Safety Services continue to provide advice on implementing a wide-ranging action plan and offer ad-hoc advice and support, where necessary.

STRATEGIC REPORT - Managing Risk (continued)

Clinical Risks
There are a number of dedicated sub-groups which feed into the Clinical Quality Team, namely: Clinical Systems Steering Group, Ethics, Infection Prevention and Control, Water Hygiene, Emergency Preparedness, Resilience and Response (EPRR), Clinical Audit, Nutrition and Hydration, Medicines Management, Manual Handling and Falls Prevention, Clinical Education, Medical Gases, Palliative Care Advice Line, Outcome Assessment and Complexity Collaborative (OACC), Enablement Group, Equity, Diversity and Inclusion, Sexuality, Safeguarding, Bereavement, Children and Young Adults Service Outreach Steering Group, Clinical Volunteering Group, Service User Involvement and Engagement, and the Clinical Research Group. The Clinical Quality Lead presents reports from the Clinical Quality Team to the Clinical Governance and Quality Committee.

All the clinical units hold a clinical risk register which monitors the key risks and control measures for each unit. These are live documents monitored by each team through their leadership meetings.

Adverse events provide vital information in the identification and monitoring of risk and the process is used as a source of learning. Plans are in place to move to the new Patient Safety Incident Response Framework (PSIRF) launched in the NHS, which emphasises the learning response to incidents rather than apportioning blame.

External Bodies
Our external auditor, RSM UK Audit LLP, bring with them the benefits of a firm large enough to have considerable expertise in the not-for-profit, public and private sectors.

Azets Audit Services has acted as internal auditor throughout the financial year, with a programme of works which covered all aspects of financial control, alongside review of non-financial controls and procedures.

Financial Risk Factors
Risks are reviewed annually by the Trustees and the most significant financial risks facing St Oswald's are as follows:

Income Risk
Income Risk is the reliance on potentially volatile income streams such as lottery income, voluntary donations, retail and fundraising income, including legacies. Equally it includes the risk that our statutory commissioners such (the NHS and local authorities) do not provide the funds to allow us to keep pace with future NHS and wider employment market pay rises, meaning this will therefore have to be funded from our charitable monies, placing greater strain on our fundraising efforts.

The financial environment has changed markedly over the past few years, due to the economic fallout from the September 2022 "mini budget" and the steep increase in interest rates which ensued; the high cost of living, and also the very steep levels of inflation which were seen particularly at the start of the financial

STRATEGIC REPORT - Managing Risk (continued)

year. This is additional to the longer-term instability which remains due to the lasting impacts of Brexit, the ongoing conflict in Ukraine and the financial consequences of the covid-19 pandemic. The result is much uncertainty surrounding the charity's ability to generate income from the general public, our philanthropic funders and our commissioners.

The risk is mitigated as far as possible by being creative in redesigning and pivoting fundraising activities to be responsive to the local environment, and also having good donor stewardship to maintain positive links with existing donors. Financial pressures within the NHS and local authorities may result in some of the Hospice's services becoming economically unviable. Strenuous efforts are made to communicate regularly with commissioners and to instigate negotiations wherever necessary.

Fraud and Financial Crime Risk

Any business carrying out activities that involve handling large amounts of cash faces the risk of loss of income through fraud or theft. It has also been increasingly reported that cyber fraud, attempts at "phishing" and impostering suppliers to change bank details by deception is becoming extremely frequent. An Internal Financial Controls policy is in place to outline operating procedures to minimise these risks.

Staff are made fully aware of their responsibilities in respect of handling cash and these procedures during induction, and are reminded of their responsibilities on an annual basis. All changes to bank details are verified by telephone with a known contact and a log of changes maintained for reference. Should any incident of theft or financial crime be suspected, the procedure detailed in the Fraud policy is followed and the appropriate authorities and Trustees are notified in a timely manner.

Investment Risk

The Hospice is exposed to fluctuations in the stock market which affect the value of its investment portfolio. The portfolio is monitored by the Audit and Finance Committee at each of their meetings throughout the year. The portfolio is designed both to generate a stream of dividend income and as a long-term investment. Trustees recognise that its value is subject to fluctuations in the stock markets. The risk profile of the portfolio, is under constant review by the Audit and Finance Committee, which is advised by the Hospice's investment managers, UBS. The value of the investments has held steady throughout the year yielding 4% (2023: 4%), despite the volatility in the stock markets which has been reported throughout the year.

Liquidity Risk

Trustees monitor the Hospice's liquidity by means of KPI reporting through the management accounts alongside cash flow forecasts. Since its establishment, the Hospice's inflow of cash income has been sufficient to service cash expenditure. Should problems arise in the future, Trustees have access to the hospice's investment portfolio and short-term cash deposits to remedy a situation if needed, without compromising the Hospice's operations.

STRATEGIC REPORT – Regulatory statements

We are required to make a number of statements to provide further understanding of how we manage our affairs and how we are governed.

Investment Policy and Performance

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile.

Once again this year no withdrawals were made from the investment portfolio (2022/23: £nil sold). Dividend income is paid over to the Hospice as it is received. The portfolio slightly decreased in value in first half of the year, but then increased markedly in the second half as inflation rates settled and the expectations heightened of a decrease in interest rates in the near future. The value of the portfolio has experienced a net gain of £78k (2022/23: net loss of £10k) during the year, as detailed in Note 16 of the financial statements.

In the previous financial year, the Hospice took advantage of the rising Bank of England base rates and opened a 95-day notice deposit account, attracting interest at a rate of 0.05% above base rate. Capital of £3 million was held on deposit in this account earning £163k in interest (2022/23: £25k). The Bank of England base rate rose moderately across the year from 4.25% at the start of the year to 5.25% at its close (compared to an increase in 2022/23 from 0.75% at the start of the year to 4.25% March 2023).

Reserves Policy

Strategic financial plans are updated on a rolling programme to create the next financial year's business plan with an accompanying projection for the following three years. This gives an outline of the likely financial impact on reserves over a four-year period.

The annual business plan allows Trustees to recognise longer-term financial pressures and opportunities for St Oswald's, be they external factors or internal objectives. Our plans highlight the pressures and uncertainties placed on our resources by changes in the employment market, volatility in the wider economy, the fundraising and retail environments, the NHS, changes in the demand for our various services, alongside our continued reliance on potentially unpredictable sources of income such as legacies. To counter these pressures we hold reserves to protect our ongoing commitment to beneficiaries to ensure we meet our contractual obligations and to provide a financial contingency to safeguard our ability to continue with our charitable activities. Where we feel it is appropriate, and we consider we have sufficient free reserves to allow, we will invest our reserves in capital assets to maintain or enhance our services.

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Reserves Policy (continued)

In considering our policy on reserves, we establish a minimum level required to counter possible fluctuations in income and meet the costs of our legal obligations and anticipated medium term costs of maintenance to all our premises. We also establish a maximum level of reserves based on income and expenditure expected in a twelve-month period.

Our acceptable range of free reserves is reviewed annually and for this year the range is considered to be between £4.0 million and £12.1 million. Within this broad range, we have a target of £8.0 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

As at 31 March 2024, our group accumulated general funds stood at £12,035k (2023: £11,788k). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets and not designated and not held within the subsidiary trading reserve. Using this definition, the free reserves of the Charity (and Group) at 31 March 2024 were £7,127k (2023: £8,067k).

Whilst acknowledging free reserves are below our target of £8.0 million, it is worthy of note that in the year two significant funds were designated, to ring-fence a segment of the reserves for use in the coming year: The first is £500k for the planned re-wiring of the original hospice. This major programme of maintenance is required to replace the original wiring which was installed when the hospice was constructed almost 40 years ago. The second is £510k allocated to fund a shortfall in capital grants required to undertake the Young Adults' accommodation project. Designating this fund allows the work to commence, while efforts continue to secure the remaining balance.

The four-year financial forecast has been refreshed, taking a fair view of predicted income and expenditure in the context of the volatile financial environment we are currently operating within. This has meant that we have had to expect deficit financial results in the next few years, but this has been carefully planned with reference to the reserves balance, ensuring that at no point is the minimum acceptable level of free reserves breached. In considering the reserves as part of the budget-setting cycle, the trustees are confident there is sufficient remaining to fund the planned future deficits between income and expenditure, and also to invest non-recurrently in the charity's facilities and technology infrastructure.

Our new medium-term strategy was launched in autumn 2023; in developing this, trustees have loosened the requirement that any new initiatives, or developments to existing services, must be self-financing; general reserves can be used to provide start-up funding for such projects where it is deemed beneficial to do so and the initiative is highly likely to become self-funding within a short time-frame.

The Hospice designates certain reserves for specific purposes, and trustees approve a list of designated reserves each year. In addition to the two large new funds mentioned above for re-wiring and funding the Young Adults' accommodation project, smaller funds raised from appeals and donations for

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Reserves Policy (continued)

specific items totalled £123k at 31 March 2024 (2023: £101k). These reserves are set aside for a specific use in the following financial year.

Future Plans

Our recently launched new strategy (more of which is described on page 30) informs the medium-term direction of the charity, to aim to deliver more care to more people in more places. However, the trustees continue to aim to preserve the financial stability of the Hospice by limiting expenditure of general reserves to that which is non-recurring or is absolutely necessary to secure our existing services, or are extremely confident that with start-up funding new initiatives will become self-funding.

Plans for Fundraising and Retail strategies for future years remain creative and responsive to our supporters and stakeholders, to maximise net income generation. Construction of a new Young Adults' Unit commenced in June 2024 which will bring two purpose-built bedrooms to the service, designed to specifically meet the needs of our young adults. This project is possible due to a grant of £896k which has already been received and has been released from deferred income as restricted in the year (and is also included in our year end cash balance) and will be used towards the design and construction of the facility.

Going Concern

The Trustees are aware of the risks to income from the rising cost of living and commissioning organisations experiencing financial pressures, coupled with rising costs from extremely high inflation and salary market forces. We are also embarking on two significant projects in the coming year with the construction of the young adults' accommodation and a large scale programme of re-wiring in the oldest part of the hospice's estate, both of which are placing commitments on our reserves. With this in mind we have developed a cautious four year business plan to forecast income and expenditure, and the necessary use of free reserves to bridge any shortfall in funding, while ensuring levels remain well within our stated acceptable limits. Contingency plans, however, are in place to adjust the charity's obligations should it be required in the future. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future.

The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register is regularly reviewed and updated to reflect the new exposures faced. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' Responsibilities Statement

The trustees (who are also directors of St Oswald's Hospice Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all 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 and

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustees' Responsibilities Statement (continued)

Auditor

RSM UK Audit LLP have indicated their willingness to continue in office as auditor, and a resolution concerning their reappointment will be proposed at this year's Annual General Meeting.

By Order of the Board

C.English

C English
Chair

25/09/24

ST OSWALD'S HOSPICE LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

For the Year Ended

31 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED

Opinion

We have audited the financial statements of St Oswald's Hospice Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Company (Hospice) Balance sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

Other information (continued)

Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 42 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

Responsibilities of trustees (continued)
preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company

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

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

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

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety, the Care Act 2014 and the Gambling Commission. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected copies of the annual return to regulators.

The group audit engagement team identified the risk of management override of controls, valuation and completeness of grant, contract and legacy income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to management override of controls included but was not limited to testing journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates. Audit procedures performed in relation to valuation and completeness of grant and contract income included but was not limited to verifying a sample of income to supporting documentation including grant offer letter or service contract, reviewing the income recognition policy and confirming income is recognised in accordance with the SORP criteria and any corresponding accrued or deferred amounts have been correctly recorded. Audit procedures performed in relation to the valuation of legacy income included but were not limited to verification to third party supporting documentation, reviewing the income recognition policy and confirming income is recognised in accordance with the SORP criteria and agreeing receipt to bank statements, where applicable. Audit procedures performed in relation to the completeness of legacy income included but were not limited to the review of the legacy pipeline, and correspondence within the legacy files.

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

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

Use of our report

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

Sarah Mallinson

SARAH MALLINSON FCA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date
25/09/24

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 March 2024

	Notes	General funds	Restricted funds	Total 2024	Total 2023
Income and Expenditure		**£**	**£**	**£**	**£**
Income from:					
Donations and legacies	2	3,925,378	1,138,514	5,063,892	3,768,060
Other trading activities	3	6,013,125	-	6,013,125	5,568,357
Investments	5	211,981	-	211,981	73,131
Charitable activities	6	5,534,026	442,766	5,976,792	5,940,483
Total income		15,684,510	1,581,280	17,265,790	15,350,031
Expenditure:					
Costs of raising funds					
Voluntary Income	7	543,193	-	543,193	555,369
Cost of activities for generating funds	7	4,908,471	-	4,908,471	4,490,202
Investment Management Fees	7	9,457	-	9,457	9,422
Cost of Charitable Activities	8	9,992,932	1,003,487	10,996,419	9,633,263
Total Expenditure		15,454,053	1,003,487	16,457,540	14,688,256
Net income before movement in investments		230,457	577,793	808,250	661,775
Gain/(loss) on investment assets	16	77,936	-	77,936	(9,716)
Net movement in funds		**308,393**	**577,793**	**886,186**	**652,059**
Total funds brought forward					
At 1 April 2023	22	11,787,758	5,217,225	17,004,983	16,352,924
Transfers between funds	22	(61,000)	61,000	-	-
Total funds carried forward at 31 March 2024	22	**12,035,151**	**5,856,018**	**17,891,169**	**17,004,983**

All of the activities were continuing. There were no recognised gains and losses other than those included in the surplus this year.

The notes on pages 54 to 87 form part of these financial statements.

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

BALANCE SHEET AS AT 31 March 2024

Group/Hospice

	Notes	Group 2024 £	Group 2023 £	Hospice 2024 £	Hospice 2023 £
Fixed Assets					
Tangible assets	15	8,546,739	8,450,169	8,546,739	8,450,169
Investments	16	1,292,910	1,227,386	1,292,912	1,227,388
Long term deposit		-	-	-	-
		9,839,649	9,677,555	9,839,651	9,677,557
Current Assets					
Stocks		39,590	19,091	15,472	4,760
Debtors	17	3,064,569	3,542,562	3,128,998	3,483,229
Short term deposit		3,158,134	2,017,666	3,158,134	2,017,666
Cash at bank and in hand		2,840,526	3,876,083	2,540,280	3,523,393
		9,102,819	9,455,402	8,842,884	9,029,048
Creditors: Amounts falling due within one year	18	(1,051,299)	(2,127,974)	(1,018,525)	(1,776,164)
Net current assets		**8,051,520**	**7,327,428**	**7,824,359**	**7,252,884**
Total assets less current liabilities		17,891,169	17,004,983	17,664,010	16,930,441
Provisions for liabilities	19	-	-	-	-
Net assets		**17,891,169**	**17,004,983**	**17,664,010**	**16,930,441**
Funds					
Unrestricted funds:					
General funds	22	11,807,992	11,713,216	11,807,992	11,713,216
Non-Charitable Trading Reserve	22	227,159	74,542	-	-
		12,035,151	11,787,758	11,807,992	11,713,216
Restricted funds	22	5,856,018	5,217,225	5,856,018	5,217,225
Total funds		**17,891,169**	**17,004,983**	**17,664,010**	**16,930,441**

The net surplus before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £733,571 (2023: net surplus £733,569).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 50 to 87 were approved by the members of the Board of Trustees on 25/09/24 2024 and signed and authorised for issue on their behalf by:

C.English

C English
Chair

D I Reynolds

D Reynolds
Treasurer

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2024

	2024 £	2024 £	2023 £	2023 £
Cash flows from operation activities:				
Net cash provided by operating activities		367,871		1,762,822
Cash flows from investing activities:				
Dividend, interest and rents from investments received	211,981		73,131	
Proceeds from sale of tangible fixed assets	-		1,000	
Purchase of tangible fixed assets	(487,353)		(249,930)	
Proceeds of sale of investments	224,179		1,174,867	
Purchase of investments	(231,449)		(1,252,370)	
Net cash used in investing activities		(282,642)		(253,302)
Increase / (decrease) in cash held in portfolio		19,682		107,198
Increase in cash in the reporting period		104,911		1,616,718

Reconciliation of net income to net cash flow from operating activities	**2024** £	**2023** £
Net incoming resources	808,250	661,775
Depreciation	388,402	370,026
Investment income	(211,981)	(73,131)
Gain / (loss) on sale of Fixed Assets	2,381	(488)
(Increase) / decrease in stocks	(20,499)	11,214
Decrease / (increase) in debtors	477,993	(381,108)
(Decrease)/Increase in creditors	(1,076,675)	1,174,534
	367,871	**1,762,822**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2024 (continued)

Reconciliation of net cash flow to movement in net funds	**2024**	**2023**
	£	**£**
Decrease in cash in the year	(1,035,557)	(400,948)
Cash from increase in liquid resources (short term deposits movement)	1,140,468	2,017,666
Movement in net funds in the year	104,911	1,616,718
Net funds at 1 April 2023	5,893,749	4,277,031
Net funds at 31 March 2024	5,998,660	5,893,749

Analysis of net funds	**Opening net funds 01/04/23**	**Cash Flow**	**Closing net funds 31/03/24**
	£	**£**	**£**
Cash at bank and in hand	3,876,083	(1,035,557)	2,840,526
Short term deposits	2,017,666	1,140,468	3,158,134
	5,893,749	104,911	5,998,660

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of preparation and consolidation

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of accounting

St Oswald's Hospice Limited is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE.

St Oswald's Hospice Limited meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the provision of hospice services to members of the public suffering from life-limiting illnesses.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), and the Companies Act 2006. The financial statements have been prepared in pounds sterling and are rounded to the nearest £1.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, St Oswald's Hospice Promotions Limited. The results of the subsidiary are consolidated on a line-by-line basis. The Charity has taken the opportunity presented by FRS 102 not to disclose related party transactions or balances with the subsidiary.

No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. The financial position of the charity and group is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan for 2023/24, which includes an Income and Expenditure Statement and a cashflow forecast to March 2026, and have reviewed the organisation's resources. As such, we have an expectation that the charity and group has adequate reserves and working capital to

continue its operations for the foreseeable future. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Reduced Disclosures

In accordance with FRS 102, the charity and group has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cashflow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

(b) **Hospice status**

The Hospice is a company limited by guarantee. The guarantors are the members of the company. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member.

(c) **Fund accounting**

General funds are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the Hospice.

Also within unrestricted funds, the non-charitable trading reserve represents the reserves held within St Oswald's Hospice Promotions Limited.

Restricted funds are subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds comprise general funds that have been set aside at the discretion of the Members of Council for specific purposes. The purpose and use of these designated funds is set out in the notes to the financial statements.

(d) **Goods for resale**

Goods donated for resale are recognised as income on their sale. No value is attributed to these items prior to sale.

(e) **Legacies receivable**

Income arising from legacies is recognised in the financial statements when the Hospice is notified of these entitlements, it is probable probate will be received and the amount receivable can be defined with reasonable accuracy.

(f) **Deferred income**

Income received in advance of entitlement is treated as a creditor and recognised as income in the period that it is entitled.

(g) **Donated income**

Donations which are freely given (rather than as consideration for a benefit or service) are recognised on receipt.

(h) **Lottery income**

Lottery subscriptions are recognised as income once the applicable draw has been made. Upfront lottery payments made in advance are classified as deferred income until the relevant lottery is drawn, at which point they are released and recognised as income.

(i) **Gifts in kind**

The economic value of services provided by volunteers is not recorded in the financial statements. Volunteers carry out a great variety of roles, both regular and ad hoc, utilising skills and experience with differing economic values. To try and measure the value of each service provided is considered an exercise that would be too time consuming and too costly, utilising resources that could be better used for the benefit of patients and their families.

(j) **Grants receivable**

Grants receivable are recognised in the Statement of Financial Activities as income. Where grants are received in relation to capital assets, the income is restricted as a reserve and written down in line with the depreciation relating to the asset concerned. Revenue grants are recognised in the year in which entitlement, probable and measurable criteria are met.

(k) **Public Sector Contract income**

Contract income (mainly from NHS and local authorities) for the supply of services is classified as unrestricted income, and is recognised in line with the delivery of the contracted service.

(l) **Resources expended**

All expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs associated with the raising of funds from all the possible sources of incoming resources.

Cost of activities in furtherance of the charity's objects comprise expenditure incurred by the charity in meeting its main charitable objectives, namely the provision of hospice services.

Governance costs comprise those costs relating to the management of the charity's assets, an allocation of administration costs and compliance with constitutional and statutory requirements.

Support costs have been allocated to an activity in proportion to the income generated by that activity where appropriate.

(m) **Pension costs**

The company contributes to the National Health Service Pension Scheme in respect of employees who were members of the scheme prior to their employment with the Hospice. This scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales.

Consequently, it is not possible for the company to identify its share of the underlying assets and liabilities of the scheme. The scheme is therefore accounted for as a defined contribution scheme in accordance with FRS 102. For other employees the Hospice contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions due for the year under both schemes are charged to the Statement of Financial Activities.

(n) **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

(o) **Operating leases**

The annual rentals are recognised in the Statement of Financial Activities as incurred over the lease term.

(p) **Irrecoverable VAT**

Irrecoverable VAT in relation to capital assets is capitalised with the cost of the assets concerned. Irrecoverable VAT that is incurred in each financial period in relation to items of revenue expenditure is recognised as a separate category of expenditure which is then allocated as a support cost as under note (l) above.

(q) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Only assets with a cost of more than £500 are capitalised. Items costing less than this are treated as expenditure items.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold premises	-	2% straight line
Short lease premises	-	Spread over the term of the lease
Motor vehicles	-	25% straight line
Fixtures, fittings and equipment	-	10%-25% straight line

No depreciation is charged on freehold land. Depreciation has been charged in relation to buildings from the date that each service became operational. These buildings are reviewed on an on-going basis to ensure their value is not subject to any impairment.

(r) **Investments**

Listed investments are stated in the balance sheet at mid-market value at the balance sheet date. Unlisted investments are stated at historic cost or, if gifted, at nominal value. Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities. Unrealised gains and losses relating to movements in market value of investments are recognised in the Statement of Financial Activities.

(s) **Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

(t) **Liquid Resources**

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

(u) **Financial instruments**

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charities financial assets and financial liabilities qualify as basic financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets: Trade and other debtors
Trade, group and other debtors, including accrued income, which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities: Trade and other creditors
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

(v) **Critical accounting estimates and areas of judgement**

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

Critical areas of judgement

Legacy recognition - legacies are recognised on a case by case basis after considering whether probate has been granted, and when the executor of the estate has communicated in writing both the amount and settlement date.

2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Donations	1,627,249	1,138,514	2,765,763	1,492,511
Legacies	2,298,129	-	2,298,129	2,275,549
Total	**3,925,378**	**1,138,514**	**5,063,892**	**3,768,060**
2023 Total	**3,317,040**	**451,020**	**3,768,060**	

St Oswald's Hospice Limited has an established team of volunteers who offer their time to each department across both the Trading Company and the Charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is in the region of 800 volunteers working side by side with paid staff to support them to fulfil their duties. Volunteers are a valued resource to the organisation and we recognise their commitment and value.

3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Special events	753,560	-	753,560	921,118
Sale of donated goods	3,726,806	-	3,726,806	3,420,621
Sale of new goods	-	-	-	451
Catering sales	24,848	-	24,848	24,240
Trading subsidiary income (Note 4)	1,507,911	-	1,507,911	1,200,927
Gain on disposal fixed asset	-	-	-	1,000
Total	**6,013,125**	**-**	**6,013,125**	**5,568,357**

The Retail department has enjoyed a full year of trading free from the Covid-19 restrictions which hampered earlier years. The income from Other Trading Activities all relates to unrestricted funds.

4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

The Hospice controls the whole of the issued ordinary share capital of St Oswald's Hospice Promotions Limited, a company registered in England. The taxable profits of the subsidiary are transferred to the Hospice each year by Gift Aid.

The results of the subsidiary are summarised below:

	Total 2024	Total 2023
	£	£
Turnover	1,507,911	1,200,927
Cost of sales	(442,272)	(391,759)
Gross profit	1,065,639	809,168
Administrative expenses	(208,038)	(231,061)
Operating profit	857,601	578,107
Interest receivable	-	-
Profit on ordinary activities	**857,601**	**578,107**

The net assets of the subsidiary at 31 March 2024 amounted to £227,161 (2023: £74,544).

5. INVESTMENTS

	Total 2024	Total 2023
	£	£
Dividends received	48,778	47,704
Interest received - charity	163,203	25,427
	211,981	**73,131**

Dividends receivable arise from the fixed asset investment portfolio.

The income from investments in 2024 and 2023 all related to unrestricted funds.

6. CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Public Authority contributions:				
Adult inpatient services	2,156,088	-	2,156,088	2,178,762
Adult day care services	1,962,381	-	1,962,381	1,679,328
Children & young adults' services	1,350,462	442,766	1,793,228	1,932,842
Children's outreach service	12,791	-	12,791	93,800
Educational activities	10,852	-	10,852	19,203
Other professional income	41,452	-	41,452	36,548
Total	**5,534,026**	**442,766**	**5,976,792**	**5,940,483**
2023 Total	**5,475,386**	**465,097**	**5,940,483**	

Included in restricted income is a grant of £442,766 (2023: £371,297) received from NHS England and Improvement for Children and Young Adults' services.

7. Raising funds: Other trading activity

	Direct Activity	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Costs relating to donations & legacies	543,193	-	543,193	555,369
Event costs	588,864	-	588,864	602,421
Sale of donated goods	3,509,858	-	3,509,858	3,127,687
Catering and other sales	159,439	-	159,439	137,274
Costs of trading subsidiary (Note 4)	650,310	-	650,310	622,820
Investment management fees	9,457	-	9,457	9,422
Total	**5,461,121**	**-**	**5,461,121**	**5,054,993**
2023 Total	**5,054,993**	**-**	**5,054,993**	

8. COSTS OF CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Adult Inpatient Services	3,802,449	90,710	3,893,159	3,495,942
Adult Day Care Services	2,987,076	69,488	3,056,564	2,691,222
Children & Young Adults' Services	2,199,847	658,254	2,858,101	2,545,650
Children's Outreach Service	32,999	134,448	167,447	6,661
Bereavement Centre	217,707	45,974	263,681	239,241
Medical Outreach	65,548	-	65,548	68,050
Strategic Projects	119,552	-	119,552	99,223
Educational Activities	229,258	4,613	233,871	194,350
Governance Costs	338,496	-	338,496	292,924
Total	**9,992,932**	**1,003,487**	**10,996,419**	**9,633,263**
2023 Total	**8,825,464**	**807,799**	**9,633,263**	

9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES

Net incoming resources before recognised gains and losses are stated after charging:

	Group 2024	Hospice 2024	Group 2023	Hospice 2023
	£	£	£	£
Depreciation	388,402	388,402	370,026	370,026
Audit fees	29,000	25,000	25,000	22,675
Other Auditor's remuneration	4,300	2,775	1,125	-
Internal audit fees	7,013	7,013	8,500	8,500
Operating lease charges (land & buildings)	557,153	557,153	451,116	451,116
Pension costs	770,946	759,821	675,617	668,573
Net loss/(gain) on disposal fixed assets	2,831	2,831	(488)	(488)

10. ANALYSIS OF SUPPORT COSTS

The expenditure shown in the Statement of Financial Activities includes the direct costs of each activity and a proportion of support costs incurred, as required by the Statement of Recommended Practice - Accounting and Reporting by Charities. The basis of allocation is explained in Note 1, Accounting Policies and a separate analysis of the costs that have been allocated is set out below:

	Human Resources	Inform'n Systems	Finance	Corporate Services	Total Allocation
	£	£	£	£	£
Donations & Legacies	9,392	31,905	21,730	22,493	85,520
Commercial trading activities:					
Event costs	10,181	34,588	23,557	24,383	92,709
Sale of donated goods	60,289	204,812	139,493	144,389	548,983
Catering sales	5,512	18,727	12,754	13,202	50,195
	85,374	290,032	197,534	204,467	777,407
Charitable activities					
Adult inpatient services	35,201	119,585	81,447	84,305	320,538
Adult day services	21,002	71,348	48,594	50,299	191,243
Children's services	39,186	133,120	90,665	93,847	356,818
Children's outreach Service	3,624	12,311	8,385	8,679	32,999
Medical outreach	4,200	14,269	9,718	10,059	38,246
Educational activities	2,592	8,804	5,996	6,207	23,599
Bereavement Centre	4,270	14,508	9,881	10,228	38,887
Strategic projects	990	3,364	2,291	2,371	9,016
Governance	5,114	17,374	11,833	12,248	46,569
	116,179	394,683	268,810	278,243	1,057,915
Total allocated support costs	**201,553**	**684,715**	**466,344**	**482,710**	**1,835,322**

11. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Activity Costs	Support Costs (Note 10)	Depreci -tion	Total 2024	Total 2023
	£	£	£	£	£
Voluntary	454,396	85,520	3,277	543,193	555,369
Cost of activities for generating funds:					
Event costs	492,602	92,709	3,553	588,864	602,421
Sale of donated goods	2,932,931	548,983	27,944	3,509,858	3,127,687
Catering and other sales	91,958	50,195	17,286	159,439	137,274
Costs of trading subsidiary (Note 4)	650,310	-	-	650,310	622,820
	4,167,801	691,887	48,783	4,908,471	4,490,202
Investment management fees	9,457	-	-	9,457	9,422
Total cost of activities for generating funds	4,177,258	691,887	48,783	4,917,928	4,499,624
Charitable activities:					
Provision of hospice services:					
Adult inpatient Services	3,461,491	320,538	111,130	3,893,159	3,495,942
Adult day services	2,766,502	191,243	98,819	3,056,564	2,691,222
Children and Young Adults' services	2,400,860	356,818	100,423	2,858,101	2,545,650
Children's Outreach Service	134,448	32,999	-	167,447	6,661
Medical outreach	27,061	38,246	241	65,548	68,050
Educational activities	203,410	23,599	6,862	233,871	194,350
Bereavement Centre	224,238	38,887	556	263,681	239,241
Strategic projects	110,204	9,016	332	119,552	99,223
	9,328,214	1,011,346	318,363	10,657,923	9,340,339
Governance costs	291,321	46,569	606	338,496	292,924
Total	**14,251,189**	**1,835,322**	**371,029**	**16,457,540**	**14,688,256**

Governance costs comprise mainly the proportion of the costs of the Hospice Management Team and associated members of staff which relate to governance activities.

12. TRUSTEES

The trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2023: £nil).

The amount of expenses reimbursed to Trustees during the year was £nil (2023: £nil).

13. STAFF COSTS - GROUP

	2024	2023
	£	£
Wages and salaries	9,854,101	8,714,622
Social security costs	874,147	776,663
Pension costs	770,946	668,573
Staff costs	**11,499,194**	**10,159,858**

There were ten employees during the year (2023: nine) whose emoluments amounted to over £60,000. Of these employees, four (2023: four) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	2024	2023
	Number	Number
£60,001 - £70,000	5	4
£70,001 - £80,000	1	2
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£110,001 - £120,000	1	1
£120,001 - £130,000	-	-

Pension contributions made in respect of those staff classified as higher paid employees were £92,464 (2023: £84,725) in aggregate. Of these staff three were accruing benefits under a defined contribution scheme (2023: three) and seven were accruing benefits under a defined benefit scheme (2023: six), no employees received employer pension contributions (2023: none).

Staff breakdown:	2024 Number	2024 Whole time equivalent Number	2023 Number	2023 Whole time equivalent Number
Direct charitable services	198	160	201	159
Support services	44	35	32	25
Management and administration	7	6	7	7
Fundraising and publicity	28	26	27	25
Trading activities (including subsidiary)	89	73	81	66
	366	300	348	282

13. STAFF COSTS – GROUP (continued)

Average staff numbers have been stated as full-time working equivalents, based on a full time working week of 37.5 hours.

The company makes contributions to approved pension schemes for staff based on their earnings.

Key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £516,386 (2023: £525,499).

The key management personnel of the charity comprise the Trustees and Hospice Management Team listed on page 5 of this report

The key management personnel of St Oswald's Hospice Promotions Limited are:
Ms S Edusei
Mrs HA Eadington
Mrs A Ball
Mrs K MacLaren

14. TAXATION

As a registered charity, the company is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s252 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes only. It is therefore not normally liable to UK Corporation Tax.

Taxation of £nil (2023: £nil) has been accounted for in the results of the subsidiary.

15. TANGIBLE FIXED ASSETS

Group	Capital Work in Progress	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equip't £	Total £
Cost						
1 April 2023	26,258	11,164,527	722,827	132,391	3,181,261	15,227,264
Disposals	-	-	-	-	(90,801)	(90,801)
Additions	102,442	-	106,177	-	278,734	487,353
31 March 2024	**128,700**	**11,164,527**	**829,004**	**132,391**	**3,369,194**	**15,623,816**
Depreciation						
1 April 2023	-	3,428,324	694,862	76,963	2,576,946	6,777,095
Disposals	-	-	-	-	(88,420)	(88,420)
Charge for the year	-	179,542	14,525	16,223	178,112	388,402
31 March 2024	**-**	**3,607,866**	**709,387**	**93,186**	**2,666,638**	**7,077,077**
Net book value:						
31 March 2024	**128,700**	**7,556,661**	**119,617**	**39,205**	**702,556**	**8,546,739**
31 March 2023	26,258	7,736,203	27,965	55,428	604,315	8,450,169

The freehold land and buildings, short lease premises, motor vehicles and fixtures, fittings and equipment are all used for charitable purposes.

Hospice	Capital Work in Progress	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equip't £	Total £
Cost						
1 April 2023	26,258	11,164,527	722,827	132,391	3,172,761	15,218,764
Disposals	-	-	-	-	(90,801)	(90,801)
Additions	102,442	-	106,177	-	278,734	487,353
31 March 2024	**128,700**	**11,164,527**	**829,004**	**132,391**	**3,360,694**	**15,615,316**
Depreciation						
1 April 2023		3,428,324	694,862	76,963	2,568,446	6,768,595
Disposals	-	-	-	-	(88,420)	(88,420)
Charge for the year	-	179,542	14,525	16,223	178,112	388,402
31 March 2024	**-**	**3,607,866**	**709,387**	**93,186**	**2,658,138**	**7,068,577**
Net book value:						
31 March 2024	**128,700**	**7,556,661**	**119,617**	**39,205**	**702,556**	**8,546,739**
31 March 2023	26,258	7,736,203	27,965	55,428	604,315	8,450,169

The fixed asset register has been reviewed in the year and assets no longer in use have been reflected as disposals.

15. TANGIBLE FIXED ASSETS (continued)

Capital work in progress of £128,700 (2023: £26,258), as shown in a separate category in the table, is the preliminary design and consultancy fees relating to the proposed construction of a purpose-built young adults' accommodation.

An application for planning permission was submitted in the year, with permission being granted and all associated conditions discharged in May 2024. The asset under construction will not be depreciated until in use.

16. INVESTMENTS HELD AS FIXED ASSETS

	Group			Hospice	
	Listed	Unlisted	Total	Listed	Unlisted	Total
	£	£	£	£	£	£
Listed investments						
Value at 1 April 2023	1,121,449	-	1,121,449	1,121,449	2	1,121,451
Additions	231,449	-	231,449	231,449	-	231,449
Disposals	(224,179)	-	(224,179)	(224,179)	-	(224,179)
Net investment gain	82,086	-	82,086	82,086	-	82,086
Value at 31 March 2024	**1,210,805**	**-**	**1,210,805**	**1,210,805**	**2**	**1,210,807**
Real Estate						
Value at 1 April 2023	-	74,142	74,142	-	74,142	74,142
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Net investment loss	-	(4,150)	(4,150)	-	(4,150)	(4,150)
Value at 31 March 2024	-	**69,992**	**69,992**	**-**	**69,992**	**69,992**
Cash and time deposits held in portfolio:						
At 1 April 2023	31,795	-	31,795	31,795	-	31,795
Movements in cash	(19,682)	-	(19,682)	(19,682)	-	(19,682)
At 31 March 2024	**12,113**	**-**	**12,113**	**12,113**	**-**	**12,113**
31 March 2024	**1,222,918**	**69,992**	**1,292,910**	**1,222,918**	**69,994**	**1,292,912**
31 March 2023	1,153,244	74,142	1,227,386	1,153,244	74,144	1,227,388

All of the investments are unrestricted.

16. INVESTMENTS HELD AS FIXED ASSETS (continued)

Distribution of listed investments (market value)

	Group	
	2024	**2023**
	%	**%**
UK fixed interest	16.6%	17.7
UK equities	44.4%	43.7
Overseas equities	32.700%	30.0
Real Estate	5.4%	6.0
Cash	0.9%	2.6
	100.0	**100.0**

	Group	
	2024	**2023**
	£	**£**
Historical cost of listed investments	859,002	853,393
Historical cost of real estate	87,202	87,202

The shareholding in the subsidiary trading company has been valued at the nominal value of the shares, to be consistent in the valuation of private company shares. The results of the trading subsidiary are set out in Note 4. The hospice single entity holds a £2 shareholding in the trading subsidiary, St Oswald's Hospice Promotions Limited.

17. DEBTORS

	Group		Hospice	
	2024	**2023**	**2024**	**2023**
	£	**£**	**£**	**£**
Amounts owed by subsidiary undertaking	-	-	64,925	4,009
Trade debtors	611,667	1,219,926	605,663	1,173,557
Prepayments	440,275	359,902	439,707	357,252
VAT debtor	109,931	83,542	116,006	69,218
Accrued income	1,900,700	1,877,039	1,900,701	1,877,040
Other debtors	1,996	2,153	1,996	2,153
	3,064,569	**3,542,562**	**3,128,998**	**3,483,229**

Accrued income includes legacy income notified but not received at year end of £1,730,067 (2023: £1,758,525). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

18. CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2024	**2023**	**2024**	**2023**
	£	**£**	**£**	**£**
Trade creditors	382,969	432,937	376,283	371,330
Taxation and social security costs	213,238	193,534	213,238	193,534
Deferred income	115,182	1,139,054	96,185	918,405
Other creditors	133,235	122,565	133,235	122,565
Accruals	206,675	239,884	199,584	170,330
	1,051,299	**2,127,974**	**1,018,525**	**1,776,164**

Group deferred income has decreased in the year due to the release of capital grant income received, of £916k, which in 2023 had been included in the year end deferred income balance. The grants included in this balance are £896k from the Win Futter Trust, £50k from Morrison's Foundation and £20k from Harrison Foundation. This income is restricted to fund the construction and fit out of a purpose-built young adults' accommodation. The grants are restricted, however, as planning permission has been granted with all attached conditions discharged post year-end, the funding has been released as income. The remaining deferred income balance is mainly income received from participants of the overseas trek which is due to take place in November 2024.

The movement in deferred income is as follows:

	Group		Hospice	
	2024	**2023**	**2024**	**2023**
	£	**£**	**£**	**£**
At 1st April 2023	1,139,054	163,858	918,405	139,136
Payments received	635,841	1,980,286	616,844	1,759,627
Income recognised	(1,659,713)	(1,005,090)	(1,439,064)	(980,358)
At 31st March 2024	**115,182**	**1,139,054**	**96,185**	**918,405**

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2024.

20. CONTINGENT LIABILITIES

In the year end 31 March 2021, the Hospice received £500 from a local solicitor's firm which was the distribution of dormant client funds totalling £500, and was recorded as voluntary income. Similarly in the year ended 31 March 2014, the Hospice received £26,972 of dormant client funds, also from another local solicitor's firm. Trustees consider it unlikely that either of the sums noted will be repayable but the Hospice has indemnified the solicitors' firms for the amounts recorded, and consequently notes a contingent liability for the same total amount.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP At March 2024	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,775,164	4,771,575	8,546,739
Fixed asset investments	1,292,910	-	1,292,910
Current assets	8,018,376	1,084,443	9,102,819
Current liabilities	(1,051,299)	-	(1,051,299)
Total net assets	**12,035,151**	**5,856,018**	**17,891,169**

HOSPICE At March 2024	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,775,164	4,771,575	8,546,739
Fixed asset investments	1,292,912	-	1,292,912
Current assets	7,758,441	1,084,443	8,842,884
Current liabilities	(1,018,525)	-	(1,018,525)
Total net assets	**11,807,992**	**5,856,018**	**17,664,010**

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets or designated funds. Using this definition, the free reserves of the Charity at 31 March 2024 were £7,127,405 (2023: £8,066,700).

GROUP At March 2023	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,620,243	4,829,926	8,450,169
Fixed asset investments	1,227,386	-	1,227,386
Current assets	9,068,103	387,299	9,455,402
Current liabilities	(2,127,974)	-	(2,127,974)
Total net assets	**11,787,758**	**5,217,225**	**17,004,983**

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (continued)

HOSPICE At March 2023	General Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	3,620,243	4,829,926	8,450,169
Fixed asset investments	1,227,388	-	1,227,388
Current assets	8,641,749	387,299	9,029,048
Current liabilities	(1,776,164)	-	(1,776,164)
Total net assets	**11,713,216**	**5,217,225**	**16,930,441**

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP

Statement of funds – Group - for the year ended 31st March 2024

	1 April 2023	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2024
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**11,612,401**	14,098,166	(14,761,672)	(1,056,405)	704,984	77,936	**10,675,410**
Non-charitable trading reserve	**74,542**	1,507,911	(650,310)	-	(704,984)	**-**	**227,159**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**100,815**	78,433	(42,071)	(14,595)	-	**-**	**122,582**
Young Adults' Accommodation Fund	**-**	**-**	-	510,000	-	**-**	**510,000**
Hospice Re-wiring Fund	**-**	-	-	500,000	-	**-**	**500,000**
Total unrestricted funds	**11,787,758**	**15,684,510**	**(15,454,053)**	**(61,000)**	**-**	**77,936**	**12,035,151**
Restricted funds:							
Ray of Light Trust	-	12,916	(215)	-	-	-	12,701
Albert Hunt Trust	8,417	-	(8,417)	-	-	-	-
Barbour Foundation	283	-	(283)	-	-	-	-
Barbour Foundation 1	2,342	-	(1,128)	-	-	-	1,214
BBC Children in Need 1	-	9,000	(6,000)	-	-	-	3,000
BBC Children in Need 2	4,936	9,137	(14,073)	-	-	-	-
chART	-	300	-	-	-	-	300
Children's service building fund	1,884,026	-	(79,975)	-	-	-	1,804,051
Children's Service Fund	-	-	(61,000)	61,000	-	-	-
Children's Kitchen Fund	-	-	(5,891)	88,370	-	-	82,479
Coleman fund	201,811	-	(4,613)	-	-	-	197,198

Community Foundation 1	400	500	(521)	-	-	-	379
Community Foundation 2	-	3,200	(3,200)	-	-	-	-
Co-operative Foundation	-	750	(750)	-	-	-	-
Daisy Marr	1,161	-	(165)	-	-	-	996
Day hospice building fund	397,391	-	(16,450)	-	-	-	380,941
Day services building fund	1,410,792	-	(38,097)	-	-	-	1,372,695
EP Robson	491	-	(110)	-	-	-	381
Elsie Davis Trust	8,840	11,000	(8,910)	-	-	-	10,930
Family Room Upgrade Fund:	161,626	-	(3,451)	-	-	-	158,175
Guyll Leng Trust	3,191	-	(1,451)	-	-	-	1,740
Hadrian Trust	-	1,000	-	-	-	-	1,000
Harrison Foundation	-	20,000	-	-	-	-	20,000
Hospice Building fund	589,259	-	(28,642)	-	-	-	560,617
Information centre	57,680	-	(5,078)	-	-	-	52,602
JGW Patterson	-	14,950	(1,121)	-	-	-	13,829
JGW Patterson 1	-	6,780	-	-	-	-	6,780
Karbon Homes	356	-	-	-	-	-	356
Karbon Homes 1	2,836	-	-	-	-	-	2,836
Kavli Trust	25,319	-	(2,428)	-	-	-	22,891
McManus	-	10,400	(10,400)	-	-	-	-
Main Kitchen upgrade	63,712	-	(12,958)	-	-	-	50,754
Mark Benevolent Fund	3,246	-	(364)	-	-	-	2,882
Mel Weir Charitable Trust	1,642	-	(234)	-	-	-	1,408
Mel Weir Charitable Trust 1	-	2,500	(2,500)	-	-	-	-
Morrisons Foundation	-	49,950	-	-	-	-	49,950
National Emergencies Trust - Community Foundation 2	1,583	-	(200)	-	-	-	1,383
National Lottery Community Fund 1	8,077	-	(8,077)	-	-	-	-
Neighbourly Foundations	1,750	-	(1,750)	-	-	-	-

NEPAC 1	1,425	-	(150)	-	-	-	1,275
NEPAC 3	756	-	(101)	-	-	-	655
NHS England CYP Palliative and End of Life Care Match Fund	93,800	-	(67,224)	-	-	-	26,576
Newcastle Building Society (via Community Foundation)	1,361	-	(192)	-	-	-	1,169
NHS England and NHS Improvement	-	442,766	(442,766)	-	-	-	-
OSM Province	191	-	(128)	-	-	-	63
Prime Fund via Community Foundation	3,307	-	(1,195)	-	-	-	2,112
Proctor and Gamble 1	1,054	-	(171)	-	-	-	883
Proctor and Gamble 2	24,480	-	(24,480)	-	-	-	-
Kans and Kandy	-	5,000	-	-	-	-	5,000
Rathbones Investment Management	5,519	4,300	(4,733)	-	-	-	5,086
Rothley Trust	1,200	-	-	-	-	-	1,200
Rothley Trust 1	850	-	-	-	-	-	850
Seahouses and District Cancer Research and Relief fund	2,958	-	(500)	-	-	-	2,458
The Sir Jules Thorn Trust	7,025	-	(991)	-	-	-	6,034
Southampton Hospital Charity	193,670	-	(67,224)	(88,370)	-	-	38,076
The Shears Foundation	-	30,000	(30,000)	-	-	-	-
Squires Foundation	-	19,909	(772)	-	-	-	19,137
TSG Foundation	-	10,000	(2,477)	-	-	-	7,523
Together for Short lives	2,777	-	(1,415)	-	-	-	1,362
Tyne Tunnel 2	-	18,000	(200)	-	-	-	17,800
WA Handley Trust 1	1,194	-	(170)	-	-	-	1,024
WA Handley Trust 2	1,944	-	(434)	-	-	-	1,510
WA Handley Trust 3	1,854	-	(242)	-	-	-	1,612
WA Handley Trust 4	-	2,600	(2,600)	-	-	-	-
The William Leech Charity	26,250	-	(26,250)	-	-	-	-
Winn Futter Trust	-	896,322	-	-	-	-	896,322

Nurse Call System (outpatients) fund	4,443	-	(620)	-	-	-	3,823
Total restricted funds	**5,217,225**	**1,581,280**	**(1,003,487)**	**61,000**	**-**	**-**	**5,856,018**
Total funds	**17,004,983**	**17,265,790**	**(16,457,540)**	**-**	**-**	**77,936**	**17,891,169**

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2023

	1 April 2022	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2023
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**10,986,599**	13,144,014	(13,204,305)	2,592	693,217	(9,716)	**11,612,401**
Non-charitable trading reserve	**189,653**	1,200,927	(622,821)	-	(693,217)	**-**	**74,542**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**65,173**	88,973	(53,331)	-	-	**-**	**100,815**
Total unrestricted funds	**11,241,425**	**14,433,914**	**(13,880,457)**	**2,592**	**-**	**(9,716)**	**11,787,758**
Restricted funds:							
Albert Hunt Trust	-	20,000	(11,583)	-	-	-	8,417
Barbour Foundation	703	-	(420)	-	-	-	283
Barbour Foundation 1	3,470	-	(1,128)	-	-	-	2,342
Barbour Foundation 2	-	50,000	(50,000)	-	-	-	-
BBC Children in Need 1	2,589	-	(2,589)	-	-	-	-
BBC Children in Need 2	11,255	36,228	(42,547)	-	-	-	4,936
Bobby Dazzler Trust	540	-	(540)	-	-	-	-
Bridget Catherine Johnson Settlement Fund	3,250	-	(3,250)	-	-	-	-
Children's Hospice Association Scotland (CHAS)	-	1,825	(1,825)	-	-	-	-
Children's service building fund	1,964,001	-	(79,975)	-	-	-	1,884,026
Coleman fund	206,424	-	(4,613)	-	-	-	201,811
Community Foundation	-	2,000	(2,000)	-	-	-	-
Community Foundation 1	-	5,000	(5,000)	-	-	-	-

Community Foundation 2	-	500	(100)	-	-	-	400
Daisy Marr	1,326	-	(165)	-	-	-	1,161
Day hospice building fund	413,841	-	(16,450)	-	-	-	397,391
Day services building fund	1,448,889	-	(38,097)	-	-	-	1,410,792
EP Robson	601	-	(110)	-	-	-	491
Elsie Davis Trust	-	11,000	(2,160)	-	-	-	8,840
Family Room Upgrade Fund:	165,077	-	(3,451)	-	-	-	161,626
Guyll Leng Trust 1	2,779	-	(2,779)	-	-	-	-
Guyll Leng Trust 2	-	11,761	(5,978)	(2,592)	-	-	3,191
Guyll Leng Trust 3	128	-	(128)	-	-	-	-
Hadrian Trust	735	-	(735)	-	-	-	-
Hospice Building fund	617,901	-	(28,642)	-	-	-	589,259
Information centre	62,758	-	(5,078)	-	-	-	57,680
Karbon Homes	532	-	(176)	-	-	-	356
Karbon Homes 1	3,532	-	(696)	-	-	-	2,836
Kavli Trust	27,747	-	(2,428)	-	-	-	25,319
Main Kitchen upgrade	76,670	-	(12,958)	-	-	-	63,712
Mark Benevolent Fund	3,610	-	(364)	-	-	-	3,246
Mel Weir Charitable Trust	1,876	-	(234)	-	-	-	1,642
Mel Weir Charitable Trust 1	48	-	(48)	-	-	-	-
National Emergencies Trust - Community Foundation 2	1,783	-	(200)	-	-	-	1,583
National Lottery Community Fund 1	21,405	-	(13,328)	-	-	-	8,077
Neighbourly Foundations	5,000	-	(3,250)	-	-	-	1,750
NEPAC 1	1,575	-	(150)	-	-	-	1,425
NEPAC 3	857	-	(101)	-	-	-	756
NHS England CYP Palliative and End of Life Care Match Fund	-	93,800	-	-	-	-	93,800
Newcastle Building Society (via Community Foundation)	1,553	-	(192)	-	-	-	1,361

NHS England and NHS Improvement	-	371,297	(371,297)	-	-	-	-
OSM Province	319	-	(128)	-	-	-	191
Prime Fund via Community Foundation	4,502	-	(1,195)	-	-	-	3,307
Proctor and Gamble 1	1,225	-	(171)	-	-	-	1,054
Proctor and Gamble 2	-	25,000	(520)	-	-	-	24,480
Rathbones Investment Management	-	6,589	(1,070)	-	-	-	5,519
Rothley Trust	-	2,050	-	-	-	-	2,050
Seahouses and District Cancer Research and Relief fund	3,458	-	(500)	-	-	-	2,958
The Sir James Knott Trust	4,124	-	(4,124)	-	-	-	-
The Sir James Knott Trust 1	-	1,000	(1,000)	-	-	-	-
The Sir Jules Thorn Trust	8,016	-	(991)	-	-	-	7,025
Southampton Hospital Charity	-	199,667	(5,997)	-	-	-	193,670
The Shears Foundation	-	40,000	(40,000)	-	-	-	-
Together for Short lives	-	3,400	(623)	-	-	-	2,777
WA Handley Trust 1	1,364	-	(170)	-	-	-	1,194
WA Handley Trust 2	2,378	-	(434)	-	-	-	1,944
WA Handley Trust 3	2,096	-	(242)	-	-	-	1,854
Warburtons Community Fund	250	-	(250)	-	-	-	-
The William Leech Charity	26,250	35,000	(35,000)	-	-	-	26,250
Nurse Call System (outpatients) fund	5,062	-	(619)	-	-	-	4,443
Total restricted funds	**5,111,499**	**916,117**	**(807,799)**	**(2,592)**	**-**	**-**	**5,217,225**
Total funds	**16,352,924**	**15,350,031**	**(14,688,256)**	**-**	**-**	**(9,716)**	**17,004,983**

22. STATEMENT OF FUNDS – GROUP (continued)

General Funds
Included with the general accumulation funds are the non-charitable trading reserves. These represent the retained profit of the trading subsidiary, St Oswald's Promotions Limited. The gross income and expenditure of the subsidiary have been shown and the transfer represents the amount of profit passed to the parent company by Gift Aid.

Designated funds
The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated.

Restricted Funds

Ray of Light Trust
This money was used to purchase specialist seating for the Children's Unit.

Albert Hunt Trust
This donation was used towards the funding of a Dietician post.

Barbour Foundation
This donation was used to purchase a nurse call system in our Day Services Unit.

Barbour Foundation 1
This donation was made towards the cost of Rise & Recliner Chairs for our Day Services Unit.

BBC Children in Need
The grant was donated to fund a Family and Bereavement Practitioner (Children's Lead), along with supervision and equipment for children's bereavement programme.

BBC Children in Need 1
The grant is funding towards a music therapist in the Children and Young Adult's service.

chART
This donation was used to purchase children's arts and crafts.

Children's Services Building Fund
This reserve was established from voluntary donations during the Jigsaw Appeal to cover the costs of developing and providing a service to children with life threatening illness and their family members. Expenditure during the year relates to depreciation on the assets used by the children's service.

22. STATEMENT OF FUNDS – GROUP (continued)

Children's Service Fund
This fund was established to ring-fenced donations restricted to the Children's Service. The £61k transferred in in 2023/24 was from a legacy left to the hospice, which specified the gift was for the Children's Service.

Children's Kitchen Fund
This represents the transfer of monies for the improvements to Children and Young Adults Service kitchen into new kitchen fund.

Coleman Fund
This was established through donations specifically designated for upgrading and construction work to the Hospice, including the establishment of an education centre.

Community Foundation 1
This donation was used to purchase craft and baking supplies for our Children and Young Adults.

Community Foundation 2
This donation was used towards Bereavement service salaries.

Co-operative Foundation
This donation was used towards Bereavement service salaries.

Daisy Marr
This donation was used to purchase two 'pea pod' chairs for our Children's Unit.

Day Hospice Building Fund
This was established to construct and equip a new Day Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Day Services Building Fund
This fund was established to cover the cost of the constriction of the Day Services Building and includes a grant of £498,455 from the Department of Health under their Dignity in Care for Older People Capital Gains Programme for Hospices; donations from the family of a patient including gift aid; and the utilisation of £675,632 of free reserves.

EP Robson
This donation was used to purchase a sofa for Children's garden room.

Elsie Davis Trust
This donation funds a weekly 'Clown doctors' session which is delivered by Tin Arts.

22. STATEMENT OF FUNDS – GROUP (continued)

Family Room Upgrade Fund
This project fund was set up to upgrade our family room in the adult inpatient unit.

Guyll Leng Charitable Trust
This donation was used to fund activities for our Young Adults.

Hadrian Trust
This donation was used to fund patient activities.

Harrison Foundation
This donation is to be used towards fixtures and fittings (including a specialist bath) for the new Young Adults Accommodation.

Hospice Building Fund
This fund comprises moneys raised for the original building of the Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Information Centre
This was established to construct and equip an information centre within the grounds of the main Hospice. The project was funded by a grant of £193,356 from the Community Fund, all of which was used to fund capital works. The reserve represents the original grant less accumulated depreciation.

JGW Patterson
This donation was used to purchase a cuddle bed.

JGW Patterson 1
This donation will be used to purchase two new rise and recline chairs.

Karbon Homes
This donation was used to fund equipment for our Focus on Living Service.

Karbon Homes 1
This donation was used to fund a 'silver rings' project for patients.

Kavli Trust
This donation was used to purchase outdoor play equipment for the Children's Service.

McManus
This donation was used towards Bereavement service salaries.

Main Kitchen Upgrade Fund / Revenue Fund
The donations to this fund were used towards the cost of improving of our catering facilities (capital) and patient nutrition services (revenue).

Mark Benevolent Fund
This donation was made for the purchase of kitchen equipment.

22. STATEMENT OF FUNDS – GROUP (continued)

Mel Weir Charitable Trust
This donation was used towards the purchase of a new washing machine for our Adult Inpatient Unit.

Mel Weir Charitable Trust 1
This donation was used towards the cost of a dietician to work within the Adult Inpatient Unit.

Morrisons Foundation
This donation was used towards the funding for the new Young Adults Accommodation.

National Emergencies Trust (via Community Foundation) 2
This donation was used to provide lockers for personal protective equipment (PPE) storage for the Adult Inpatient Unit.

National Lottery Community Fund 1
This money was donated to fund a patient and family befriending project.

Neighbourly Foundations
This donation will support the refurbishment of the hospice cloisters area.

NEPAC 1
This donation was given towards the cost of a specialist bath chair for the Adult Inpatient Unit.

NEPAC 3
This donation was given towards the cost of clinical equipment for our Day Hospice unit.

NHS England CYP Palliative and End of Life Care Match Fund
This money was used to match funding for development of new children's outreach service (with Southampton Hospital Charity).

Newcastle Building Society (via Community Foundation)
This donation was used for the purchase of clinical equipment.

NHS England and NHS Improvement
Funding received specifically to meet the needs of the Children's Service.

OSM Province
This donation was used for the purchase of IT equipment.

Prime Fund (via Community Foundation)
This money was donated for the purchase of IT equipment for our Focus on Living Service.

22. STATEMENT OF FUNDS – GROUP (continued)

Proctor and Gamble 1
This donation was used towards furnishing the new accessible changing facility in the Day Hospice Unit.

Proctor and Gamble 2
This donation was used to refurbish a shower room on the Adult Inpatient Unit.

Kans and Kandy
This donation will be used to purchase sensory equipment for the Children's Unit.

Rathbones Investment Management
This donation was used to fund activities for our Children and Young Adults.

Rothley Trust
This donation is to purchase a rebound therapy trampoline and provide staff training in delivering this therapy.

Rothley Trust 1
This donation was given to fund training for rebound therapy.

Seahouses and District Cancer Research and Relief Fund
This donation was used to purchase three syringe drivers and drugs storage facilities for our Inpatient Unit.

Sir Jules Thorn Trust
This donation was used to purchases two 'hi/lo' beds for the Adult Inpatient Unit.

Southampton Hospital Charity
This donation was used to fund the Children's Outreach Service (with NHS England CYP Palliative and End of Life Care) and for improvements to Children and Young Adults Service kitchen, transferred into a new kitchen fund.

The Shears Foundation
This donation was used to help fund running costs in our Children's & Young Adults Service.

Squires Foundation
This donation was used to purchase new syringe drivers and 3 new beds.

TSG Foundation
This donation was used towards the purchase of IT equipment for our shops.

Together for Short Lives
This donation was used to fund a Family Fun Day.

Tyne Tunnel 2
This donation was used to purchase rise recline chairs.

22. STATEMENT OF FUNDS – GROUP (continued)

WA Handley Trust 1
This donation was used to purchase an Oska mattress.

WA Handley Trust 2
This donation was used to purchase a powered bath chair.

WA Handley Trust 3
This donation was used to purchase an infusion pump.

WA Handley Trust 4
This donation was used towards the funding of a Dietician post.

The William Leech Charity
This donation is helping us to develop our volunteer services.

Winn Futter Trust
This donation is to be used towards the funding for the new Young Adults Accommodation

Nurse Call System in Outpatients Fund
These monies were donated towards the cost of a new nurse call system.

23. LEASING COMMITMENTS

Operating leases

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2024 relate to short leasehold land and buildings as set out below:

	2024	2023
	£	£
Operating leases that expire:		
Within one year	346,710	329,688
Within two to five years	717,003	659,786
Over five years	9,863	163,200
	1,073,576	1,152,674

The operating leases represent leases of premises. The leases are of varying terms.

24. CAPITAL COMMITMENTS

Capital commitments outstanding at the end of the year totalled £77,886 (2023: £nil), being the balance due for purchase of a minibus, children's beds and the refurbishment of a retail outlet.

25. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions totalling £41,480 (2023: £37,228) were payable to the fund at the balance sheet date.

The charity also makes contribution to the NHS Pension Scheme on behalf of existing members who remain in the scheme upon commencement of employment with the hospice. Contributions totalling £70,798 (2023: £65,611) were payable to the scheme at the balance sheet date.

26. RELATED PARTY DISCLOSURES

In the year to 31 March 2024, the charity made sales to its trading subsidiary, St Oswald's Hospice Promotions Limited (SOHP) totalling £455,544 (2023: £275,618) and purchases totalling £272,570 (2023: £107,812). At 31 March 2024 a balance of £64,924 was due from SOHP (2023: £4,009 due to SOHP).

There are no other related party transactions to disclose.

St Oswald's Hospice

0191 285 0063 | enquiries@stoswaldsuk.org
www.stoswaldsuk.org
St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne NE3 1EE. Reg Charity No. 503386

ST OSWALD'S HOSPICE LIMITED

England & Wales - Charity number 503386

Accounts

St Oswald's Hospice



Trustees' Annual Report and Financial Statements

for the year ended 31 March 2023

Quality time for everyone

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS

	Page
Welcome to our Annual Report	2
Reference and Administrative Details	2
Message from our Chair	3
Board of Trustees and Management at 31 March 2023	5
Our Professional Advisors at 31 March 2023	6
Structure, Governance and Management	7
Related Parties and co-operation with other Organisations	9
Objectives and Aims	10
Strategic Report	
- Achievement and Performance	11
- Financial Performance	18
- Ensuring quality - Monitoring and Compliance	23
- Strategic Objectives	26
- Policies to Achieve Our Objectives	27
- Managing Risk	30
- Regulatory Statements	33
Trustees' Responsibilities Statement	35
Financial Statements for the Year Ended 31 March 2023	37
Independent Auditor's Report	38
Consolidated Statement of Financial Activities	43
Balance Sheet (Group and Hospice)	44
Consolidated Cash Flow Statement	45
Notes to the Financial Statements	47

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2023.

Here you will find out all about our work, who we care for and how we operate. We have also detailed our mission and our objectives and highlighted both our achievements this year and our strategic plans going forward.

This report also includes a full set of audited financial statements for the year ended 31 March 2023. The financial statements comply with the Charities Act 2011, the Companies Act 2006, Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective September 2015).

Reference and Administrative Details

St Oswald's Hospice is a company limited by guarantee, number 01166239 (not having a share capital). The company is a Registered Charity, number 503386 and its Articles of Association govern its functions.

St Oswald's Hospice's Articles of Association were last amended on 29th November 2016.

Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding £1.00.

Our Registered Office

We are registered at St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE. You can contact us by telephone on: 0191 285 0063 or by email at: enquiries@stoswaldsuk.org

If you would like to find out more about our work, please go to our website: www.stoswaldsuk.org or follow us on Facebook, Instagram, Twitter and YouTube.

Board of Trustees and Directors

The Board of Trustees who served during the year are set out on page 5, where you will also find details of the Hospice Management Team. Our professional advisors are detailed on page 6.

Message from our Chair

St Oswald's Hospice is a North East based charitable hospice. Our fundamental aim is to make a difference to local people's lives by providing outstanding, specialist palliative and end of life care for babies, children, young people and adults from across our North East region who have incurable conditions. We support patients' families and work together with our community, supporters, donors, partners, to ensure we deliver 'quality time for everyone'.

This year we re-opened our Hospice doors and welcomed our patients, their families and our non-clinical staff and volunteers back onsite at the main Hospice. Thanks to good practice surrounding Covid-19 and the vaccination programme, it's beginning to look and feel more like St Oswald's Hospice of old.

There have also been so many exciting opportunities for us to develop and adapt in 2022/23 to help meet the changing needs of local people. I especially want to pay tribute to our wonderful team of staff, volunteers and supporters who have helped us to achieve so much this year. Without them, we wouldn't be able to provide any of the outstanding care and compassionate support that our patients and their families have come to expect from St Oswald's Hospice. I'm so proud of everything that we have achieved together in the past 12 months.

Our care and support services have continued to grow and we've established some new services too. In May 2022, we launched our Combined Supportive Care Service. Working with Newcastle Hospitals NHS Foundation Trust, this service is for patients living with lung cancer or mesothelioma, and has been very well-received. Meanwhile in our Children and Young Adults service our new Outreach Service to support children and young adults with complex life-limiting conditions out in the community is being developed. The excellent work of our staff and services have gained recognition locally and nationally across our Focus on Living Centre, Lymphoedema Service and within research. You can read more about these developments later in the report.

As our Vision 2025 is drawing to an end, we've started to develop a new strategy which will cover a period of three years, 2023-2026. We've been working with Claire Henry Associates, engaging with key stakeholders including patients, families and the public, on our new strategy, which will help us deliver the very best care for our patients and their families. Alongside this, we continue to push forward with our organisational objectives, set in 2022, which have been designed to make sure that we do three things: Survive the current situation, Strive to improve so that we can Thrive. Every staff member and volunteer has a vital role to play in delivering our strategic objectives.

Although the pandemic and the cost of living crisis have presented many challenges, it has allowed us to review our income streams and develop alternatives where needed. Our fundraising and retail teams, as always, have been creative and flexible in thinking of ways to boost income. The end of lockdown and social distancing meant we could reintroduce some of our much loved events, such as our Light up A Life celebration event. We had great feedback from the community and it was wonderful to welcome so many people back together. The fundraising team has also developed new and innovative events, like our successful

Message from our Chair (continued)

and very popular Sportsman Dinner with Hospice Ambassador and Newcastle United Assistant Head Coach, Graeme Jones, in February 2023. March 2023 saw our first-ever Giving Day and we were totally overwhelmed at the support from our community, which saw us raise £309kin 33 hours. All of the money raised will go directly towards our vital care and support services.

We've continued to collaborate and extend our partnerships across health, social care, local Universities and the voluntary and community sector. Our relationship with Newcastle Hospitals NHS Foundation Trust has been strengthened through our links with some of our new services and due to their excellent and ongoing Infection Control Guidance advice. We've also collaborated as part of the 12 independent charitable Hospices across the North East, which form Hospices North East and North Cumbria (HNENC), upholding the group's vision 'to ensure that the people of the North East receive outstanding Hospice care and support.'

Finally, in a year where the world has seen some normality return following the pandemic, many uncertainties still remain but here at St Oswald's Hospice we can be depended upon to continue to focus on our Vision to make sure everyone with an incurable condition, and their families in our region gets expert, dignified and compassionate care when they need it.

Thank you for taking the time to read our Annual Report 2022/23.

Thank you for your continued support.

Christine English



05/10/23

Board of Trustees and Management at 31 March 2023:

Vice-Presidents

Lady Craft
Mr J Docherty
Mr M P Robson
Dr K Mannix
Mrs M Liston

Board of Trustees

Mrs C English (Chair)
Mr S James (Vice Chair)
Mr D Reynolds (Treasurer, appointed 1 December 2022)

Mr D Hicks	Mrs T Phillips	Dr N Morris
Mr N Hobdey	Mr G Boulton	Miss L Lloyd
Miss I Holland	Mr J Holmes	Mrs S Sinton
Mr R Taylor		

Changes in the year:

Resignations

Miss R Gair resigned as a Trustee on 14 September 2022
Mr B Hedley resigned as a Trustee and Treasurer on 30 November 2022

Appointments

Mr D Reynolds appointed as a Trustee and Treasurer on 1 December 2022.

The Hospice Management Team who, alongside the Board of Trustees, are also the Organisation's key Management Personnel

Ms S Edusei	Chief Executive
Mrs K Maclaren	Finance Director
Mrs H A Eadington	Director of Corporate Services and Company Secretary
Mrs A Egdell	Director of Care Services
Ms D I Heron	Director of People
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development

Our Professional Advisors at 31 March 2023

Statutory Auditor:
RSM UK Audit LLP
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Internal Auditor:
Azets Audit Services Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Solicitors:
Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Hay & Kilner LLP
Merchant House
30 Cloth Market
Newcastle upon Tyne
NE1 1EE

Bankers:
Barclays Bank PLC
5 St Anne's Street, Quayside
Newcastle upon Tyne
NE1 2BH

Investment Managers:
UBS Wealth Management (UK) Ltd
2 St James' Gate
Newcastle upon Tyne
NE4 7JH

Health & Safety Advisors:
Pivotal Safety Services
Seaton Carew
Hartlepool
TS25 2AR

Pension Advisors:
Azets Wealth Management Limited
Regent Centre
Newcastle upon Tyne
NE3 3LS

Insurance Advisors:
PIB Insurance Brokers
Poppleton Road
Low Poppleton Lane
York
North Yorkshire
YO26 6GZ

Structure, Governance and Management

Our Board of Trustees

St Oswald's Hospice is governed by its Board of Trustees. Trustees are appointed for a four year term of office, by election at Trustee meetings. Trustees may be reappointed for a further term of four years if they put themselves forward for re-election and such reappointment is approved by the other Trustees, but at the end of that period they must step down. As an exception however, at the absolute discretion of Board of Trustees, the Chairman, Vice Chairman and Treasurer may be re-appointed for a maximum of a further five years. Trustees are not paid for the duties they undertake.

A minimum of two places are allocated for the appointment to Trustee posts from St Oswald's Hospice volunteer workforce. There are currently two Trustees who regularly volunteer at the Hospice. The People Committee identify other Trustee posts and expertise required within the Board of Trustees.

Recruitment to Trusteeship is achieved by identifying and approaching potential members, advertising vacancies on our website and social media platforms and occasionally we advertise in appropriate media and professional associations. We look to create a Trustee board that offers St Oswald's Hospice diversity of skills and expertise and a balance of viewpoints.

All new Trustees follow an induction programme, which has a general component and a section tailored to their individual needs. Trustees are invited to provide feedback on this process, so we can continually look to improve the induction programme.

As part of their involvement in the work of St Oswald's Hospice, Trustees visit departments periodically during the year. Staff and volunteers can talk in confidence to Trustees, who then report their overall findings back to the Hospice Management Team (HMT) and recommend changes to be made, as they deem appropriate. Visits are valued by staff, volunteers and Trustees alike, providing insight into the day-to-day operations of St Oswald's Hospice and acting as an important communication tool for the organisation. Trustee visit reports are forwarded back to HMT for a management response to any issues raised and copies are made available to each team, members of the Clinical Governance and Quality Committee and all Trustees. Trustees visit our retail shops every two years, with HMT members undertaking an informal visit in the intervening year. We are pleased to report that departmental and retail visits are now fully back in operation.

Board of Trustee and Director Meetings

Our Board of Trustees and Directors meet on alternate months in each year and review achievements and progress made against strategic objectives. In October each year, a closed session is held to review its own performance in accordance with good practice. From this work Trustees are able to further define their training needs, as highlighted above.

Board of Trustee and Director Meetings (continued)

The Board of Trustees and Directors (also referred to as 'the Board' within this report) have four Committees that aid the conduct of their responsibilities. These are:

- Audit and Finance Committee;
- People Committee;
- Clinical Governance and Quality Committee; and
- Technology and Business Intelligence Committee

Most Trustees and Directors serve on one or more of the Committees as noted below:

Committee Membership at 31 March 2023

Audit and Finance	**People**	**Clinical Governance and Quality**	**Technology and Business Intelligence**
Trustees:	**Trustees:**	**Trustees:**	**Trustees:**
Mr D Reynolds (Chair)	Mrs C English (Chair)	Mrs C English (Chair)	Mr J Holmes (Chair)
Mr S James	Mr S James	Mr S James	Mr G Boulton
Mrs T Phillips	Mr D Reynolds	Dr N Morris	Miss I Holland
Miss L Lloyd	Mr N Hobdey	Mrs S Sinton	
Mr R Taylor	Mrs T Phillips		

Attending Directors:	**Attending Directors:**	**Attending Directors:**	**Attending Directors:**
Ms S Edusei	Ms S Edusei	Mrs H A Eadington	Mrs H A Eadington
Mrs H A Eadington	Mrs H A Eadington	Mrs A Egdell	Mrs K Maclaren
Mrs K Maclaren	Miss D I Heron	Miss D I Heron	

Average Trustee attendance at the bi-monthly Board meetings stands at 80.8%.

Average Trustee attendance at Audit and Finance, People and Clinical Governance and Quality Committee meetings during the year stood at 80%, 85% and 87.5% respectively.

The Technology and Business Intelligence Committee was established in February 2023.

The charity has made qualifying third party indemnity provisions for the benefit of its trustees during the period. These provisions remain in force at the reporting date.

St Oswald's Hospice Promotions Limited

St Oswald's Hospice Promotions Limited is a wholly-owned, non-charitable subsidiary of St Oswald's Hospice Limited and is a company registered in England number 03146260.

The primary activities of the subsidiary are: to run a lottery and to co-ordinate other promotional or trading activities to generate funds for the charity. Taxable profits generated by the subsidiary are passed on to the parent company by Gift Aid.

The Board is currently made up of three Trustees from the holding company (one of whom is the Chair), the Chief Executive and Director of Corporate Services of the holding company and one independent Director. Our Director of Income and Marketing, Finance Director, Director of Strategy and Development, Head of Retail and Head of Fundraising also attend the meetings.

Hospice Management Team and Delegation of Powers

The management of St Oswald's Hospice is delegated to the Hospice Management Team (HMT), comprising the Chief Executive and six other Management Team members, each with responsibility for specific aspects of the work the Hospice undertakes (as outlined on page 5). The Chief Executive, with the support of the Management Team, reports to the Board, which approves major decisions and has overall responsibility for the Hospice's activities and direction.

The Board reviews and approves its Reservation of Powers, Delegation of Powers, Scheme of Delegation, Standing Orders and Standing Financial Instructions on a biennial basis to ensure high quality governance, the safeguarding of its assets and the good name of the charity.

Changes in our Management Team

There were no changes in our Management team during this financial year.

Related parties and co-operation with other organisations

We are contracted to provide care and support to local adults by our local Integrated Care Board (previously three Clinical Commissioning Groups) and one NHS Foundation Trust. We also have a Service Level Agreement with Northumberland, Tyne & Wear NHS Foundation Trust in respect of medical revalidation.

With regards to our Children and Young Adults Service, joint health and social care contracts, with Local Authorities, are in place for under 18's provision of specialist short breaks.

We train and educate undergraduates and postgraduate students in a range of health care professions from Newcastle University, Northumbria University and Teesside University.

Related parties and co-operation with other organisations (continued)

One of our strategic objectives recognises the need to work more closely with other organisations to help develop palliative care and end of life services. Further details are included on this later in the report.

We are members of the umbrella organisations Together for Short Lives and Hospice UK, who provide a national voice for children and adult hospices respectively.

We are also a member of the Hospice Lotteries Association and the Lotteries Council.

Objectives and Aims

The principal activity of the Hospice is to provide specialist palliative and end of life care to adults, children and young people from the North East of England.

Our Vision Statement, based upon our principal activity, is:

> **Together**, we will make the most of time and improve quality of life for everyone in the North East living with an incurable condition, and their families.
>
> **Together**, with the vital support of our staff, volunteers, donors and supporters, we will continue to develop and grow our services so that everyone in our region gets expert, dignified and compassionate care when they need it.

The Trustees have followed Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 and believe that the above objectives and vision, and the activities described throughout this report are undertaken to further the charity's purposes for the benefit of the public.

STRATEGIC REPORT – Achievements and Performance

Our fundamental aim is to make a difference to the lives of local people by providing excellence in specialist palliative and end of life care. Detailed below, we explain how we have supported local families over the last year and demonstrate the impact of our work.

Adult Services

Our Adult Service offers an inpatient service; a lymphoedema service; 'focus on living centre' comprising of therapeutic activities in both group and one-to-one sessions; an ambulatory care service; a combined supportive care service, complementary therapy; carer and bereavement support. Patients are usually referred to us from Newcastle, Gateshead, North Tyneside and Northumberland, with occasional specialist referrals from further afield.

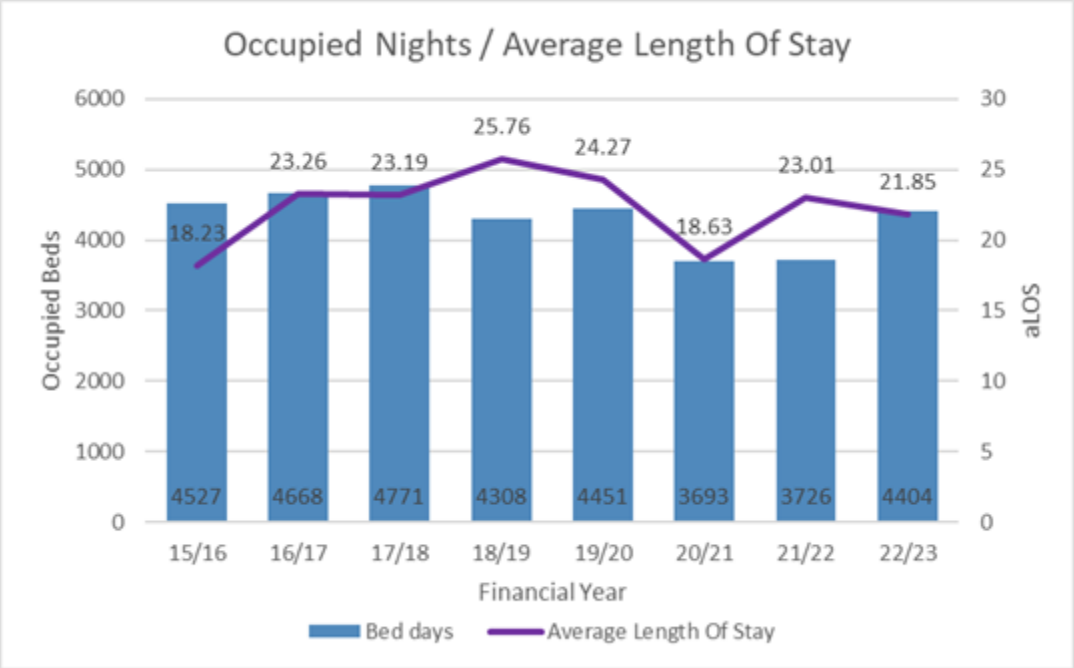
Adult Inpatient Unit

Our 15-bedded inpatient unit caters for patients needing pain and symptom control, emergency respite, and end of life care. Our multidisciplinary team works together to: ensure patients with specialist palliative care needs can maximise their quality of living by providing pain and symptom control, psychosocial, emotional and spiritual support; facilitate a safe and timely patient discharge to home or transfer to a continuing care service, as well as providing a supportive environment at the end of life.

In financial year 2022/23

- 199 adult inpatient admissions (2022: 161 admissions), 60 patient discharges (2022: 66 discharges) and 139 deaths (2022: 94 deaths).

- Patients stayed with us for an average length of stay of 21 days (2022: 23 days).



STRATEGIC REPORT – Achievements and Performance (continued)

- 4,404 bed days were occupied during the year (2022: 3,726 bed days)
- average bed occupancy was 81% (2022: 73%).

This year, our Family Room received a donation from Together For Cinema to install a cinema space within the Family Room. The cinema space has surround sound, a large pull-down TV screen, and electric blinds which allows patients and their families to access Netflix and Disney+ . This gives our families the opportunity to create special memories together away from their bedrooms. We have held special events such as weddings, birthdays, movie nights, Valentine's Day and other celebrations in the Family Room.

Last year, the Hospice Enablement Group became more established. The multidisciplinary team of staff work with our patients to help them to maintain their independence and achieve their goals and wishes. Our team understand that this can have a positive impact on our patients' health and overall wellbeing. The Enablement Group and Patient Support Team have made it possible for our patients to go to their most favourite places, such as the beach or a restaurant to have quality time with those most important to them.

What families said. . .

"Thank you very much for the loving care given to our mother AC during her stay at the Hospice. Her swellings have gone down and she is in much better condition thanks to the treatments she received whilst in your care. St Oswald's and all staff have been amazing. Thanks again".

"To all staff at St Oswald's, thank you ever so much to each and every one involved in caring for our Mum throughout her 6 weeks with you. We were very grateful for you arranging Christmas Day, getting Mum mobile enough to enjoy trips out, particularly to Scotland. Thanks also for allowing the dog to visit as it meant the world to her. Your outstanding care made a difficult time easier to bear for our family."

Adult Day Services

This year, there have been further developments to the way we deliver our day services.

Our Focus on Living Centre has welcomed patients back to attend group and face-to-face sessions onsite at the Hospice. We have continued to offer virtual support to patients too.

The Ambulatory Care Service that was piloted in 2021 has now become a permanent service. Offered in partnership with Newcastle Hospitals NHS Foundation Trust, the service provides people with palliative care needs a safe and comfortable environment for planned procedures such as blood transfusions/ blood product support and bisphosphonate/ iron infusions.

STRATEGIC REPORT – Achievements and Performance (continued)

This year, we launched the Combined Supportive Care Service. This weekly service is also a collaboration between St Oswald's Hospice and Newcastle Hospitals NHS Foundation Trust. The service was set up for people with lung cancer or mesothelioma. This has given more patients earlier access to the range of support and services we have at St Oswald's Hospice and offers a much more comfortable and relaxing environment for patients. It has also freed up much needed capacity in hospitals. In November 2022, we won Hospice UK's Michael Howard Award for Partnership Working for the joint efforts with Newcastle Hospitals NHS Foundation Trust on the Combined Supportive Care Service.

Recognised as a national centre of excellence in Lymphoedema management, St Oswald's Hospice is the largest specialist Lymphoedema service provider in the North East. We are specialists in our field and we regularly treat the most complex, severe cases. All patients are cared for on a pathway approach, covering assessment, treatment and planned review and discharge. Our pathways mirror the International Lymphoedema Framework Best Practice Consensus Document (2006).

Similar to other services, our Lymphoedema team has welcomed patients back this year, whilst still offering appointments at home and via telephone consultations. Our Lymphoedema Rapid Response clinic has been extremely successful and we've had excellent feedback from patients, staff and volunteers. This service means there has been a reduction in the need to re-arrange non-urgent patient appointments, allowing us to accommodate those with urgent needs.

In November, we won 'Best Overall Presentation' at The British Lymphology Society Awards. This award recognised our poster presentation that explained a unique initiative to help patients suffering from venous eczema. Misdiagnosis of venous eczema can lead to inappropriate prescribing of antibiotics for suspected cellulitis often resulting in avoidable admission to hospital or frequent GP visits. Patients often require urgent assessment and treatment to regain Lymphoedema control and restore skin integrity. Since introducing this initiative, our patients have seen huge improvements to their skin due to the research, staff education and changes to practice that have been introduced to help treat this condition.

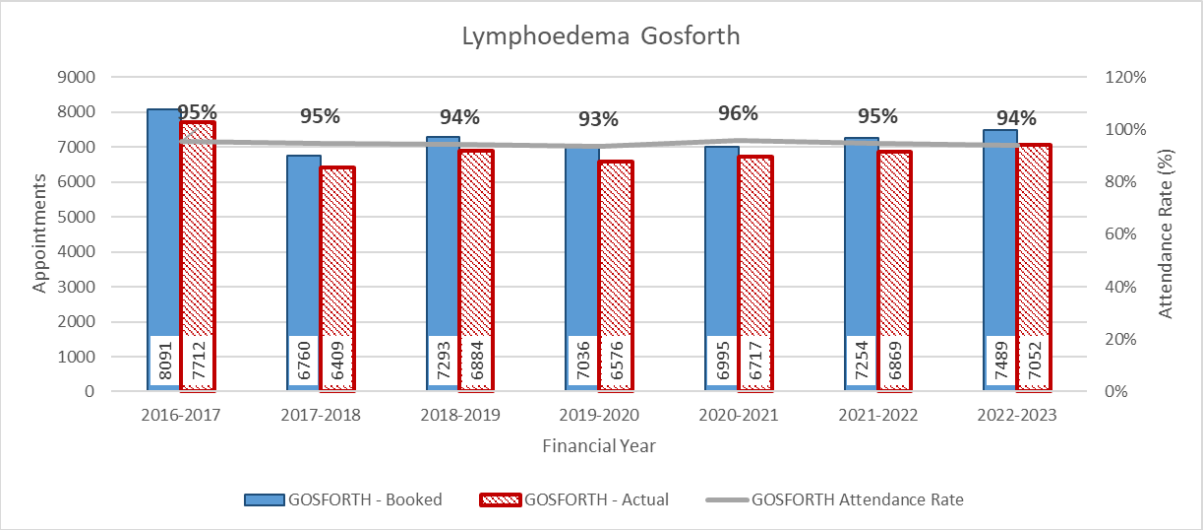
We also won Bright Ideas In Health Awards 'Innovation Champion Team Award' for the joint efforts between our Lymphoedema Team and Focus on Living Centre. This award recognised how the team went above and beyond during the pandemic to develop dynamic and highly responsive services that benefitted patients throughout our community.

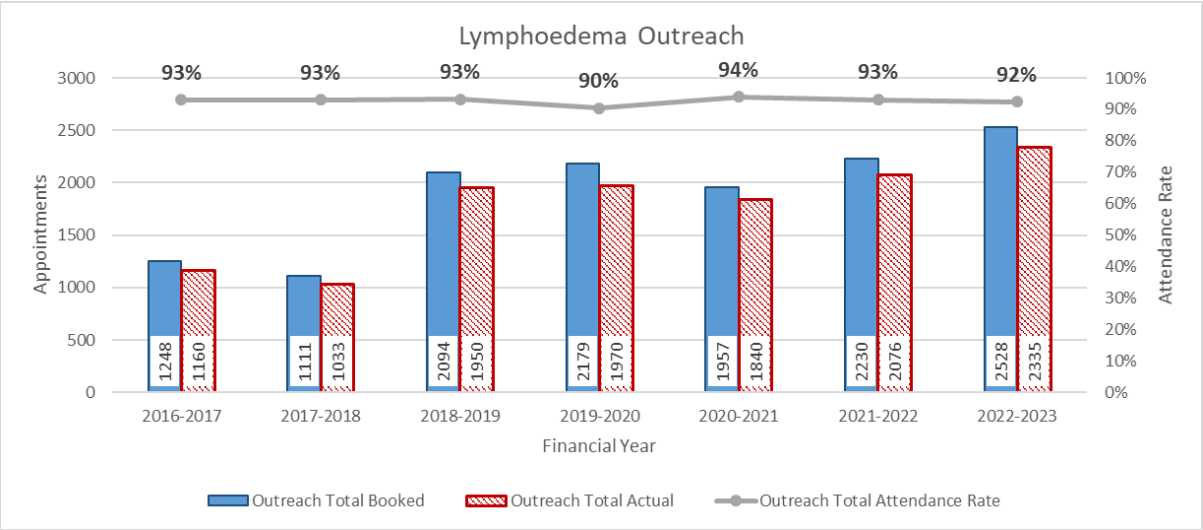
- Within Focus on Living Centre, 124 one-to-one contacts and 281 face to face group sessions were recorded for 96 patients (79 in 2022).
- 991 referrals to our Lymphoedema Service (2022: 954 referrals) and a total of 9,387 Lymphoedema attendances (2022: 8,954) across all of our clinics.

STRATEGIC REPORT – Achievements and Performance (continued)

Clinic appointments include new patient assessments, review appointments, garment fittings and intensive treatments which can involve attending clinic daily over a number of weeks.

- We continued to operate outreach clinics to care and support people living with lymphoedema closer to home in Shiremoor, Blaydon and South Tyneside. This included 1,595 appointments in South Tyneside (2022: 1,430), 288 appointments in our Shiremoor Outreach Clinic (2022: 202) and 452 appointments (2022: 444) held in Blaydon.





What our Day Services Patients and their families think. . .

"I was so pleased that I could get so many things done at one place because my mobility is not very good. It's on my mind all the time 'oh, how will I do that?' But it's good because I can get so many things done here all at once. I feel the freedom to ask for what I need. They make you feel belonging and comfortable – the staff are all so nice. They really are – from the first one to the last one that you

meet, even the driver who brings me in!"

"After using the Lymphoedema Service, I had some self-belief and hope that I'd finally get a solution. Everybody at St Oswald's Hospice went above and beyond to make me feel better and tried all sorts of methods – until I finally got a solution and my Lymphoedema started to improve."

Children and Young Adults Service

We provide specialist short breaks and palliative care to babies, children and young adults, aged from 0 to 25, with progressive, life-shortening conditions. We also provide end-of-life care and care after death. Specialist, medically-supported care is provided, 24 hours a day, seven days a week.

We were delighted that we've been able to re-introduce a programme of trips and outings again this year. Our Children & Young Adults have enjoyed trips to the farm, the theatre, and enjoyed fun and accessible surfing trips to the beach thanks to partnership working with Peacocks Medical Group, Beach Access North East and East Coast Fibreglass Supplies, who helped to make an accessible chair board for our Children & Young Adults. Our Young Adults 'Ozzy Fest' also returned with live music, food and festival vibe fun.

Thanks to a legacy, work begun to develop more independent accommodation for our Young Adults. Our Young Adults have been working with our design team to develop the new extension. This development will increase our capacity to offer short breaks to young adults up to the age of 25 years old.

Our Children and Young Adults team has started work on our Outreach Service. This exciting new development will help to support children, young people and their families who need help at home due to a growing number of them with complex health and social care needs. This new service fills an unmet gap for our Children and Young Adults and their families to receive specialist care and support from trained carers in their own surroundings.

We also offer dedicated support for siblings, this year we ran two 'Sibz Days' for brothers and sisters of children with chronic conditions who stay with us for short breaks. Sibz Days involve sharing feelings and experiences and expressing them in different ways – including art, crafts and music. Children get the chance to have fun, make new friends and even play with medical equipment that their brother or sister may use, in a safe environment.

If a child dies at St Oswald's Hospice, their own home or in hospital, we are also here to provide ongoing bereavement support to families.

- 57 children and their families benefited from our Children's Service (2022: 58).
- A further 15 young adults were cared for at St Oswald's Hospice (2022: 11).
- We had 688 admissions, 2,012 bed days (2022: 1995) were occupied with an 81% occupancy rate (2022: 96%).

STRATEGIC REPORT – Achievements and Performance (continued)

- The average length of stay is 3 nights per visit (2022: 3) for children and young adults.

We continue to work closely with Great North Children's Hospital and Newcastle upon Tyne Hospitals NHS Trust.

What children, young adults and their families said

"Thank you to each and every one of you for making these amazing experiences happen for our equally amazing kiddos. From these special moments come priceless memories that will be cherished forever."

"It was an absolute pleasure to visit St Oswald's, we were made to feel so very welcome and received such fantastic hospitality. St Oswald's is clean, tidy and exceptionally well looked after, decorated with lots of pictures of the Young People who visit St Oswald's on many of the activities they have completed. From the moment you step foot through the door you can see Young People, their feelings and wishes are at the heart of everything, there is a wealth of activities for Young People on site including a sensory area, play area's and a breakout room, I love the dress up area particularly."

Carer, Bereavement and Family Support

Our services to carers include complementary therapy, carers drop-in sessions, group sessions and one-to-one support.

We also offer a range of support services to bereaved individuals and families on a one-to-one basis and in groups.

Any bereaved person can access bereavement support. They are offered face to face or telephone support which is private, confidential and none judgemental.

We offer bereavement groups sessions where people have the opportunity to discuss their feelings with others who are also dealing with the grief and loss of a loved one.

The bereavement team also provide training to health care professionals and teachers to enable them to support individuals more effectively and understand how grief effects people in different ways.

This year our Young Advocates Bereavement Support Group launched. Our Children's Lead in our Bereavement Support Team has been working with a group of children who attend monthly training sessions. The children learn how to support other children in schools. The idea is to normalise bereavement and prevent children from feeling isolated while in a school education.

Our Corporate Bereavement Online Training continued in partnership with Hospice UK. As part of this, one of our Bereavement Support Workers, qualified as a Bereavement Facilitator for Hospice UK's Compassionate Employers training programme, in September 2022. This programme offers practical

guidance and support to companies to help them manage bereavement in the workplace and support staff back to work following a death.

Last year…

- 114 individual adults accessed bereavement support with a total of 684 contacts.

Research

We are committed to improving the care and quality of life of our patients and their families through ongoing research, innovation, service transformation and improvement. Our aim is to develop meaningful research that leads to change, to benefit our service users and improve their experiences whilst in our care.

By developing cutting edge, evidence-based research, we aim to achieve our vision:

- To deliver internationally recognised research to enhance and deliver the best palliative care for people of the North East and beyond.

During this year, 43 patients receiving NHS services provided or sub-contracted by St Oswald's Hospice were recruited to participate in research approved by a research ethics committee.

Research projects we have been involved in during this year are:

- BETTER—Bereavement EducaTion and Training for Employers evaluation and Recommendations (Lead Site)
- PEACE—Palliative and End of Life care experiences of people of African and Caribbean dEscent (Host site - Lead by Newcastle University)
- Improving discussion about resuscitation for bereaved relatives in covid-19 (Host site —Lead by Manchester University)
- Deathbed Etiquette (Host site —Lead by Lancaster University)
- RIPEN—Research in Palliative and End of Life Care North East (Host site — Lead by Newcastle University)
- Palliative Medicine trainees should learn about frailty: meta-synthesis and Delphi study to establish curriculum content (Host site—Lead Keele University
- COPPAR—Collaborative UK wide paediatric palliative care research network (Host Site - Lead—Keele University)
- IRIS - Augmented and assisted communication in children's hospices (Lead Site)
- Diverse experiences of End of Life care for Dementia—Establishing Consensus and Capacity through Collaboration and Co-production (Host Site—Lead Newcastle University)

We are looking to significantly develop research activity in the coming years, and aspire to appoint of a fully funded Research Centre Manager in the near future.

STRATEGIC REPORT – FINANCIAL PERFORMANCE

Summary of Financial Performance

We are pleased to report a positive group financial result for the year to 31 March 2023 of £652k surplus (2022: £905k surplus) as detailed in the Statement of Financial Activities on page 43. The hospice-only result for the period is a surplus of £767k (2022: £948k surplus).

Income for charitable activities from statutory sources has provided a strong foundation this year, increasing by 5.2% to £5,940k (2022: £5,647k) year on year.

Following two years of disruption to Retail and Fundraising, this financial year has been more like "business as usual", without Covid-19 restrictions being placed on our non-clinical activities. The teams have relished this opportunity and have performed very well in raising funds to cover the gap in funding between our public sector income, and the cost of delivering charitable services. The year has not, however, been without its challenges: Extremely high inflation and the unpredictable political and economic environment, teamed with an extremely buoyant employment market, has placed strong upward pressure on expenditure.

Despite these challenges, the very positive financial result is due to several factors:

I. Our generous supporters – income from individual donors through regular giving, lottery and appeals has remained a strong and reliable source of funding this year.

II. Fundraising – once again the team curated a creative and original programme of events and campaigns, including our inaugural Giving Day, in order to exceed the net Fundraising target for the year.

III. Retail – very strong trading across the whole of the Retail department, free from any Covid-19 restrictions, has resulted in the team achieving an above budget surplus in the year.

IV. Legacies – gifts of legacies bequeathed to the hospice are once again incredibly high at £2,276k (2022: £1,950k).

Legacies, in particular, whilst providing a welcome source of unrestricted funding and corresponding uplift to reserves, are unpredictable in nature and cannot be presumed to provide a long term reliable flow of income. A rolling five year forecast is maintained and has been updated with the latest financial information available; it ensures reserves are maintained within acceptable limits (details of our reserves policy are on page 33). This positive result continues to build free reserves which will be used to safeguard the future financial security of the hospice, alongside plans to invest a significant portion (£500k over two years) in the renewal of the hospice's infrastructure and buildings.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Financial Performance in Detail

For the year ended 31 March 2023 the group recorded a net surplus, including grants but before accounting for movement on the investment portfolio, of £662k (2021/22: £856k).

For the group, total incoming resources for the year increased by 10.1% (2021/22: increase of 3.7%) to £15,350k. Total resources expended increased by 12.3% (2021/22: increase of 2.8%) to £14,688k.

For the hospice only, total incoming resources for the year increased by 9.5% (2021/22: increase of 4.5%) to £14,842k. Total resources expended increased by 11.2% (2021/22: increase of 2.8%) to £14,065k.

During 2022/23 £916k (2021/22: £851k) was gratefully received in grants and donations to cover specific projects. This is shown in the financial statements as "restricted income", and the appropriate expense is shown against it as "restricted expense". This differentiates it from the normal ongoing operations of the Hospice, which is named "general" income and expense. In the two years prior to 2022/23, the hospice was in receipt of NHS England (via Hospice UK) Covid-19 clinical capacity grants, contribution towards the ongoing clinical services during the pandemic. During these two years, a significant portion of expenditure which would have ordinarily been funded from unrestricted funds was instead supported by the restricted fund. The scheme closed in March 2023, and so there is no such effect to report this year, but does account for the marked increase in general expenditure year on year.

The movement on general funds is a true reflection of financial performance in the year and can be summarised as follows:

Group	**2022/23**	**2021/22**	**Movement**
General income	14,433,914	13,089,589	1,344,325
General expenditure	(13,880,457)	(12,007,166)	(1,873,291)
Net income before movement on investments	553,457	1,082,423	(528,966)

Hospice	**2022/23**	**2021/22**	**Movement**
General income	13,926,206	12,699,020	1,227,186
General expenditure	(13,257,636)	(11,573,821)	(1,683,815)
Net income before movement on investments	668,570	1,125,199	(456,629)

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Incoming Resources

Income is usually categorised as Generated Income (being Donations, Legacies, Trading Activity income and Investment income) or Income from Charitable Activities; there are separate categories for exceptional income on the face of the Consolidated Statement of Financial Activities, being of Job Retention Scheme grant income (in 2022 only) and Other income falling outside of these definitions; more detail about which is outlined below:

Incoming Resources from Generated Funds

Donations and income from regular donors totalled £1,493k (2021/22: £1,410k) of which £451k was restricted (2021/22: £268k). Legacy income has continued

in a similar vein as the past three years and is extremely high at £2,276k (2021/22: £1,950k). As retail activities returned to normal operation for the full financial year, there was no reliance made on retail support grants (2021/22 £81k). Last year this funding provided financial support towards the re-opening of retail outlets forced to close as a result of the covid-19 restrictions. A further result of this was that income from other trading activities flourished, rising to £5,568k in the reporting period (2021/22: £4,745k).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year it was able to gift aid £693k (2021/22: £918k) to the parent charity. The subsidiary's main activity is the Hospice lottery, and hosting the hospice's art trails, the next of which is planned in 2023/24 (the most recent art trail was in 2019/20). The reduction in gift aid received is largely due to the subsidiary incurring upfront expenditure for next year's art trail, of £148k (2021/22: £nil).

Investment income, comprising interest and dividends received is £73k in the year (2021/22: £45k). The year-on-year increase can be attributed to bank interest; the hospice has taken advantage of the increase in interest rates and utilised interest-bearing cash deposit accounts, to earn £25k in the year (2021/22: £nil).

Incoming Resources from Charitable Activities

As in previous years our charitable activities received partial funding from the NHS and local authorities, totalling £5,940k in the year (2021/22: £5,647k). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totals £2,179k (2021/22: £1,931k). In the previous year, the hospice was granted restricted funding of £298k from NHS England via Hospice UK for available bed capacity and community support throughout the pandemic; this scheme closed on 31 March 2022 and so no reliance was placed on such income in the reporting period.

Our Children and Young Adults' Service continues to be funded by local authorities on an activity-basis via a payment per night for each child or young adult accommodated, generating total income of £1,562k (2021/22: £1,413k). As in

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

previous years a grant was received from NHS England of £371k (2021/22: £284k), to support the activities of our Children's Service. A Children's Outreach Service is also in the early stages of development, and is being supported by a restricted grant of £94k (2021/22: £nil) from NHS England, matched with funds from Southampton Hospital's charity (classified as a restricted donation).

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedema income for 2022/23 was £1,679k (2021/22: £1,584k).

Job Retention Scheme Grant Income

The job retention scheme closed in September 2021 and so £nil has been claimed in the financial year (2021/22: £60k). The grant was claimed last year as it had been necessary to furlough some members of staff, given the covid-19 restrictions imposed on many of our non-clinical activities.

Resources Expended

Resources Expended are classified as either Cost of Raising Funds, or Cost of Charitable Activities, of which a more detailed description is provided below.

In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2019, costs of support services are shown relating to our direct charitable services. The costs of Human Resources, Corporate Services, Information Management and Technology and Finance departments have been allocated to each of the direct service departments or income generation departments. The allocation is calculated according to the most appropriate measure of usage for each area of expenditure. Note 10: Analysis of Support Costs gives greater understanding of the costs incurred and their allocation.

Costs of Raising Funds

The cost of raising funds totalled £5,055k overall (2021/22: £4,247k). The increase is driven by higher staffing costs, and £148k upfront investment in next year's art trail in the trading subsidiary.

Costs of Charitable Activities

Expenditure on our charitable activities of £9,633k (2021/22: £8,837k), including property costs, depreciation charges and support costs, represents 65.6% of total expenditure (2021/22: 67.5%). Staff costs remain by far the greatest type of expenditure incurred, and as above accounts for the increase year-on-year.

Balance Sheet

The Balance Sheet at 31 March 2023 shows funds of £17,005k (2022: £16,353k) of which £9,678k (2022: £9,838k) is represented by fixed tangible and long term

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

investment assets. Notes 15 and 16 to the financial statements set out expenditure and other movements relating to fixed assets and fixed asset investments.

The hospice was fortunate to receive a large grant of £896k in the year, as upfront funding for the construction of of two purpose-built young adult bedrooms. The income has been treated as deferred income until planning permission and the associated conditions have been met. As a result of the high cash balance £2 million was deposited into an interest-bearing short term deposit account (2022: £nil).

Investment Policy and Performance on page 33 further details the performance of long term investments and the short term deposit account.

Key Performance Indicators

	Unit of measure	Target	2022/23	2021/22
Value of free reserves	£000's	7,067	8,067	7,592
Expenditure variance from budget	%	<5%	6%	3%
Retail profit	pence in £	21	25	20
Fundraising expenditure ratio	pence in £	45	31	32
Staff turnover	%	<5%	17%	14%
Adult inpatient occupancy	%	84%	81%	73%
Children and young adults occupancy	%	90%	81%	96%

Expenditure was higher than budget in 2022/23, due to higher than budgeted pay awards being approved, in an attempt to keep pace with employment market forces, and help staff manage with the rising cost of living.

Retail profit (pence in £ profit) is better than target as trading income exceeded budgeted targets, without a matching increase in costs. Similarly Fundraising expenditure ratio (pence in £profit) is much better than budgeted; significantly higher income from campaigns and legacies was generated with very minimal additional outlay.

Staff turnover continues to be very high; the employment market is extremely competitive at present, and often the charity often does not have wage parity with private sector salaries. Whilst we benchmark pay to similar roles outside of the organisation, and aspire to move towards these levels, we constained by the need to manage our expenditure on a recurring basis.

Occupancy within the Adults unit improved as capacity increased in the year as Covid-19 distancing restrictions reduced.

Occupancy within Children and Young Adults appears to have decreased, however an additional bed has been opened to increase capacity in the service.

STRATEGIC REPORT - Monitoring and Compliance

Ensuring Quality Care: Monitoring and Compliance

We have a range of mechanisms in place to ensure we continue to provide an outstanding service to adults, children and young people.

We are monitored and regulated by the Care Quality Commission (CQC) and at last inspection (September 2015); we were awarded an overall rating of 'Good'. The CQC awarded us 'Outstanding' for care, and 'Good' for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made. The inspection standards under which Hospices are inspected changed in 2018 and we continue to review our performance against the requirements. We continue to engage with CQC as they transition to a new way of inspection. Throughout this year, we have had several telephone conversations, responded to information requests and familiarised ourselves with the Quality Statements. We have also promoted the CQC feedback portal with patients and families. In that time, we have received regular email confirmations that CQC are satisfied and that there is no reason to trigger an inspection or change our rating.

Service User experience as always is a priority. We continue to listen and act on the feedback of our patients, children, young adults and families where we can. Internally, patient experience is measured by questionnaires, face to face interviews, focus groups and submissions to our 'feedback bank' alongside our formal complaints policy and procedure. Our feedback bank serves as a central store for all patient experience data, as well as comments, complaints, compliments and suggestions from wider stakeholders. This year we have begun to discuss and develop a Consultation Network. We hope this Network will become another mechanism to gather a range of stakeholder feedback on a wide variety of Hospice activities including new developments and ongoing improvement of service delivery.

Our Clinical Quality Team is tasked with reviewing all issues relating to patient experience and providing a quality service. They are involved in Clinical audit, policy development and review, medicines management, safeguarding both vulnerable adults and children and many other areas of work, the team is made up of clinical quality leads from each service, led by the Clinical Quality Lead. Regular updates are provided to Trustees via our Clinical Quality & Governance Committee.

Ensuring Quality in Fundraising Practice: Monitoring and Compliance

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We encourage our fundraising service providers we engage with to also be signed up to the code. This report covers the requirements charities must follow as set out in the Charities Act 2016.

STRATEGIC REPORT - Monitoring and Compliance (Continued)

It has cost us £9.6 million (2022: £8.8 million) to provide our charitable hospice services this year. Approximately 60% of this of this came from statutory funding. We aim to raise the balance of funding required through our fundraising activities.

Our fundraising effort involves encouraging donations and legacies, running events and operating a lottery. Our in-house fundraising team engages professional face-to-face or telephone fundraisers via an agency to help us promote individual giving. We aim to ensure those agencies we employ also observe the highest standards in terms of fundraising practice.

We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. Several of our in-house fundraising team are members of the Institute of Fundraising.

Our lottery and raffles are regulated by the Gambling Commission, and we comply with the conditions set out in our licence.

We ensure that the correct safeguards are in place with our suppliers and those who fundraise on our behalf. We require them to confirm that they comply with the Code of Fundraising Practice.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received two complaints in the 2022/23 financial year (in 2021/22 we received three complaints).

We respond to all complaints within 10 days. We encourage teams to register near misses, adverse events and feedback as well as formal complaints in order to identify possible or underlying areas in which we could improve. Complaints are dealt with in-line with our fundraising complaints policy. Most serious complaints would be escalated to our Hospice Management Team (HMT) and trustees so they can consider lessons learnt. We report to the Fundraising Regulator on the totality of our complaints.

We have published our vulnerable persons policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We received, and therefore actioned, no requests from this service last year. In addition to our policy we have an agreed operating procedure to protect vulnerable people, which our fundraisers (both staff and third party) are familiarised with.

Under GDPR, our supporters have many legal rights over the way their personal data is used. We comply with The Code of Fundraising Practice which requires us to respect the public in how we process and protect their personal data. Processing data means doing something with it, including collecting, storing and using it.

Personal data is any information relating to a living individual who can be directly or indirectly identified from it. This could include keeping records, or using data for direct marketing. We ensure that we have an appropriate legal basis to use personal data, including when and how we contact supporters. For more information on how we use personal data in our fundraising, please see our Privacy Policy on the website.

STRATEGIC REPORT - Monitoring and Compliance (Continued)

The Privacy Policy determines how supporters can ask us to stop processing their data for certain purposes. Our communications provide supporters with information on how to stop receiving them.

This year we reviewed and published a revised Fundraising Policy. The Policy sets out our guiding principles and practices across every aspect of fundraising. We have introduced a new Standard Operating Procedure in relation to due diligence on major donors and significant donations.

Ensuring Quality in Retail: Monitoring and Compliance

St Oswald's retail department works to a high quality to meet the standards required by the hospice policies. We work alongside other Hospice departments to ensure we comply with GDPR, DPIA and PCI. The department has several working relationships with other organisations which help to strengthen our quality standards.

We are a member of the Retail Charity Association, the primary membership organisation for charity shops in the UK. The association influences and monitors legislation and regulations that affect charity retailing, and promotes the benefits of charity retailing to communities.

All retail staff complete annual mandatory training covering, Health & Safety, Fire Safety, Data Security Training, Manual Handling and Gift Aid training. All shops record daily checks and complete task and environmental Risk Assessment. All transport vehicles are installed with data matrix equipment and dash cam to record driving standards and can be used to monitor and improve standards.

Our retail department runs a Gift Aid scheme which enables us as a registered charity to reclaim tax on a donation of goods made by a UK taxpayer, effectively increasing the amount of the donation made to us. We currently use E-productive to ensure we meet HMRC standards by providing training tools for all retail staff and volunteers and auditable processes and procedures.

We work in accordance with all Local Authorities in regard to household waste, in particular White Goods and Soft Furnishings i.e. Fridge, Freezer, sofa or cushions.

Following Covid -19, all of our shops and staff areas still have antibacterial hand gel, face coverings are still encouraged and staff/volunteers have free supply and till areas still have screening in place when requested by the shop team. We still monitor Covid-19 risk assessments and encourage safe working space. We will continue to adhere to all government and industry advice throughout 2023/24.

STRATEGIC REPORT – Strategic Objectives 2022/23

Our main purpose is to continue to deliver outstanding care to patients, children, young adults and their families during Covid-19 and beyond. In addition, the following objectives have been designed to make sure that we do three things - Survive the current situation, Strive to improve so that we can Thrive in a post-Covid world. In 2022/23, we continued to embed these objectives in to the organisation so that every staff member knows how they are contributing to delivering our strategic objectives.

SURVIVE

Maintain safety and quality of care at all levels, including:

- Continue service delivery across all Hospice services.
- Maintain patient, carer, staff and volunteer safety following national and local infection control guidance.

Maintain sufficient cash flow to keep us operational, including:

- Limit year end loss position to less than the amount approved by trustees in the 2022/23 budget, of £737k, for the financial year.

STRIVE

Develop flexible, high quality and innovative services, including:

- Develop services that meet patient, carer, staff and volunteer needs within budgetary constraints.
- Develop volunteering activity to deliver flexible and innovative services.
- Improve systems and processes and use digital solutions to support all our work.
- Embed coaching approach to support values led organisation.

THRIVE

Deliver an outstanding quality of care, including:

- Achieve CQC Outstanding in Care and minimum Good in other areas
- Continue to develop flexible and innovative services that meet patient, carer, staff and volunteer needs within budgetary constraints.

Be financially fit for the future, which will include:

- Achieve the agreed budget for 2023/24.
- Establish a development fund for investment in equipment, projects and people.

These objectives are owned by the relevant HMT member and will be continuously reviewed during the year to monitor successful progress.

STRATEGIC REPORT - Policies to Achieve Our Objectives

Recruitment, Retention and Development of Staff & Volunteers

It is essential that we have the right staff and volunteers in place to enable us to achieve our strategic objectives and to provide a quality service for everyone who accesses our services. We do this by making sure that we have effective systems and procedures in place to ensure we recruit, develop, support and manage our people, ensuring they have the skills, knowledge and values we need to deliver our services both now and in the future.

Our People related policies and procedures comply with legislative and regulatory requirements, reflect best practice and govern all our activities, ensuring our staff and volunteers work within safe and effective systems.

St Oswald's Hospice Criminal Records Policy requires all applicants for paid and voluntary, permanent or temporary posts to disclose, as a minimum, any unspent criminal convictions as part of their application. In addition, the Safeguarding Vulnerable Groups Act 2006 requires that certain roles (paid or voluntary) with access to children or vulnerable adults are subject to a criminal records check, via The Disclosure and Barring Service (DBS), before employment, volunteering or placements commence.

Recruitment has been identified as a priority objective for the organisation and we have a project group looking at different aspects of recruitment and how we can improve what we do. Effective collection and use of data is a key aspect of this project and we are working closely with our Data Team to make the best use of the information we have.

Wellbeing

Wellbeing is a key theme of our People Experience Strategy and last year we promoted Able Futures to support mental health and provide resources to support people with their financial wellbeing. Once again we hosted Menopause training and also launched our Menopause policy and guidance. Over the coming year we will be working with the Better Health at Work Advocates on our longer term strategy and a Wellbeing Hub area on OsWorld. Clinical Units have developed well-being days based on the principles of Five Ways to Wellbeing.

Engagement & Involvement

The People Experience Group (previously the Engagement and Involvement group) has developed core objectives for all our staff that reflect the priorities of our organisation and worked with HR to utilise the new HR system (Cascade) to record progress against these objectives. Work is underway to launch Quality Conversations to replace the traditional appraisal system.

Each year we deliver planned learning, development and education programmes to ensure our staff and volunteers are able to undertake their roles safely, in a well-managed environment, equipped to deliver high quality services. Our approach is still blended learning but we started to introduce more face to face training as Covid restrictions were lifted. In November 2022, we launched a new learning management system (Bluestream Academy) for our mandatory training and rolled the first stage out during the first quarter of the year.

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

The views of staff and volunteers are sought via line managers, feedback bank, special briefings, focus groups, surveys and departmental visits from HMT and Trustees. Plans are in place to launch a User Involvement Group which will include staff (as well as other stakeholders) to ask for views on a range of topics such as specific policy reviews, improvements to processes and identification of wellbeing initiatives.

Equality, Diversity & Inclusion
The Equality, Diversity and Inclusion (EDI) group has a clearly defined strategy that supports EDI in service provision and in supporting and developing all our people. The strategy is supported by a comprehensive training plan and an expectation in staff core objectives that people continue to learn about EDI and how they can support others. Last year was the first year we included all protected characteristics in the Workforce Equality Survey (WES) rather than just those required of us. Next year will be the first year that volunteers will be included in the survey.

Equality, diversity and inclusion are important elements of our Recruitment project (mentioned above), and we are looking at how we can ensure that no one is unintentionally disadvantaged by what we do as well as ensuring that we encourage applications from underrepresented groups.

Staff Remuneration
Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. The PeopleCommittee sets the salaries of the Hospice Management Team and Medical Consultants. Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

Our plans to progress discussions on fairness and competitiveness in remuneration have progressed well this year.

Pay Policy for Senior Staff
The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling of the charity and running and operating the Hospice on a day to day basis. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in notes 12 and 26 of the financial statements.

Trustees are required to disclose all relevant conflicts of interest in line with St Oswald's Hospice Conflict of Interest policy including registering them with the Company Secretary and, in accordance with the policy, withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Hospice People Committee and any recommended uplift is approved by

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities of similar size and turnover and seek to compare like with like posts.

Equality of Opportunity
St Oswald's Hospice is committed to ensuring that all current and potential staff and volunteers are treated with dignity, fairness and respect, regardless of their sex, marital status, age, sexual orientation, race, ethnic or national background, religion, beliefs or disability.

We promote an environment in which individual staff can utilise their skills and talents to the full, and that the best people are recruited for our jobs from as wide and diverse a pool of talent as possible.

Disability in Employment
We are a Disability Confident employer and actively encourage applications for employment from disabled people. Over the coming year we will be working on achieving the next level and becoming a Disability Confident Leader.

Volunteers
We are a volunteering organisation which is exceptionally proud of our volunteers. Volunteers are active in most departments across the Hospice and Promotions Company, lending their skills, experience, expertise and time. Together with our staff, our volunteers form our fantastic team of people who ensure we are able to provide vital hospice services to local people and families.

The Volunteering strategy was launched this year and will be embedded over the next two years. The strategy will support the continuing development of new opportunities for innovation whilst ensuring our volunteering offer is robust and meets the evolving needs of all areas of the organisation. We have introduced a pilot Volunteer to Career Pathway to support volunteers with clinical career aspirations within the Health and Social Care Sector and we were the proud winner of the Hospice UK's Innovation in Care national award for the joint efforts between our Lymphoedema Service and Volunteering Departments work to maintain and improve patient care.

STRATEGIC REPORT - Managing Risk

Keeping patients, families, staff and visitors safe is a fundamental principle at St Oswald's Hospice and as such, risk management is firmly embedded in the culture and structure of the organisation.

Trustees and HMT have continuous access to the risk register and all its associated action plans including the balanced scorecard which details all adverse events. Trustees and HMT review and update the Risk Register at Board meetings, as well as reviewing the rationale behind the risk score and the action being taken to remove or mitigate for any risk that scores over 15 (out of a maximum of 20).

There are a number of dedicated sub-groups which feed into the Hospice Management Team operational meetings.

We also have a Clinical Quality Team which is led by the Clinical Quality Lead. Other Team members include experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained across the Hospice based on best available evidence. The Clinical Quality Team monitors and reviews clinical activity, service user feedback, engagement and involvement, clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme.

The Clinical Quality Team report into the Trustees' Clinical Governance and Quality Committee meetings. At each meeting a Clinical Quality Report is presented that provides the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Clinical Quality Improvement work within St Oswald's. This report also gives a summary of various sub-groups and outlines the plans going forward.

A Safety Health Environment Fire/Risk Management Report is also presented to the Clinical Governance & Quality Committee at each of their meetings.

Impact of Covid-19 Pandemic Risk

Throughout the financial year, while the UK has not been subject to Covid-19 restrictions as in previous years, we have continued to respond dynamically to the infection control guidance applicable to our services. Our clinical services continue to be managed closely via a daily Clinical Planning Group meeting chaired by Director of Care Services.

Environment and Fire Risks

Pivotal Safety Services provide St Oswald's Hospice with safety, health, environment and fire risk management advice and an additional layer of scrutiny to our operations. Pivotal Safety Services continue to provide advice on implementing a wide ranging action plan and offer ad-hoc advice and support, where necessary.

STRATEGIC REPORT - Managing Risk

Clinical Risks

There are a number of dedicated sub-groups which feed into the Clinical Quality Team, namely: Clinical Systems Steering Group, Ethics, Infection Prevention and Control, Water Hygiene, Emergency Preparedness, Resilience and Response (EPRR), Clinical Audit, Nutrition and Hydration, Medicines Management, Manual Handling and Falls Prevention, Clinical Education, Medical Gases, Palliative Care Advice Line, Outcome Assessment and Complexity Collaborative (OACC), Enablement Group, Equity, Diversity and Inclusion, Sexuality, Safeguarding, Bereavement, Children and Young Adults Service Outreach Steering Group, Clinical Volunteering Group, Service User Involvement and Engagement, and the Clinical Research Group. The Clinical Quality Lead presents reports from the Clinical Quality Team to the Clinical Governance and Quality Committee.

All the clinical units hold a clinical risk register which monitors the key risks and control measures for each unit. These are live documents monitored by each team through their leadership meetings.

Adverse events provide vital information in the identification and monitoring of risk and the process is promoting as a source of learning. Plans are in place to move to the new Patient Safety Incident Response Framework (PSIRF) launched in the NHS, which emphasises the learning response to incidents rather than apportioning blame.

External Bodies

Our external auditor, RSM UK Audit LLP, bring with them the benefits of a firm large enough to have considerable expertise in the not-for-profit, public and private sectors.

Azets Audit Services has acted as internal auditor throughout the financial year, with a programme of works which covered all aspects of financial control, alongside review of non-financial controls and procedures.

Financial Risk Factors

Risks are reviewed annually by the Trustees and the most significant financial risks facing St Oswald's are as follows:

Income Risk

Income Risk is the reliance on potentially volatile income streams such as lottery income, voluntary donations, retail and fundraising income, including legacies. The financial environment has changed markedly over the past three years due to the economic fallout from the covid-19 pandemic, the increasing cost of living and high levels of inflation, the impact of Brexit, the autumn "mini-budget" in September 2022 and the ongoing conflict in Ukraine. The result is much uncertainty surrounding the charity's ability to generate income. The risk is mitigated as far as possible by being creative in redesigning and pivoting fundraising activities to be responsive to the local environment, and also having good donor stewardship to maintain links with existing donors.

STRATEGIC REPORT - Managing Risk (continued)

Income Risk (continued)
Financial pressures within the NHS and local authorities may result in some of the Hospice's services becoming economically unviable. Strenuous efforts are made to communicate regularly with commissioners and to instigate negotiations wherever necessary.

Fraud and Financial Crime Risk
Any business carrying out activities that involve handling large amounts of cash faces the risk of loss of income through fraud or theft. An Internal Financial Controls policy is in place to outline operating procedures to minimise these risks.

Staff are made fully aware of their responsibilities in respect of handling cash and these procedures during induction, and are reminded of their responsibilities on an annual basis. Should any incident of theft or financial crime be suspected, the procedure detailed in the Fraud policy is followed and the appropriate authorities and Trustees are notified in a timely manner.

Investment Risk
The Hospice is exposed to fluctuations in the stock market which affect the value of its investment portfolio. The portfolio is monitored by the Audit and Finance Committee at each of their meetings throughout the year. The portfolio is designed both to generate a stream of dividend income and as a long term investment. Trustees recognise that its value is subject to fluctuations in the stock markets. The risk profile of the portfolio, is under constant review by the Audit and Finance Committee, which is advised by the Hospice's investment managers, UBS. The value of the investments has held steady throughout the year yielding 4%, despite the volatile markets which have been reported throughout the year.

Liquidity Risk
Trustees monitor the Hospice's liquidity by means of KPI reporting through the management accounts alongside cash flow forecasts. Since its establishment, the Hospice's inflow of cash income has been sufficient to service cash expenditure. Should problems arise in the future, Trustees have access to the hospice's investment portfolio to remedy a situation if needed, without compromising the Hospice's operations.

STRATEGIC REPORT – Regulatory statements

We are required to make a number of statements to provide further understanding of how we manage our affairs and how we are governed.

Investment Policy and Performance

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile.

Once again this year no withdrawals were made from the investment portfolio (2021/22: £nil sold). Dividend income is paid over to the Hospice as it is received. The portfolio decreased in value in the first half of the year, and then partially recovered in the second half of the year, as the markets faced huge uncertainty from the shock of the mini budget announced in September 2022, continuing high inflation and the impact of the Russian invasion in Ukraine. The value of the portfolio has experienced a net loss of £10k (2021/22: net gain of £49k) during the year, as detailed in Note 16 of the financial statements.

In August 2022, the Hospice took advantage of the rising Bank of England base rates and opened a 95-day notice deposit account, attracting interest at a rate of 0.05% above base rate. A total of £2 million was deposited during the course of the year earning £25k in interest (2021/22: £nil). The Bank of England base rate rose steadily across the year from 0.75% at the start of the year to 4.25% March 2023 (2021/22: increase from 0.1% to 0.75% over the course of the year).

Reserves Policy

Strategic financial plans are updated on a rolling programme to create the next financial year's business plan with an accompanying projection for the following four years. This gives an outline of the likely financial impact on reserves over a five year period.

The annual business plan allows Trustees to recognise longer-term financial pressures and opportunities for St Oswald's, be they external factors or internal objectives. Our plans highlight the pressures and uncertainties placed on our resources by changes in the employment market, volatility in the wider economy, the fundraising and retail environments, the NHS, changes in the demand for our various services, alongside our continued reliance on potentially unpredictable sources of income such as legacies. To counter these pressures we hold reserves to protect our ongoing commitment to beneficiaries to ensure we meet our contractual obligations and to provide a financial contingency to safeguard our ability to continue with our charitable activities. Where we feel it is appropriate, and we consider we have sufficient free reserves to allow, we will invest our reserves in capital assets to maintain or enhance our services.

In considering our policy on reserves, we establish a minimum level required to counter possible fluctuations in income and meet the costs of our legal obligations and anticipated medium term costs of maintenance to all our premises. We also

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Reserves Policy (continued)

establish a maximum level of reserves based on income and expenditure expected in a twelve-month period.

Our acceptable range of free reserves is reviewed annually and for this year the range is considered to be between £3.4 million and £10.7 million. Within this broad range, we have a target of £7.1 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

As at 31 March 2023, our group accumulated general funds stood at £11,71k (2022: £11,052k). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets and not designated and not held within the subsidiary trading reserve. Using this definition, the free reserves of the Charity (and Group) at 31 March 2023 were £8,067k (2022: £7,592k).

While free reserves are above our target of £7.1 million, we are conscious that this is driven by unpredictable or non-recurring income streams, particularly legacies which were £1.0 million above budget target in the year, and other fundraising campaigns which cannot be repeated annually. Therefore trustees will rely on this reserve to fund the planned future deficits between income and expenditure, and also to invest non-recurrently in the charity's facilities and technology infrastructure.

The five year financial forecast has been refreshed, taking a fair view of predicted income and expenditure in the context of the volatile financial environment we are currently operating within. This has meant that we have had to expect deficit financial results in the next few years, but this has been carefully planned with reference to the reserves balance, ensuring that at no point is the minimum acceptable level of free reserves breached.

Work on a new medium-term organisational strategy is in progress and will continue into the autumn of 2023. In developing this, trustees maintain the principle that any new initiatives, or developments to existing services, must be self-financing; general reserves will not be used to fund such projects.

The Hospice designates certain reserves for specific purposes, and trustees approve a list of designated reserves each year. The total at 31 March 2023 was £101k (2022: £65k). These reserves are ring fenced for a specific use in the following financial year and arise from a variety of sources. Post year-end the trustees have also recommended a further designation of a £500k electrical maintenance fund, to be spent over a two year period from 2023/24, which will earmark funds to cover essential expenditure on re-wiring the original hospice buildings (this designation is not represented in the 2022/23 financial statements). This planned expenditure is included in our 2023/24 approved budget and future forecasts.

Future Plans

The continued turbulence in the local health and social care economy and wider financial environment has caused the trustees to take a cautious but reasoned

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Future Plans (continued)

approach to making future plans. The ongoing work on our new strategy will inform the longer term direction of the charity, however the Trustees continue to aim to preserve the financial stability of the Hospice by limiting expenditure of general reserves to that which is non-recurring or is absolutely necessary to secure our existing services. Any recurrent new initiatives must be self-funding, rather than relying on funding from reserves on an ongoing basis. Plans for Fundraising and Retail strategies for future years remain creative and responsive to our supporters and stakeholders, to maximise net income generation. That being said, there are exciting plans to extend our Children and Young Adults' Unit in 2024 with the construction of two purpose-built bedrooms, designed to specifically meet the needs of our young adults. This project is possible due to a grant of £896k which has already been received (and is included in our year end cash balance) and will be used to fund the design and construction of the facility.

Going Concern

The Trustees are aware of the risks to income from the rising cost of living and commissioning organisations experiencing financial pressures, coupled with rising costs from extremely high inflation and salary market forces. With this in mind we have developed a cautious five year business plan to forecast income and expenditure, and the necessary use of free reserves to bridge any shortfall in funding, while ensuring levels remain well within our stated acceptable limits. Contingency plans, however, are in place to adjust the charity's obligations should it be required in the future. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future.

The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register is regularly reviewed and updated to reflect the new exposures faced. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' Responsibilities Statement

The trustees (who are also directors of St Oswald's Hospice Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Trustees' Responsibilities Statement (continued)

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

The trustees are responsible for maintaining proper accounting records which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all 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, and
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

RSM UK Audit LLP have indicated their willingness to continue in office as auditor, and a resolution concerning their reappointment will be proposed at this year's Annual General Meeting.

By Order of the Board



C English
Chair

05/10/23

ST OSWALD'S HOSPICE LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

For the Year Ended

31 March 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED

Opinion

We have audited the financial statements of St Oswald's Hospice Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Company (Hospice) Balance sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

Other information (continued)

Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on pages 35 & 36 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

Responsibilities of trustees (continued)
preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company

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

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

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

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety, the Care Act 2014 and the Gambling Commission. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected copies of the annual return to regulators.

The group audit engagement team identified the risk of management override of controls, valuation and completeness of grant, contract and legacy income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to management override of controls included but was not limited to testing journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates. Audit procedures performed in relation to valuation and completeness of grant and contract income included but was not limited to verifying a sample of income to supporting documentation including grant offer letter or service contract, reviewing the income recognition policy and confirming income is recognised in accordance with the SORP criteria and any corresponding accrued or deferred amounts have been correctly recorded. Audit procedures performed in relation to the valuation of legacy income included but were not limited to verification to third party supporting documentation, reviewing the income recognition policy and confirming income is recognised in accordance with the SORP criteria and agreeing receipt to bank statements, where applicable. Audit procedures performed in relation to the completeness of legacy income included but were not limited to the review of the legacy pipeline, and correspondence within the legacy files.

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

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

Use of our report

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

Sarah Mallinson

SARAH MALLINSON FCA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date

06/10/23

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 March 2023

	Notes	General funds	Restricted funds	Total 2023	Total 2022
Income and Expenditure		**£**	**£**	**£**	**£**
Income from:					
Donations and legacies	2	3,317,040	451,020	3,768,060	3,441,782
Other trading activities	3	5,568,357	-	5,568,357	4,745,437
Investments	5	73,131	-	73,131	45,050
Charitable activities	6	5,475,386	465,097	5,940,483	5,647,314
Other Income		-	-	-	750
Coronavirus Job Retention Scheme Grant		-	-	-	60,023
Total income		14,433,914	916,117	15,350,031	13,940,356
Expenditure:					
Costs of raising funds					
Voluntary Income	7	555,369	-	555,369	365,784
Cost of activities for generating funds	7	4,490,202	-	4,490,202	3,864,418
Investment Management Fees	7	9,422	-	9,422	17,104
Cost of Charitable Activities	8	8,825,464	807,799	9,633,263	8,836,728
Total Expenditure		13,880,457	807,799	14,688,256	13,084,034
Net income before movement in investments		553,457	108,318	661,775	856,322
(Loss) / gain on investment assets	16	(9,716)	-	(9,716)	48,602
Net movement in funds		**543,741**	**108,318**	**652,059**	**904,924**
Total funds brought forward					
At 1 April 2022	22	11,241,425	5,111,499	16,352,924	15,448,000
Transfers between funds	22	2,592	(2,592)	-	-
Total funds carried forward at 31 March 2023	22	**11,787,758**	**5,217,225**	**17,004,983**	**16,352,924**

All of the activities were continuing. There were no recognised gains and losses other than those included in the surplus this year.

The notes on pages 47 to 79 form part of these financial statements.

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

BALANCE SHEET AS AT 31 March 2023

Group/Hospice

	Notes	Group 2023 £	Group 2022 £	Hospice 2023 £	Hospice 2022 £
Fixed Assets					
Tangible assets	15	8,450,169	8,570,777	8,450,169	8,570,777
Investments	16	1,227,386	1,266,797	1,227,388	1,266,799
Long term deposit		-	-	-	-
		9,677,555	9,837,574	9,677,557	9,837,576
Current Assets					
Stocks		19,091	30,305	4,760	25,600
Debtors	17	3,542,562	3,161,454	3,483,229	3,179,452
Short term deposit		2,017,666	-	2,017,666	-
Cash at bank and in hand		3,876,083	4,277,031	3,523,393	4,036,123
		9,455,402	7,468,790	9,029,048	7,241,175
Creditors: Amounts falling due within one year	18	(2,127,974)	(953,440)	(1,776,164)	(915,480)
Net current assets		**7,327,428**	**6,515,350**	**7,252,884**	**6,325,695**
Total assets less current liabilities		17,004,983	16,352,924	16,930,441	16,163,271
Provisions for liabilities	19	-	-	-	-
Net assets		**17,004,983**	**16,352,924**	**16,930,441**	**16,163,271**
Funds					
Unrestricted funds:					
General funds	22	11,713,216	11,051,772	11,713,216	11,051,772
Non-Charitable Trading Reserve	22	74,542	189,653	-	-
		11,787,758	11,241,425	11,713,216	11,051,772
Restricted funds	22	5,217,225	5,111,499	5,217,225	5,111,499
Total funds		**17,004,983**	**16,352,924**	**16,930,441**	**16,163,271**

The net surplus before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £767,172 (2022: net surplus £947,676).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 37 to 79 were approved by the members of the Board of Trustees on 5 October 2023 and signed and authorised for issue on their behalf by:

C. English

C English
Chair

D. I. Reynolds

D Reynolds
Treasurer

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2023

	2023 £	2023 £	2022 £	2022 £
Cash flows from operation activities:				
Net cash provided by operating activities		1,762,822		1,400,099
Cash flows from investing activities:				
Dividend, interest and rents from investments received	73,131		45,050	
Proceeds from sale of tangible fixed assets	1,000		-	
Purchase of tangible fixed assets	(249,930)		(129,881)	
Proceeds of sale of investments	1,174,867		317,169	
Purchase of investments	(1,252,370)		(218,938)	
Net cash (used in) / provided by investing activities		(253,302)		13,400
Increase / (decrease) in cash held in portfolio		107,198		(90,914)
Increase in cash in the reporting period		1,616,718		1,322,585

Reconciliation of net income to net cash flow from operating activities	2023 £	2022 £
Net incoming resources	661,775	856,322
Depreciation	370,026	381,037
Investment income	(73,131)	(45,050)
Gain on sale of Fixed Assets	(488)	-
Decrease / (increase) in stocks	11,214	(9,237)
(Increase) / decrease in debtors	(381,108)	505,907
Increase / (decrease) in creditors	1,174,534	(288,880)
	1,762,822	**1,400,099**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2023 (continued)

Reconciliation of net cash flow to movement in net funds	**2023**	**2022**
	£	**£**
(Decrease) / increase in cash in the year	(400,948)	1,322,585
Cash from increase in liquid resources (short term deposits movement)	2,017,666	-
Movement in net funds in the year	1,616,718	1,322,585
Net funds at 1 April 2022	4,277,031	2,954,446
Net funds at 31 March 2023	5,893,749	4,277,031

Analysis of net funds	**Opening net funds 01/04/22**	**Cash Flow**	**Closing net funds 31/03/23**
	£	**£**	**£**
Cash at bank and in hand	4,277,031	(400,948)	3,876,083
Short term deposits	-	2,017,666	2,017,666
	4,277,031	1,616,718	5,893,749

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of preparation and consolidation

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of accounting

St Oswald's Hospice Limited is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE.

St Oswald's Hospice Limited meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the provision of hospice services to members of the public suffering from life-limiting illnesses.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), and the Companies Act 2006. The financial statements have been prepared in pounds sterling and are rounded to the nearest £1.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, St Oswald's Hospice Promotions Limited. The results of the subsidiary are consolidated on a line-by-line basis. The Charity has taken the opportunity presented by FRS 102 not to disclose related party transactions or balances with the subsidiary.

No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. The financial position of the charity and group is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan for 2023/24, which includes an Income and Expenditure Statement and a cashflow forecast to March 2025, and have reviewed the organisation's resources. As such, we have an expectation that the charity and group has adequate reserves and working capital to

continue its operations for the foreseeable future. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Reduced Disclosures

In accordance with FRS 102, the charity and group has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cashflow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

(b) **Hospice status**

The Hospice is a company limited by guarantee. The guarantors are the members of the company. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member.

(c) **Fund accounting**

General funds are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the Hospice.

Also within unrestricted funds, the non-charitable trading reserve represents the reserves held within St Oswald's Hospice Promotions Limited.

Restricted funds are subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds comprise general funds that have been set aside at the discretion of the Members of Council for specific purposes. The purpose and use of these designated funds is set out in the notes to the financial statements.

(d) **Goods for resale**

Goods donated for resale are recognised as income on their sale. No value is attributed to these items prior to sale.

(e) **Legacies receivable**

Income arising from legacies is recognised in the financial statements when the Hospice is notified of these entitlements, it is probable probate will be received and the amount receivable can be defined with reasonable accuracy.

(f) **Deferred income**

Income received in advance of entitlement is treated as a creditor and recognised as income in the period that it is entitled.

(g) **Donated income**

Donations wich are freely given (rather than as consideration for a benefit or service) are recognised on receipt.

(h) **Lottery income**

Lottery subscriptions are recognised as income once the applicabable draw has been made. Upfront lottery payments made in advance are classified as deferred income until the relevant lottery is drawn, at which point they are released and recognised as income.

(i) **Gifts in kind**

The economic value of services provided by volunteers is not recorded in the financial statements. Volunteers carry out a great variety of roles, both regular and ad hoc, utilising skills and experience with differing economic values. To try and measure the value of each service provided is considered an exercise that would be too time consuming and too costly, utilising resources that could be better used for the benefit of patients and their families.

(j) **Grants receivable**

Grants receivable are recognised in the Statement of Financial Activities as income. Where grants are received in relation to capital assets, the income is restricted as a reserve and written down in line with the depreciation relating to the asset concerned. Revenue grants are recognised in the year in which entitlement, certainty and measurable criteria are met.

Grants received under the Coronavirus Job Retention Scheme are recognised in the period to which the claim relates.

(k) **Public Sector Contract income**

Contract income (mainly from NHS and local authorities) for the supply of services is classified as unrestricted income, and is recognised in line with the delivery of the contracted service.

(l) **Resources expended**

All expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs associated with the raising of funds from all the possible sources of incoming resources.

Cost of activities in furtherance of the charity's objects comprise expenditure incurred by the charity in meeting its main charitable objectives, namely the provision of hospice services.

Governance costs comprise those costs relating to the management of the charity's assets, an allocation of administration costs and compliance with constitutional and statutory requirements.

Support costs have been allocated to an activity in proportion to the income generated by that activity where appropriate.

(m) **Pension costs**

The company contributes to the National Health Service Pension Scheme in respect of employees who were members of the scheme prior to their employment with the Hospice. This scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales.

Consequently, it is not possible for the company to identify its share of the underlying assets and liabilities of the scheme. The scheme is therefore accounted for as a defined contribution scheme in accordance with FRS 102. For other employees the Hospice contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions due for the year under both schemes are charged to the Statement of Financial Activities.

(n) **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

(o) **Operating leases**

The annual rentals are recognised in the Statement of Financial Activities as incurred over the lease term.

(p) **Irrecoverable VAT**

Irrecoverable VAT in relation to capital assets is capitalised with the cost of the assets concerned. Irrecoverable VAT that is incurred in each financial period in relation to items of revenue expenditure is recognised as a separate category of expenditure which is then allocated as a support cost as under note (l) above.

(q) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Only assets with a cost of more than £500 are capitalised. Items costing less than this are treated as expenditure items.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold premises	-	2% straight line
Short lease premises	-	Spread over the term of the lease
Motor vehicles	-	25% - 100% straight line
Fixtures, fittings and equipment	-	10%-25% straight line

No depreciation is charged on freehold land. Depreciation has been charged in relation to buildings from the date that each service became operational. These buildings are reviewed on an on-going basis to ensure their value is not subject to any impairment.

(r) **Investments**

Listed investments are stated in the balance sheet at mid-market value at the balance sheet date. Unlisted investments are stated at historic cost or, if gifted, at nominal value. Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities. Unrealised gains and losses relating to movements in market value of investments are recognised in the Statement of Financial Activities.

(s) **Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

(t) **Liquid Resources**

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

(u) **Financial instruments**

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charities financial assets and financial liabilities qualify as basis financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets: Trade and other debtors
Trade, group and other debtors, including accrued income, which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities: Trade and other creditors
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

(v) **Critical accounting estimates and areas of judgement**

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

Critical areas of judgement

Legacy recognition - legacies are recognised on a case by case basis after considering whether probate has been granted, and when the executor of the estate has communicated in writing both the amount and settlement date.

2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Donations	1,041,491	451,020	1,492,511	1,410,189
Legacies	2,275,549	-	2,275,549	1,950,256
Retail grants	-	-	-	81,337
Total	**3,317,040**	**451,020**	**3,768,060**	**3,441,782**
2022 Total	**3,173,929**	**267,853**	**3,441,782**	

St Oswald's Hospice Limited has an established team of volunteers who offer their time to each department across both the Trading Company and the Charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is in the region of 800 volunteers working side by side with paid staff to support them to fulfil their duties. Volunteers are a valued resource to the organisation and we recognise their commitment and value.

3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Special events	921,118	-	921,118	640,419
Sale of donated goods	3,420,621	-	3,420,621	2,779,221
Sale of new goods	451	-	451	-
Catering sales	24,240	-	24,240	17,692
Trading subsidiary income (Note 4)	1,200,927	-	1,200,927	1,308,105
Gain on disposal fixed asset	1,000	-	1,000	-
Total	**5,568,357**	**-**	**5,568,357**	**4,745,437**

The Retail department has enjoyed a full year of trading free from the Covid-19 restrictions which hampered earlier years. The income from Other Trading Activities all relates to unrestricted funds.

4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

The Hospice controls the whole of the issued ordinary share capital of St Oswald's Hospice Promotions Limited, a company registered in England. The taxable profits of the subsidiary are transferred to the Hospice each year by Gift Aid.

The results of the subsidiary are summarised below:

	Total 2023	Total 2022
	£	£
Turnover	1,200,927	1,308,105
Cost of sales	(391,759)	(218,563)
Gross profit	809,168	1,089,542
Administrative expenses	(231,061)	(214,779)
Operating profit	578,107	874,763
Interest receivable	-	-
Profit on ordinary activities	**578,107**	**874,763**

The net assets of the subsidiary at 31 March 2023 amounted to £74,544 (2022: £189,654).

5. INVESTMENTS

	Total 2023	Total 2022
	£	£
Dividends received	47,704	45,050
Interest received - charity	25,427	-
	73,131	**45,050**

Dividends receivable arise from the fixed asset investment portfolio.

The income from investments in 2023 and 2022 all related to unrestricted funds.

6. CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Public Authority contributions:				
Adult inpatient services	2,178,762	-	2,178,762	2,229,327
Adult day care services	1,679,328	-	1,679,328	1,584,117
Children & young adults' services	1,561,545	371,297	1,932,842	1,697,779
Children's outreach service	-	93,800	93,800	-
Medical outreach	-	-	-	71,655
Educational activities	19,203	-	19,203	16,837
Other professional income	36,548	-	36,548	47,599
Total	**5,475,386**	**465,097**	**5,940,483**	**5,647,314**
2022 Total	**5,064,400**	**582,914**	**5,647,314**	

Included in restricted income is a grant of £371,297 (2022: £284,553) received from the Department of Health for Children and Young Adults' services.

Additionally there is a restricted grant from NHS England and Improvement of £93,800 is recognised in 2023 (2022: £nil) to part-fund the establishment of an outreach service for children who access St Oswald's short breaks, and will benefit from supplementary care in their home.

Within adult inpatient services restricted income for 2022 was a one-off grant of £298,361 from NHS England, which was administered by Hospice UK, to allow the hospice to make available bed capacity and community support to provide support to people with complex needs in the context of the COVID-19 situation. The scheme closed in March 2022 and so there is no corresponding income in 2023.

7. Raising funds: Other trading activity

	Direct Activity	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Costs relating to donations & legacies	555,369	-	555,369	365,784
Event costs	602,421	-	602,421	574,553
Sale of donated goods	3,127,687	-	3,127,687	2,747,133
Catering and other sales	137,274	-	137,274	109,390
Costs of trading subsidiary (Note 4)	622,820	-	622,820	433,342
Investment management fees	9,422	-	9,422	17,104
Total	**5,054,993**	**-**	**5,054,993**	**4,247,306**
2022 Total	**4,247,306**	**-**	**4,247,306**	

8. COSTS OF CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Adult inpatient services	3,372,035	123,907	3,495,942	3,244,329
Adult day care services	2,618,078	73,144	2,691,222	2,325,050
Children & Young Adults' services	2,017,041	528,609	2,545,650	2,382,276
Children's Outreach Service	664	5,997	6,661	-
Bereavement Centre	167,712	71,529	239,241	219,226
Medical outreach	68,050	-	68,050	73,376
Strategic projects	99,223	-	99,223	160,980
Education activities	189,737	4,613	194,350	171,988
Governance costs	292,924	-	292,924	259,503
Total	**8,825,464**	**807,799**	**9,633,263**	**8,836,728**
2022 Total	**7,759,860**	**1,076,868**	**8,836,728**	

9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES

Net incoming resources before recognised gains and losses are stated after charging:

	Group 2023	Hospice 2023	Group 2022	Hospice 2022
	£	£	£	£
Depreciation	370,026	370,026	381,037	381,037
Audit fees	25,000	22,675	20,000	17,000
Other auditors' remuneration	1,125	-	1,125	-
Internal audit fees	8,500	8,500	8,000	8,000
Operating lease charges (land & buildings)	451,116	451,116	447,611	447,611
Pension costs	675,617	668,573	598,878	591,841
Net gain on disposal fixed assets	(488)	(488)	-	-

10. ANALYSIS OF SUPPORT COSTS

The expenditure shown in the Statement of Financial Activities includes the direct costs of each activity and a proportion of support costs incurred, as required by the Statement of Recommended Practice - Accounting and Reporting by Charities. The basis of allocation is explained in Note 1, Accounting Policies and a separate analysis of the costs that have been allocated is set out below:

	Human Resources	Inform'n Systems	Finance	Corporate Services	Total Allocation
	£	£	£	£	£
Donations & Legacies	8,454	18,387	16,481	21,741	65,063
Commercial trading activities:					
Event costs	9,171	19,944	17,878	23,584	70,577
Sale of donated goods	56,551	122,990	110,243	145,430	435,214
Catering sales	5,710	12,419	11,132	14,684	43,945
	79,886	173,740	155,734	205,439	614,799
Charitable activities					
Adult inpatient services	34,552	75,145	67,357	88,855	265,909
Adult day services	24,493	53,268	47,747	62,987	188,495
Children's services	38,855	84,503	75,745	99,920	299,023
Children's outreach Service	86	188	168	222	664
Medical outreach	5,554	12,079	10,827	14,283	42,743
Educational activities	2,294	4,989	4,472	5,900	17,655
Bereavement Centre	4,191	9,116	8,171	10,779	32,257
Strategic projects	862	1,876	1,681	2,218	6,637
Governance	5,554	12,079	10,827	14,283	42,743
	116,441	253,243	226,995	299,447	896,126
Total allocated support costs	**196,327**	**426,983**	**382,729**	**504,886**	**1,510,925**

11. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Activity Costs	Support Costs (Note 10)	Depreciation	Total 2023	Total 2022
	£	£	£	£	£
Voluntary	487,030	65,063	3,276	555,369	365,784
Cost of activities for generating funds:					
Event costs	528,290	70,577	3,554	602,421	574,553
Sale of donated goods	2,664,529	435,214	27,944	3,127,687	2,747,133
Catering and other sales	76,183	43,945	17,146	137,274	109,390
Costs of trading subsidiary (Note 4)	622,820	-	-	622,820	433,342
	3,891,822	549,736	48,644	4,490,202	3,864,418
Investment management fees	9,422	-	-	9,422	17,104
Total cost of activities for generating funds	**3,901,244**	**549,736**	**48,644**	**4,499,624**	**3,881,522**
Charitable activities:					
Provision of hospice services:					
Adult inpatient Services	3,130,898	265,909	99,135	3,495,942	3,244,329
Adult day services	2,413,914	188,495	88,813	2,691,222	2,325,050
Children and Young Adults' services	2,150,347	299,023	96,280	2,545,650	2,382,276
Children's Outreach Service	5,997	664	-	6,661	
Bereavement Centre	25,307	42,743	-	68,050	219,226
Medical outreach	169,870	17,655	6,825	194,350	73,376
Strategic projects	206,428	32,257	556	239,241	160,980
Educational activities	92,008	6,637	578	99,223	171,988
	8,194,769	853,383	292,187	9,340,339	8,577,225
Governance costs	249,561	42,743	620	292,924	259,503
Total	**12,832,604**	**1,510,925**	**344,727**	**14,688,256**	**13,084,034**

Governance costs comprise mainly the proportion of the costs of the Hospice Management Team and associated members of staff which relate to governance activities.

12. TRUSTEES

The trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2022: £nil).

The amount of expenses reimbursed to Trustees during the year was £nil (2022: £nil).

13. STAFF COSTS - GROUP

	2023	2022
	£	£
Wages and salaries	8,714,622	7,885,612
Social security costs	776,663	674,397
Pension costs	668,573	598,878
Redundancy costs	-	15,740
Staff costs	**10,159,858**	**9,174,627**

There were nine employees during the year (2022: seven) whose emoluments amounted to over £60,000. Of these employees, four (2022: four) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	2023	2022
	Number	Number
£60,001 - £70,000	4	3
£70,001 - £80,000	2	-
£80,001 - £90,000	1	3
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1
£120,001 - £130,000	-	-

Pension contributions made in respect of those staff classified as higher paid employees were £84,725 (2022: £52,146) in aggregate. Of these staff three were accruing benefits under a defined contribution scheme (2022: three) and six were accruing benefits under a defined benefit scheme (2022: three), no employees did not receive employer pension contributions (2022: one).

	2023	2023 Whole time equivalent	2022	2022 Whole time equivalent
Staff breakdown:	**Number**	**Number**	**Number**	**Number**
Direct charitable services	201	159	194	154
Support services	32	25	31	24
Management and administration	7	7	7	6
Fundraising and publicity	27	25	27	25
Trading activities (including subsidiary)	81	66	76	63
	348	282	335	272

13. STAFF COSTS – GROUP (continued)

Average staff numbers have been stated as full time working equivalents, based on a full time working week of 37.5 hours.

The company makes contributions to approved pension schemes for staff based on their earnings.

Key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £525,499 (2022: £487,374).

The key management personnel of the charity comprise the Trustees and Hospice Management Team listed on page 5 of this report

The key management personnel of St Oswald's Hospice Promotions Limited are:
Ms S Edusei
Mrs HA Eadington
Mrs A Ball
Mrs K MacLaren

14. TAXATION

As a registered charity, the company is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s252 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes only. It is therefore not normally liable to UK Corporation Tax.

Taxation of £nil (2022: £nil) has been accounted for in the results of the subsidiary.

15. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2022	11,164,527	723,127	119,520	3,036,681	15,043,855
Disposals	-	(300)	(52,020)	(14,201)	(66,521)
Additions	26,258	-	64,891	158,781	249,930
31 March 2023	**11,190,785**	**722,827**	**132,391**	**3,181,261**	**15,227,264**
Depreciation					
1 April 2022	3,248,782	678,429	114,676	2,431,191	6,473,078
Disposals	-	(300)	(52,020)	(13,689)	(66,009)
Charge for the year	179,542	16,733	14,307	159,444	370,026
31 March 2023	**3,428,324**	**694,862**	**76,963**	**2,576,946**	**6,777,095**
Net book value:					
31 March 2023	**7,762,461**	**27,965**	**55,428**	**604,315**	**8,450,169**
31 March 2022	7,915,745	44,698	4,844	605,490	8,570,777

The freehold land and buildings, short lease premises, motor vehicles and fixtures, fittings and equipment are all used for charitable purposes.

Hospice	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2022	11,164,527	723,127	119,520	3,028,181	15,035,355
Disposals	-	(300)	(52,020)	(14,201)	(66,521)
Additions	26,258	-	64,891	158,781	249,930
31 March 2023	**11,190,785**	**722,827**	**132,391**	**3,172,761**	**15,218,764**
Depreciation					
1 April 2022	3,248,782	678,429	114,676	2,422,691	6,464,578
Disposals	-	(300)	(52,020)	(13,689)	(66,009)
Charge for the year	179,542	16,733	14,307	159,444	370,026
31 March 2023	**3,428,324**	**694,862**	**76,963**	**2,568,446**	**6,768,595**
Net book value:					
31 March 2023	**7,762,461**	**27,965**	**55,428**	**604,315**	**8,450,169**
31 March 2022	7,915,745	44,698	4,844	605,490	8,570,777

The fixed asset register has been reviewed in the year and assets no longer in use have been reflected as disposals.

The additions of £26,258 within Freehold Land and Building are the preliminary design and consultancy fees relating to the proposed construction of two

15. TANGIBLE FIXED ASSETS (continued)

Purpose-built young adult bedrooms, adjacent to the existing Children and Young Adults' Unit. An application for planning permission has been submitted after the end of the reporting period; all costs incurred on project to 31 March 2023 have been categorised as capital work in progress fixed asset additions within Freehold Land and Buildings. The asset under construction will not be depreciated until in use.

16. INVESTMENTS HELD AS FIXED ASSETS

	Group			Hospice	
	Listed £	Unlisted £	Total £	Listed £	Unlisted £	Total £
Listed investments						
Value at 1 April 2022	1,127,804	-	1,127,804	1,127,804	2	1,127,806
Additions	1,165,168	-	1,165,168	1,165,168	-	1,165,168
Disposals	(1,174,867)	-	(1,174,867)	(1,174,867)	-	(1,174,867)
Net investment gain	3,344	-	3,344	3,344	-	3,344
Value at 31 March 2023	**1,121,449**	**-**	**1,121,449**	**1,121,449**	**2**	**1,121,451**
Real Estate						
Value at 1 April 2022	-	-	-	-	-	-
Additions	-	87,202	87,202	-	87,202	87,202
Disposals	-	-	-	-	-	-
Net investment loss	-	(13,060)	(13,060)	-	(13,060)	(13,060)
Value at 31 March 2023	-	**74,142**	**74,142**	**-**	**74,142**	**74,142**
Cash and time deposits held in portfolio:						
At 1 April 2022	138,993	-	138,993	138,993	-	138,993
Movements in cash	(107,198)	-	(107,198)	(107,198)	-	(107,198)
At 31 March 2023	**31,795**	**-**	**31,795**	**31,795**	**-**	**31,795**
31 March 2023	**1,153,244**	**74,142**	**1,227,386**	**1,153,244**	**74,144**	**1,227,388**
31 March 2022	1,266,797	-	1,266,797	1,266,797	2	1,266,799

All of the investments are unrestricted.

16. INVESTMENTS HELD AS FIXED ASSETS (continued)

Distribution of listed investments (market value)

	Group	
	2023	**2022**
	%	**%**
UK fixed interest	17.7	26.8
UK equities	43.7	47.8
Overseas equities	30.0	14.4
Real Estate	6.0	0.0
Cash	2.6	11.0
	100.0	**100.0**

	Group	
	2023	**2022**
	£	**£**
Historical cost of listed investments	853,393	1,195,543
Historical cost of real estate	87,202	-

The shareholding in the subsidiary trading company has been valued at the nominal value of the shares, to be consistent in the valuation of private company shares. The results of the trading subsidiary are set out in Note 4. The hospice single entity holds a £2 shareholding in the reading subsidiary, St Oswald's Hospice Promotions Limited.

17. DEBTORS

	Group		Hospice	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Amounts owed by subsidiary undertaking	-	-	4,009	21,055
Trade debtors	1,219,926	579,770	1,173,557	575,970
Prepayments	359,902	380,242	357,252	379,587
VAT Debtor	83,542	57,461	69,218	58,859
Accrued income	1,877,039	2,141,981	1,877,040	2,141,981
Other Debtor	2,153	2,000	2,153	2,000
	3,542,562	**3,161,454**	**3,483,229**	**3,179,452**

Accrued income includes legacy income notified but not received at year end of £1,758,525 (2022: £1,475,505). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

18. CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Trade creditors	432,937	303,631	371,330	297,561
Taxation and social security costs	193,534	166,404	193,534	166,404
Deferred income	1,139,054	163,858	918,405	139,136
Other creditors	122,565	112,342	122,565	112,342
Accruals	239,884	207,205	170,330	200,037
	2,127,974	**953,440**	**1,776,164**	**915,480**

Group deferred income includes £916k (2022: £nil) of capital grant income received to fund the construction and fit out of two purpose-built young adults' bedrooms adjacent to the existing Children and Young Adult's Unit. The grants are restricted, and as planning permission has been applied for (post year-end) but not yet granted, the income has been deferred at 31 March 2023. Last year-end the balance included £127k paid by participants to enter the overseas trek challenge event which had to be postponed as a result of Covid-19; the trek took place in November 2022, and so this income has been released, leaving £nil balance relating the trek in deferred income at 31 March 2023. The remaining deferred income balance is within the trading subsidiary and is £200k invoiced in advance to sponsors of the 2023/24 art trail, and payments made in advance by players of the lottery of £21k.

The movement in deferred income is as follows:

	Group		Hospice	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
At 1st April	163,858	155,028	139,136	121,556
Payments received	1,980,286	904,616	1,759,627	879,894
Income recognised	(1,005,090)	(895,786)	(980,358)	(862,314)
At 31st March	**1,139,054**	**163,858**	**918,405**	**139,136**

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2023.

20. CONTINGENT LIABILITIES

In the year end 31 March 2021, the Hospice received £500 from a local solicitor's firm which was the distribution of dormant client funds totalling £500, and was recorded as voluntary income. Similarly in the year ended 31 March 2014, the Hospice received £26,972 of dormant client funds, also from another local solicitor's firm. Trustees consider it unlikely that either of the sums noted will be repayable but the Hospice has indemnified the solicitors' firms for the amounts recorded, and consequently notes a contingent liability for the same total amount.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP At March 2023	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,620,243	4,829,926	8,450,169
Fixed asset investments	1,227,386	-	1,227,386
Current assets	9,068,103	387,299	9,455,402
Current liabilities	(2,127,974)	-	(2,127,974)
Total net assets	**11,787,758**	**5,217,225**	**17,004,983**

HOSPICE At March 2023	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,620,243	4,829,926	8,450,169
Fixed asset investments	1,227,388	-	1,227,388
Current assets	8,641,749	387,299	9,029,048
Current liabilities	(1,776,164)	-	(1,776,164)
Total net assets	**11,713,216**	**5,217,225**	**16,930,441**

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets or designated funds. Using this definition, the free reserves of the Charity at 31 March 2023 were £8,066,700 (2022: £7,592,494).

GROUP At March 2022	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,459,278	5,111,499	8,570,777
Fixed asset investments	1,266,797	-	1,266,797
Current assets	7,468,790	-	7,468,790
Current liabilities	(953,440)	-	(953,440)
Total net assets	**11,241,425**	**5,111,499**	**16,352,924**

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (continued)

HOSPICE At March 2022	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,459,278	5,111,499	8,570,777
Fixed asset investments	1,266,799	-	1,266,799
Current assets	7,241,175	-	7,241,175
Current liabilities	(915,480)	-	(915,480)
Total net assets	**11,051,772**	**5,111,499**	**16,163,271**

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2023

	1 April 2022	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2023
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**10,986,599**	13,144,014	(13,204,305)	2,592	693,217	(9,716)	**11,612,401**
Non-charitable trading reserve	**189,653**	1,200,927	(622,821)	-	(693,217)	**-**	**74,542**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**65,173**	88,973	(53,331)	-	-	**-**	**100,815**
Total unrestricted funds	**11,241,425**	**14,433,914**	**(13,880,457)**	**2,592**	**-**	**(9,716)**	**11,787,758**
Restricted funds:							
Albert Hunt Trust	-	20,000	(11,583)	-	-	-	8,417
Barbour Foundation	703	-	(420)	-	-	-	283
Barbour Foundation 1	3,470	-	(1,128)	-	-	-	2,342
Barbour Foundation 2	-	50,000	(50,000)	-	-	-	-
BBC Children in Need 1	2,589	-	(2,589)	-	-	-	-
BBC Children in Need 2	11,255	36,228	(42,547)	-	-	-	4,936
Bobby Dazzler Trust	540	-	(540)	-	-	-	-
Bridget Catherine Johnson Settlement Fund	3,250	-	(3,250)	-	-	-	-
Children's Hospice Association Scotland (CHAS)	-	1,825	(1,825)	-	-	-	-
Children's service building fund	1,964,001	-	(79,975)	-	-	-	1,884,026
Coleman fund	206,424	-	(4,613)	-	-	-	201,811
Community Foundation	-	2,000	(2,000)	-	-	-	-
Community Foundation 1	-	5,000	(5,000)	-	-	-	-

Community Foundation 2	-	500	(100)	-	-	-	400
Daisy Marr	1,326	-	(165)	-	-	-	1,161
Day hospice building fund	413,841	-	(16,450)	-	-	-	397,391
Day services building fund	1,448,889	-	(38,097)	-	-	-	1,410,792
EP Robson	601	-	(110)	-	-	-	491
Elsie Davis Trust	-	11,000	(2,160)	-	-	-	8,840
Family Room Upgrade Fund:	165,077	-	(3,451)	-	-	-	161,626
Guyll Leng Trust 1	2,779	-	(2,779)	-	-	-	-
Guyll Leng Trust 2	-	11,761	(5,978)	(2,592)	-	-	3,191
Guyll Leng Trust 3	128	-	(128)	-	-	-	-
Hadrian Trust	735	-	(735)	-	-	-	-
Hospice Building fund	617,901	-	(28,642)	-	-	-	589,259
Information centre	62,758	-	(5,078)	-	-	-	57,680
Karbon Homes	532	-	(176)	-	-	-	356
Karbon Homes 1	3,532	-	(696)	-	-	-	2,836
Kavli Trust	27,747	-	(2,428)	-	-	-	25,319
Main Kitchen upgrade	76,670	-	(12,958)	-	-	-	63,712
Mark Benevolent Fund	3,610	-	(364)	-	-	-	3,246
Mel Weir Charitable Trust	1,876	-	(234)	-	-	-	1,642
Mel Weir Charitable Trust 1	48	-	(48)	-	-	-	-
National Emergencies Trust - Community Foundation 2	1,783	-	(200)	-	-	-	1,583
National Lottery Community Fund 1	21,405	-	(13,328)	-	-	-	8,077
Neighbourly Foundations	5,000	-	(3,250)	-	-	-	1,750
NEPAC 1	1,575	-	(150)	-	-	-	1,425
NEPAC 3	857	-	(101)	-	-	-	756
NHS England CYP Palliative and End of Life Care Match Fund	-	93,800	-	-	-	-	93,800
Newcastle Building Society (via Community Foundation)	1,553	-	(192)	-	-	-	1,361

NHS England and NHS Improvement	-	371,297	(371,297)	-	-	-	-
OSM Province	319	-	(128)	-	-	-	191
Prime Fund via Community Foundation	4,502	-	(1,195)	-	-	-	3,307
Proctor and Gamble 1	1,225	-	(171)	-	-	-	1,054
Proctor and Gamble 2	-	25,000	(520)	-	-	-	24,480
Rathbones Investment Management	-	6,589	(1,070)	-	-	-	5,519
Rothley Trust	-	2,050	-	-	-	-	2,050
Seahouses and District Cancer Research and Relief fund	3,458	-	(500)	-	-	-	2,958
The Sir James Knott Trust	4,124	-	(4,124)	-	-	-	-
The Sir James Knott Trust 1	-	1,000	(1,000)	-	-	-	-
The Sir Jules Thorn Trust	8,016	-	(991)	-	-	-	7,025
Southampton Hospital Charity	-	199,667	(5,997)	-	-	-	193,670
The Shears Foundation	-	40,000	(40,000)	-	-	-	-
Together for Short lives	-	3,400	(623)	-	-	-	2,777
WA Handley Trust 1	1,364	-	(170)	-	-	-	1,194
WA Handley Trust 2	2,378	-	(434)	-	-	-	1,944
WA Handley Trust 3	2,096	-	(242)	-	-	-	1,854
Warburtons Community Fund	250	-	(250)	-	-	-	-
The William Leech Charity	26,250	35,000	(35,000)	-	-	-	26,250
Nurse Call System (outpatients) fund	5,062	-	(619)	-	-	-	4,443
Total restricted funds	**5,111,499**	**916,117**	**(807,799)**	**(2,592)**	**-**	**-**	**5,217,225**
Total funds	**16,352,924**	**15,350,031**	**(14,688,256)**	**-**	**-**	**(9,716)**	**17,004,983**

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2022

	1 April 2021	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2022
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**9,815,105**	11,736,465	(11,531,108)	-	917,535	48,602	**10,986,599**
Non-charitable trading reserve	**232,425**	1,308,105	(433,342)	-	(917,535)	**-**	**189,653**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**62,870**	45,019	(42,716)	-	-	**-**	**65,173**
Total unrestricted funds	**10,110,400**	**13,089,589**	**(12,007,166)**	**-**	**-**	**48,602**	**11,241,425**
Restricted funds:							
Albert Hunt Trust	10,000	-	(10,000)	-	-	-	-
Assura - Cheshire Community Foundation	-	5,000	(5,000)	-	-	-	-
Angela Taylor	1,000	-	(1,000)	-	-	-	-
Barbour Foundation	1.123	-	(420)	-	-	-	703
Barbour Foundation 1	4,598	-	(1,128)	-	-	-	3,470
BBC Children in Need 1	2,089	9,000	(8,500)	-	-	-	2,589
BBC Children in Need 2	19,161	33,827	(41,733)	-	-	-	11,255
BGL Group	2,261	-	(2,261)	-	-	-	-
Bobby Dazzler Trust	-	900	(360)	-	-	-	540
Bridget Catherine Johnson Settlement Fund	3,750	-	(500)	-	-	-	3,250
Children's service building fund	2,043,976	-	(79,975)	-	-	-	1,964,001
Coleman fund	211,037	-	(4,613)	-	-	-	206,424
D'Oyly Carte Charitable Trust	-	3,000	(3,000)	-	-	-	-

Daisy Marr	1491	-	(165)	-	-	-	1,326
Day hospice building fund	430,291	-	(16,450)	-	-	-	413,841
Day services building fund	1,486,986	-	(38,097)	-	-	-	1,448,889
EP Robson	711	-	(110)	-	-	-	601
Family Room Upgrade Fund:	168,528	-	(3,451)	-	-	-	165,077
Guyll Leng Trust 1	2,779	-	-	-	-	-	2,779
Guyll Leng Trust 2	3,000	-	(3,000)	-	-	-	-
Guyll Leng Trust 3	2,204	-	(2,076)	-	-	-	128
Hadrian Trust	1,200	-	(465)	-	-	-	735
Hospice Building fund	646,543	-	(28,642)	-	-	-	617,901
Hospice UK 1	-	12,149	(12,149)	-	-	-	-
Hospice UK 2	-	18,800	(18,800)	-	-	-	-
Information centre	67,836	-	(5,078)	-	-	-	62,758
JGW Patterson Foundation	-	15,000	(15,000)	-	-	-	-
Karbon Homes	687	-	(155)	-	-	-	532
Karbon Homes 1	-	3,690	(158)	-	-	-	3,532
Kavli Trust	30,000	-	(2,253)	-	-	-	27,747
Macmillan	11,530	-	(11,530)	-	-	-	-
Main Kitchen upgrade	89,628	-	(12,958)	-	-	-	76,670
Mark Benevolent Fund	-	4,095	(485)	-	-	-	3,610
Mel Weir Charitable Trust	2,110	-	(234)	-	-	-	1,876
Mel Weir Charitable Trust 1	-	2,500	(2,452)	-	-	-	48
National Emergencies Trust - Community Foundation 2	1,983	-	(200)	-	-	-	1,783
National Emergencies Trust (via Community Foundation) 4	5,000	-	(5,000)	-	-	-	-
National Lottery Community Fund 1	12,319	26,529	(17,443)	-	-	-	21,405
Neighbourly Foundations	-	5,000	-	-	-	-	5,000
NEPAC 1	1,725	-	(150)	-	-	-	1,575
NEPAC 3	958	-	(101)	-	-	-	857

Newcastle Building Society (via Community Foundation)	1,745	-	(192)	-	-	-	1,553
NHS England via Hospice UK	-	298,361	(298,361)	-	-	-	-
NHS England and NHS Improvement	-	284,553	(284,553)	-	-	-	-
OSM Province	447	-	(128)	-	-	-	319
Prime Fund via Community Foundation	5,000	-	(498)	-	-	-	4,502
Proctor and Gamble 1	1,396	-	(171)	-	-	-	1,225
Rathbones	-	1,000	(1,000)	-	-	-	-
St James's Place Charitable Foundation	-	32,363	(32,363)	-	-	-	-
Screwfix	800	-	(800)	-	-	-	-
Seahouse and District Cancer Research and Relief fund	3,958	-	(500)	-	-	-	3,458
The Sir James Knott Trust	-	10,000	(5,876)	-	-	-	4,124
The Sir Jules Thorn Trust	9,008	-	(992)	-	-	-	8,016
The Shears Foundation	-	50,000	(50,000)	-	-	-	-
The Co-op Foundation #iwill fund	10,000	-	(10,000)	-	-	-	-
WA Handley Trust 1	1,534	-	(170)	-	-	-	1,364
WA Handley Trust 2	2,812	-	(434)	-	-	-	2,378
WA Handley Trust 3	2,338	-	(242)	-	-	-	2,096
Warburtons Community Fund	250	-	-	-	-	-	250
The William Leech Charity	26,250	35,000	(35,000)	-	-	-	26,250
Nurse call system (children) fund	35	-	(35)	-	-	-	-
Nurse Call System (outpatients) fund	5,523	-	(461)	-	-	-	5,062
Total restricted funds	**5,337,600**	**850,767**	**(1,076,868)**	-	-	-	**5,111,499**
Total funds	**15,448,000**	**13,940,356**	**(13,084,034)**	**-**	**-**	**48,602**	**16,352,924**

22. STATEMENT OF FUNDS – GROUP (continued)

General Funds

Included with the general accumulation funds are the non-charitable trading reserves. These represent the retained profit of the trading subsidiary, St Oswald's Promotions Limited. The gross income and expenditure of the subsidiary have been shown and the transfer represents the amount of profit passed to the parent company by Gift Aid.

Designated funds

The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated.

Restricted Funds

Albert Hunt Trust
This donation was used to fund a Dietician post.

Barbour Foundation
This donation was used to purchase a nurse call system in our Day Services Unit.

Barbour Foundation 1
This donation was made towards the cost of Rise & Recliner Chairs for our Day Services Unit.

Barbour Foundation 2
This donation was used to contribute to nurse salaries, and equipment for patients.

BBC Children in Need 1
The grant is funding towards a music therapist in the Children and Young Adult's service.

BBC Children in Need 2
The grant was donated to fund a Family and Bereavement Practitioner (Children's Lead), along with supervision and equipment for children's bereavement programme.

Bobby Dazzler Trust
This donation was used to lease a virtual reality headset for use by both our inpatients and Focus on Living participants.

Bridget Catherine Johnson Settlement Fund
This donation was used towards the funding of a music therapist on the Adult Inpatient Unit.

22. STATEMENT OF FUNDS – GROUP (continued)

Children's Hospice Association Scotland (CHAS)
This donation was used towards a bereavement support day for siblings and bereavement staff salaries.

Children's Services Building Fund
This reserve was established from voluntary donations during the Jigsaw Appeal to cover the costs of developing and providing a service to children with life threatening illness and their family members. Expenditure during the year relates to depreciation on the assets used by the children's service.

Coleman Fund
This was established through donations specifically designated for upgrading and construction work to the Hospice, including the establishment of an education centre.

Community Foundation
This donation was used to fund children's surfing lessons.

Community Foundation 1
This donation was used towards Bereavement service salaries.

Community Foundation 2
This donation was used to purchase craft and baking supplies for our Children and Young Adults.

Daisy Marr
This donation was used to purchase two 'pea pod' chairs for our Children's Unit.

Day Hospice Building Fund
This was established to construct and equip a new Day Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Day Services Building Fund
This fund was established to cover the cost of the constriction of the Day Services Building and includes a grant of £498,455 from the Department of Health under their Dignity in Care for Older People Capital Gains Programme for Hospices; donations from the family of a patient including gift aid; and the utilisation of £675,632 of free reserves.

EP Robson
This donation was used to purchase a sofa for Children's garden room.

Elsie Davis Trust
This donation was used to provide a 'Clown doctors' session ran by Tin Arts.

22. STATEMENT OF FUNDS – GROUP (continued)

Family Room Upgrade Fund
This project fund was set up to upgrade our family room in the adult inpatient unit.

Guyll Leng Charitable Trust 1
This donation was used towards the cost of a music therapist in the Children and Young Adult's Unit.

Guyll Leng Charitable Trust 2
This donation was used to fun activities for our Young Adults.

Guyll Leng Charitable Trust 3
This donation was made for the purchase of equipment and entertainment packages for the Children and Young Adults.

Hadrian Trust
This donation was made for the purchase of Syringe Drivers for the Adult Inpatient Unit.

Hospice Building Fund
This fund comprises moneys raised for the original building of the Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Information Centre
This was established to construct and equip an information centre within the grounds of the main Hospice. The project was funded by a grant of £193,356 from the Community Fund, all of which was used to fund capital works. The reserve represents the original grant less accumulated depreciation.

Karbon Homes
This donation was used to fund equipment for our Focus on Living Service.

Karbon Homes 1
This donation was used to fund a 'silver rings' project for patients.

Kavli Trust
This donation was used to purchase outdoor play equipment for the Children's Service.

Main Kitchen Upgrade Fund / Revenue Fund
The donations to this fund were used towards the cost of improving of our catering facilities (capital) and patient nutrition services (revenue).

Mark Benevolent Fund
This donation was made for the purchase of kitchen equipment.

22. STATEMENT OF FUNDS – GROUP (continued)

Mel Weir Charitable Trust
This donation was used towards the purchase of a new washing machine for our Adult Inpatient Unit.

Mel Weir Charitable Trust 1
This donation was used towards the cost of a dietician to work within the Adult Inpatient Unit.

National Emergencies Trust (via Community Foundation) 2
This donation was used to provide lockers for personal protective equipment (PPE) storage for the Adult Inpatient Unit.

National Lottery Community Fund 1
This money was donated to fund a patient and family befriending project.

Neighbourly Foundations
This donation will support the refurbishment of the hospice cloisters area.

NEPAC 1
This donation was given towards the cost of a specialist bath chair for the Adult Inpatient Unit.

NEPAC 3
This donation was given towards the cost of clinical equipment for our Day Hospice unit.

NHS England CYP Palliative and End of Life Care Match Fund
This money was used to match funding for development of new children's outreach service (with Southampton Hospital Charity).

Newcastle Building Society (via Community Foundation)
This donation was used for the purchase of clinical equipment.

NHS England and NHS Improvement
Funding received specifically to meet the needs of the Children's Service.

OSM Province
This donation was used for the purchase of IT equipment.

Prime Fund (via Community Foundation)
This money was donated for the purchase of IT equipment for our Focus on Living Service.

Proctor and Gamble 1
This donation was used towards furnishing the new accessible changing facility in the Day Hospice Unit.

22. STATEMENT OF FUNDS – GROUP (continued)

Proctor and Gamble 2
This donation was used to refurbish a shower room on the Adult Inpatient Unit.

Rathbones Investment Management
This donation was used to fund activities for our Children and Young Adults.

Rothley Trust
This donation is to purchase a rebound therapy trampoline and provide staff training in delivering this therapy.

Seahouses and District Cancer Research and Relief Fund
This donation was used to purchase three syringe drivers and drugs storage facilities for our Inpatient Unit.

The Sir James Knott Trust
This donation was used towards the funding of an Infection Control Nurse post.

The Sir James Knott Trust 1
This donation was used to fund events on ward including a Queens Jubilee celebration.

Sir Jules Thorn Trust
This donation was used to purchases two 'hi/lo' beds for the Adult Inpatient Unit.

Southampton Hospital Charity
This donation was used to fund the Children's Outreach Service (with NHS England CYP Palliative and End of Life Care) and for improvements to Children and Young Adults Service kitchen.

The Shears Foundation
This donation was used to help fund three Senior Nurses in our Children's & Young Adults Service.

Together for Short Lives
This donation was used to fund a Family Fun Day.

WA Handley Trust 1
This donation was used to purchase an Oska mattress.

WA Handley Trust 2
This donation was used to purchase a powered bath chair.

WA Handley Trust 3
This donation was used to purchase an infusion pump.

Warburtons Community Fund
This donation was used to purchase arts materials in the Focus on Living Service.

22. STATEMENT OF FUNDS – GROUP (continued)

The William Leech Charity
This donation is helping us to develop our volunteer services.

Nurse Call System in Outpatients Fund
These monies were donated towards the cost of a new nurse call system.

23. LEASING COMMITMENTS

Operating leases

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2023 relate to short leasehold land and buildings as set out below:

	2023	2022
	£	£
Operating leases that expire:		
Within one year	329,688	351,247
Within two to five years	659,786	774,977
Over five years	163,200	93,299
	1,152,674	1,219,523

The operating leases represent leases of premises. The leases are of varying terms.

24. CAPITAL COMMITMENTS

There were no capital commitments outstanding at the end of the year (2022: £nil).

25. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions totalling £37,228 (2022: £31,946) were payable to the fund at the balance sheet date.

The charity also makes contribution to the NHS Pension Scheme on behalf of existing members who remain in the scheme upon commencement of employment with the hospice. Contributions totalling £65,611 (2022: £58,074) were payable to the scheme at the balance sheet date.

26. RELATED PARTY DISCLOSURES

In the year to 31 March 2023, the charity made sales to its trading subsidiary, St Oswald's Hospice Promotions Limited (SOHP) totalling £275,618 (2022: £280,734)

26. RELATED PARTY DISCLOSURES (continued)

and purchases totalling £107,812 (2022: £134,493). At 31 March 2023 a balance of £4,009 was due from SOHP (2022: £25,298 due to SOHP).

There are no other related party transactions to disclose.

St Oswald's Hospice

0191 285 0063 | enquiries@stoswaldsuk.org
www.stoswaldsuk.org
St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne NE3 1EE. Reg Charity No. 503386

Review date: October 2023

ST OSWALD'S HOSPICE LIMITED

England & Wales - Charity number 503386

Accounts

St Oswald's Hospice



Trustees' Annual Report and Financial Statements

for the year ended 31 March 2022

Quality time for everyone

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022
CONTENTS

	Page
Welcome to our Annual Report	2
Reference and Administrative Details	2
Message from our Chair	3
Board of Trustees and Management at 31 March 2022	5
Our Professional Advisors at 31 March 2022	6
Structure, Governance and Management	7
Related Parties and co-operation with other Organisations	9
Objectives and Aims	11
Policies to Achieve our Objectives	11
Strategic Report	14
- Achievement and Performance	14
- Financial Performance	20
- Ensuring quality - Monitoring and Compliance	25
- Strategic Objectives	28
- Managing Risk	29
- Regulatory Statements	32
Trustees' Responsibilities Statement	35
Financial Statements for the Year Ended 31 March 2022	36
Independent Auditor's Report	37
Consolidated Statement of Financial Activities	42
Balance Sheet (Group and Hospice)	43
Consolidated Cash Flow Statement	44
Notes to the Financial Statements	46

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2022.

Here you will find out all about our work, who we care for and how we operate. We have also detailed our mission and our objectives and highlighted both our achievements this year and our strategic plans going forward.

This report also includes a full set of audited financial statements for the year ended 31 March 2022. The financial statements comply with the Charities Act 2011, the Companies Act 2006, Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective September 2015).

Reference and Administrative Details

St Oswald's Hospice is a company limited by guarantee, number 01166239 (not having a share capital). The company is a Registered Charity, number 503386 and its Articles of Association govern its functions.

St Oswald's Hospice's Articles of Association were last amended on 29th November 2016.

Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding £1.00.

Our Registered Office

We are registered at St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE. You can contact us by telephone on: 0191 285 0063, by email at: enquiries@stoswaldsuk.org or by fax on: 0191 284 8004

If you would like to find out more about our work, please go to our website: www.stoswaldsuk.org or follow us on Facebook, Twitter and YouTube.

Board of Trustees and Directors

The Board of Trustees who served during the year are set out on page 5, where you will also find details of the Hospice Management Team. Our professional advisors are detailed on page 6.

Message from our Chair

St Oswald's Hospice is a North East based charitable hospice. Our fundamental aim is to make a difference to local people's lives by providing outstanding, specialist palliative and end of life care for babies, children, young people and adults from across our North East region who have incurable conditions.

At the time of writing, we are now over two years in to the pandemic. I took over as Chair part way through this financial year from my predecessor Marie Liston. In July 2021 we celebrated our 35th Birthday and while none of us could have predicted the enormous challenges the pandemic presented us with, I am incredibly proud of all of the staff and volunteers who have continued to adapt and innovate our services and income generation over the years, to ensure the needs of our patients and families, during these most difficult of times, have been met. Their commitment, passion and flexibility is palpable and is to be commended.

Challenges continue, however, being the innovative and proactive charity that St Oswald's Hospice is, we have also taken the opportunity to explore and establish some new services. Our pilot ambulatory care service for patients coming to us for planned procedures during the day was successful with patients telling us it is 'excellent', 'a brilliant service' and 'very reassuring'. The bereavement support training programme for employers was well evaluated and continues to go from strength to strength with training provided nationally and via Hospice UK. Lastly, our new care services volunteer initiatives continue to help staff to manage the increased demand for our services and improve patient experience, making sure we provide the best possible care. You can read more about these developments later in this year's annual report.

Our organisational and core staff objectives introduced last year, have been helpful for staff and volunteers to understand our direction and also their essential part in achieving these. We continue to work on improving the monitoring and reporting processes against these objectives which have been designed to make sure that we do three things - *Survive* the current situation, *Strive* to improve so that we can *Thrive* in a post-COVID world and beyond.

Our retail shops and face to face fundraising initiatives were largely impacted until more recently when life in our communities, slowly but surely started to re-open. Fortunately, we benefitted from some one-off income streams which, although can't be relied upon in future years, have helped bridge the gap until our activites fully recover. We continue to work with commissioners around our levels of contract funding and have received further Government support this financial year which has been helpful in addressing the ongoing financial challenges. Our teams' creativity and flexibility remains while we address this for the future, as we anticipate that the impact will continue into 2022/23 and beyond, and are planning accordingly.

Collaboration and building trusting relationships with partners across health, social care, research and the voluntary and community sector is crucial to drive improvements across palliative and end of life care across the region. We continue to develop ever-more stronger links beyond the North East too to support the improvement of specialist care.

Message from Chair (cont.)

Finally, in these continuing uncertain times, it still remains our vision to make sure everyone in our region gets expert, dignified and compassionate care when they need it. Thank you for your continued support to help us make this a reality.

Christine English
Chair

Board of Trustees and Management at 31 March 2022:

Vice-Presidents

Lady Craft
Professor Sir Michael D Rawlins
Mr J Docherty
Mrs D Van der Velde
Mr M P Robson
Dr K Mannix
Mrs M Liston

Board of Trustees

Mrs C English (Chair)
Mr S James (Vice Chair)
Mr B Hedley (Treasurer)

Mr D Hicks	Mrs T Phillips	Dr N Morris
Mr N Hobdey	Miss R Gair	Mr G Boulton
Miss L Lloyd	Mrs I Holland	Mr J Holmes
Mrs S Sinton	Mr R Taylor	

Changes in the year:

Resignations

Dr S Blades resigned as a Trustee on 9 September 2021
Mrs M Liston retired as a Trustee and chair on 24 November 2021
Dr H Lucraft retired as a Trustee on 24 November 2021
Mrs D Clasper retired as a Trustee on 24 November 2021

Appointments

Mr J Holmes appointed as a Trustee on 19 July 2021
Dr N Morris appointed as a Trustee on 9 September 2021
Mrs S Sinton appointed as a Trustee on 24 November 2021
Mr R Taylor appointed as a Trustee on 24 November 2021
Mrs C English appointed as Chair on 24 November 2021

The Hospice Management Team who, alongside the Board of Trustees, are also the Organisation's key Management Personnel

Ms S Edusei	Chief Executive
Mrs K Maclaren	Finance Director
Mrs H A Eadington	Director of Corporate Services and Company Secretary
Mrs A Egdell	Director of Care Services
Ms D I Heron	Director of People
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development

Our Professional Advisors at 31 March 2022

Statutory Auditor:
RSM UK Audit LLP
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Internal Auditor:
Azets Audit Services
Regent Centre
Newcastle upon Tyne
NE3 3LS

Solicitors:
Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Hay & Kilner LLP
Merchant House
30 Cloth Market
Newcastle upon Tyne
NE1 1EE

Bankers:
Barclays Bank PLC
5 St Anne's Street, Quayside
Newcastle upon Tyne
NE1 2BH

Investment Managers:
UBS Wealth Management (UK) Ltd
2 St James' Gate
Newcastle upon Tyne
NE4 7JH

Health & Safety Advisors:
Green Dragon Solutions Ltd
8 Bamburgh Drive
Wallsend
NE28 6JX

Pension Advisors:
Azets Audit Services
Regent Centre
Newcastle upon Tyne
NE3 3LS

Insurance Advisors:
PIB Insurance Brokers
Poppleton Road
Low Poppleton Lane
York
North Yorkshire
YO26 6GZ

Structure, Governance and Management

Our Board of Trustees

St Oswald's Hospice is governed by its Board of Trustees. Trustees are appointed for a four year term of office, by election at Trustee meetings. Trustees may be reappointed for a further term of four years if they put themselves forward for re-election and such reappointment is approved by the other Trustees, but at the end of that period they must step down. As an exception however, at the absolute discretion of Board of Trustees, the Chairman, Vice Chairman and Treasurer may be re-appointed for a maximum of a further five years. Trustees are not paid for the duties they undertake.

A minimum of two places are allocated for the appointment to Trustee posts from St Oswald's volunteer workforce. There are currently two Trustees who regularly volunteer at the Hospice. The Nomination and Remuneration Committee identify other Trustee posts and expertise required within the Board of Trustees.

Recruitment to Trusteeship is achieved by identifying and approaching potential members, advertising vacancies on our website and social media platforms and occasionally we advertise in appropriate media and professional associations. We look to create a Trustee board that offers St Oswald's Hospice diversity of skills and expertise and a balance of viewpoints.

All new Trustees follow an induction programme, which has a general component and a section tailored to their individual needs. Trustees are invited to provide feedback on this process, so we can continually look to improve the induction programme.

As part of their involvement in the work of St Oswald's Hospice, Trustees visit departments periodically during the year. Staff and volunteers can talk in confidence to Trustees, who then report their overall findings back to the Hospice Management Team (HMT) and recommend changes to be made, as they deem appropriate. Visits are valued by staff, volunteers and Trustees alike, providing insight into the day-to-day operations of St Oswald's Hospice and acting as an important communication tool for the organisation. Trustee visit reports are forwarded back to HMT for a management response to any issues raised and copies are made available to each team, members of the Clinical Governance and Quality Committee and all Trustees. Trustees visit our retail shops on a biennial basis, with HMT members undertaking an informal visit in the intervening year. We are pleased to report that departmental and retail visits are now fully back in operation.

Board of Trustee and Director Meetings

Our Board of Trustees and Directors meet on alternate months in each year and review achievements and progress made against strategic objectives. In October each year, a closed session is held to review its own performance in accordance with good practice. From this work Trustees are able to further define their training needs, as highlighted above.

Committees

The Board of Trustees and Directors (also referred to as 'the Board' within this report) have three Committees that aid the conduct of their responsibilities. These are:

- Audit and Finance Committee;
- Nomination and Remuneration Committee; and
- Clinical Governance and Quality Committee.

Most Trustees and Directors serve on one or more of the Committees as noted below:

Committee Membership at 31 March 2022

Audit and Finance	**Nomination and Remuneration**	**Clinical Governance and Quality**
Trustees:	**Trustees:**	**Trustees:**
Mr B Hedley (Chair)	Mrs C English (Chair)	Mrs C English (Chair)
Mr S James	Mr S James	Mr S James
Mrs T Phillips	Mr B Hedley	Dr N Morris
Miss L Lloyd	Mr N Hobdey	Mrs S Sinton
Mr R Taylor	Mrs T Phillips	

Attending Directors:	**Attending Directors:**	**Attending Directors:**
Ms S Edusei	Ms S Edusei	Mrs H A Eadington
Mrs H A Eadington	Mrs H A Eadington	Mrs A Egdell
Mrs K Maclaren	Ms D I Heron	Ms D I Heron

Average Trustee attendance at Audit and Finance, Nomination and Remuneration and Clinical Governance and Quality Committee meetings during the year stood at 80%, 90% and 87.5% respectively.

Average Trustee attendance at the bi-monthly Board meetings stands at 79.2%.

St Oswald's Hospice Promotions Limited

St Oswald's Hospice Promotions Limited is a wholly-owned, non-charitable subsidiary of St Oswald's Hospice Limited and is a company registered in England number 03146260.

The primary activities of the subsidiary are: to run a lottery and to co-ordinate other promotional or trading activities to generate funds for the charity. Taxable profits generated by the subsidiary are passed on to the parent company by Gift Aid.

The Board is currently made up of three Trustees from the holding company (one of whom is the Chair), the Chief Executive and Director of Corporate Services of the holding company and one independent Director. Our Director of Income and Marketing, Finance Director, Director of Strategy and Development, Head of Retail and Head of Fundraising also attend the meetings.

Hospice Management Team and Delegation of Powers

The management of St Oswald's is delegated to the Hospice Management Team (HMT), comprising the Chief Executive and six other Management Team members, each with responsibility for specific aspects of the work the Hospice undertakes (as outlined on page 5). The Chief Executive, with the support of the Management Team, reports to the Board, which approves major decisions and has overall responsibility for the Hospice's activities and direction.

The Board reviews and approves its Reservation of Powers, Delegation of Powers, Scheme of Delegation, Standing Orders and Standing Financial Instructions on a biennial basis to ensure high quality governance, the safeguarding of its assets and the good name of the charity.

Changes in our Management Team

There were no changes in our Management team during this financial year.

Related parties and co-operation with other organisations

We are contracted to provide care and support to local adults by three Clinical Commissioning Groups (CCGs) and one NHS Foundation Trust. We also have a Service Level Agreement with Northumberland, Tyne & Wear NHS Foundation Trust in respect of medical revalidation.

With regards to our Children and Young Adults Service, we are contracted to provide end of life care (when required) by all seven local CCGs. Joint health and social care contracts, with Local Authorities, are in place for under 18's provision of specialist short breaks.

We train and educate undergraduates and postgraduate students in a range of health care professions from Newcastle University, Northumbria University and Teesside University.

One of our strategic objectives recognises the need to work more closely with other organisations to help develop palliative care and end of life services. Further details are included on this later in the report.

We are members of the umbrella organisations Together for Short Lives and Hospice UK, who provide a national voice for children and adult hospices respectively.

We are also a member of the Hospice Lotteries Association and the Lotteries Council.

Objectives and Aims

The principal activity of the Hospice is to provide specialist palliative and end of life care to adults, children and young people from the North East of England.

Our Vision Statement, based upon our principal activity, is:

> **Together**, we will make the most of time and improve quality of life for everyone in the North East living with an incurable condition, and their families.
>
> **Together**, with the vital support of our staff, volunteers, donors and supporters, we will continue to develop and grow our services so that everyone in our region gets expert, dignified and compassionate care when they need it.

The Trustees have followed Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 and believe that the above objectives and vision, and the activities described throughout this report are undertaken to further the charity's purposes for the benefit of the public.

Policies to Achieve Our Objectives

Recruitment, Retention and Development of Staff & Volunteers

We aim to ensure we have the right staff and volunteers in place to enable us to achieve our strategic objectives and to provide a quality service for everyone who accesses our services. We have systems and procedures in place to ensure we recruit, develop, support and manage our people, ensuring they have the skills, knowledge and values we need to deliver our services both now and in the future.

Our People related policies and procedures comply with legislative and regulatory requirements, reflect best practice and govern all our activities, ensuring our staff and volunteers work within safe and effective systems.

St Oswald's Hospice Criminal Records Policy requires all applicants for paid and voluntary, permanent or temporary posts to disclose, as a minimum, any unspent criminal convictions as part of their application. In addition, the Safeguarding Vulnerable Groups Act 2006 requires that certain roles (paid or voluntary) with access to children or vulnerable adults are subject to a criminal records check, via The Disclosure and Barring Service (DBS), before employment, volunteering or placements commence.

We have worked with our staff and volunteers to review our values and develop and launch a new "People Charter". Together the values and People Charter set out our core beliefs: the values explain who we are, how we work, what we believe in and stand for and the new People Charter describes the behaviours we expect of everyone working or volunteering at St Oswald's Hospice.

One of the main themes for our People Strategy continues to be wellbeing, and we were proud to achieve our bronze level award in 2021. We are now working with

our Better Health at Work Advocates to prioritise future wellbeing plans. These will focus on enabling staff to connect with each other, support hybrid working where this is practicable and continue to provide support for mental wellbeing across St Oswald's Hospice.

The Engagement and Involvement group worked on developing a clear set of core objectives for all our staff and we ran our second pulse survey asking staff for their experiences during the pandemic.

Each year we deliver planned learning, development and education programmes to ensure our staff and volunteers are able to undertake their roles safely, in a well-managed environment, equipped to deliver high quality services. This has meant continuing to focus our attention on delivering a blended, digital heavy approach to training delivery.

The Equality, Diversity and Inclusion (EDI) group has continued to grow, and has a clearly defined strategy that supports EDI in service provision and in supporting and developing all our people. It was also the first year we introduced a common core objective for every member of staff and line manager linked to EDI.

Staff Remuneration
Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. The Nomination and Remuneration Committee sets the salaries of the Hospice Management Team and Medical Consultants.

Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

Next year we are embarking on a review of our approach to remuneration, to ensure that we continue to address issues of fairness and competitiveness.

Pay Policy for Senior Staff
The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the Hospice on a day to day basis. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in notes 12 and 26 of the financial statements.

Trustees are required to disclose all relevant conflicts of interest in line with St Oswald's Hospice Conflict of Interest policy including registering them with the Company Secretary and, in accordance with the policy, withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Hospice Nomination and Remuneration Committee and any recommended uplift is approved by the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities of similar size and turnover and seek to compare like with like posts.

Equality of Opportunity
St Oswald's Hospice fully supports the principle of equality and diversity as reflected in the development of the now well established EDI group mentioned above. It is committed to ensuring that all current and potential staff and volunteers are treated with dignity, fairness and respect, regardless of their sex, marital status, age, sexual orientation, race, ethnic or national background, religion, beliefs or disability.

We promote an environment in which individual staff can utilise their skills and talents to the full, and that the best people are recruited for our jobs from as wide and diverse a pool of talent as possible.

Staff Involvement
The views of staff and volunteers are sought via line managers, feedback bank, special briefings, ad-hoc focus groups, surveys and departmental visits from HMT and Trustees. This includes information of particular interest to staff (including financial and economic factors) and for views on important matters of policy.

Disability in Employment
We are a Disability Confident employer and actively encourage applications for employment from people living with disabilities.

Volunteers
We are a volunteering organisation which is exceptionally proud of our volunteers. Volunteers are active in most departments across the Hospice and Promotions Company, lending their skills, experience, expertise and time. Together with our staff, our volunteers form our fantastic team of people who ensure we are able to provide vital hospice services to local people and families.

Building on the innovations to come out of lockdown the Volunteering Department has continued to focus on ensuring volunteer roles best support the needs of our clinical services as they continue to develop and change. As a part of this, a major review of our volunteering strategy took place, seeking the views of staff, trustees, and, most importantly, volunteers themselves. The new two year strategy will launch early next financial year.

STRATEGIC REPORT – Achievements and Performance

Our fundamental aim is to make a difference to the lives of local people by providing excellence in specialist palliative and end of life care. Detailed below, we explain how we have supported local families over the last year and demonstrate the impact of our work.

Adult Services

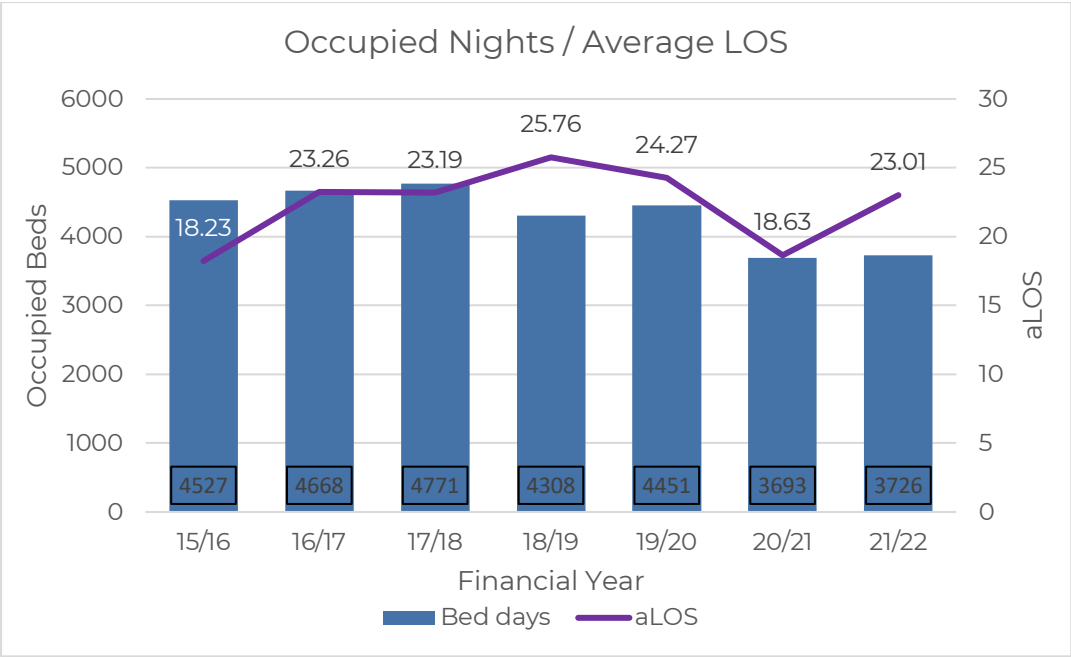
Our Adult Service offers an inpatient service; a lymphoedema service; 'focus on living centre' comprising of therapeutic activities in both group and one-to-one sessions; an ambulatory care service; complementary therapy; 'positive steps' programme for prospective patients and their carers; carer and bereavement support. Patients are usually referred to us from Newcastle, Gateshead, North Tyneside and Northumberland, with occasional specialist referrals from further afield.

Adult Inpatient Unit

Our inpatient service has fifteen beds and one emergency bed. Our multidisciplinary team works together to: ensure patients with specialist palliative care needs can maximise their quality of living by providing pain and symptom control, psychosocial, emotional and spiritual support; facilitate a safe and timely patient discharge to home or transfer to a continuing care service, as well as providing a supportive environment at the end of life.

Last year…

- 161 adult inpatient admissions, 66 patient discharges and 94 deaths.
- Patients stayed with us for an average stay of 23 days.



STRATEGIC REPORT – Achievements and Performance (continued)

- 3,726 bed days were occupied during the year (2021: 3,693 bed days)
- average bed occupancy was 73% (2021: 67%)..

This year we have continued to make improvements to our building and gardens on the unit. Recognising the importance of providing a space for families to enjoy quality time together, especially throughout Covid-19, we have opened our 'family room' extension, which has been a wonderful space for families to spend time together outside of their bedrooms and we have held special events such as birthdays and other celebrations. In addition, the gardens, which are now a much more tranquil and peaceful spaces, have been particularly important throughout the pandemic when we have had to make changes to visiting.

Responding to patient needs, we've also developed a new volunteer role, Patient Support Volunteers, which has been vital during Covid-19. These volunteers are trained by us to provide support to in patients by providing companionship, helping with feeding, and even sitting with patients close to end of life if family are not available. They are also a great help if patients are at risk of falls, helping with patient safety.

What families said. . .

"Nana was a beautiful woman and she absolutely loved all the staff at the hospice. When I visited her I had never seen her happier in a medical setting as she was in St Oswald's and all the staff were so caring and friendly. They're not just there for the patients but for their family too and that's why we love to support St Oswald's hospice! Thank you for everything you all did to keep our nana smiling ❤❤xxxx"

"You are a very special breed of people. You shine a bright light in such dark and uncertain times."

"My husband died…at the age of 48, after a 15 month battle with cancer. The staff at St Oswald's walked alongside us throughout that journey and offered us not only therapies but also friendship. At the most difficult time of our lives St. Oswald's supported us and were there to listen. The work that they do is quite simply magnificent. We think there would be no greater gift that we could give as a family and his friends than to make this donation in xxx memory so that St. Oswald's may be able to help another family in the same situation. Thank you so much for everything you did for us."

Adult Day Services

There have been some significant changes to the way we deliver our day services.

Within our Focus on Living Centre, we would usually have around 80 patients a week attending the centre, but as this face to face contact is now not possible due to Covid-19 we have adapted services to offer virtual support, and face-to-face contact where needed.

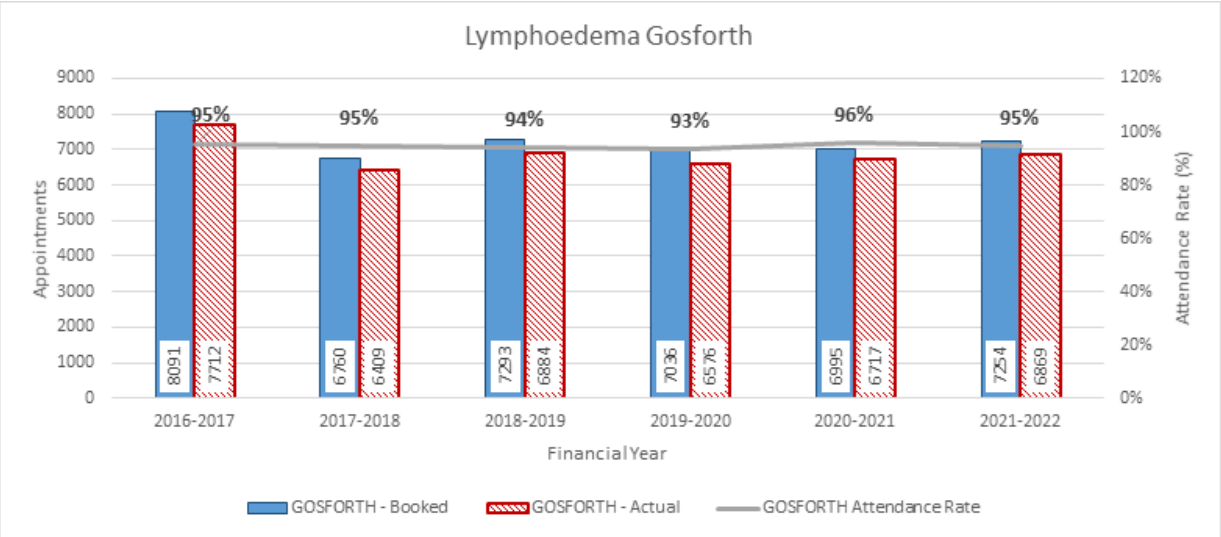
STRATEGIC REPORT – Achievements and Performance (continued)

This year we continued with our pilot ambulatory care service, working in partnership with Newcastle Hospitals NHS Foundation Trust. The service, which begun to see patients in April 2021, was setup for people with palliative care needs to attend for planned procedures, which initially includes transfusions/ blood product support and bisphosphonate/ iron infusions. This is an innovative new service with potential for long term sustainability.

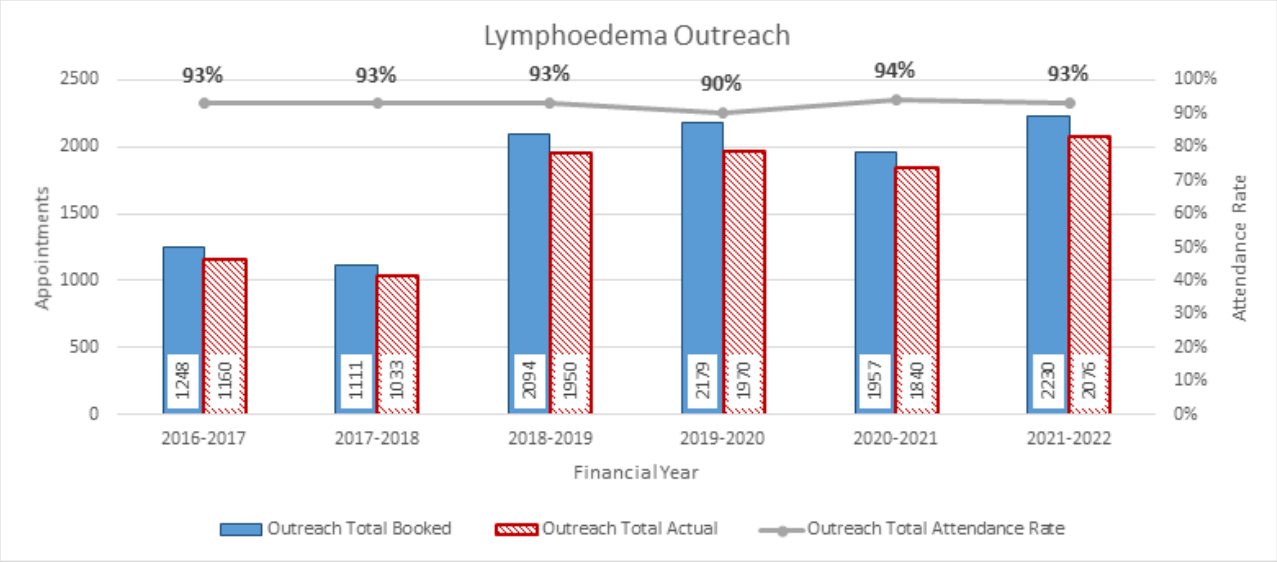
Our Lymphoedema Service also continued to meet the changing needs of patients, offering appointments at home, at the Hospice and via telephone consultations.

To support increased visits in the community, the service has introduced an extremely successful new volunteer role, 'Lymphoedema Community Volunteers'. The volunteers have accompanied and supported staff, which has provided an extra pair of hands to support removal of bandages and recording measurements and reduced pressure for staff. In November 2021 we won Hospice UK's Innovation in Care National Award for the joint efforts between our Lymphoedema Service and Volunteering Department to maintain and improve patient care during the pandemic.

- Within Focus on Living Centre, 294 **one-to-one contacts (2021: 1,189** one-to-one contacts) were recorded for 79 patients (2021: 169 patients).
- 954 referrals to our Lymphoedema Service (2021: 644 referrals) and a total of 8,954 Lymphoedema attendances (2021: 8,557) across all of our clinics. Clinic appointments include new patient assessments, review appointments, garment fittings and intensive treatments which can involve attending clinic daily over a number of weeks.
- We continued to operate outreach clinics to care and support people living with lymphoedema closer to home in Shiremoor, Blaydon and South Tyneside. This included 1,430 appointments in South Tyneside (2021: 1,326), 202 appointments in our Shiremoor Outreach Clinic (2021: 224) and 444 appointments (2021: 290) held in Blaydon.



STRATEGIC REPORT – Achievements and Performance (continued)



What our Day Services Patients and their families think. . .

"I cannot thank the Lymphoedema Team enough for the tremendous, super treatment over the years. They've controlled my lymphoedema and kept it from getting worse, which would not be the case if not for their treatment and care."

"Coming to the Hospice and talking to other patients is a real positive, I know they understand and won't judge me. It also gives me a purpose that day, a reason to get dressed, put my make up on and get out of the house."

"Since he has started coming to your new service in Day Services, his daughter has noticed that his confidence is returning and he feels absolutely cared for, through medical assessment and expert nursing care with kindness and really empowering him... it has also helped her cope with his increasing care requirements."

Children and Young Adults Service

We provide specialist short breaks and end of life care to babies, children and young adults, aged from 0 to 25, with progressive, life-shortening conditions. Specialist, medically-supported care is provided, 24 hours a day, seven days a week.

During this year as part of the funding agreement with the Children's Commissioners we were able to open an extra bed in our Children and Young Adults Service for Children and Young Adults with complex life limiting conditions. This means that up to seven children and young adults can stay at any one time in our relaxed, home-from-home environment.

During the summer our garden space was transformed for the children we support to enjoy. The space is now fully accessible and has some fantastic facilities. We are thrilled to now be re-introducing trips and outings again.

STRATEGIC REPORT – Achievements and Performance (continued)

- 58 children and their families benefited from our Children's Service.
- A further 11 young adults were cared for at St Oswald's Hospice.
- We had 614 admissions, 1,995 bed days were occupied with a 96% occupancy rate.
- The average length of stay is 3 nights per visit for children and young adults.

We continue to work closely with Great North Children's Hospital, including the provision of on call support. We're working with them to increase access for children requiring end of life care where St Oswald's Hospice is the place of choice of the family.

We continue to develop our new outpatient service for young adults, and have extended the scope of the service to benefit more local young people. The service was initially set up to support young adults transitioning in to adulthood, however the initial plot has demonstrated that transition is just one of the unmet needs that these patients have, and so we have extended the service to support young people with complex needs.

What children, young adults and their families said . . .

"He really enjoyed his time at St Oswald's, the many friends he made and the many activities he experienced. We are all appreciative of how much this all added to the quality of his life. His time was limited by his condition but his life experience was massive."

"Thanks to St Oswald's Hospice we have experienced things together this summer I honestly never thought were possible. XXX has used the service for over three years now and I can't imagine our life without the support we receive from them."

"Priceless memories made. You're all awesome."

Bereavement and Family Support

Due to the devastating impacts of Covid-19, our bereavement and family support services have seen an increase in demand this year. Hundreds of families were supported by our Bereavement Service, and the service adapted to continue to support clients face-to-face, online and over the phone.

- 150 individual adults accessed the bereavement services with a total of 3,850 hours of contact.
- 219 individual children and young adults (3-18 years) accessed the bereavement services with a total of 2,082 hours of contact.
- 21 adult bereavement group sessions held (up to 7 adults per session), a total of 144 hours of contact.
- 21 Children and young adult group sessions held (up to 10 children and young adults per session), a total of 630 hours of contact.

We've also continued with the *grief, loss and bereavement* training programme for employers in response to the pandemic, supporting even more people in our

STRATEGIC REPORT – Achievements and Performance (continued)

communities. The training programme for businesses was developed in September 2020, and continues to grow and develop. All support and training is delivered online by our Bereavement Team, who are specialists in supporting people following the death of a loved one, friend or colleague. In 2021/22:

- 182 people attended our 'grief, loss and bereavement' webinars for employers.
- 88% of attendees said their expectations of training were either met or exceeded.

"I felt I kept getting ambushed by grief. Talking every week and knowing there is someone there who will listen has really helped."

"Thank you so much for such a great session, I feel so much more confident in how to approach bereavement now. Was such a great informative session."

STRATEGIC REPORT – FINANCIAL PERFORMANCE

Summary of Financial Performance

Despite the financial year once again being clouded in uncertainty, we are pleased to report a positive financial result for the year to 31 March 2022 of £904,924 surplus (2021: £886,955 surplus) as detailed in the Statement of Financial Activities on page 42 .

At the start of the year in April 2021 we emerged from the third national lockdown, and entered a period of gradual easing of covid-19 restrictions. Retail cautiously re-opened, whilst Fundraising was pivoted to fit within changing restrictions throughout the year. Staffing remained challenging across all areas of the hospice due to high community transition of the virus, which then alarmingly continued to rise into the winter months.

Despite these challenges, the reasons for the very positive financial result echo those relied on in the previous year:

I. Our supporters – income from individual donors through regular giving, lottery and appeals has remained strong.

II. Fundraising – the team rose to the challenge of revising the programme of campaigns and events, to exceed the net Fundraising target for the year.

III. Legacies – for the third year in a row legacy income is extremely high at £1,950k, with one major legacy of £585k being unexpectedly notified and paid at the very end of the financial year.

IV. Retail – supported by £83k in retail grants, the department achieved an above budget surplus in the year.

V. NHS England grant income received via Hospice UK totalled £298k, as consideration for providing clinical capacity during the pandemic.

A number of these financial pillars which have supported the hospice's finances this year are not sources of recurring income, and while they have provided a welcome uplift to reserves, they cannot be presumed to provide a long term reliable flow of income.

A cautious five year plan, to guide the hospice through the uncertain years ahead, has been refreshed and ensures reserves are maintained within acceptable limits (details of our reserves policy is on page 32). This positive result does provide a solid basis on which to build a sustainable financial core to ensure the hospice remains financially fit into the future.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Financial Performance in Detail

For the year ended 31 March 2022 the organisation recorded a net surplus, including grants but before accounting for movements in our investments, of £856,322 (2020/21: £721,343).

Total incoming resources for the year increased by 3.7% (2020/21: decrease of 8.5%) to £13,940,356. Total resources expended increased by 2.8% (2020/21: decrease of 7.4%) to £13,084,034.

During 2021/22 £850,767 (2020/21: £2,208,210) was gratefully received in grants and donations to cover specific projects. This is shown in the financial statements as "restricted income", and the appropriate expense is shown against it as "restricted expense". This differentiates it from the normal ongoing operations of the Hospice, which is named "general" income and expense. For the second year running, although to a lesser extent in 2021/22, a large restricted grant of £298,361 (2020/21: £1,550,709) was received from NHS England (via Hospice UK) which was funding towards the ongoing operations of the clinical services. The purpose of the funding was to allow the hospice to make available bed capacity and community support and to provide support to people with complex needs in the context of the Covid-19 situation. Therefore once again, a significant portion of expenditure which would ordinarily be funded from unrestricted funds was instead supported by the restricted fund.

Taking this into consideration, the financial effect of the ongoing operations of the Hospice funded by unrestricted income is shown in the table below:

	2021/22	**2020/21**	**Movement**
General income	13,089,589	11,236,979	1,852,610
General expenditure	(12,007,166)	(10,359,001)	(1,648,165)
Net income before movement on investments	1,082,423	877,978	204,445

Incoming Resources

Income is usually categorised as Generated Income (being Donations, Legacies, Trading Activity income and Investment income) or Income from Charitable Activities; there are separate categories for exceptional income on the face of the Consolidated Statement of Financial Activities, being of Job Retention Scheme grant income and Other income falling outside of these definitions; more detail about which is outlined below:

Incoming Resources from Generated Funds

Donations and income from regular donors totalled £1,410,189 (2020/21: £1,701,759) of which £267,853 was restricted (2020/21: £382,863). For the third year in a row, legacy income was extremely high at £1,950,256 (2020/21: £1,798,558). In 2021/22

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

£81,337 (2020/21: £283,909) in retail grant income was recognised, being financial support towards the re-opening of retail outlets forced to close as a result of the covid-19 restrictions.

Income from other trading activities has recovered well from a dip last year to £4,745,437 (2020/21: £2,744,723).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year was able to gift aid £917,535 (2020/21: £810,406) to the parent charity. The subsidiary's main activity is the Hospice lottery.

Investment income, comprising interest and dividends received was £45,050 for the year (2020/21: £55,343).

Incoming Resources from Charitable Activities

As in previous years our charitable activities received partial funding from the NHS and local social services, totalling £5,647,314 in the year (2020/21: £6,129,985). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totals £1,930,966 (2020/21: £1,729,515). In addition, as in the previous year, the hospice welcomed a non-recurring restricted grant of £298,361 (2020/21: £1,550,709) from NHS England via Hospice UK for available bed capacity and community support throughout the pandemic.

Our Children and Young Adults' Service continues to be funded by local authorities on an activity-basis via a payment per night for each child or young adult accommodated, generating total income of £1,413,226 (2020/21: £864,187). As in previous years a grant was received from NHS England of £284,553 (2020/21: £274,638), to support the activities of our Children's Service.

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedema income for 2021/22 was £1,584,117 (2020/21: £1,613,541).

Job Retention Scheme Grant Income

A relatively minor amount of income, £60,023 (2020/21: £730,732) was claimed through the Job Retention Scheme this year. It had been necessary in the previous year to furlough some members of staff, particularly within the Retail, Fundraising and Support Services teams, given the covid-19 restrictions imposed on fundraising and trading activities. As the rules started to ease from April 2021 furlough was required to a much lesser extent as is reflected in the lower value of grant income claimed this year.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Resources Expended

Resources Expended are classified as either Cost of Raising Funds, or Cost of Charitable Activities, of which a more detailed description is provided overleaf.

In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in January 2015, costs of support services are shown relating to our direct charitable services. The costs of Human Resources, Corporate Services, Information Management and Technology and Finance departments have been allocated to each of the direct service departments or income generation departments. The allocation is calculated according to the most appropriate measure of usage for each area of expenditure. Note 10: Analysis of Support Costs gives greater understanding of the costs incurred and their allocation.

Costs of Raising Funds

The cost of raising funds totalled £4,247,306 overall (2020/21: £3,917,073). Notably, the increase in expenditure is due to the minimal use of the furlough scheme (and so most staff were back at work earning full pay throughout the year) while expenditure on fundraising and retail increased in line with activity in these areas, which had been curtailed somewhat last year due to Covid-19 restrictions.

Costs of Charitable Activities

Expenditure on our charitable activities of £8,836,728 (2020/21: £8,806,773), including property costs, depreciation charges and support costs, represents 67.5% of total expenditure (2020/21: 69.2%). Staff costs remain by far the greatest type of expenditure incurred.

Balance Sheet

The Balance Sheet at 31 March 2022 shows funds of £16,352,924 (2021: £15,448,000) of which £9,837,574 (2021: £10,047,445) is represented by fixed tangible and long term investment assets. Notes 15 and 16 to the financial statements set out expenditure and other movements relating to fixed assets and fixed asset investments.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Key Performance Indicators

	Unit of measure	Target	2021/22	2020/21
Value of free reserves	£000's	6,338	7,592	6,394
Expenditure variance from budget	%	<5%	3%	(4%)
Retail profit	pence in £	21	20	(22)
Fundraising expenditure ratio	pence in £	24	32	37
Staff turnover	%	<5.00%	14%	10%
Completed staff appraisal returns	%	100%	80%	86%
Adult inpatient occupancy	%	84%	73%	67%
Children and young adults occupancy	%	85%	96%	78%

Of the KPIs reported above, several fall short of target, largely as a result of circumstances linked to the Covid-19 pandemic:

Retail profit (pence in £) is ever so slightly behind target when considering the profit net of retail grants received, however the team operated within frequently changing Covid-19 rules while managing staffing challenges, as many members of the team had to self-isolate throughout the year.

Staff turnover was higher than target, and the reason is thought to be linked to employees' change in circumstances resulting from the pandemic and the highly competitive employment market.

Staff appraisal returns, are lower than target for multiple reasons, including staff sickness, vacancies within teams and therefore less capacity to chase and monitor returns in some departments.

Occupancy within the Adults unit was reduced as capacity was limited due to Covid-19 distancing restrictions imposed.

STRATEGIC REPORT - Monitoring and Compliance

Ensuring Quality Care: Monitoring and Compliance

We have a range of mechanisms in place to ensure we continue to provide an outstanding service to adults, children and young people.

We are monitored and regulated by the Care Quality Commission (CQC) and at last inspection (September 2015); we were awarded an overall rating of 'Good'. The CQC awarded us 'Outstanding' for care, and 'Good' for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made. The inspection standards under which Hospices are inspected changed in 2018 and we continue to review our performance against the requirements. We continue to meet regularly with our CQC relationship manager.

Internally, patient experience is measured by questionnaires, face to face interviews, focus groups and submissions to our 'feedback bank' alongside our formal complaints policy and procedure. Our feedback bank serves as a central store for all patient experience data, as well as comments, complaints, compliments and suggestions from wider stakeholders. Stakeholder engagement and involvement continues to be a key priority for the organisation. A draft Service User Engagement and Involvement Strategy has been written and we are working with colleagues across the Hospice and beyond (Healthwatch) to ensure we review and formalise this work.

Our Clinical Quality Team is tasked with reviewing all issues relating to patient experience and providing a quality service. They are involved in Clinical audit, policy development and review, medicines management, safeguarding both vulnerable adults and children and many other areas of work, the team is made up of clinical quality leads from each service, Allied Health professionals and Medical staff lead by the Clinical Quality Lead. Regular updates are provided to Trustees via our Clinical Quality & Governance Committee.

St Oswald's Hospice income in 2021/22 was not conditional on achieving specific targets through the Commissioning for Quality and Innovation payment framework this year, to allow the hospice to focus on navigating the challenges presented by the pandemic.

Ensuring Quality in Fundraising Practice: Monitoring and Compliance

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We encourage our fundraising service providers we engage with to also be signed up to the code. This report covers the requirements charities must follow as set out in the Charities Act 2016.

STRATEGIC REPORT - Monitoring and Compliance (Continued)

It has cost us £8.8 million (2021: £8.8 million) to provide our charitable hospice services this year. Approximately two thirds of this of this came from statutory funding for the second year running in 2021/22 which is substantially more than usual, due to the one-off funding from NHS England via Hospice UK in light of support provided by the charity to the NHS during the pandemic. We aim to raise the balance of funding required through fundraising.

Our fundraising effort involves encouraging donations and legacies, running events and operating a lottery. Our in-house fundraising team engages professional face-to-face or telephone fundraisers via an agency to help us promote individual giving. We aim to ensure those agencies we employ also observe the highest standards in terms of fundraising practice.

We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. Several of our in-house fundraising team are members of the Institute of Fundraising.

Our lottery and raffles are regulated by the Gambling Commission, and we comply with the conditions set out in our licence.

We ensure that the correct safeguards are in place with our suppliers and those who fundraise on our behalf. We require them to confirm that they comply with the Code of Fundraising Practice.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received three complaints in the 2021/22 financial year (in 2020/21 we received one complaint).

We respond to all complaints within 10 days. We encourage teams to register near misses, adverse events and feedback as well as formal complaints in order to identify possible or underlying areas in which we could improve. Complaints are dealt with in-line with our fundraising complaints policy. Most serious complaints would be escalated to our Hospice Management Team (HMT) and trustees so they can consider lessons learnt. We report to the Fundraising Regulator on the totality of our complaints.

We have published our vulnerable persons policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We received, and therefore actioned, no requests from this service last year. In addition to our policy we have an agreed operating procedure to protect vulnerable people, which our fundraisers (both staff and third party) are familiarised with.

Under GDPR, our supporters have many legal rights over the way their personal data is used. We comply with The Code of Fundraising Practice which requires us to respect the public in how we process and protect their personal data. Processing data means doing something with it, including collecting, storing and using it.

Personal data is any information relating to a living individual who can be directly or indirectly identified from it. This could include keeping records, or using data for direct marketing. We ensure that we have an appropriate legal basis to use

STRATEGIC REPORT - Monitoring and Compliance (Continued)

personal data, including when and how we contact supporters. For more information on how we use personal data in our fundraising, please see our Privacy Policy on the website. The Privacy Policy determines how supporters can ask us to stop processing their data for certain purposes. Our communications provide supporters with information on how to stop receiving them.

This year we reviewed and published a revised Fundraising Policy. The Policy sets out our guiding principles and practices across every aspect of fundraising. We have introduced a new Standard Operating Procedure in relation to due diligence on major donors and significant donations.

Ensuring Quality in Retail: Monitoring and Compliance

St Oswald's retail department works to a high quality to meet the standards required by the hospice policies. We work alongside other Hospice departments to ensure we comply with GDPR, DPIA and PCI. The department has several working relationships with other organisations which help to strengthen our quality standards.

We are a member of the Retail Charity Association, the primary membership organisation for charity shops in the UK. The association influences and monitors legislation and regulations that affect charity retailing, and promotes the benefits of charity retailing to communities.

All retail staff complete annual mandatory training covering, Health & Safety, Fire Safety, Data Security Training, Manual Handling and Gift Aid training. All shop record daily checks and complete task and environmental Risk Assessment. All transport vehicles are installed with data matrix equipment and dash cam to record driving standards and can be used to monitor and improve standards.

Our retail department runs a Gift Aid scheme which enables us as a registered charity to reclaim tax on a donation of goods made by a UK taxpayer, effectively increasing the amount of the donation made to us. We currently use E-productive to ensure we meet HMRC standards by providing training tools for all retail staff and volunteers and auditable processes and procedures.

Due to Covid-19, throughout the year our retail department have been monitoring, reviewing, implementing and auditing to ensure we are complying with government safety guidelines. All of our shops have sanitisation stations, customers are asked to wear a face covering, the till area is protected by safety screens, one way systems are in place where possible and shops are operating with restricted customer numbers to ensure social distancing. The service has also developed Covid-19 risk assessments for every area of the department. We will continue to adhere to all government and industry advice throughout 2021-22.

Our main purpose is to continue to deliver outstanding care to patients, children, young adults and their families during Covid-19 and beyond.

STRATEGIC REPORT – Strategic Objectives 2021/22

In addition, the following objectives have been designed to make sure that we do three things - Survive the current situation, Strive to improve so that we can Thrive in a post-COVID world. In 2021/22, we continued to embed these objectives in to the organisation so that every staff member knows how they are contributing to delivering our strategic objectives.

SURVIVE

Maintain safety and quality of care at all levels, including:

- Continue service delivery across all Hospice services.
- Maintain patient, carer, staff and volunteer safety regarding COVID 19 following national and local infection control guidance.

Maintain sufficient cash flow to keep us operational, including:

- Limit year end loss position to less than £470k for the 2021/22 financial year
- Implement a swift cost savings exercise.

STRIVE

Develop flexible, high quality and innovative services, including:

- Develop services that meet patient, carer, staff and volunteer needs post COVID
- within budgetary constraints.
- Develop volunteer roles to deliver flexible and innovative services.
- Improve systems and processes and use digital solutions to support all our work.
- Embed coaching approach to support values led organisation.

Deliver the agreed budget and income, including:

- Re-modellingthe business plan to achieve the agreed deficit budget for 2021/22, within our reserves policy limits.

THRIVE

Deliver an outstanding quality of care, including:

- Achieve CQC Outstanding in Care and minimum Good in other areas
- Continue to develop flexible and innovative services that meet patient, carer, staff and volunteer needs post COVID within budgetary constraints.

Be financially fit for the future, which will include:

- Achieve the agreed budget for 2022/23.
- Establish a development fund for investment in equipment, projects and people.

These objectives are owned by the relevant HMT member and will be continuously reviewed during the year to monitor successful progress.

STRATEGIC REPORT - Managing Risk

Keeping patients, families, staff and visitors safe is a fundamental principle at St Oswald's Hospice and as such, risk management is firmly embedded in the culture and structure of the organisation.

Trustees and HMT review and update the Risk Register at Board meetings, as well as reviewing the rationale behind the risk score and the action being taken to remove or mitigate for any risk that scores over 15. Trustees are also made aware of any adverse events that score over 16.

There are a number of dedicated sub-groups which feed into the Hospice Management Team operational meetings.

We also have a Clinical Quality Team which is led by the Clinical Quality Lead. Other Team members include experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained across the Hospice based on best available evidence. The Clinical Quality Team monitors and reviews clinical activity, service user feedback, engagement and involvement, clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme. The Clinical Quality Team report into the Trustees' Clinical Governance and Quality Committee meetings. Each month a Clinical Quality Report is presented that provides the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Clinical Quality Improvement work within St Oswald's. This report also gives a summary of various sub-groups and outlines the plans going forward.

A Safety Health Environment Fire/Risk Management Report is also presented to the Clinical Governance & Quality Committee at each of their meetings.

Impact of Covid-19 Pandemic Risk

Throughout the financial year the UK has been subject to restrictions to stem the spread of Covid-19. We have continued to respond dynamically to the national guidance and have successfully delivered our services in a Covid-safe way. Our clinical services continue to be managed closely via a daily Clinical Planning Group meeting chaired by Director of Care Services.

Environment and Fire Risks

Green Dragon Solutions Ltd continue to provide St Oswald's with safety, health environment and fire risk management advice and an additional layer of scrutiny to our operations. Green Dragon continue to provide advice on implementing a wide ranging action plan and offer ad-hoc advice and support, where necessary.

Clinical Risks

The Clinical Quality Team members are experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained

STRATEGIC REPORT - Managing Risk (continued)

across the Hospice based on best available evidence. The team monitor and review clinical activity, service user feedback, engagement and involvement, clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme.

There are a number of dedicated sub-groups which feed into the Clinical Quality Team, namely: SystmOne and Clinical Records, Ethics, Infection Prevention and Control, Water Hygiene, Emergency Preparedness, Resilience and Response (EPRR), Clinical Audit, Nutrition and Hydration, Medicines Management, Manual Handling, Falls Prevention and Management, Clinical Education, Medical Gases, Palliative Care Advice Line, Outcome Assessment and Complexity Collaborative (OACC), Enablement Group, Equality, Diversity and Inclusion, Sexuality, Safeguarding, Bereavement, and the Clinical Research Department. The Clinical Quality Lead presents reports from the Clinical Quality Team to the Clinical Governance and Quality Committee.

The Clinical Quality Report includes a summary of the key elements of Risk Management, Clinical Quality Improvement work within St Oswald's, an update from all the dedicated sub-groups and outlines the plans going forward.

External Bodies
Our external auditor, RSM UK Audit LLP, bring with them the benefits of a firm large enough to have considerable expertise in the not-for-profit, public and private sectors.

Azets Audit Services (formerly MHA Tait Walker) has acted as internal auditor throughout the financial year, with a programme of works which covered all aspects of financial control, alongside review of non-financial controls and procedures.

Financial Risk Factors
Risks are reviewed annually by the Trustees and the most significant financial risks facing St Oswald's are as follows:

Income Risk
Income Risk is the reliance on potentially volatile income streams such as lottery income, voluntary donations, retail and fundraising income and legacies. The economic environment has changed markedly over the past two years due to the covid-19 pandemic, the increasing cost of living and latterly the war in Ukraine. The result is much uncertainty surrounding the charity's ability to generate income. The risk is mitigated as far as possible by redesigning and pivoting fundraising activities to be Covid-safe, operating shops in line with government guidance and remaining responsive to changes in the local environment.

Financial pressures within the NHS may result in some of the Hospice's services becoming economically unviable. Strenuous efforts are made to communicate regularly with Clinical Commissioning Groups and to instigate negotiations wherever necessary.

Fraud and Financial Crime Risk
Any business carrying out activities that involve handling large amounts of cash faces the risk of loss of income through fraud or theft. An Internal Financial Control policy has been established to outline operating procedures to minimise these risks.

For members of staff handling cash remotely, facilities are also in place to ensure that they are able to bank money quickly and locally rather than hold on to cash for long periods of time. Staff are made fully aware of their responsibilities in respect of handling cash and these procedures during induction, and are reminded of their responsibilities on an annual basis. Should any incident of theft or financial crime be suspected, the procedure detailed in the Fraud policy is followed and the appropriate authorities and Trustees are notified in a timely manner.

Investment Risk
The Hospice is exposed to fluctuations in the stock market which affect the value of its investment portfolio. The portfolio is monitored by the Audit and Finance Committee at each of their meetings throughout the year. The portfolio is designed both to generate a stream of dividend income and as a long term investment. Trustees recognise that its value is subject to fluctuations in the stock markets. The risk profile of the portfolio, is under constant review by the Audit and Finance Committee, which is advised by the Hospice's investment managers, UBS. The value of the investments has held steady throughout the year yielding just over 3%, despite the volatile markets which have been reported since the start of the Covid-19 pandemic.

Liquidity Risk
Trustees monitor the Hospice's liquidity by means of KPI reporting through the management accounts alongside cash flow forecasts. Since it's establishment, the Hospice's inflow of cash income has been sufficient to service cash expenditure. Should problems arise in the future, Trustees have access to the hospice's investment portfolio to remedy a situation if needed, without compromising the Hospice's operations.

STRATEGIC REPORT – Regulatory statements

We are required to make a number of statements to provide further understanding of how we manage our affairs and how we are governed.

Investment Policy and Performance

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile.

Once again this year no withdrawals were made from the investment portfolio (2020/21: £nil sold). Dividend income is paid over to the Hospice as it is received. The portfolio gradually increased in value over the first three quarters of the year, and then dipped slightly in the final quarter as the markets faced huge uncertainty from both high inflation and the impact of the Russian invasion in Ukraine. The value of the portfolio has, despite this, experienced a net gain of £49k (2020/21: £166k) during the year, as detailed in Note 16 of the financial statements.

The average return on our cash deposits was 0.0% (2020/21 0.1%). The Bank of England base rate rose from 0.1% at the start of the year to 0.25% in Jaunary, 0.50% in February and finally 0.75% in March 2022 (2020/21: 0.1% throughout the year).

Reserves Policy

Strategic financial plans are now updated on a rolling programme to create the next financial year's business plan with an accompanying projection for the following four years. This gives an outline of the likely financial impact on reserves over a five year period.

The annual business plan allows Trustees to recognise longer-term financial pressures and opportunities for St Oswald's, be they external factors or internal objectives. Our plans highlight the pressures and uncertainties placed on our resources by changes in the employment market, the fundraising and retail environments, the NHS, and changes in the demand for our various services, alongside our continued reliance on potentially volatile sources of income such as legacies. To counter these pressures we hold reserves to protect our ongoing commitment to beneficiaries to ensure we meet our contractual obligations and to provide a platform for our continuing activities. Where we feel it is appropriate, and we consider we have sufficient free reserves to allow, we will invest our reserves in capital assets to maintain or enhance our services.

In considering our policy on reserves, we establish a minimum level required to counter possible fluctuations in income and meet the costs of our legal obligations and anticipated medium term costs of maintenance to all our premises. We also established a maximum level of reserves based on income and expenditure expected in a twelve-month period.

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Our acceptable range of free reserves is reviewed annually and for this year the range is considered to be between £3.1 million and £9.5 million. Within this broad range, we have a target of £6.3 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

As at 31 March 2022, our group accumulated general funds stood at £11,051,772 (2021: £9,877,975). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets and not designated and not held within the subsidiary trading reserve. Using this definition, the free reserves of the Charity at 31 March 2022 were £7,592,494 (2021: £6,393,642).

Although free reserves are above our target of £6.3 million, we recognise that a significant reason for this is the one-off funding which has been made available to the Hospice, to support it through the pandemic. Over the past two years this has included restricted funding which was used to cover costs which ordinarily would have been funded from general reserves. Whilst being mindful of cost restraint in terms of limiting new staffing posts, the employment market has recently become extremely buoyant and it has proved difficult to recruit to some roles. The Trustees have noted the financial risk of future increases in staffing costs, and the need to invest in our future workforce.

Taking this into consideration, our five year forecast has been refreshed, to cautiously guide the Hospice out of the pandemic, rebuilding Retail and Fundraising capacity over this timeframe. This has meant that we have had to expect a deficit financial result in the next few years, but this has been carefully planned with reference to the reserves balance, ensuring that at no point is the minimum acceptable level of free reserves breached.

Work on our 10 year vision continues, and trustees have decided that all vision work must be self-financing. Any new developments to our existing services must also be self-financing for the next few years; general reserves will not be used to fund such initiatives.

The Hospice designates certain reserves for specific purposes. Trustees approve a list of designated reserves each year. The total at 31 March 2022 was £65k (2020: £63k). These reserves are ring fenced for specific use in the following financial year and arise from a variety of sources.

Future Plans

The financial uncertainty experienced by all health and charitable organisations over the past two years has had a profound effect on trustees' view of the management of reserves. Trustees aim to preserve the financial stability of the Hospice by limiting expenditure of general reserves to that which is non-recurring and absolutely necessary. Any recurring new initiatives must be self-funding, rather than relying on funding from reserves on an ongoing basis. Plans for Fundraising and Retail strategies for future years remain fluid and responsive to government restrictions and social distancing measures. We have forecast for this to have an adverse effect on our income, and so adjustments have been made to our

operations to reduce expenditure, while aiming to maintain delivery of all the services we provide.

Going Concern

The Trustees are aware of the ongoing risk to income from Covid-19, and rising costs from high inflation. Steps are being taken to ensure that the charity's core recurring expenditure is covered by the reduced forecast income anticipated in the coming year. The cautious five year plan mentioned above will be our guide to safeguarding the Hospice's financial security, and includes an Income and Expenditure Statement and a cashflow forecast to March 2024. Contingency plans, however, are in place to adjust the charity's obligations should it be required in the future. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future.

We are aware that the full long term impact of Covid-19 is still to be seen and acknowledge it is a test to any organisation's Reserves Policy. The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register is regularly reviewed and updated to reflect the new exposures faced. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' Responsibilities Statement

The Trustees (who are also directors of St Oswald's Hospice Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 charitable company will continue in business.

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

RSM UK Audit LLP have indicated their willingness to continue in office as auditor, and a resolution concerning their reappointment will be proposed at this year's Annual General Meeting.

By Order of the Board

C. English

C English
Chair

28/9/2022.

ST OSWALD'S HOSPICE LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

For the Year Ended

31 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED

Opinion

We have audited the financial statements of St Oswald's Hospice Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other

Other information (continued)
information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report 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 their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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
As explained more fully in the Statement of Trustees' responsibilities set out on page 35, 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.

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

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

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

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:
- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

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

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, the parent charitable company's governing document (articles of association), tax legislation and Charities (Protection and Social Investment) Act 2016.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and reviewing income transactions around the year end to consider if it is recorded in the correct period.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

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.



LUCY ROBSON (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date

26.10.22

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 March 2022

	Notes	General funds	Restricted funds	Total 2022	Total 2021
Income and Expenditure		**£**	**£**	**£**	**£**
Income from:					
Donations and legacies	2	3,173,929	267,853	3,441,782	3,784,226
Other trading activities	3	4,745,437	-	4,745,437	2,744,723
Investments	5	45,050	-	45,050	55,343
Charitable activities	6	5,064,400	582,914	5,647,314	6,129,985
Other Income		750	-	750	180
Coronavirus Job Retention Scheme Grant		60,023	-	60,023	730,732
Total income		13,089,589	850,767	13,940,356	13,445,189
Expenditure:					
Costs of raising funds					
Voluntary Income	7	365,784	-	365,784	294,859
Cost of activities for generating funds	7	3,864,418	-	3,864,418	3,613,375
Investment Management Fees		17,104	-	17,104	8,839
Cost of Charitable Activities	8	7,759,860	1,076,868	8,836,728	8,806,773
Total Expenditure		12,007,166	1,076,868	13,084,034	12,723,846
Net income/(expenditure) before movement in investments		1,082,423	(226,101)	856,322	721,343
Gain on investment assets	16	48,602	-	48,602	165,612
Net movement in funds		**1,131,025**	**(226,101)**	**904,924**	**886,955**
Total funds brought forward					
At 1 April 2021	22	10,110,400	5,337,600	15,448,000	14,561,045
Transfers between funds	22	-	-	-	-
Total funds carried forward at 31 March 2022	22	**11,241,425**	**5,111,499**	**16,352,924**	**15,448,000**

All of the activities were continuing. There were no recognised gains and losses other than those included in the surplus this year.

The notes on pages 46 to 79 form part of these financial statements.

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

BALANCE SHEET AS AT 31 March 2022

Group/Hospice

	Notes	Group 2022 £	Group 2021 £	Hospice 2022 £	Hospice 2021 £
Fixed Assets					
Tangible assets	15	8,570,777	8,821,933	8,570,777	8,821,933
Investments	16	1,266,797	1,225,512	1,266,799	1,225,514
Long term deposit		-	-	-	-
		9,837,574	10,047,445	9,837,576	10,047,447
Current Assets					
Stocks		30,305	21,068	25,600	19,558
Debtors	17	3,161,454	3,667,361	3,179,452	3,665,850
Short term deposit		-	-	-	-
Cash at bank and in hand		4,277,031	2,954,446	4,036,123	2,697,200
		7,468,790	6,642,875	7,241,175	6,382,608
Creditors: Amounts falling due within one year	18	(953,440)	(1,242,320)	(915,480)	(1,214,480)
Net current assets		**6,515,350**	**5,400,555**	**6,325,695**	**5,168,128**
Total assets less current liabilities		16,352,924	15,448,000	16,163,271	15,215,575
Provisions for liabilities	19	-	-	-	-
Net assets		**16,352,924**	**15,448,000**	**16,163,271**	**15,215,575**
Funds					
Unrestricted funds:					
General funds	22	11,051,772	9,877,975	11,051,772	9,877,975
Non-Charitable Trading Reserve	22	189,653	232,425	-	-
		11,241,425	10,110,400	11,051,772	9,877,975
Restricted funds	22	5,111,499	5,337,600	5,111,499	5,337,600
Total funds		**16,352,924**	**15,448,000**	**16,163,271**	**15,215,575**

The net surplus before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £947,676 (2021: net surplus £829,658).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 36 to 79 were approved by the members of the Board of Trustees on 2022 and signed and authorised for issue on their behalf by:

C English
Chair



B Hedley
Treasurer



St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2022

	2022	2022	2021	2021
	£	£	£	£
Net cash inflow from operating activities		1,400,099		1,284,260
Cash flows from investing activities:				
Dividend, interest and rents from investments received	45,050		55,343	
Purchase of tangible fixed assets	(129,881)		(103,627)	
Proceeds of sale of investments	317,169		502,162	
Purchase of investments	(218,938)		(489,015)	
Net cash from / (used in) investing activities		13,400		(35,137)
Decrease in cash held in portfolio		(90,914)		(30,475)
Net cash increase		1,322,585		1,218,648

Reconciliation of net income to net cash flow from operating activities	2022	2021
	£	£
Net incoming resources	856,322	721,343
Depreciation	381,037	491,596
Investment income	(45,050)	(55,343)
Loss on sale of Fixed Assets	-	2,104
Increase in stocks	(9,237)	(762)
Decrease / (increase) in debtors	505,907	(385,061)
(Decrease) / increase in creditors	(288,880)	510,383
	1,400,099	**1,284,260**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2022 (continued)

Reconciliation of net cash flow to movement in net funds	**2022**	**2021**
	£	**£**
Increase in cash in the year	1,322,585	1,218,648
Movement in net funds in the year	1,322,585	1,218,648
Net funds at 1 April 2021	2,954,446	1,735,798
Net funds at 31 March 2022	4,277,031	2,954,446

Analysis of net funds	**Opening net funds 1/4/21**	**Cash Flow**	**Closing net funds 31/03/22**
	£	**£**	**£**
Cash at bank and in hand	2,954,446	1,322,585	4,277,031
	2,954,446	1,322,585	4,277,031

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of preparation and consolidation

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of accounting

St Oswald's Hospice Limited is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE.

St Oswald's Hospice Limited meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the provision of hospice services to members of the public suffering from life-limiting illnesses.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), and the Companies Act 2006. The financial statements have been prepared in pounds sterling and are rounded to the nearest £1.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, St Oswald's Hospice Promotions Limited. The results of the subsidiary are consolidated on a line-by-line basis. The Charity has taken the opportunity presented by FRS 102 not to disclose related party transactions or balances with the subsidiary.

No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan for 2022/23, which includes an Income and Expenditure Statement and a cashflow forecast to March 2024, and have reviewed the organisation's resources. As such, we have an expectation that the charity has adequate reserves and working capital to

continue its operations for the foreseeable future. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Reduced Disclosures

In accordance with FRS 102, the Charity has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cashflow and related notes and disclosures.

(b) **Hospice status**

The Hospice is a company limited by guarantee. The guarantors are the members of the company. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member.

(c) **Fund accounting**

General funds are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the Hospice.

Also within unrestricted funds, the non-charitable trading reserve represents the reserves held within St Oswald's Hospice Promotions Ltd.

Restricted funds are subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds comprise general funds that have been set aside at the discretion of the Members of Council for specific purposes. The purpose and use of these designated funds is set out in the notes to the financial statements.

(d) **Goods for resale**

Goods donated for resale are recognised as income on their sale. No value is attributed to these items prior to sale.

(e) **Legacies receivable**

Income arising from legacies is recognised in the financial statements when the Hospice is notified of these entitlements, it is probable probate will be received and the amount receivable can be defined with reasonable accuracy.

(f) **Deferred income**

Income received in advance of entitlement is treated as a creditor and recognised as income in the period that it is entitled.

(g) **Gifts in kind**

The economic value of services provided by volunteers is not recorded in the financial statements. Volunteers carry out a great variety of roles, both regular and ad hoc, utilising skills and experience with differing economic values. To try and measure the value of each service provided is considered an exercise that would be too time consuming and too costly, utilising resources that could be better used for the benefit of patients and their families.

(h) **Grants receivable**

Grants receivable are recognised in the Statement of Financial Activities as income. Where grants are received in relation to capital assets, the income is restricted as a reserve and written down in line with the depreciation relating to the asset concerned. Revenue grants are recognised in the year in which entitlement, certainty and measurable criteria are met.

Grants received under the Coronavirus Job Retention Scheme are recognised in the period to which the claim relates.

(i) **Resources expended**

All expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs associated with the raising of funds from all the possible sources of incoming resources.

Cost of activities in furtherance of the charity's objects comprise expenditure incurred by the charity in meeting its main charitable objectives, namely the provision of hospice services.

Governance costs comprise those costs relating to the management of the charity's assets, an allocation of administration costs and compliance with constitutional and statutory requirements.

Support costs have been allocated to an activity in proportion to the income generated by that activity where appropriate.

(j) **Pension costs**

The company contributes to the National Health Service Pension Scheme in respect of employees who were members of the scheme prior to their employment with the Hospice. This scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. Consequently, it is not possible for the company to identify its share of the underlying assets and liabilities of the scheme. The scheme is therefore accounted for as a defined contribution scheme in accordance with FRS 102. For other employees the Hospice contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions due for

the year under both schemes are charged to the Statement of Financial Activities.

(k) **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

(l) **Operating leases**

The annual rentals are recognised in the Statement of Financial Activities as incurred over the lease term.

(m) **Irrecoverable VAT**

Irrecoverable VAT in relation to capital assets is capitalised with the cost of the assets concerned. Irrecoverable VAT that is incurred in each financial period in relation to items of revenue expenditure is recognised as a separate category of expenditure which is then allocated as a support cost as under note (i) above.

(n) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Only assets with a cost of more than £500 are capitalised. Items costing less than this are treated as expenditure items.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold premises	-	2% straight line
Short lease premises	-	Spread over the term of the lease
Motor vehicles	-	25% - 100% straight line
Fixtures, fittings and equipment	-	10%-25% straight line

No depreciation is charged on freehold land. Depreciation has been charged in relation to buildings from the date that each service became operational. These buildings are reviewed on an on-going basis to ensure their value is not subject to any impairment.

(o) **Investments**

Listed investments are stated in the balance sheet at mid-market value at the balance sheet date. Unlisted investments are stated at historic cost or, if gifted, at nominal value. Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities.

Unrealised gains and losses relating to movements in market value of investments are recognised in the Statement of Financial Activities.

(p) **Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

(q) **Liquid Resources**

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

(r) **Financial instruments**

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charities financial assets and financial liabilities qualify as basis financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets: Trade and other debtors
Trade, group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities: Trade and other creditors
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

(s) **Critical accounting estimates and areas of judgement**

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

Critical areas of judgement

Legacy recognition - legacies are recognised on a case by case basis after considering whether probate has been granted, and when the executor of the estate has communicated in writing both the amount and settlement date.

2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Donations	1,142,336	267,853	1,410,189	1,701,759
Legacies	1,950,256	-	1,950,256	1,798,558
Retail grants	81,337	-	81,337	283,909
Total	**3,173,929**	**267,853**	**3,441,782**	**3,784,226**
2021 Total	**3,401,363**	**382,863**	**3,784,226**	

St Oswald's Hospice Limited has an established team of volunteers who offer their time to each department across both the Trading Company and the Charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is in the region of 800 volunteers working side by side with paid staff to support them to fulfil their duties. Volunteers are a valued resource to the organisation and we recognise their commitment and value.

3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Special events	640,419	-	640,419	523,110
Sale of donated goods	2,779,221	-	2,779,221	919,939
Catering sales	17,692	-	17,692	15,163
Trading subsidiary income (Note 4)	1,308,105	-	1,308,105	1,286,511
Total incoming resources from other trading activities	**4,745,437**	**-**	**4,745,437**	**2,744,723**

Income from the sale of donated goods has recovered in comparison to the previous year, as shops re-opened in April 2021, having been closed for much of the prior year due to Covid-19 restrictions.

The income from Other Trading activities in both years all relates to unrestricted funds.

4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

The Hospice controls the whole of the issued ordinary share capital of St Oswald's Hospice Promotions Limited, a company registered in England. The taxable profits of the subsidiary are transferred to the Hospice each year by Gift Aid.

The results of the subsidiary are summarised below:

	Total 2022	Total 2021
	£	£
Turnover	1,308,105	1,286,511
Cost of sales	(218,563)	(208,325)
Gross profit	1,089,542	1,078,186
Administrative expenses	(214,779)	(210,486)
Operating profit	874,763	867,700
Interest receivable	-	-
Profit on ordinary activities	**874,763**	**867,700**

The net assets of the subsidiary at 31 March 2022 amounted to £189,654 (2021: £232,426).

5. INVESTMENTS

	Total 2022	Total 2021
	£	£
Dividends received	45,050	55,308
Interest received - charity	-	35
	45,050	**55,343**

Dividends receivable arise from the fixed asset investment portfolio.

The income from investments in 2022 and 2021 all related to unrestricted funds.

6. CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Public Authority contributions:				
Adult inpatient services	1,930,966	298,361	2,229,327	3,280,224
Adult day care services	1,584,117	-	1,584,117	1,613,541
Children & Young Adults' services	1,413,226	284,553	1,697,779	1,138,825
Medical outreach	71,655		71,655	71,722
Educational activities	16,837	-	16,837	548
Other professional income	47,599	-	47,599	25,125
Total	**5,064,400**	**582,914**	**5,647,314**	**6,129,985**
2021 Total	**4,304,638**	**1,825,347**	**6,129,985**	

Within the restricted income for 2022 is a one-off grant of £298,361 (2021: 1,550,709) from NHS England, which was administered by Hospice UK, to allow the hospice to make available bed capacity and community support to provide support to people with complex needs in the context of the COVID-19 situation.

Also included in restricted income is a grant of £284,553 (2021: £274,638) received from the Department of Health for Children and Young Adults' services.

7. Raising funds: Other trading activity

	Direct Activity	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Costs relating to donations & legacies	365,784	-	365,784	294,859
Event costs	574,553	-	574,553	597,099
Sale of donated goods	2,747,133	-	2,747,133	2,456,403
Catering and other sales	109,390	-	109,390	141,062
Costs of trading subsidiary (Note 4)	433,342	-	433,342	418,811
Investment management fees	17,104	-	17,104	8,839
Total	**4,247,306**	**-**	**4,247,306**	**3,917,073**
2021 Total	**3,917,073**	**-**	**3,917,073**	

8. COSTS OF CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Adult inpatient services	2,617,151	627,178	3,244,329	3,298,388
Adult day care services	2,197,595	127,455	2,325,050	2,171,270
Children & Young Adults' services	2,160,419	221,857	2,382,276	2,295,336
Bereavement Centre	180,940	38,286	219,226	256,209
Medical outreach	73,376	-	73,376	110,380
Strategic projects	103,501	57,479	160,980	190,936
Education activities	167,375	4,613	171,988	200,693
Governance costs	259,503	-	259,503	283,561
Total costs of charitable activities	**7,759,860**	**1,076,868**	**8,836,728**	**8,806,773**
2021 Total	**6,441,928**	**2,364,845**	**8,806,773**	

9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES

Net incoming resources before recognised gains and losses are stated after charging:

	Group 2022	Hospice 2022	Group 2021	Hospice 2021
	£	£	£	£
Depreciation	381,037	381,037	491,596	491,596
Audit fees	20,000	17,000	20,000	17,250
Other auditors' remuneration	1,125	-	775	-
Internal audit fees	8,000	8,000	-	-
Operating lease charges (land & buildings)	447,611	447,611	455,340	452,884
Pension costs	598,878	591,841	574,393	566,897
Loss on disposal fixed assets	-	-	2,104	2,104

10. ANALYSIS OF SUPPORT COSTS

The expenditure shown in the Statement of Financial Activities includes the direct costs of each activity and a proportion of support costs incurred, as required by the Statement of Recommended Practice - Accounting and Reporting by Charities, effective 1 January 2019. The basis of allocation is explained in Note 1, Accounting Policies and a separate analysis of the costs that have been allocated is set out below:

	Human Resources	Information Systems	Finance	Corporate Services	Total Allocation
	£	£	£	£	£
Donations & Legacies	9,966	20,507	18,004	28,896	77,373
Commercial trading activities:					
Event costs	5,396	11,104	9,748	15,645	41,893
Sale of donated goods	47,247	97,220	85,352	136,988	366,807
Catering sales	4,895	10,073	8,844	14,194	38,006
	67,504	138,904	121,948	195,723	524,079
Charitable activities					
Adult inpatient services	31,021	63,833	56,040	89,944	240,838
Adult day services	18,897	38,884	34,137	54,790	146,708
Children's services	33,460	68,851	60,446	97,015	259,772
Medical outreach	4,653	9,574	8,405	13,490	36,122
Educational activities	1,975	4,064	3,568	5,726	15,333
Bereavement Centre	3,375	6,944	6,096	9,784	26,199
Strategic projects	1,499	3,084	2,708	4,346	11,637
Governance	4,752	9,778	8,584	13,777	36,891
	99,632	205,012	179,984	288,872	773,500
Total allocated support costs	**167,136**	**343,916**	**301,932**	**484,595**	**1,297,579**

11. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Activity Costs	Support Costs (Note 10)	Depreciat -ion	Total 2022	Total 2021
	£	£	£	£	£
Voluntary	284,281	77,373	4,130	365,784	294,859
Cost of activities for generating funds:					
Event costs	530,424	41,893	2,236	574,553	597,099
Sale of donated goods	2,346,190	366,807	34,136	2,747,133	2,456,403
Catering and other sales	54,410	38,006	16,974	109,390	141,062
Costs of trading subsidiary (Note 4)	433,342	-	-	433,342	418,811
	3,364,366	446,706	53,346	3,864,418	3,613,375
Investment management fees	17,104	-	-	17,104	8,839
Total cost of activities for generating funds	**3,381,470**	**446,706**	**53,346**	**3,881,522**	**3,622,214**
Charitable activities:					
Provision of hospice services:					
Adult inpatient services	2,898,435	240,838	105,056	3,244,329	3,298,388
Adult day services	2,093,905	146,708	84,437	2,325,050	2,171,270
Children and Young Adults' services	2,024,844	259,772	97,660	2,382,276	2,295,336
Bereavement Centre	182,704	36,122	400	219,226	256,209
Medical outreach	57,973	15,333	70	73,376	110,380
Strategic projects	134,501	26,199	280	160,980	190,936
Educational activities	159,931	11,637	420	171,988	200,693
	7,552,293	736,609	288,323	8,577,225	8,523,212
Governance costs	222,321	36,891	291	259,503	283,561
Total	**11,440,365**	**1,297,579**	**346,090**	**13,084,034**	**12,723,846**

Governance costs comprise mainly the proportion of the costs of the Hospice Management Team and associated members of staff which relate to governance activities.

12. TRUSTEES

The trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2021: £Nil).

The amount of expenses reimbursed to Trustees during the year was £Nil (2021: £Nil).

13. STAFF COSTS - GROUP

	2022	2021
	£	£
Wages and salaries	7,885,612	7,667,519
Social security costs	674,397	648,325
Pension costs	598,878	574,393
Redundancy costs	15,740	32,343
Staff costs	**9,174,627**	**8,922,580**

There were seven employees during the year (2021: six) whose emoluments amounted to over £60,000. Of these employees, four (2021: three) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	2022	2021
	Number	Number
£60,001 - £70,000	3	3
£70,001 - £80,000	-	-
£80,001 - £90,000	3	2
£90,001 - £100,000	-	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£120,001 - £130,000	-	-

Pension contributions made in respect of those staff classified as higher paid employees were £52,146 (2021: £36,215) in aggregate. Of these staff three were accruing benefits under a defined contribution scheme (2021: three) and three were accruing benefits under a defined benefit scheme (2021: two), one employee did not receive employer pension contributions (2021: one).

Staff breakdown:	2022 Number	2022 Whole time equivalent Number	2021 Number	2021 Whole time equivalent Number
Direct charitable services	194	154	198	157
Support services	31	24	30	23
Management and administration	7	6	7	7
Fundraising and publicity	27	25	32	25
Trading activities (including subsidiary)	76	63	70	63
	335	272	337	275

13. STAFF COSTS – GROUP (continued)

Average staff numbers have been stated as full time working equivalents, based on a full time working week of 37.5 hours.

The company makes contributions to approved pension schemes for staff based on their earnings.

Key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £487,374 (2021: £480,756).

The key management personnel of the charity comprise the Trustees and Hospice Management Team listed on page 5 of this report

The key management personnel of St Oswald's Hospice Promotions Limited are:
Ms S Edusei
Mrs HA Eadington
Mrs A Ball
Mrs K MacLaren

14. TAXATION

As a registered charity, the company is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s252 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes only. It is therefore not normally liable to UK Corporation Tax.

Taxation of £Nil (2021: £Nil) has been accounted for in the results of the subsidiary.

15. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2021	11,164,527	728,053	119,520	2,958,396	14,970,496
Disposals	-	(4,926)	-	(43,096)	(48,022)
Additions	-	-	-	129,881	129,881
Prior year reclassifications	-	-	-	(8,500)	(8,500)
31 March 2022	**11,164,527**	**723,127**	**119,520**	**3,036,681**	**15,043,855**
Depreciation					
1 April 2021	**3,069,240**	**660,337**	**104,988**	**2,313,998**	**6,148,563**
Disposals	-	(4,926)	-	(43,096)	(48,022)
Charge for the year	179,542	23,018	9,688	168,789	381,037
Prior year reclassifications	-	-	-	(8,500)	(8,500)
31 March 2022	**3,248,782**	**678,429**	**114,676**	**2,431,191**	**6,473,078**
Net book value:					
31 March 2022	**7,915,745**	**44,698**	**4,844**	**605,490**	**8,570,777**
31 March 2021	8,095,287	67,716	14,532	644,398	8,821,933

The freehold land and buildings, short lease premises, motor vehicles and fixtures, fittings and equipment are all used for charitable purposes.

Hospice	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2021	11,164,527	728,053	119,520	2,941,396	14,953,496
Disposals	-	(4,926)	-	(43,096)	(48,022)
Additions	-	-	-	129,881	129,881
Prior year reclassifications	-	-	-	-	-
31 March 2022	**11,164,527**	**723,127**	**119,520**	**3,028,181**	**15,035,355**
Depreciation					
1 April 2021	3,069,240	660,337	104,988	2,296,998	6,131,563
Disposals	-	(4,926)	-	(43,096)	(48,022)
Charge for the year	179,542	23,018	9,688	168,789	381,037
Prior year reclassifications	-	-	-	-	-
31 March 2022	**3,248,782**	**678,429**	**114,676**	**2,422,691**	**6,464,578**
Net book value:					
31 March 2022	**7,915,745**	**44,698**	**4,844**	**605,490**	**8,570,777**
31 March 2021	8,095,287	67,716	14,532	644,398	8,821,933

15. TANGIBLE FIXED ASSETS (continued)

The fixed asset register has been reviewed in the year and assets no longer in use have been reflected as disposals.

16. INVESTMENTS HELD AS FIXED ASSETS

	Group			Hospice		
	Listed	Unlisted	Total	Listed	Unlisted	Total
	£	£	£	£	£	£
Listed investments						
Value at 1 April 2021	1,177,433	-	1,177,433	1,177,433	2	1,177,435
Additions	218,938	-	218,938	218,938	-	218,938
Disposals	(317,169)	-	(317,169)	(317,169)	-	(317,169)
Net investment gain	48,602	-	48,602	48,602	-	48,602
Value at 31 March 2022	**1,127,804**	**-**	**1,127,804**	**1,127,804**	**2**	**1,127,806**
At 1 April 2021	**48,079**	-	**48,079**	**48,079**	-	**48,079**
Movements in cash	90,914	-	90,914	90,914	-	90,914
At 31 March 2022	**138,993**	**-**	**138,993**	**138,993**	**-**	**138,993**
31 March 2022	**1,266,797**		**1,266,797**	**1,266,797**	2	**1,266,799**
31 March 2021	1,225,512	-	1,225,512	1,225,512	2	1,225,514

All of the investments are unrestricted.

Distribution of listed investments (Market Value)	Group	
	2022	**2021**
	%	**%**
UK fixed interest	26.8%	27.3%
UK equities	47.8%	50.2%
Overseas equities	14.4%	18.6%
Alternative investments	0.0%	0.0%
Cash	11.0%	3.9%
	100.0	100.0

	Group	
	2022	**2021**
	£	**£**
Historical cost of listed investments at 31 March	1,195,543	1,166,015

The shareholding in the subsidiary trading company has been valued at the nominal value of the shares, to be consistent in the valuation of private company shares. The results of the trading subsidiary are set out in Note 4.

17. DEBTORS

	Group		Hospice	
	2022	**2021**	**2022**	**2021**
	£	**£**	**£**	**£**
Amounts owed by subsidiary undertaking	-	-	21,055	-
Trade debtors	579,770	330,279	575,970	322,984
Prepayments	380,242	318,418	379,587	315,048
VAT Debtor	57,461	77,074	58,859	86,228
Accrued income	2,141,981	2,938,690	2,141,981	2,938,690
Other Debtor	2,000	2,900	2,000	2,900
	3,161,454	**3,667,361**	**3,179,452**	**3,665,850**

Accrued income includes legacy income notified but not received at year end of £1,475,505 (2021: £2,576,168). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

18. CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2022	**2021**	**2022**	**2021**
	£	**£**	**£**	**£**
Trade creditors	303,631	487,268	297,561	484,092
Amounts owed to subsidiary undertaking	-	-	-	25,298
Taxation and social security costs	166,404	215,649	166,404	215,649
Deferred income	163,858	155,028	139,136	121,556
Other creditors	112,342	123,324	112,342	123,324
Accruals	207,205	261,051	200,037	244,561
	953,440	**1,242,320**	**915,480**	**1,214,480**

Group deferred income in 2022 includes £Nil relating to grant income received but not recognised as income in the year (2021: £10,000). The balance also includes £127,146 paid by participants to enter the overseas trek challenge event which had to be postponed as a result of Covid-19 (2021: £109,556). The remaining balance is within the trading subsidiary is payments made in advance by players of the lottery.

18. CREDITORS: Amounts falling due within one year (continued)

The movement in deferred income is as follows:

	Group		Hospice	
	2022	**2021**	**2022**	**2021**
	£	**£**	**£**	**£**
At 1st April	155,028	161,115	121,556	122,983
Payments received	904,616	2,233,117	879,894	2,199,643
Income recognised	(895,786)	(2,239,204)	(862,314)	(2,201,070)
At 31st March	**163,858**	**155,028**	**139,136**	**121,556**

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2022.

20. CONTINGENT LIABILITIES

In the year end 31 March 2021, the Hospice received £500 from a local solicitor's firm which was the distribution of dormant client funds totalling £500, and was recorded as voluntary income. Similarly in the year ended 31 March 2014, the Hospice received £26,972 of dormant client funds, also from another local solicitor's firm. Trustees consider it unlikely that either of the sums noted will be repayable but the Hospice has indemnified the solicitors' firms for the amounts recorded, and consequently notes a contingent liability for the same total amount.

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

At March 2022	**General Funds**	**Restricted Funds**	**Total**
	£	**£**	**£**
Tangible fixed assets	3,459,278	5,111,499	8,570,777
Fixed asset investments	1,266,797	-	1,266,797
Current assets	7,468,790	-	7,468,790
Current liabilities	(953,440)	-	(953,440)
Total net assets	**11,241,425**	**5,111,499**	**16,352,924**

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets or designated funds. Using this definition, the free reserves of the Charity at 31 March 2022 were £7,592,494 (2021: £6,393,642).

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (continued)

At March 2021	General Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	3,484,333	5,337,600	8,821,933
Fixed asset investments	1,225,512	-	1,225,512
Current assets	6,642,875	-	6,642,875
Current liabilities	(1,242,320)	-	(1,242,320)
Total net assets	**10,110,400**	**5,337,600**	**15,448,000**

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2022

	1 April 2021	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2022
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**9,815,105**	11,736,465	(11,531,108)	-	917,535	48,602	**10,986,599**
Non-charitable trading reserve	**232,425**	1,308,105	(433,342)	-	(917,535)	**-**	**189,653**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**62,870**	45,019	(42,716)	-	-	**-**	**65,173**
Total unrestricted funds	**10,110,400**	**13,089,589**	**(12,007,166)**	**-**	**-**	**48,602**	**11,241,425**
Restricted funds:							
Albert Hunt Trust	10,000	-	(10,000)	-	-	-	-
Assura - Cheshire Community Foundation	-	5,000	(5,000)	-	-	-	-
Angela Taylor	1,000	-	(1,000)	-	-	-	-
Barbour Foundation	1.123	-	(420)	-	-	-	703
Barbour Foundation 1	4,598	-	(1,128)	-	-	-	3,470
BBC Children in Need 1	2,089	9,000	(8,500)	-	-	-	2,589
BBC Children in Need 2	19,161	33,827	(41,733)	-	-	-	11,255
BGL Group	2,261	-	(2,261)	-	-	-	-
Bobby Dazzler Trust	-	900	(360)	-	-	-	540
Bridget Catherine Johnson Settlement Fund	3,750	-	(500)	-	-	-	3,250
Children's service building fund	2,043,976	-	(79,975)	-	-	-	1,964,001
Coleman fund	211,037	-	(4,613)	-	-	-	206,424
D'Oyly Carte Charitable Trust	-	3,000	(3,000)	-	-	-	-

Daisy Marr	1491	-	(165)	-	-	-	1,326
Day hospice building fund	430,291	-	(16,450)	-	-	-	413,841
Day services building fund	1,486,986	-	(38,097)	-	-	-	1,448,889
EP Robson	711	-	(110)	-	-	-	601
Family Room Upgrade Fund:	168,528	-	(3,451)	-	-	-	165,077
Guyll Leng Trust 1	2,779	-	-	-	-	-	2,779
Guyll Leng Trust 2	3,000	-	(3,000)	-	-	-	-
Guyll Leng Trust 3	2,204	-	(2,076)	-	-	-	128
Hadrian Trust	1,200	-	(465)	-	-	-	735
Hospice Building fund	646,543	-	(28,642)	-	-	-	617,901
Hospice UK 1	-	12,149	(12,149)	-	-	-	-
Hospice UK 2	-	18,800	(18,800)	-	-	-	-
Information centre	67,836	-	(5,078)	-	-	-	62,758
JGW Patterson Foundation	-	15,000	(15,000)	-	-	-	-
Karbon Homes	687	-	(155)	-	-	-	532
Karbon Homes 1	-	3,690	(158)	-	-	-	3,532
Kavli Trust	30,000	-	(2,253)	-	-	-	27,747
Macmillan	11,530	-	(11,530)	-	-	-	-
Main Kitchen upgrade	89,628	-	(12,958)	-	-	-	76,670
Mark Benevolent Fund	-	4,095	(485)	-	-	-	3,610
Mel Weir Charitable Trust	2,110	-	(234)	-	-	-	1,876
Mel Weir Charitable Trust 1	-	2,500	(2,452)	-	-	-	48
National Emergencies Trust - Community Foundation 2	1,983	-	(200)	-	-	-	1,783
National Emergencies Trust (via Community Foundation) 4	5,000	-	(5,000)	-	-	-	-
National Lottery Community Fund 1	12,319	26,529	(17,443)	-	-	-	21,405
Neighbourly Foundations	-	5,000	-	-	-	-	5,000
NEPAC 1	1,725	-	(150)	-	-	-	1,575
NEPAC 3	958	-	(101)	-	-	-	857

Newcastle Building Society (via Community Foundation)	1,745	-	(192)	-	-	-	1,553
NHS England via Hospice UK	-	298,361	(298,361)	-	-	-	-
NHS England and NHS Improvement	-	284,553	(284,553)	-	-	-	-
OSM Province	447	-	(128)	-	-	-	319
Prime Fund via Community Foundation	5,000	-	(498)	-	-	-	4,502
Proctor and Gamble 1	1,396	-	(171)	-	-	-	1,225
Rathbones	-	1,000	(1,000)	-	-	-	-
St James's Place Charitable Foundation	-	32,363	(32,363)	-	-	-	-
Screwfix	800	-	(800)	-	-	-	-
Seahouse and District Cancer Research and Relief fund	3,958	-	(500)	-	-	-	3,458
The Sir James Knott Trust	-	10,000	(5,876)	-	-	-	4,124
The Sir Jules Thorn Trust	9,008	-	(992)	-	-	-	8,016
The Shears Foundation	-	50,000	(50,000)	-	-	-	-
The Co-op Foundation #iwill fund	10,000	-	(10,000)	-	-	-	-
WA Handley Trust 1	1,534	-	(170)	-	-	-	1,364
WA Handley Trust 2	2,812	-	(434)	-	-	-	2,378
WA Handley Trust 3	2,338	-	(242)	-	-	-	2,096
Warburtons Community Fund	250	-	-	-	-	-	250
The William Leech Charity	26,250	35,000	(35,000)	-	-	-	26,250
Nurse call system (children) fund	35	-	(35)	-	-	-	-
Nurse Call System (outpatients) fund	5,523	-	(461)	-	-	-	5,062
Total restricted funds	**5,337,600**	**850,767**	**(1,076,868)**	-	-	-	**5,111,499**
Total funds	**15,448,000**	**13,940,356**	**(13,084,034)**	**-**	**-**	**48,602**	**16,352,924**

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2021

	1 April 2020	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2021
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**8,806,390**	9,919,474	(9,904,277)	17,500	810,406	165,612	**9,815,105**
Non-charitable trading reserve	**175,131**	1,286,511	(418,811)	-	(810,406)	**-**	**232,425**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**67,789**	30,994	(35,913)	-	-	**-**	**62,870**
Total unrestricted funds	**9,049,310**	**11,236,979**	**(10,359,001)**	**17,500**	**-**	**165,612**	**10,110,400**
Restricted funds:							
Adult inpatients' unit refurbishment fund	5,338	**-**	(5,338)	-	-	-	-
Albert Hunt Trust	-	10,000	-	-	-	-	10,000
Angela Taylor	1,000	-	-	-	-	-	1,000
Barbour Foundation	1,544	-	(421)	-	-	-	1,123
Barbour Foundation 1	5,500	-	(902)	-	-	-	4,598
BBC Children in Need 1	500	9,000	(7,411)	-	-	-	2,089
BBC Children in Need 2	-	37,123	(17,962)	-	-	-	19,161
BBC Children in Need 3	-	3,000	(3,000)	-	-	-	-
BGL Group	-	6,924	(4,663)	-	-	-	2,261
Bridget Catherine Johnson Settlement Fund	8,000	-	(4,250)	-	-	-	3,750
Children's service building fund	2,123,951	**-**	(79,975)	-	-	-	2,043,976
Coleman fund	215,650	**-**	(4,613)	-	-	-	211,037
Daisy Marr	1,656	-	(165)	-	-	-	1491

Day hospice building fund	446,741	-	(16,450)	-	-	-	430,291
Day services building fund	1,525,083	-	(38,097)	-	-	-	1,486,986
Dementia UK	1,220	-	(1,220)	-	-	-	-
EP Robson	821	-	(110)	-	-	-	711
Family Room Upgrade Fund:	171,979	-	(3,451)	-	-	-	168,528
Grace and Amber Charlton	-	5,000	(5,000)	-	-	-	-
Guyll Leng Trust 1	2,779	-	-	-	-	-	2,779
Guyll Leng Trust 2	3,000	-	-	-	-	-	3,000
Guyll Leng Trust 3	-	2,500	(296)	-	-	-	2,204
Hadrian Trust	-	1,200	-	-	-	-	1,200
Hospice Building fund	675,185	-	(28,642)	-	-	-	646,543
Information centre	72,914	-	(5,078)	-	-	-	67,836
Karbon Homes	-	1,000	(313)	-	-	-	687
Kavli Trust	-	30,000	-	-	-	-	30,000
Macmillan	26,184	-	(14,654)	-	-	-	11,530
Main Kitchen upgrade	102,586	-	(12,958)	-	-	-	89,628
Mel Weir Charitable Trust	2,344	-	(234)	-	-	-	2,110
Mini Bus Fund	17,500	-	-	(17,500)	-	-	-
National Emergencies Trust - Community Foundation 1	-	3,600	(3,600)	-	-	-	-
National Emergencies Trust - Community Foundation 2	-	1,600	(1,600)	-	-	-	-
National Emergencies Trust - Community Foundation 3	-	2,000	(17)	-	-	-	1,983
National Emergencies Trust (via Community Foundation) 4	-	10,000	(5,000)	-	-	-	5,000
National Lottery Community Fund 1	12,155	27,566	(27,402)	-	-	-	12,319
National Lottery Community Fund 2	-	21,476	(21,476)	-	-	-	-
National Lottery Community Fund 3	-	41,475	(41,475)	-	-	-	-
NEPAC 1	1,059	-	(101)	-	-	-	958
NEPAC 3	1,875	-	(150)	-	-	-	1,725
Newcastle Building Society (via Community Foundation)	1,937	-	(192)	-	-	-	1,745

NHS England and NHS Improvement	-	274,638	(274,638)	-	-	-	-
NHS England via Hospice UK	-	1,550,709	(1,550,709)	-	-	-	-
OSM Province	-	1,000	(553)	-	-	-	447
Prime Fund via Community Foundation	-	5,000	-	-	-	-	5,000
Proctor and Gamble 1	1,567	-	(171)	-	-	-	1,396
Proctor and Gamble 2	-	25,000	(25,000)	-	-	-	-
Rank Foundation	-	25,000	(25,000)	-	-	-	-
Rods and Cods	277	-	(277)	-	-	-	-
Rose Joicey Fund (via Community Foundation)	650	-	(650)	-	-	-	-
Rothley Trust	-	1,250	(1,250)	-	-	-	-
Screwfix	-	800	-	-	-	-	800
Seahouse and District Cancer Research and Relief fund	4,458	-	(500)	-	-	-	3,958
The Sir Jules Thorn Trust	-	9,999	(991)	-	-	-	9,008
The Shears Foundation	-	50,000	(50,000)	-	-	-	-
The Social Enterprise Investment Fund	43,646	-	(43,646)	-	-	-	-
Tesco Bags of Help	-	500	(500)	-	-	-	-
The Co-op Foundation #iwill fund	-	10,000	-	-	-	-	10,000
Together for Short lives	11,611	-	(11,611)	-	-	-	-
WA Handley Trust 1	1,704	-	(170)	-	-	-	1,534
WA Handley Trust 2	3,246	-	(434)	-	-	-	2,812
WA Handley Trust 3	2,580	-	(242)	-	-	-	2,338
WA Handley Trust 4	-	2,600	(2,600)	-	-	-	-
Warburtons Community Fund	-	250	-	-	-	-	250
The William Leech Charity	-	35,000	(8,750)	-	-	-	26,250
Winter Family via Community Foundation	-	3,000	(3,000)	-	-	-	-
Young adults' service restricted fund 1	3,533	-	(3,533)	-	-	-	-
Young adults' service restricted fund 2	2,904	-	(2,904)	-	-	-	-
Nurse call system (children) fund	1,458	-	(1,423)	-	-	-	35

Nurse Call System (outpatients) fund	5,600	-	(77)	-	-	-	5,523
Total restricted funds	**5,511,735**	**2,208,210**	**(2,364,845)**	**(17,500)**	**-**	-	**5,337,600**
Total funds	**14,561,045**	**13,445,189**	**(12,723,846)**	**-**	**-**	**165,612**	**15,448,000**

22. STATEMENT OF FUNDS – GROUP (continued)

General Funds

Included with the general accumulation funds are the non-charitable trading reserves. These represent the retained profit of the trading subsidiary, St Oswald's Promotions Limited. The gross income and expenditure of the subsidiary have been shown and the transfer represents the amount of profit passed to the parent company by Gift Aid.

Designated funds

The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated.

Restricted Funds

Adult Inpatient Unit Refurbishment Fund
This refurbishment was carried out using funds from a grant from the Department of Health.

Albert Hunt Trust
This donation was used towards the cost of a dietician to work within the Adult Inpatient Unit.

Angela Taylor
This donation was used to purchase equipment for the Children & Young Adults Unit.

Assura – Cheshire Community Foundation
This donation was used towards the funding of a music therapist on the Adult Inpatient Unit.

Barbour Foundation
This donation was used to purchase a nurse call system in our Day Services Unit.

Barbour Foundation 1
This donation was made towards the cost of Rise & Recliner Chairs for our Day Services Unit.

BBC Children in Need 1
The grant is funding towards a music therapist in the Children and Young Adult's service.

BBC Children in Need 2
The grant was donated to fund a Family and Bereavement Practitioner (Children's Lead), along with supervision and equipment for children's bereavement programme.

22. STATEMENT OF FUNDS – GROUP (continued)

BBC Children in Need 3
This grant funded the purchase of laptops and a wifi upgrade in the Children and Young Adult's Service.

BGL Group
This donation was used to fund IT equipment and activities and play equipment for our Children's Service.

Bobby Dazzler Trust
This donation was used to lease a virtual reality headset for use by both our inpatients and Focus on Living participants.

Bridget Catherine Johnson Settlement Fund
This donation was used towards the funding of a music therapist on the Adult Inpatient Unit.

Children's Services Building Fund
This reserve was established from voluntary donations during the Jigsaw Appeal to cover the costs of developing and providing a service to children with life threatening illness and their family members. Expenditure during the year relates to depreciation on the assets used by the children's service.

Coleman Fund
This was established through donations specifically designated for upgrading and construction work to the Hospice, including the establishment of an education centre.

D'Oyly Carte Charitable Trust
This donation was used towards the funding of a music therapist on the Adult Inpatient Unit.

Daisy Marr
This donation was used to purchase two 'pea pod' chairs for our Children's Unit.

Day Hospice Building Fund
This was established to construct and equip a new Day Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Day Services Building Fund
This fund was established to cover the cost of the constriction of the Day Services Building and includes a grant of £498,455 from the Department of Health under their Dignity in Care for Older People Capital Gains Programme for Hospices; donations from the family of a patient including gift aid; and the utilisation of £675,632 of free reserves.

Dementia UK
This donation was used to fund an admiral nurse post.

22. STATEMENT OF FUNDS – GROUP (continued)

EP Robson
This donation was used to purchase a sofa for Children's garden room.

Family Room Upgrade Fund
This project fund was set up to upgrade our family room in the adult inpatient unit.

Grace and Amber Charlton
This donation was used to fund a service to provide emotional support to our nurses and care staff.

Guyll Leng Charitable Trust 1
This donation was used towards the cost of a music therapist in the Children and Young Adult's Unit.

Guyll Leng Charitable Trust 2
This money was donated to purchase televisions and brackets for use by our young adults.

Guyll Leng Charitable Trust 3
This donation was made for the purchase of equipment and entertainment packages for the Children and Young Adults.

Hadrian Trust
This donation was made for the purchase of Syringe Drivers for the Adult Inpatient Unit.

Hospice Building Fund
This fund comprises moneys raised for the original building of the Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Hospice UK 1
This grant funded the development of a palliative care advice line.

Hospice UK 2
This grant funded further work on a single point of contact for palliative care advice.

Information Centre
This was established to construct and equip an information centre within the grounds of the main Hospice. The project was funded by a grant of £193,356 from the Community Fund, all of which was used to fund capital works. The reserve represents the original grant less accumulated depreciation.

JGW Patterson Foundation
This donation was used towards the funding of salaries for the Children's Research Project.

Karbon Homes
This donation was used to fund equipment for our Focus on Living Service.

22. STATEMENT OF FUNDS – GROUP (continued)

Karbon Homes 1
This donation was used to fund a 'silver rings' project for patients.

Kavli Trust
This donation was used to purchase outdoor play equipment for the Children's Service.

Macmillan
A project across the regions 10 independent hospices seeking to explore collaborative/joint ways of working to enable greater care provision for the regions patients and families.

Main Kitchen Upgrade Fund / Revenue Fund
The donations to this fund were used towards the cost of improving of our catering facilities (capital) and patient nutrition services (revenue).

Mark Benevolent Fund
This donation was made for the purchase of kitchen equipment.

Mel Weir Charitable Trust
This donation was used towards the purchase of a new washing machine for our Adult Inpatient Unit.

Mel Weir Charitable Trust 1
This donation was used towards the cost of a dietician to work within the Adult Inpatient Unit.

Mini Bus Fund
The donors of this money kindly agreed in 2021/21 to it being used to support the running costs of the hospice during the Covid-19 pandemic.

National Emergencies Trust (via Community Foundation) 1
This donation was used to purchase a virtual reality headset for the Adult Inpatient Unit.

National Emergencies Trust (via Community Foundation) 2
This donation was used to provide lockers for personal protective equipment (PPE) storage for the Adult Inpatient Unit.

National Emergencies Trust (via Community Foundation) 3
This donation was used to provide lockers for personal protective equipment (PPE) storage for the Children and Young Adult's Service.

National Emergencies Trust (via Community Foundation) 4
This donation was used towards the funding of staff for Bereavement Services.

National Lottery Community Fund 1
This money was donated to fund a patient and family befriending project.

22. STATEMENT OF FUNDS – GROUP (continued)

National Lottery Community Fund 2
This donation was used towards the funding of the salaries of the Bereavement Support Team.

National Lottery Community Fund 3
This donation was used towards the funding of a project to provide training and support to local companies on the subject of bereavement.

Neighbourly Foundations
This donation will support the refurbishment of the hospice cloisters area.

NEPAC 1
This donation was given towards the cost of a specialist bath chair for the Adult Inpatient Unit.

NEPAC 3
This donation was given towards the cost of clinical equipment for our Day Hospice unit.

Newcastle Building Society (via Community Foundation)
This donation was used for the purchase of clinical equipment.

JGW Patterson Foundation 1
This donation supported an expanded kitchen project including one year's salary of a dietician.

JGW Patterson Foundation 2
This funding was given towards the cost of funding a Palliative Care project.

NHS England and NHS Improvement
Funding received specifically to meet the needs of the Children's Service.

NHS England via Hospice UK
NHS England awarded funding to allow the hospice to make available bed capacity and community support from April 2021 to July 2022 and again from December 2021 to March 2022 and to provide support to people with complex needs in the context of the Covid-19 situation.

OSM Province
This donation was used for the purchase of IT equipment.

Prime Fund (via Community Foundation)
This money was donated for the purchase of IT equipment for our Focus on Living Service.

Proctor and Gamble 1
This donation was used towards furnishing the new accessible changing facility in the Day Hospice Unit.

22. STATEMENT OF FUNDS – GROUP (continued)

Proctor and Gamble 2
This donation was used towards the cost of nursing salaries for additional night shift staff.

Rank Foundation
This donation was used towards the cost of nursing salaries in the Adult Inpatient Unit.

Rathbones
This donation was used to fund a theatre trip and Christmas gifts and activities for our Children and Young Adults.

Rods and Cods
This money was donated towards the cost of fishing trips for children and young adults.

Rose Joicey Fund (via Community Foundation)
This donation was used towards patient outings and activities.

Rothley Trust
This donation was used to improve IT equipment for clinical staff.

St James's Place Charitable Foundation
This donation was used to fund clinical salaries for a "breathe easy" ventilation project.

The Sir James Knott Trust
This donation was used towards the funding of an Infection Control Nurse post

Screwfix
This donation was used to install a bicycle shelter for the hospice.

Seahouses and District Cancer Research and Relief Fund
This donation was used to purchase three syringe drivers and drugs storage facilities for our Inpatient Unit.

Sir Jules Thorn Trust
This donation was used to purchases two 'hi/lo' beds for the Adult Inpatient Unit.

The Shears Foundation
This donation was used to help fund three Senior Nurses in our Children's & Young Adults Service.

The Social Enterprise Investment Fund
A grant received towards the cost of refurbishment of the Day Hospice.

Tesco Bags of Help
This donation was used to purchase arts and crafts materials for Focus on Living Service.

22. STATEMENT OF FUNDS – GROUP (continued)

The Co-op Foundation #iwill Fund
This money was used towards the funding of the salaries of bereavement staff.

Together for Short Lives
This donation was used to pay for a young adults transition project.

WA Handley Trust 1
This donation was used to purchase an Oska mattress.

WA Handley Trust 2
This donation was used to purchase a powered bath chair.

WA Handley Trust 3
This donation was used to purchase an infusion pump.

WA Handley Trust 4
This donation was used towards the funding of salaries in the Focus on Living Service.

Warburtons Community Fund
This donation was used to purchase arts materials in the Focus on Living Service.

The William Leech Charity
This donation is helping us to develop our volunteer services.

Young Adults Restricted Fund 1
This fund was set up to refurbish the Young Adult unit fixtures and fittings.

Young Adults Restricted Fund 2
This fund was for new equipment for the Young Adult Unit.

Nurse Call System in Children's Fund
This donation was used to purchase a new nurse call system in the Children's Unit.

Nurse Call System in Outpatients Fund
These monies were donated towards the cost of a new nurse call system.

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. LEASING COMMITMENTS

Operating leases

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2022 relate to short leasehold land and buildings as set out below:

	2022 £	2021 £
Operating leases that expire:		
Within one year	351,247	372,588
Within two to five years	774,977	1,898,124
Over five years	93,299	186,573
	1,219,523	2,457,285

The operating leases represent leases of premises. The leases are of varying terms.

24. CAPITAL COMMITMENTS

There were no capital commitments outstanding at the end of the year (2021: £nil).

25. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions totalling £31,946 (2021: £39,741) were payable to the fund at the balance sheet date.

The charity also makes contribution to the NHS Pension Scheme on behalf of existing members who remain in the scheme upon commencement of employment with the hospice. Contributions totalling £58,074 (20201: £63,370) were payable to the scheme at the balance sheet date.

26. RELATED PARTY DISCLOSURES

In the year to 31st March 2022, the charity made sales to its trading subsidiary, St Oswald's Hospice Promotions (SOHP) totalling £280,734 (2021: £266,915) and purchases totalling £134,493 (2021: £122,553). At 31 March 2022 a balance of £25,298 was due to SOHP (2021: £21,055 due from SOHP).

There are no other related party transactions to disclose.

St Oswald's Hospice

0191 285 0063 | enquiries@stoswaldsuk.org
www.stoswaldsuk.org
St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne NE3 1EE. Reg Charity No. 503386

Issue date: November 2022

ST OSWALD'S HOSPICE LIMITED

England & Wales - Charity number 503386

Accounts

St Oswald's Hospice



Trustees' Annual Report and Financial Statements

for the year ended 31 March 2021

Quality time for everyone

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021
CONTENTS

	Page
Welcome to our Annual Report	2
Reference and Administrative Details	2
Message from our Chair	3
Board of Trustees and Management at 31 March 2021	5
Our Professional Advisors at 31 March 2021	6
Structure, Governance and Management	7
Related Parties and co-operation with other Organisations	9
Objectives and Aims	11
Policies to Achieve our Objectives	11
Strategic Report	14
- Managing Risk	14
- Achievement and Performance	17
- Ensuring quality - Monitoring and Compliance	22
- Strategic Objectives	25
- Financial Performance	26
- Regulatory Statements	31
Trustees' Responsibilities Statement	34
Financial Statements for the Year Ended 31 March 2021	36
Independent Auditor's Report	37
Consolidated Statement of Financial Activities	42
Balance Sheet (Group and Hospice)	43
Consolidated Cash Flow Statement	44
Notes to the Financial Statements	46

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2021.

Here you will find out all about our work, who we care for and how we operate. We have also detailed our mission and our objectives and highlighted both our achievements this year and our strategic plans going forward.

This report also includes a full set of audited financial statements for the year ended 31 March 2021. The financial statements comply with the Charities Act 2011, the Companies Act 2006, Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective September 2015).

Reference and Administrative Details

St Oswald's Hospice is a company limited by guarantee, number 01166239 (not having a share capital). The company is a Registered Charity, number 503386 and its Articles of Association govern its functions.

St Oswald's Hospice's Articles of Association were last amended on 29th November 2016.

Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding £1.00.

Our Registered Office

We are registered at St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE. You can contact us by telephone on: 0191 285 0063, by email at: enquiries@stoswaldsuk.org or by fax on: 0191 284 8004

If you would like to find out more about our work, please go to our website: www.stoswaldsuk.org or follow us on Facebook, Twitter and YouTube.

Board of Trustees and Directors

The Board of Trustees who served during the year are set out on page 5, where you will also find details of the Hospice Management Team. Our professional advisors are detailed on page 6.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

Message from our Chair

St Oswald's Hospice is a North East based charitable hospice. Our fundamental aim is to make a difference to local people's lives by providing outstanding and specialist palliative and end of life care for babies, children, young people and adults from across our North East region who have incurable conditions.

At the time of writing this message, we're now over a year in to the pandemic and the Hospice continues to adapt to a new way of working. Although we never could have anticipated the challenges faced by Covid-19, I feel so proud to be Chair of a charity whose staff and volunteers continue to put the needs of local people and their families first. We have ensured our services have been open throughout and quickly and innovatively adapted so that we continue to provide the most appropriate, safe and compassionate services.

All of our services have experienced huge changes, and we've even established some new services during Covid-19. Three major service developments this year have included: a pilot ambulatory care service for patients coming to us for planned procedures during the day; a new bereavement support training programme for employers, further supporting people in our communities impacted by loss and grief; and new volunteer initiatives within our care services that continue to help staff to manage demand for our services and improve patient experience, making sure we provide the best possible care. You can read more about these developments later in this year's annual report.

Over the last few months, we've also been planning for the future and developed organisational objectives. The objectives have been designed to make sure that we do three things - *Survive* the current situation, *Strive* to improve so that we can *Thrive* in a post-COVID world. In the coming year, we'll be embedding these objectives in to the orgnaisation.

The restrictions that the pandemic has put on our retail and fundraising activities have had an impact on our income and have affected our ability to continue with the level of subsidy we provide for the NHS and other statutory services we provide. In the last year this has been mitigated by government funding, however our teams have been creative and flexible in trying to address this for the future, as we anticipate that the impact will continue into 2021/22 and beyond and are planning accordingly.

Collaboration with our partners across health, social care and the voluntary and community sector has never been more important. The work that we have done over the years to build strong and trusting relationships was highlighted during the pandemic. We have benefited from excellent Infection Control advice and support from Newcastle Hospitals NHS Foundation Trust, and from access to PPE through the NHS. We were also able to play our part by ensuring that our essential respite care for children and young adults remained available throughout. We are continuing to build on these relationships to ensure that we can drive the improvement of palliative and end of life care across the region. We are also developing stronger links beyond the North East to support the improvement of specialist care.

Message from our Chair (continued)

Finally, in these uncertain times, it still remains our vision to make sure everyone in our region gets expert, dignified and compassionate care when they need it. Thank you for your continued support to help us make this a reality.



Marie Liston
Chair

Board of Trustees and Management at 31 March 2021:

Vice-Presidents

Lady Craft
Professor Sir Michael D Rawlins
Mr J Docherty
Mrs D Van der Velde
Mr M P Robson
Dr K Mannix

Board of Trustees

Mrs M Liston (Chair)
Mrs C English (Vice Chair)
Mr B Hedley (Treasurer)

Mrs D Clasper	Dr H Lucraft	
Mr D Hicks	Mrs T Phillips	Dr S Blades
Mr N Hobdey	Mr S James	Mr G Boulton
Miss R Gair	Miss L Lloyd	Mrs I Holland

Changes in the year:

Resignations

Mrs J Harrison resigned as a Trustee on 25 November 2020.
Dr N Morris resigned as a Trustee on 4 January 2021.

Appointments

Mr G Boulton appointed as a Trustee on 20 July 2020
Miss R Gair appointed as a Trustee on 20 July 2020
Miss L Lloyd appointed as a Trustee on 20 July 2020
Dr S Blades appointed as a Trustee on 4 January 2021
Mrs I Holland appointed as a Trustee on 3 February 2021

The Hospice Management Team who, alongside the Board of Trustees, are also the Organisation's key Management Personnel

Mr J R Ellam	Chief Executive (retired 30 June 2020)
Ms S Edusei	Chief Executive (appointed 1 May 2020)
Mrs K Maclaren	Finance Director (maternity leave 4 October 2019 – 15 June 2020)
Mrs R Parker	Interim Finance Director (maternity cover)
Mrs H A Eadington	Director of Corporate Services and Company Secretary
Mrs A Egdell	Director of Care Services
Ms D I Heron	Director of People
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development

Our Professional Advisors at 31 March 2021

Statutory Auditor:
RSM UK Audit LLP
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Internal Auditor:
MHA Tait Walker
Regent Centre
Newcastle upon Tyne
NE3 3LS

Solicitors:
Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Gordon Brown Law Firm LLP
Hadrian House
Higham Place
Newcastle upon Tyne
NE1 8AF

Cook Taylor Woodhouse
First Floor North Wing, Moongate House,
Fifth Avenue Business Park, Team Valley Trading Estate,
Gateshead,
NE11 0HF

Bankers:
Barclays Bank PLC
5 St Anne's Street, Quayside
Newcastle upon Tyne
NE1 2BH

Investment Managers:
UBS Wealth Management (UK) Ltd
2 St James' Gate
Newcastle upon Tyne
NE4 7JH

Health & Safety Advisors:
Green Dragon Solutions Ltd
8 Bamburgh Drive
Wallsend
NE28 6JX

Pension Advisors:
MHA Tait Walker
Regent Centre
Newcastle upon Tyne
NE3 3LS

Insurance Advisors:
PIB Insurance Brokers
Poppleton Road
Low Poppleton Lane
York
North Yorkshire
YO26 6GZ

Structure, Governance and Management

Our Board of Trustees

St Oswald's Hospice is governed by its Board of Trustees. Trustees are appointed for a four year term of office, by election at Trustee meetings. Trustees may be reappointed for a further term of four years if they put themselves forward for re-election and such reappointment is approved by the other Trustees, but at the end of that period they must step down. As an exception however, at the absolute discretion of Board of Trustees, the Chairman, Vice Chairman and Treasurer may be re-appointed for a maximum of a further five years. Trustees are not paid for the duties they undertake.

A minimum of two places are allocated for the appointment to Trustee posts from St Oswald's volunteer workforce. There are currently two Trustees who regularly volunteer at the Hospice. The Nomination and Remuneration Committee identify other Trustee posts and expertise required within the Board of Trustees.

Recruitment to Trusteeship is achieved by identifying and approaching potential members, advertising vacancies on our website and social media platforms and occasionally we advertise in appropriate media and professional associations. We look to create a Trustee board that offers St Oswald's diversity of skills and expertise and a balance of viewpoints.

All new Trustees follow an induction programme, which has a general component and a section tailored to their individual needs. Trustees are invited to provide feedback on this process, so we can continually look to improve the induction programme.

As part of their involvement in the work of St Oswald's, Trustees visit departments periodically during the year. Staff and volunteers can talk in confidence to Trustees, who then report their overall findings back to the Hospice Management Team (HMT) and recommend changes to be made, as they deem appropriate. Visits are valued by staff, volunteers and Trustees alike, providing insight into the day-to-day operations of St Oswald's and acting as an important communication tool for the organisation. Trustee visit reports are forwarded back to HMT for a management response to any issues raised and copies are made available to each team, members of the Clinical Governance and Quality Committee and all Trustees. Trustees visit our retail shops on a biennial basis, with HMT members undertaking an informal visit in the intervening year. Due to Covid19 all Trustee visits were suspended in March 2020. Departmental visits re-commenced in January 2021 and retail visits will recommence in September 2021.

Board of Trustee and Director Meetings

Our Board of Trustees and Directors meet on alternate months in each year and review achievements and progress made against strategic objectives. In October each year, a closed session is held to review its own performance in accordance with good practice. From this work Trustees are able to further define their training needs, as highlighted above.

The Board of Trustees and Directors (also referred to as 'the Board' within this report) have three Committees that aid the conduct of their responsibilities. These are:

- Audit and Finance Committee;
- Nomination and Remuneration Committee; and
- Clinical Governance and Quality Committee.

Most Trustees and Directors serve on one or more of the Committees as noted below:

Committee Membership at 31 March 2021

Audit and Finance	**Nomination and Remuneration**	**Clinical Governance and Quality**
Trustees:	**Trustees:**	**Trustees:**
Mr B Hedley (Chairman)	Mrs M Liston (Chair)	Mrs C English (Chair)
Mr S James	Mrs C English	Mrs D Clasper
Dr H Lucraft	Mr B Hedley	Dr S Blades
Mrs T Phillips	Mr N Hobdey	Mr S James
Miss L Lloyd	Mrs T Phillips	

Attending Directors:	**Attending Directors:**	**Attending Directors:**
Ms S Edusei	Ms S Edusei	Mrs H A Eadington
Mrs H A Eadington	Mrs H A Eadington	Mrs A Egdell
Mrs K Maclaren	Miss D I Heron	Miss D I Heron

Average Trustee attendance at Audit and Finance, Nomination and Remuneration and Clinical Governance and Quality Committee meetings during the year stood at 93%, 100% and 100% respectively.

Average Trustee attendance at the bi-monthly Board meetings stands at 89%.

St Oswald's Hospice Promotions Limited

St Oswald's Hospice Promotions Limited is a wholly-owned, non-charitable subsidiary of St Oswald's Hospice Limited and is a company registered in England number 03146260.

The primary activities of the subsidiary are: to run a lottery and to co-ordinate other promotional or trading activities to generate funds for the charity. Taxable profits generated by the subsidiary are passed on to the parent company by Gift Aid.

The Board is currently made up of three Trustees from the holding company (one of whom is the Chair), the Chief Executive and Director of Corporate Services of the holding company and one independent Director. Our Director of Income and Marketing, Finance Director, Head of Retail, Head of Fundraising and Director of Strategy and Development also attend the meetings.

Hospice Management Team and Delegation of Powers

The management of St Oswald's is delegated to the Hospice Management Team (HMT), comprising the Chief Executive and six other Management Team members, each with responsibility for specific aspects of the work the Hospice undertakes (as outlined on page 5). The Chief Executive, with the support of the Management Team, reports to the Board, which approves major decisions and has overall responsibility for the Hospice's activities and direction.

The Board reviews and approves its Reservation of Powers, Delegation of Powers, Scheme of Delegation, Standing Orders and Standing Financial Instructions on a biennial basis to ensure high quality governance, the safeguarding of its assets and the good name of the charity.

Changes in our Management Team

There were two changes in our Management Team this year; Ms D I Heron had a title change from Director of Human Resources to Director of People. Mrs K Maclaren was on maternity leave and Mrs R Parker was interim Finance Director during this time. At the beginning of the financial year, Ms S Edusei joined the Management Team as Chief Executive and Mr J Ellam retired from this post.

Related parties and co-operation with other organisations

We are contracted to provide care and support to local adults by one Care Trust, three Clinical Commissioning Groups (CCGs). We also have a Service Level Agreement with Northumberland, Tyne & Wear NHS Foundation Trust in respect of medical revalidation.

With regards to our Children and Young Adults Service, we are contracted to provide specialist short breaks and end of life care (when required) by all six local CCGs. Joint health and social care contracts, with Local Authorities, are in place for under 18's provision.

We train and educate undergraduates and postgraduate students in a range of health care professions from Newcastle University, Northumbria University and Teesside University.

One of our strategic objectives in our Vision 2025, our 10 year plan, recognises the need to work more closely with other organisations to help develop palliative care and end of life services. Further details are included on this later in the report.

We are members of the umbrella organisations Together for Short Lives and Hospice UK, who provide a national voice for children and adult hospices respectively.

We are also a member of the Hospice Lotteries Association and the Lotteries Council.

Objectives and Aims

The principal activity of the Hospice is to provide specialist palliative and end of life care to adults, children and young people from the North East of England.

Our Vision Statement, based upon our principal activity, is:

> **Together**, we will make the most of time and improve quality of life for everyone in the North East living with an incurable condition, and their families.
>
> **Together**, with the vital support of our staff, volunteers, donors and supporters, we will continue to develop and grow our services so that everyone in our region gets expert, dignified and compassionate care when they need it.

The Trustees have followed Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 and believe that the above objectives and vision, and the activities described throughout this report are undertaken to further the charity's purposes for the benefit of the public.

Policies to Achieve Our Objectives

Recruitment, Retention and Development of Staff & Volunteers

We are committed to providing a quality service at St Oswald's. We aim to ensure we have a workforce in place that enables us to achieve our strategic objectives. We have systems and procedures in place to ensure we recruit the right people, with the right skills, knowledge and attitude into the right roles, train them fully and manage them effectively.

Our People related policies and procedures comply with legislative and regulatory requirements and reflect best practice and govern all our activities, ensuring all our staff and volunteers work within safe and effective systems.

St Oswald's Criminal Records Policy requires all applicants for paid and voluntary, permanent or temporary posts to disclose, as a minimum, any unspent criminal convictions as part of their application. In addition, the Safeguarding Vulnerable Groups Act 2006 requires that certain roles (paid or voluntary) with access to children or vulnerable adults should be subject to a criminal records check, via The Disclosure and Barring Service (DBS), before employment or unpaid work or placement commences.

Our 'values' and linked 'standards of behaviour' are well embedded across St Oswald's. Our values are our core beliefs, and they provide a guide to staff and volunteers explaining who we are, how we work, what we believe in and stand for.

One of the main themes for our People Strategy continues to be wellbeing, with work ongoing towards achieving the Better Health at Work Award, using as our focus feedback on our survey of staff and building on the "Five Ways of Wellbeing".

The Engagement group continues to focus its work and actions in response to the outcomes of the bi-annual staff surveys. This year's surveys asked staff for their experiences during the pandemic, and what we can learn from them.

Each year we deliver a planned learning, development and education programme necessary to our staff and volunteers to ensure they undertake their roles safely, in a well managed environment and that equips them to continue to deliver high quality services as they grow and develop. In the coming year we will be focusing our attention on how to delivery a more blended approach to training delivery including increasing our sue of digital technology.

The Equality, Diversity and Inclusion (EDI) group are developing plans to offer training to all our staff anad volunteers in equality, diversity and inclusion.

Staff Remuneration

Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. The Nomination and Remuneration Committee sets the salaries of the Hospice Management Team and Medical Consultants.

Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

Pay Policy for Senior Staff

The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the Hospice on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 25 of the accounts.

Trustees are required to disclose all relevant conflicts of interest in line with St Oswald's Conflict of Interest policy including registering them with the Company Secretary and, in accordance with the policy, withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Nomination and Remuneration Committee and any recommended uplift is approved by the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities of similar size and turnover and seek to compare like with like posts.

Equality of Opportunity

St Oswald's fully supports the principle of equality and diversity as reflected in the development of the new EDI group mentioned above. It is committed

to ensuring that all current and potential staff and volunteers are treated with dignity, fairness and respect, regardless of their sex, marital status, age, sexual orientation, race, ethnic or national background, religion, beliefs or disability.

We promote an environment in which individual staff can utilise their skills and talents to the full, and that the best people are recruited for our jobs from as wide and diverse a pool of talent as possible.

Staff Involvement
The views of staff and volunteers are sought via line managers, feedback bank, special briefings, ad-hoc focus groups, surveys and departmental visits from HMT and Trustees. This includes information of particular interest to staff (including financial and economic factors) and for views on important matters of policy.

Disability in Employment
We employ people living with disabilities when they are suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration. We are now a Disability Confident employer.

Volunteers
Volunteers offer their skills, experience, expertise and time to every department in the Hospice and Promotions Company and form an important part of St Oswald's workforce.

This year has been uniquely challenging for volunteering at the Hospice but it has also highlighted some amazing volunteering achievements. Excluding several weeks during the initial peak of the pandemic, volunteers have supported us throughout the year. During this period, we have developed some innovative new patient facing roles, which have been a vital source of support for patients and reduced pressure for staff.

Within our Lymphoedema Service, the team introduced an extremely successful new volunteer role, 'Lymphoedema Community Volunteers', to support increased domiciliary visits in the community. Responding to patient needs on our Adult Inpatient Unit, we've introduced 'Patient Support Volunteers'. These volunteers provide compassionate companionship to patients and practical support to nursing staff.

A new Check In and Chat Volunteer Service provided a listening ear and friendly voice over the phone to retail volunteers – many of whom were experiencing a range of challenges due to lockdown when our shops were closed or the more vulnerable were isolating. Volunteers have also played a key role in getting shops back up and running whenever restrictions allowed, generating vital income.

We are a volunteering organisation and without the support and commitment of our volunteers we could not provide vital hospice services to local people and families.

STRATEGIC REPORT - Managing Risk

Keeping patients, families, staff and visitors safe is a fundamental principle at St Oswald's and as such, risk management is firmly embedded in the culture and structure of the organisation.

Trustees and HMT review and update the Risk Register at Board meetings, as well as analyse our Balanced Scorecard reporting tool on a quarterly basis. Our Balanced Scorecard includes key performance indicators for areas of activity. If there are areas of concern or risks are identified, they are discussed at Board meetings and action is taken to address or control them. The Balanced Score Card is reviewed on an annual basis by the Board of Trustees and Directors.

We have a Risk Management Group (RMG) which ensures policies, procedures, systems, controls and awareness programmes are in place to minimise risks. The group reports into HMT and meets quarterly. Across the Hospice we have a culture of monitoring adverse events, complaints and feedback as a way to monitor risk.

Impact of Covid-19 Epidemic Risk

Throughout the financial year the UK has been subject to restrictions to stem the spread of Covid-19. The pandemic has proved to be fast moving and is likely to continue to have severe implications for our service delivery, income generation, health and safety and overall governance for the foreseeable future. However, clinical services are being managed closely via a daily Clinical Planning Group meeting chaired by Director of Care Services. Changes have been made to how we operate services to ensure they are delivered in a Covid-safe way, and the organisation continues to respond to the dynamic national guidance. This also includes implementing new ways of working, such as remote working for non-clinical staff, and changes to how we operate Retail and Income Generation Activities.

Environment and Fire Risks

Green Dragon Solutions Ltd continue to provide St Oswald's with safety, health environment and fire risk management advice and an additional layer of scrutiny to our operations. Green Dragon continue to provide advice on implementing a wide ranging action plan and offer ad-hoc advice and support, where necessary.

Clinical Risks

We also have a Clinical Quality Team. Team members are experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained across the Hospice based on best available evidence. The team monitor and review clinical activity, service user feedback, engagement and involvement, clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme.

STRATEGIC REPORT - Managing Risk (continued)

There are a number of dedicated sub-groups which feed into the Clinical Quality Team, namely: Data Quality and Records Management, Business Change/Business Technologies, SystmOne and Clinical Records, Ethics, Infection Prevention and Control, Water Hygiene, Emergency Preparedness, Resilience and Response (EPRR), Clinical Audit, Nutrition and Hydration, Medicines Management, Manual Handling, Falls Prevention and Management, Clinical Education, Medical Gases, Palliative Care Advice Line, OACC, Enablement Group, Equality, Diversity and Inclusion, Sexuality, Safeguarding, Bereavement, and most recently our new Clinical Research Department. The Clinical Quality Team report into the Trustees' Clinical Governance and Quality Committee meetings.

Each month we produce a Clinical Quality Report to provide the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Clinical Quality Improvement work within St Oswald's. This report also gives a summary of all the dedicated sub-groups and outlines the plans going forward.

External Bodies
Our external auditor, RSM UK Audit LLP, bring with them the benefits of a firm large enough to have considerable expertise in the not-for-profit, public and private sectors.

At the end of the financial year, Tait Walker was appointed as intenal auditor, with a planned programme of work starting in early 2021/22. The programme of works covers all aspects of financial control, alongside review non-financial controls and procedures.

Financial Risk Factors
Risks are reviewed annually by the Trustees and the most significant financial risk facing St Oswald's are as follows:

Income Risk
Income Risk is the reliance on potentially volatile income streams such as lottery income, voluntary donations, retail and fundraising income and legacies. In the rapidly changing econcomic environment due to the covid-19 epidemic, there is much uncertainty surrounding the charity's ability to generate income. The risk is mitigated as far as possible by redesigning fundraising activities to be covid-safe, operating shops in line with government guidance and remaining responsive to changes in the local environment.

Financial pressures within the NHS may result in some of the Hospice's services becoming economically unviable. Strenuous efforts are made to communicate regularly with Clinical Commissioning Groups and to instigate negotiations wherever necessary.

Fraud and Financial Crime Risk
Any business carrying out activities that involve handling large amounts of cash faces the risk of loss of income through fraud or theft. An Internal Financial Control policy has been established to outline operating procedures to minimise these

STRATEGIC REPORT - Managing Risk (continued)

risks. For members of staff handling cash remotely, facilities are also in place to ensure that they are able to bank money quickly and locally rather than hold on to cash for long periods of time. Staff are made fully aware of their responsibilities in respect of handling cash and these procedures during induction, and are reminded of their responsibilities on an annual basis. Should any incident of theft or financial crime be suspected, the procedure detailed in the Fraud policy is followed and the appropriate authorities notified in a timely manner.

Investment Risk
The Hospice is exposed to fluctuations in the stock market which affect the value of its investment portfolio. The portfolio is monitored by the Audit and Finance Committee at each of their meetings throughout the year. The portfolio is designed both to generate a stream of dividend income and as a long term investment. Trustees recognise that its value is subject to fluctuations in the stock markets. The risk profile of the portfolio, is under constant review by the Audit and Finance Committee, which is advised by the Hospice's investment managers, UBS. The value of the investments was adversely impacted by Covid-19 at the end of the last financial year; however the value has steadily recovered in year to 31 March 2021.

Liquidity Risk
Trustees monitor the Hospice's liquidity by means of KPI reporting through the management accounts alongside cash flow forecasts. To date the Hospice's inflow of cash income has been been sufficient to service cash expenditure. Should problems arise in the future Trustees have access to the hospice's investment portfolio to remedy a situation if needed, without compromising the Hospice's operations.

STRATEGIC REPORT – Achievements and Performance

Our fundamental aim is to make a difference to the lives of local people by providing excellence in specialist palliative and end of life care. Detailed below, we explain how we have supported local families over the last year and demonstrate the impact of our work.

Adult Services

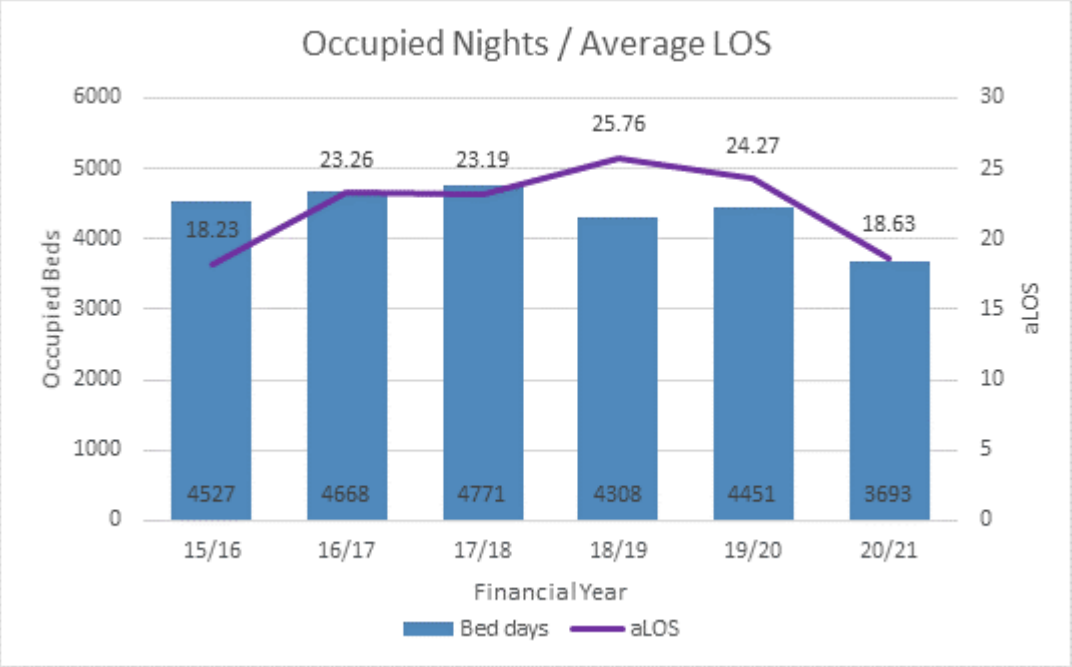
Our Adult Service offers an inpatient service; a lymphoedema service; 'focus on living centre' comprising of therapeutic activities in both group and one-to-one sessions; an ambulatory care service; complementary therapy; 'positive steps' programme for prospective patients and their carers; carer and bereavement support. Patients are usually referred to us from Newcastle, Gateshead, North Tyneside and Northumberland, with occasional specialist referrals from further afield.

Adult Inpatient Unit

Our inpatient service has fifteen beds and one emergency bed. Our multidisciplinary team works together to: ensure patients with specialist palliative care needs can maximise their quality of living by providing pain and symptom control, psychosocial, emotional and spiritual support; facilitate a safe and timely patient discharge to home or transfer to a continuing care service, as well as provide a supportive environment at the end of life.

Last year…

- 199 adult inpatient admissions, 67 patient discharges and 113 deaths.
- patients stayed with us for an average stay of 19 days.



STRATEGIC REPORT – Achievements and Performance (continued)

- 3693 bed days were occupied during the year.
- average bed occupancy was 67%.

This year we have continued to make improvements to our building and gardens on the unit. Recognising the importance of providing a space for families to enjoy quality time together, especially throughout covid-19, we have opened our 'family room', extension, which has been a wonderful space for families to spend time together outside of their bedrooms and we have held special events such as birthdays and other celebrations. In addition, the gardens, which are now a much more tranquil and peaceful spaces, have been particularly important throughout the pandemic when we have had to make changes to visiting.

Responding to patient needs, we've also developed a new volunteer role , Patient Support Volunteers, which has been vital during covid-19. These volunteers are trained by us to provide support to in patients by providing companionship, helping with feeding, and even sitting with patients close to end of life if family are not available. They are also a great help if patients are at risk of falls, helping us with patient safety.

What families said. . .

"St Oswald's Hospice became an invaluable lifeline to our family when my daughter became terminally ill at 50. As the mother of a 7 year old chlld, she had many social needs as well as dealing with her diagnosis. She was initially very apprehensive of hospice care on her first admission. However, due to the compassion and professional care she was given, the staff began to obtain her trust with patience and skill."

"I just wanted to say a huge thanks to every single person who we came into contact with. They were absolutely amazing and helped in one way or another. They catered for every need for my Dad with dietary requirements and just made us totally at home. We found the garden to be an amazing place to get outside to give us a break from the pressures. Totally amazing place."

Adult Day Services

There has been some huge changes to the way we deliver services our day services this year.

Within our Focus on Living Centre, we would usually have around 80 patients a week attending the centre, but as this face to face contact is now not possible due to Covid-19 we have adapted services to offer virtual support, and face-to-face contact where needed.

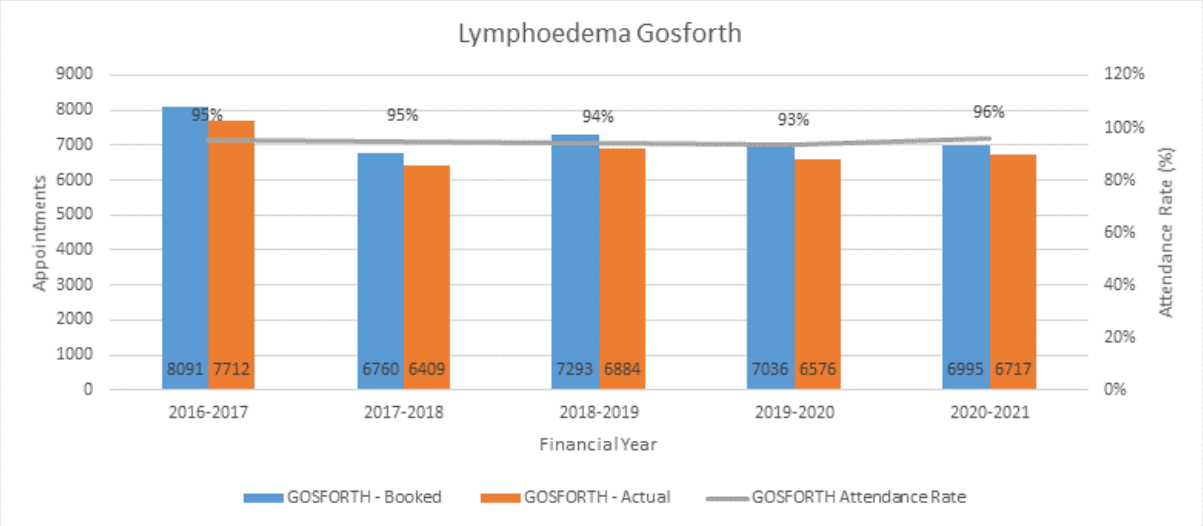
STRATEGIC REPORT – Achievements and Performance (continued)

This year we have also established a pilot ambulatory care service, working in partnership with Newcastle Hospitals NHS Foundation Trust. The service, which begun to see patients in April 2021, was setup for people with palliative care needs to attend for planned procedures, which initially includes transfusions/ blood product support and bisphosphonate/ iron infusions. This is an innovative new service with potential for long term sustainability.

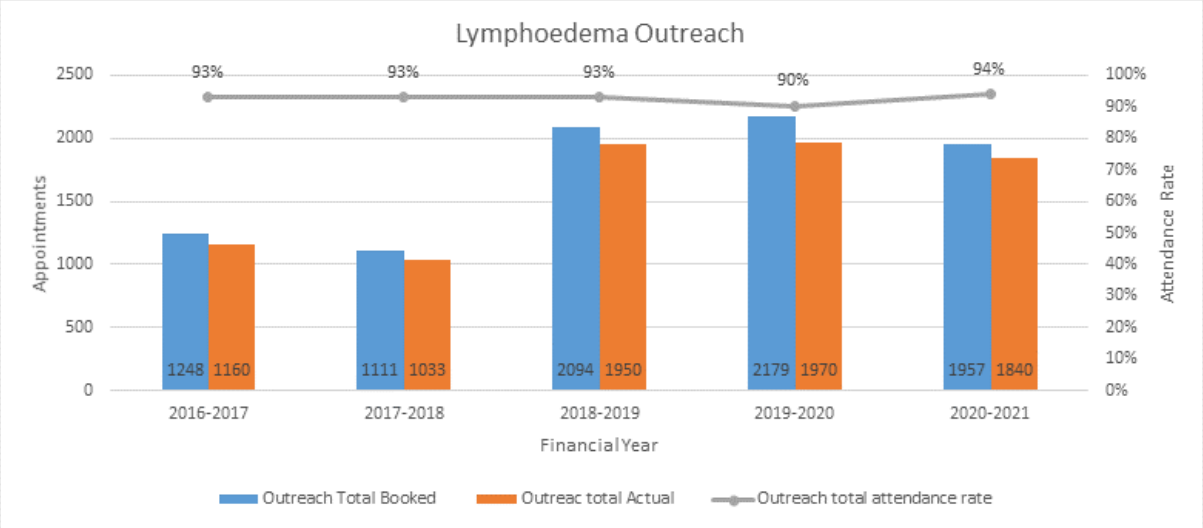
Our Lymphoedema Service has also adapted to meet the changing needs of patients, offering appointments at home, at the Hospice and via telephone consultations.

To support increased visits in the community, the service has introduced an extremely successful new volunteer role, 'Lymphoedema Community Volunteers'. The volunteers have accompanied and supported staff, which has provided an extra pair of hands to support removal of bandages and recording measurements and reduced pressure for staff.

- Within Focus on Living Centre, 1189 one-to-one contacts were recorded for 169 patients.
- 644 referrals to our Lymphoedema Service and a total of 8557 Lymphoedema attendances across all of our clinics. Clinic appointments include new patient assessments, review appointments, garment fittings and intensive treatments which can involve attending clinic daily over a number of weeks.
- We continued to operate outreach clinics to care and support people living with lymphoedema closer to home in Shiremoor, Blaydon and South Tyneside. This included 1,326 appointments in South Tyneside, 224 appointments in our Shiremoor Outreach Clinic and 290 appointments held in Blaydon.



STRATEGIC REPORT – Achievements and Performance (continued)



What our Day Services Patients and their families think. . .

"My daughter absolutely loves the whole lymphodema team at St Oswald's and they love her too. The Hospice is our extended family we would be lost without them. Me and her dad can't thank St Oswald's enough for what they do for our brave little girl."

"Despite an initial reluctance to go to St Oswald's, I loved it. The people are all really lovely; I always felt spoilt as the staff couldn't do enough for me ."

"It has been a great experience [attending St Oswald's Hospice]. The first real support I've had during my 3 years of fighting cancer."

Children and Young Adults Service

We provide specialist short breaks and end of life care to babies, children and young adults, aged from 0 to 25, with progressive, life-shortening conditions. Specialist, medically-supported care is provided, 24 hours a day, seven days a week.

- 58 children and their families benefited from our Children's Service.
- A further 9 young adults were cared for at St Oswald's.
- We had 516 admissions, 1,717 bed days were occupied with an 78% occupancy rate.
- The average length of stay is 3 nights per visit for children and young adults.

STRATEGIC REPORT – Achievements and Performance (continued)

We continue to work closely with Great North Children's Hospital, including the provision of on call support. We're working with them to increase access for children requiring end of life care where St Oswald's is the place of choice of the family.

We continue to develop our new outpatient service for young adults, and have extended the scope of the service to benefit more local young people. The service was initially set up to support young adults transitioning in to adulthood, however the initial plot has demonstrated that transition is just one of the unmet needs that these patients have, and so we have extended the service to support young people with complex needs. We will be restarting this outpatient service in May 2021.

What children, young adults and their families said . . .

"He really enjoyed his time at St Oswald's, the many friends he made and the many activities he experienced. We are all appreciative of how much this all added to the quality of his life. His time was limited by his condition but his life experience was massive."

"We can't thank St Oswald's children and = young adults team enough for their ongoing support during the current time. Shielding is incredibly hard for whole families managing complex health needs. Weekly phone calls with organised activities bring a little sunshine and fun, a chance to spend time with peers and familiar staff. We are all really missing the stays at St Oswald's."

"*My daughter has been coming to St Oswald's for about 7 years and I genuinely don't know how we'd have coped without it. Having a break from the role of being a constant carer for our child has been vital for our physical and mental health. Plus she absolutely loves her stays there and it has really helped her develop her social skills and independence. We are so very grateful for everything they do for us."*

Bereavement and Family Support

Due to the devastating impacts of Covid-19, our bereavement and family support services have seen an increase in demand this year. Hundreds of families were supported by our Bereavement Service, and the service adapted to continue to support clients face-to-face, online and over the phone.

We've also developed a *new grief, loss and bereavement* training programme for employers in response to the pandemic, supporting even more people in our communities. The training programme for businesses was developed in September 2020, and continues to grow and develop. All support and training is delivered online by our Bereavement Team, who are specialists in supporting people following the death of a loved one, friend or colleague. In the first six months, 146 people attended the training, with 86% of attendees said their expectations of training were either met or exceeded.

STRATEGIC REPORT - Monitoring and Compliance

Ensuring Quality Care: Monitoring and Compliance

We have a range of mechanisms in place to ensure we continue to provide an outstanding service to adults, children and young people.

We are monitored and regulated by the Care Quality Commission (CQC) and at last inspection (September 2015); we were awarded an overall rating of 'Good'. The CQC awarded us 'Outstanding' for care, and 'Good' for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made. The regime under which Hospices are inspected changed in 2018 and as a result we have been working on reviewing our performance against the new requirements.

Internally, patient experience is measured by questionnaires, face to face interviews, focus groups and submissions to our 'feedback bank'. Our feedback bank serves as a central store for all patient experience data, as well as comments, complaints, compliments and suggestions from stakeholders. This year we've recognised stakeholder engagement and involvement as a key priority for the orgnanisation. A draft Service User Engagement and Involvement Strategy has been written and we are working with colleagues across the Hospice to ensure we review and formalise this work.

Our Clinical Quality Team is tasked with reviewing all issues relating to patient experience and providing a quality service. They take forward any action that needs to be taken and update our Compliance Register accordingly. Regular updates are provided to Trustees via our Clinical Quality & Governance Committee.

St Oswald's Hospice income in 2020/21 was not conditional on achieving specific targets through the Commissioning for Quality and Innovation payment framework this year, to allow the hospice to focus on navigating the challenges presented by the pandemic. It is expected that payments relating to this framework will revert to being target-driven from April 2021.

STRATEGIC REPORT - Monitoring and Compliance (continued)

Ensuring Quality in Fundraising Practice: Monitoring and Compliance

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We encourage our fundraising service providers we engage with to also be signed up to the code. This report covers the requirements charities must follow as set out in the Charities Act 2016.

It has cost us £8.8 million (2020: £9.0 million) to provide our charitable hospice services this year. Approximately two thirds of this of this came from statutory funding in 2020/21 which is a substantial increase on the one half raised from similar sources in 2019/20, due to the one-off funding from NHS England via hospice UK in light of support provided by the charity to the NHS during the pandemic. We aim to raise the balance of funding required through fundraising.

Our fundraising effort involves encouraging donations and legacies, running events and operating a lottery. Our in-house fundraising team engages professional face-to-face or telephone fundraisers via an agency to help us promote individual giving. We aim to ensure those agencies we employ also observe the highest standards in terms of fundraising practice.

We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. Several of our in-house fundraising team are members of the Institute of Fundraising.

Our lottery and our raffles are regulated by the Gambling Commission, and we comply with the conditions set out in our licence.

We ensure that the correct safeguards are in place with our suppliers and those who fundraise on our behalf. We require them to confirm that they comply with the Code of Fundraising Practice.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received 1 complaint in the 2020-21 financial year.

We respond to all complaints within 10 days. We encourage teams to register near misses, adverse events and feedback as well as formal complaints in order to identify possible or underlying areas in which we could improve. Complaints are dealt with in-line with our fundraising complaints policy. Most serious complaints would be escalated to our Hospice Management Team (HMT) and trustees so they can consider lessons learnt. We report to the Fundraising Regulator on the totality of our complaints.

We have published our vulnerable persons policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We received, and therefore actioned, no requests from this service last year. In addition to our policy we have an agreed operating procedure to protect vulnerable people, which our fundraisers (both staff and third party) are familiarised with.

Ensuring Quality in Fundraising Practice: Monitoring and Compliance (Continued)

Under GDPR, our supporters have many legal rights over the way their personal data is used. We comply with The Code of Fundraising Practice which requires us to respect the public in how we process and protect their personal data. Processing data means doing something with it, including collecting, storing and using it.

Personal data is any information relating to a living individual who can be directly or indirectly identified from it. This could include keeping records, or using data for direct marketing. We ensure that we have an appropriate legal basis to use personal data, including when and how we contact supporters. For more information on how we use personal data in our fundraising, please see our Privacy Policy on the website. The Privacy Policy determines how supporters can ask us to stop processing their data for certain purposes. Our communications provide supporters with information on how to stop receiving them.

Ensuring Quality in Retail: Monitoring and Compliance

St Oswald's retail department works to a high quality to meet the standards required by the hospice policies. The department has several working relationships with other organisations which help to strengthen our quality standards.

We are a member of the Retail Charity Association, the primary membership organisation for charity shops in the UK. The association influences and monitors legislation and regulations that affect charity retailing, and promotes the benefits of charity retailing to communities.

Green Dragon Solutions Ltd visit and audit our shops and retail buildings on an annual basis. They offer advice and action plans to ensure we compliant and following all legal guidelines.

Our retail department runs a Gift Aid scheme which enables us as a registered charity to reclaim tax on a donation of goods made by a UK taxpayer, effectively increasing the amount of the donation made to us. We currently use E-productive to ensure we meet HMRC standards by providing training tools for all retail staff and volunteers and auditable processes and procedures.

Due to Covid-19, throughout the year our retail department have been monitoring, reviewing, implementing and auditing to ensure we are complying with government safety guidelines. All of our shops have sanitisation stations, customers are asked to wear a face covering, the till area is protected by safety screens, one way systems are in place where possible and shops are operating with restricted customer numbers to ensure social distancing. The service has also developed Covid-19 risk assessments for every area of the department. We will continue to adhere to all government and industry advice throughout 2021-22.

STRATEGIC REPORT – Strategic Objectives 2021/22

Our main purpose is to continue to deliver outstanding care to patients, children, young adults and their families during Covid-19 and beyond.

In addition, the following objectives have been designed to make sure that we do three things - Survive the current situation, Strive to improve so that we can Thrive in a post-COVID world. In the coming year, we'll be embedding these objectives in to the organisation so that every staff member knows how they are contributing to delivering our strategic objectives.

SURVIVE
Maintain safety and quality of care at all levels, including:

- Continue service delivery across all Hospice services.
- Maintain patient, carer, staff and volunteer safety regarding COVID 19 following national and local infection control guidance.

Maintain sufficient cash flow to keep us operational, including:

- Limit year end loss position to less than £470k for the 2021/22 financial year
- Implement a swift cost savings exercise.

STRIVE
Develop flexible, high quality and innovative services, including:

- Develop services that meet patient, carer, staff and volunteer needs post COVID
- within budgetary constraints.
- Develop volunteer roles to deliver flexible and innovative services.
- Improve systems and processes and use digital solutions to support all our work.
- Embed coaching approach to support values led organisation.

Deliver the agreed budget and income, including:

- Re-model the business plan to achieve the agreed deficit budget for 2021/22, within our reserves policy limits.

THRIVE
Deliver an outstanding quality of care, including:

- Achieve CQC Outstanding in Care and minimum good in other areas
- Continue to develop flexible and innovative services that meet patient, carer, staff and volunteer needs post COVID within budgetary constraints.

Be financially fit for the future, which will include:

- Achieve the agreed budget for 2022/23.
- Establish a development fund for investment in equipment, projects and people.

These objectives are owned by the relevant HMT member and will be continuously reviewed during the year to monitor successful progress.

STRATEGIC REPORT – FINANCIAL PERFORMANCE

Summary of Financial Performance

After a most unusal year both financially and opertationally, we are pleased to report a positive financial result for the year to 31 March 2021 of £886,955 surplus (2020: £815,474 surplus) as detailed in the Statement of Financial Activities on page 42.

In what could have been a precarious year for the charity's financial position, due to restrictions on Fundraising and Retail activities and the ever changing and uncertain environment, we were supported throughout by some very generous and beneficial one-off occurrences:

i. Our supporters – an emergency appeal was launched at the start of the year, and the friends of the Hospice answered the call, generating £362k unrestricted income with minimal associated costs.

ii. Fundraising – the team rose to the challenge of revising the programme of campaigns and events, to exceed the net Fundraising target for the year.

iii. Legacies – for the second year in a row legacy income is extremely high with one major legacy totalling £925k being recognised as income in the year. The overall total legacy income is £1,799k.

iv. Retail – being responsive to the ever-changing environment was a theme throughout 2020/21. The department accessed retail grants totalling £284k and rates relief worth £52k.

v. Job retention scheme grant income supported the furloughing of staff, with £731k being claimed in the year.

vi. NHS England grant income via Hospice UK of £1,551k, as consideration for providing clinical capacity during the pandemic.

We recognise that these funding streams are all non-recurring and linked to Covid-19 support, and therefore can't be relied upon in the coming years. A cautious five year plan to re-build the core financial model and guide the Hospice out of the pandemic has been developed, which ensures that the hospice finances remain sustainable and reserves are maintained within acceptable limits (details of our reserves policy is on page 31). This positive result for 2020/21 does, however, provide a firm footing on which to start this process.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Financial Performance in Detail

For the year ended 31 March 2021 the organisation recorded a net surplus, including grants but before accounting for movements in our investments, of £721,343 (2019/20: £955,918).

Total incoming resources for the year decreased by 8.5% (2019/20: increase of 16.0%) to £13,445,189. Total resources expended decreased by 7.4% (2019/20: increase of 4.8%) to £12,723,846.

During 2020/21 £2,208,210 (2019/20: £957,623) was gratefully received in grants and donations to cover specific projects. This is shown in the financial statements as "restricted income", and the appropriate expense is shown against it as "restricted expense". This differentiates it from the normal ongoing operations of the Hospice, which is named "general" income and expense. Unusually, in 2020/21, a large restricted grant of £1,550,709 was received from NHS England (via Hospice UK) which was funding towards the ongoing operations of the clinical services. The purpose of the funding was to allow the hospice to make available bed capacity and community support and to provide support to people with complex needs in the context of the Covid-19 situation. Therefore, a significant portion of expenditure which would ordinarily be funded from unrestricted funds was instead supported by the restricted fund.

Taking this into consideration, the financial effect of the ongoing operations of the Hospice funded by unrestricted income is shown in the table below:

	2020/21	**2019/20**	**Movement**
General income	11,236,979	13,733,438	(2,496,459)
General expenditure	(10,359,001)	(12,633,886)	2,274,885
Net (expenditure) /income before movement on investments	877,978	1,099,552	(221,574)

Incoming Resources

Income is categorised as Generated Income or Income from Charitable Acitivites, and for the first time in 2020/21 a separate category is included on the face of the Consolidated Statement of Financial Activities of Job Retention Scheme grant income; more detail about which is outlined below:

Incoming Resources from Generated Funds

Donations and income from regular givers totalled £1,701,759 (2019/20: £1,985,838) of which £382,863 was restricted (2019/20: £739,638). For a second year running, legacy income was extremely high in the year at £1,798,558 (2019/20: £2,224,091). In 2020/21 £283,909 in retail grants were recognised, as financial support to retail outlets forced to close as a result of the Covid-19 restrictions imposed at various tages throughout the year.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Income from other trading activities was understandably lower this year as a result of these restrictions and hence raised £2,744,723 (2019/20: £5,880,578).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year was able to gift aid £810,407 (2019/20: £889,649) to the parent charity. The subsidiary's main activity is the Hospice lottery and hosting the Elmer Art Trail in 2019.

Investment income, comprising interest and dividends received was £55,343 for the year (2019/20: £46,915).

Other income of £180 is from the sale of scrap metal.

Incoming Resources from Charitable Activities

As in previous years our charitable activities received partial funding from the NHS and local social services, totalling £6,129,985 in the year (2019/20: £4,553,639). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totals £1.73 million (2019/20:: £1.94 million). However in addition, the hospice welcomed the restricted grant of £1.55 million (2019/20: £nil) from NHS England via Hospice UK for available bed capacity and community support throughout the pandemic.

As in preivous years a grant was received from NHS England in the year of £274,638 (2019/20: £217,985), under Section 64 of the Health Services and Public Health Act 1968, to support the activities of our Children's Service, in addition to a payment per night for each child or young adult accommodated.

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedma income for 2020/21 was £1.61 million (2019/20: £1.49 million)

Job Retention Scheme Grant Income

During the 2020/21 financial year it was necessary for the hospice to furlough some members of staff, particularly within the Retail, Fundraising and Support Services teams, under the government's Job Retention Scheme. Grant income claimed from the scheme totalled £730,732 £2019/20: £nil).

Resources Expended

Resources Expended are classified as either Cost of Raising Funds, or Cost of Charitable Activities, of which a more detailed description is provided overleaf.

In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in January 2015, costs of support services are shown relating to our direct charitable services. The costs of Human Resources, Corporate Services, Information Systems and Finance departments have been allocated to

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

each of the direct service departments or income generation departments. The allocation is calculated according to the most appropriate measure of usage for each area of expenditure. Note 10: Analysis of Support Costs gives greater understanding of the costs incurred and their allocation.

Costs of Raising Funds

The cost of raising funds totalled £3,917,073 overall (2019/20: £4,713,622). Notably, the decrease in expenditure is due to the reduced expenditure on fundraising retail activities, which were curtailed in the year due to Covid-19 restrictions.

Costs of Charitable Activities

Expenditure on our charitable activities of £8,806,773 (2019/20: £9,021,521), including property costs, depreciation charges and support costs, represents 69.2% of total expenditure (2019/20: 65.7%). Staff costs remain by far the greatest type of expenditure incurred.

Balance Sheet

The Balance Sheet at 31 March 2021 shows funds of £15,448,000 (2020: £14,561,045) of which £10,047,445 is represented by fixed tangible and investment assets (2020: £10,254,578). Notes 15 and 16 to the financial statements set out expenditure and other movements relating to fixed assets and fixed asset investments.

Key Performance Indicators

	Unit of measure	Target	2020/21	2019/20
Value of free reserves	£000's	6,146	6,394	5,349
Expenditure variance from budget	%	<5%	(4%)	4%
Retail profit	pence in £	27	(22)	21
Fundraising expenditure ratio	pence in £	35	37	33
Staff turnover	%	<5.00%	9.55%	3.54%
Completed staff appraisal returns	%	100%	86%	99%
Adult inpatient occupancy	%	84%	67%	81%
Children and young adults occupancy	%	85%	78%	93%

A number of the KPIs reported above fall short of target, largely as a result of circumstances linked to the Covid-19 pandemic:

Retail profit (pence in £) is significantly adverse to target in 2020/21 as a result of the shop closures during lockdown throughout the year.

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Staff turnover was higher than target, and the reason is partly due to a number of redundancies made during the year and is also thought to be linked to employees' change in circumstances resulting from the pandemic.

Staff appraisal returns, whilst high, are lower than target for multiple reasons, mainly covid driven. These include a small number of staff on furlough who were therefor unable to complete the return, and less capacity to chase and monitor returns in some departments.

Occupancy within the Adults and Children and Young Adults was reduced as people remained at home particularly at the start of the pandemic.

STRATEGIC REPORT – Regulatory statements

We are required to make a number of statements to provide further understanding of how we manage our affairs and how we are governed.

Investment Policy and Performance

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile.

Once again this year no sales were made from the investment portfolio (2019/20: £nil sold). Dividend income is paid over to the Hospice as it is received. The portfolio declined in value at the start of the financial year uncertainty surrounding the global pandemic. The value has since steadily recovered by £166k during the course of the year, as detailed in Note 16 of the financial statements.

The average return on our cash deposits was 0.1% (2019/20 0.1%). The Bank of England base remained at 0.1% throughout the year.

Reserves Policy

Strategic financial plans are now updated on a rolling programme to create the new year's business plan and a projection for the following four years. This gives an outline of the likely financial impact on reserves over a five year period.

The annual business plan allows Trustees to recognise longer-term financial pressures and opportunities for St Oswald's, be they external factors or internal objectives. Our plans highlight the pressures and uncertainties placed on our resources by changes in the fundraising and retail environments, the NHS, and changes in the demand for our various services, alongside our continued reliance on potentially volatile sources of income such as legacies. To counter these pressures we hold reserves to protect our ongoing commitment to beneficiaries to ensure we meet our contractual obligations and to provide a platform for our continuing activities. Where we feel it is appropriate, and we consider we have sufficient free reserves to allow, we will invest our reserves in capital assets to maintain or enhance our services.

In considering our policy on reserves, we establish a minimum level required to counter possible fluctuations in income and meet the costs of our legal obligations and anticipated medium term costs of maintenance to all our premises. We also established a maximum level of reserves based on income and expenditure expected in the next twelve-month period.

Our acceptable range of free reserves is reviewed annually by the Audit and Finance Committee and for this year the range is considered to be between £3.1 million and £9.2 million. Within this broad range, we have a target of £6.1 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

As at 31 March 2021, our accumulated general funds stood at £9,877,975 (2020: £8,874,179). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets. Using this definition, the free reserves of the Charity at 31 March 2021 were £6,393,642 (2020: £5,173,908).

Although free reserves are above our target of £6.1 million, we recognise that a significant reason for this is the one-off funding which has been made available to the Hospice, to support it through the pandemic. This included restricted funding which was used to cover costs which ordinarily would have been funded from general reserves. Cost restraint also continues, with no pay award for staff awarded in year for the second year in a row and future recurring staffing costs reduced by almost £300k per annum from April 2021.

Our five year forecast has been entirely revised, to cautiously guide the Hospice out of the pandemic, rebuilding Retail and Fundraising capacity over this timeframe. This has meant that we have had to expect a deficit financial result in the next few years, but this has been carefully planned with reference to the reserves balance, ensuring that at no point is the minimum acceptable level of free reserves breached.

Work on our 10 year vision continues, and trustees have decided that all vision work must be self-financing. Any new developments to our existing services must also be self-financing for the next few years; general reserves will not be used to fund such initiatives.

The Hospice designates certain reserves for specific purposes. Trustees approve a list of designated reserves each year. The total at 31 March 2021 was £63k (2020: £68k). These reserves are ring fenced for specific use in the following financial year and arise from a variety of sources.

Future Plans

The financial environment experienced by all health and charitable organisations over the past year has had a profound effect on trustees' view of the management of reserves. Trustees aim to preserve the financial stability of the Hospice by limiting expenditure of general reserves to that which is absolutely necessary, and where general reserves are utilities in the near future, aspire to return the level of reserves over the longer term. In particular, any new initiatives and projects undertaken by Hospice staff must be self-funding, rather than drawing on reserves. Plans for Fundraising and Retail strategies for future years remain fluid and responsive to government restrictions and social distancing measures. We expect this will have an adverse effect on our income, and so adjustments have been made to our operations to reduce expenditure, while aiming to maintain delivery of all the services we provide.

Going Concern

The Trustees are aware of the ongoing risk to income from Covid-19. Steps are being taken to ensure that the charity's core recurring expenditure is covered by the reduced income anticipated in the coming year. The cautious five year plan

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

mentioned above will be our guide to safeguarding the Hospice's financial security, and includes an Income and Expenditure Statement and a cashflow forecast to March 2023. Contingency plans, however, are in place to adjust the charity's obligations should it be required in the future. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future.

We are aware that the full long term impact of Covid-19 is still to be seen and acknowledge it is a test to any organisation's Reserves Policy. The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register is regularly reviewed and updated to reflect the new exposures faced. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Trustees' Responsibilities Statement

The Trustees (who are also directors of St Oswald's Hospice Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 charitable company will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

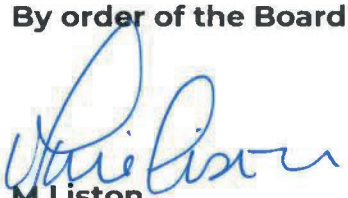
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Auditor

RSM UK Audit LLP have indicated their willingness to continue in office as auditor, and a resolution concerning their reappointment will be proposed at this year's Annual General Meeting.

By order of the Board



M Liston
Chair

29/09/21

ST OSWALD'S HOSPICE LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

For the Year Ended

31 March 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED

Opinion

We have audited the financial statements of St Oswald's Hospice Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Annual Report. Our opinion on the financial statements does not cover the other

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

Other information (continued)

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report 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 their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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

As explained more fully in the Statement of Trustees' responsibilities set out on page 34, 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.

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

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

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

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:
- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

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

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, the parent charitable company's governing document (articles of association), tax legislation and Charities (Protection and Social Investment) Act 2016.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and reviewing income transactions around the year end to consider if it is recorded in the correct period.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)

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.

L. Robson

LUCY ROBSON (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date

19/10/21

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 March 2021

	Notes	General funds	Restricted funds	Total 2021	Total 2020
Income and Expenditure		**£**	**£**	**£**	**£**
Income from:					
Donations and legacies	2	3,401,363	382,863	3,784,226	4,209,929
Other trading activities	3	2,744,723	-	2,744,723	5,880,578
Investments	5	55,343	-	55,343	46,915
Charitable activities	6	4,304,638	1,825,347	6,129,985	4,553,639
Other Income		180	-	180	-
Coronavirus Job Retention Scheme Grant		730,732	-	730,732	-
Total income		11,236,979	2,208,210	13,445,189	14,691,061
Expenditure:					
Raising funds: other trading activities:					
Voluntary Income	7	294,859	-	294,859	615,304
Cost of activities for generating funds	7	3,613,375	-	3,613,375	4,037,523
Investment Management Fees		8,839	-	8,839	60,795
Cost of Charitable Activities	8	6,441,928	2,364,845	8,806,773	9,021,521
Total Expenditure		10,359,001	2,364,845	12,723,846	13,735,143
Net income/(expenditure) before movement in investments		877,978	(156,635)	721,343	955,918
Gain/(Loss) on investment assets	16	165,612	-	165,612	(140,444)
Net movement in funds		**1,043,590**	**(156,635)**	**886,955**	**815,474**
Total funds brought forward at 1 April 2020	22	9,049,310	5,511,735	14,561,045	13,745,571
Transfers between funds	22	17,500	(17,500)	-	-
Total funds carried forward at 31 March 2021	22	**10,110,400**	**5,337,600**	**15,448,000**	**14,561,045**

All of the activities were continuing. There were no recognised gains and losses other than those included in the surplus this year.

The notes on pages 46 to 80 form part of these financial statements.

BALANCE SHEET AS AT 31 March 2021

Group/Hospice

	Notes	Group 2021 £	Group 2020 £	Hospice 2021 £	Hospice 2020 £
Fixed Assets					
Tangible assets	15	8,821,933	9,212,006	8,821,933	9,212,006
Investments	16	1,225,512	1,042,572	1,225,514	1,042,574
Long term deposit		-	-	-	-
		10,047,445	10,254,578	10,047,447	10,254,580
Current Assets					
Stocks		21,068	20,306	19,558	20,306
Debtors	17	3,667,361	3,282,300	3,665,850	3,266,680
Short term deposit		-	-	-	-
Cash at bank and in hand		2,954,446	1,735,798	2,697,200	1,535,477
		6,642,875	5,038,404	6,382,608	4,822,463
Creditors: Amounts falling due within one year	18	(1,242,320)	(731,937)	(1,214,480)	(691,129)
Net current assets		**5,400,555**	**4,306,467**	**5,168,128**	**4,131,334**
Total assets less current liabilities		15,448,000	14,561,045	15,215,575	14,385,914
Provisions for liabilities	19	-	-	-	-
Net assets		**15,448,000**	**14,561,045**	**15,215,575**	**14,385,914**
Funds					
Unrestricted funds:					
General funds	22	9,877,975	8,874,179	9,877,975	8,874,179
Non-Charitable Trading Reserve	22	232,425	175,131	-	-
		10,110,400	9,049,310	9,877,975	8,874,179
Restricted funds	22	5,337,600	5,511,735	5,337,600	5,511,735
Total funds		**15,448,000**	**14,561,045**	**15,215,575**	**14,385,914**

The net surplus before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £829,658 (2020: net surplus £719,978).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 36 to 80 were approved by the members of the Board of Trustees on 29 September 2021 and signed and authorised for issue on their behalf by:

M Liston
Chair

B Hedley
Treasurer

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2021

	2021	2021	2020	2020
	£	£	£	£
Net cash inflow / (outflow) from operating activities		1,284,260		(89,991)
Cash flows from investing activities:				
Dividend, interest and rents from investments received	55,343		46,915	
Purchase of tangible fixed assets	(103,627)		(294,674)	
Proceeds of sale of investments	502,162		891,088	-
Purchase of investments	(489,015)		(878,709)	-
Net cash (used in)/from investing activities		(35,137)		(235,380)
(Increase)/Decrease in cash held in portfolio		(30,475)		38,417
Net cash increase/(decrease)		1,218,648		(286,954)

Reconciliation of net income / (expenditure) to net cash flow from operating activities	2021	2020
	£	£
Net incoming / (outgoing) resources	721,343	955,918
Depreciation	491,596	560,769
Investment income	(55,343)	(46,915)
Loss on sale of Fixed Assets	2,104	-
(Increase) / decrease in stocks	(762)	13,887
(Increase) in debtors	(385,061)	(1,129,492)
Increase / (decrease) in creditors	510,383	(444,158)
	1,284,260	**(89,991)**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2021 (continued)

Reconciliation of net cash flow to movement in net funds	**2021**	**2020**
	£	**£**
Increase/(Decrease) in cash in the year	1,218,648	(286,954)
Movement in net funds in the year	1,218,648	(286,954)
Net funds at 1 April 2020	1,735,798	2,022,752
Net funds at 31 March 2021	2,954,446	1,735,798

Analysis of net funds	**Opening net funds 1/4/20**	**Cash Flow**	**Closing net funds 31/03/21**
	£	**£**	**£**
Cash at bank and in hand	1,735,798	1,218,648	2,954,446
	1,735,798	1,218,648	2,954,446

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of preparation and consolidation

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of accounting

St Oswald's Hospice Limited is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE.

St Oswald's Hospice Limited meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the provision of hospice services to members of the public suffering from life-limiting illnesses.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, St Oswald's Hospice Promotions Limited. The results of the subsidiary are consolidated on a line-by-line basis. The Charity has taken the opportunity presented by FRS 102 not to disclose transactions with the subsidiary.

The charity has availed itself of Section 396 of Chapter 4 (paragraph 5) of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. While the full effect of Covid-19 is yet to be seen, we are aware that it is a test to any organisation's Reserves Policy. The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan for 2021/22, which includes an Income and Expenditure Statement and a cashflow forecast to March 2023, and have reviewed the organisation's resources. As such, we have an expectation that the charity has adequate

reserves to continue its operations for the foreseeable future. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) **Hospice status**

The Hospice is a company limited by guarantee. The guarantors are the members of the company. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member.

(c) **Fund accounting**

General funds are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the Hospice.

Restricted funds are subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds comprise general funds that have been set aside at the discretion of the Members of Council for specific purposes. The purpose and use of these designated funds is set out in the notes to the financial statements.

The non-charitable trading reserve represents the reserves held within St Oswald's Hospice Promotions Ltd.

All income and expenditure is shown in the Consolidated Statement of Financial Activities.

(d) **Goods for resale**

Goods donated for resale are recognised as income on their sale. No value is attributed to these items prior to sale.

(e) **Legacies receivable**

Income arising from legacies is recognised in the financial statements when the Hospice is notified of these entitlements, it is probable probate will be received and the amount receivable can be defined with reasonable accuracy.

(f) **Deferred income**

Income received in advance of entitlement is treated as a creditor and recognised as income in the period that it is entitled.

(g) **Gifts in kind**

The economic value of services provided by volunteers is not recorded in the financial statements. Volunteers carry out a great variety of roles, both regular and ad hoc, utilising skills and experience with differing economic values. To try and measure the value of each service provided is considered an exercise that would be too time consuming and too costly, utilising resources that could be better used for the benefit of patients and their families.

(h) **Grants receivable**

Grants receivable are recognised in the Statement of Financial Activities as income. Where grants are received in relation to capital assets, the income is restricted as a reserve and written down in line with the depreciation relating to the asset concerned. Revenue grants are recognised in the year in which entitlement, certainty and measurable criteria are met.

Grants received under the Coronavirus Job Retention Scheme are recognised in the period to which the claim relates.

(i) **Resources expended**

All expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs associated with the raising of funds from all the possible sources of incoming resources.

Cost of activities in furtherance of the charity's objects comprise expenditure incurred by the charity in meeting its main charitable objectives, namely the provision of hospice services.

Governance costs comprise those costs relating to the management of the charity's assets, an allocation of administration costs and compliance with constitutional and statutory requirements.

Support costs have been allocated to an activity in proportion to the income generated by that activity where appropriate.

(j) **Pension costs**

The company contributes to the National Health Service Pension Scheme in respect of employees who were members of the scheme prior to their employment with the Hospice. This scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. Consequently, it is not possible for the company to identify its share of the underlying assets and liabilities of the scheme. The scheme is therefore accounted for as a defined contribution scheme in accordance with FRS 102. For other employees the Hospice contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions due for

the year under both schemes are charged to the Statement of Financial Activities.

(k) **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

(l) **Operating leases**

The annual rentals are recognised in the Statement of Financial Activities as incurred over the lease term.

(m) **Irrecoverable VAT**

Irrecoverable VAT in relation to capital assets is capitalised with the cost of the assets concerned. Irrecoverable VAT that is incurred in each financial period in relation to items of revenue expenditure is recognised as a separate category of expenditure which is then allocated as a support cost as under note (i) above.

(n) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Only assets with a cost of more than £500 are capitalised. Items costing less than this are treated as expenditure items.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold premises	-	2% straight line
Short lease premises	-	Spread over the term of the lease
Motor vehicles	-	25% - 100% straight line
Fixtures, fittings and equipment	-	10%-25% straight line

No depreciation is charged on freehold land. Depreciation has been charged in relation to buildings from the date that each service became operational. These buildings are reviewed on an on-going basis to ensure their value is not subject to any impairment.

(o) **Investments**

Listed investments are stated in the balance sheet at mid-market value at the balance sheet date. Unlisted investments are stated at historic cost or, if gifted, at nominal value. Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities.

Unrealised gains and losses relating to movements in market value of investments are recognised in the Statement of Financial Activities.

(p) **Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

(q) **Liquid Resources**

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

(r) **Financial instruments**

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charities financial assets and financial liabilities qualify as basis financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets: Trade and other debtors
Trade, group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities: Trade and other creditors
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Reduced Disclosures

In accordance with FRS 102, the Charity has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cashflow and related notes and disclosures.

(s) **Critical accounting estimates and areas of judgement**

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

Critical areas of judgement

Legacy recognition - legacies are recognised on a case by case basis after considering whether probate has been granted, and when the executor of the estate has communicated in writing both the amount and settlement date.

2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations	1,318,896	382,863	1,701,759	1,985,838
Legacies	1,798,558	-	1,798,558	2,224,091
Retail grants	283,909	-	283,909	-
Total	**3,401,363**	**382,863**	**3,784,226**	**4,209,929**
2020 Total	**3,470,291**	**739,638**	**4,209,929**	

St Oswald's Hospice Limited has an established team of volunteers who offer their time to each department across both the Trading Company and the Charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is in the region of 200 volunteers working side by side with paid staff to support them to fulfil their duties. Volunteers are a valued resource to the organisation and we recognise their commitment and value.

3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Special events	523,110	-	523,110	1,084,884
Sale of donated goods	919,939	-	919,939	2,984,316
Catering sales	15,163	-	15,163	40,342
Trading subsidiary income (Note 4)	1,286,511	-	1,286,511	1,771,036
Total incoming resources from other trading activities	**2,744,723**	**-**	**2,744,723**	**5,880,578**

Income from the sale of donated goods has significantly decreased in comparison to the previous year, due to shop closures during lockdowns throughout 2020/21.

Income from special events has increased compared to the prior year because the 2020 figures include auction proceeds from the Elmer Art Trail, which was a one off event.

The income from Other Trading activities in both years all relates to unrestricted funds.

4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

The Hospice controls the whole of the issued ordinary share capital of St Oswald's Hospice Promotions Limited, a company registered in England. The taxable profits of the subsidiary are transferred to the Hospice each year by Gift Aid.

The results of the subsidiary are summarised below:

	Total 2021	Total 2020
	£	£
Turnover	1,286,511	1,771,036
Cost of sales	(208,325)	(519,156)
Gross profit	1,078,186	1,251,880
Administrative expenses	(210,486)	(266,733)
Operating profit	867,700	985,147
Interest receivable	-	-
Profit on ordinary activities	**867,700**	**985,147**

The net assets of the subsidiary at 31 March 2021 amounted to £232,426 (2020: £175,133).

5. INVESTMENTS

	Total 2021	Total 2020
	£	£
Dividends received	55,308	44,649
Interest received - charity	35	2,266
	55,343	**46,915**

Dividends receivable arise from the fixed asset investment portfolio. No individual shareholding within the portfolio generates more than 5% of the total dividends receivable.

The income from investments in 2021 and 2020 all related to unrestricted funds.

6. CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Public Authority contributions:				
Adult inpatient services	1,729,515	1,550,709	3,280,224	1,939,077
Adult day care services	1,613,541	-	1,613,541	1,487,738
Children & Young Adults' services	864,187	274,638	1,138,825	1,031,229
Medical outreach	71,722	-	71,722	73,483
Educational activities	548	-	548	5,006
Other professional income	25,125	-	25,125	17,106
Total	**4,304,638**	**1,825,347**	**6,129,985**	**4,553,639**
2020 Total	**4,335,654**	**217,985**	**4,553,639**	

Within the restricted income for 2021 is a one-off grant of £1,550,709 (2020: £nil) from NHS England, which was administered by Hospice UK, to allow the hospice to make available bed capacity and community support to provide support to people with complex needs in the context of the COVID-19 situation.

Also included in restricted income is a grant of £274,638 (2020: £217,985) received from the Department of Health for Children and Young Adults' services.

7. Raising funds: Other trading activity

	Direct Activity	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Costs relating to donations & legacies	294,859	-	294,859	615,304
Event costs	597,099	-	597,099	476,773
Sale of donated goods	2,456,403	-	2,456,403	2,641,439
Catering and other sales	141,062	-	141,062	133,422
Costs of trading subsidiary (Note 4)	418,811	-	418,811	785,889
Investment management fees	8,839	-	8,839	60,795
Total	**3,917,073**	**-**	**3,917,073**	**4,713,622**
2020 Total	**4,713,622**	**-**	**4,713,622**	

8. COSTS OF CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Adult inpatient services	1,727,169	1,571,219	3,298,388	3,186,024
Adult day care services	1,984,745	186,525	2,171,270	2,420,638
Children & Young Adults' services	1,809,153	486,183	2,295,336	2,094,573
Bereavement Centre	155,778	100,431	256,209	174,607
Medical outreach	110,380	-	110,380	126,444
Strategic projects	175,062	15,874	190,936	332,093
Education activities	196,080	4,613	200,693	195,322
Governance costs	283,561	-	283,561	491,820
Total costs of charitable activities	**6,441,928**	**2,364,845**	**8,806,773**	**9,021,521**
2020 Total	**7,920,264**	**1,101,257**	**9,021,521**	

9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES

Net incoming resources before recognised gains and losses are stated after charging:

	Group 2021	Hospice 2021	Group 2020	Hospice 2020
	£	£	£	£
Depreciation	491,596	491,596	560,769	560,769
Audit fees	20,000	17,250	15,000	13,000
Other auditors' remuneration	775	-	1,000	1,000
Internal audit fees	-	-	4,000	4,000
Operating lease charges (land & buildings)	455,340	452,884	453,981	453,981
Pension costs	574,393	566,897	589,204	580,881
Loss on disposal fixed assets	2,104	2,104	-	-

10. ANALYSIS OF SUPPORT COSTS

The expenditure shown in the Statement of Financial Activities includes the direct costs of each activity and a proportion of support costs incurred, as required by the Statement of Recommended Practice - Accounting and Reporting by Charities, effective 1 January 2015 The basis of allocation is explained in Note 1, Accounting Policies and a separate analysis of the costs that have been allocated is set out below:

	Human Resources	Information Systems	Finance	Corporate Services	Total Allocation
	£	£	£	£	£
Donations & Legacies	10,000	21,814	23,865	37,673	93,352
Commercial trading activities:					
Event costs	3,575	7,798	8,530	13,466	33,369
Sale of donated goods	38,671	84,359	92,286	145,685	361,001
Catering sales	4,228	9,222	10,089	15,927	39,466
	56,474	123,193	134,770	212,751	527,188
Charitable activities					
Adult inpatient services	26,915	58,713	64,231	101,396	251,255
Adult day services	15,555	33,932	37,120	58,599	145,206
Children's services	25,566	55,771	61,012	96,315	238,664
Medical outreach	3,863	8,427	9,219	14,553	36,062
Educational activities	2,316	5,053	5,528	8,726	21,623
Bereavement Centre	2,472	5,393	5,900	9,313	23,078
Strategic projects	1,725	3,763	4,117	6,498	16,103
Governance	4,257	9,286	10,159	16,037	39,739
	82,669	180,338	197,286	311,437	771,730
Total allocated support costs	**139,143**	**303,531**	**332,056**	**524,188**	**1,298,918**

11. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Activity Costs	Support Costs (Note 10)	Depreciation	Total 2021	Total 2020
	£	£	£	£	£
Voluntary	200,768	93,352	739	294,859	615,304
Cost of activities for generating funds:					
Event costs	562,960	33,369	770	597,099	476,773
Sale of donated goods	2,043,078	361,001	52,324	2,456,403	2,641,439
Catering and other sales	84,637	39,466	16,959	141,062	133,422
Costs of trading subsidiary (Note 4)	418,811	-	-	418,811	785,889
	3,109,486	433,836	70,053	3,613,375	4,037,523
Investment management fees	8,839	-	-	8,839	60,795
Total cost of activities for generating funds	**3,118,325**	**433,836**	**70,053**	**3,622,214**	**4,098,318**
Charitable activities:					
Provision of hospice services:					
Adult inpatient services	2,892,621	251,255	154,512	3,298,388	3,186,024
Adult day services	1,903,644	145,206	122,420	2,171,270	2,420,638
Children and Young Adults' services	1,950,565	238,664	106,107	2,295,336	2,094,573
Bereavement Centre	219,883	36,062	264	256,209	174,607
Medical outreach	88,610	21,623	147	110,380	126,444
Strategic projects	167,712	23,078	146	190,936	332,093
Educational activities	184,450	16,103	140	200,693	195,322
	7,407,485	731,991	383,736	8,523,212	8,529,701
Governance costs	243,605	39,739	217	283,561	491,820
Total	**10,970,183**	**1,298,918**	**454,745**	**12,723,846**	**13,735,143**

Governance costs comprise mainly the proportion of the costs of the Hospice Management Team and associated members of staff which relate to governance activities.

12. TRUSTEES

The trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2020: £Nil).

The amount of expenses reimbursed to Trustees during the year was £Nil (2020: £Nil).

13. STAFF COSTS - GROUP

	2021	2020
	£	£
Wages and salaries	7,667,519	7,838,864
Social security costs	648,325	654,141
Pension costs	574,393	589,204
Redundancy costs	32,343	-
Staff costs	**8,922,580**	**9,082,209**

There were six employees during the year (2020: five) whose emoluments amounted to over £60,000. Of these employees, three (2020: three) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	2021	2020
	Number	Number
£60,001 - £70,000	3	1
£70,001 - £80,000	-	2
£80,001 - £90,000	2	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-

Pension contributions made in respect of those staff classified as higher paid employees were £36,215 (2020: £43,754) in aggregate. Of these staff three were accruing benefits under a defined contribution scheme (2020: one) and two were accruing benefits under a defined benefit scheme (2020: four).

Staff breakdown:	2021 Number	2021 Whole time Equivalent Number	2020 Number	2020 Whole time Equivalent Number
Direct charitable services	198	157	214	160
Support services	30	23	27	23
Management and administration	7	7	7	7
Fundraising and publicity	32	25	33	30
Trading activities (including subsidiary)	70	63	78	67
	337	275	359	287

13. STAFF COSTS – GROUP (continued)

Average staff numbers have been stated as full time working equivalents, based on a full time working week of 37.5 hours.

The company makes contributions to approved pension schemes for staff based on their earnings.

Key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £480,756 (2020: £464,161).

The key management personnel of the charity comprise the Trustees and Hospice Management Team listed on page 5 of this report

The key management personnel of St Oswald's Hospice Promotions Limited are:
Mr J R Ellam (retired 30 June 2020)
Ms S Edusei (appointed 1 May 2020)
Mrs HA Eadington
Mrs A Ball
Mrs K MacLaren

14. TAXATION

As a registered charity, the company is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s252 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes only. It is therefore not normally liable to UK Corporation Tax.

Taxation of £Nil (2020: £Nil) has been accounted for in the results of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2020	11,110,375	1,048,972	96,808	2,957,790	15,213,945
Disposals	-	(320,919)	(3,270)	(57,369)	(381,558)
Additions	-	-	-	103,627	103,627
Prior year reclassifications	54,152	-	25,982	(45,652)	34,482
31 March 2021	**11,164,527**	**728,053**	**119,520**	**2,958,396**	**14,970,496**
Depreciation					
1 April 2020	2,861,262	940,123	72,589	2,127,965	6,001,939
Disposals	-	(320,554)	(3,271)	(55,629)	(379,454)
Charge for the year	165,289	40,559	9,688	276,060	491,596
Prior year reclassifications	42,689	209	25,982	(34,398)	34,482
31 March 2021	**3,069,240**	**660,337**	**104,988**	**2,313,998**	**6,148,563**
Net book value:					
31 March 2021	**8,095,287**	**67,716**	**14,532**	**644,398**	**8,821,933**
31 March 2020	8,249,113	108,849	24,219	829,825	9,212,006

The freehold land and buildings, short lease premises, motor vehicles and fixtures, fittings and equipment are all used for charitable purposes.

Hospice	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2020	11,110,375	1,048,972	96,808	2,949,290	15,205,445
Disposals	-	(320,919)	(3,270)	(57,369)	(381,558)
Additions	-	-	-	103,627	103,627
Prior year reclassifications	54,152	-	25,982	(54,152)	25,982
31 March 2021	**11,164,527**	**728,053**	**119,520**	**2,941,396**	**14,953,496**
Depreciation					
1 April 2020	2,861,262	940,123	72,589	2,119,465	5,993,439
Disposals	-	(320,554)	(3,271)	(55,629)	(379,454)
Charge for the year	165,289	40,559	9,688	276,060	491,596
Prior year reclassifications	42,689	209	25,982	(42,898)	25,982
31 March 2021	**3,069,240**	**660,337**	**104,988**	**2,296,998**	**6,131,563**
Net book value:					
31 March 2021	**8,095,287**	**67,716**	**14,532**	**644,398**	**8,821,933**
31 March 2020	8,249,113	108,849	24,219	829,825	9,212,006

15. TANGIBLE FIXED ASSETS (continued)

The fixed asset register has been reviewed in the year and assets no linger in use have been reflected as disposals.

16. INVESTMENTS HELD AS FIXED ASSETS

	Group			Hospice		
	Listed £	Unlisted £	Total £	Listed £	Unlisted £	Total £
Listed investments						
Value at 1 April 2020	1,024,968	-	1,024,968	1,024,968	2	1,024,970
Additions	489,015	-	489,015	489,015	-	489,015
Disposals	(502,162)	-	(502,162)	(502,162)	-	(502,162)
Net investment gain	165,612	-	165,612	165,612	-	165,612
Value at 31 March 2021	**1,177,433**	**-**	**1,177,433**	**1,177,433**	**2**	**1,177,435**
At 1 April 2020	17,604	-	17,604	17,604	-	17,604
Movements in cash	30,475	-	30,475	30,475	-	30,475
At 31 March 2021	**48,079**		**48,079**	**48,079**	**-**	**48,079**
31 March 2021	**1,225,512**	-	**1,225,512**	**1,225,512**	2	**1,225,514**
31 March 2020	1,042,572	-	1,042,572	1,042,572	2	1,042,574

All of the investments are unrestricted.

Distribution of listed investments (Market Value)	Group	
	2021	**2020**
	%	**%**
UK fixed interest	27.3%	31.8
UK equities	50.2%	50.6
Overseas equities	18.6%	15.9
Alternative investments	0.0%	0.0
Cash	3.9%	1.7
	100.0	100.0

	Group	
	2021	**2020**
	£	**£**
Historical cost of listed investments at 31 March	1,166,015	784,545

The shareholding in the subsidiary trading company has been valued at the nominal value of the shares, to be consistent in the valuation of private company shares. The results of the trading subsidiary are set out in Note 4.

17. DEBTORS

	Group		Hospice	
	2021	**2020**	**2021**	**2020**
	£	**£**	**£**	**£**
Trade debtors	330,279	286,553	322,984	275,891
Prepayments	318,418	297,637	315,048	296,900
VAT Debtor	77,074	96,455	86,228	92,232
Accrued income	2,938,690	2,598,757	2,938,690	2,598,757
Other Debtor	2,900	2,898	2,900	2,900
	3,667,361	**3,282,300**	**3,665,850**	**3,266,680**

Accrued income includes legacy income notified but not received at year end of £2,576,168 (2020: £1,993,053). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

18. CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2021	**2020**	**2021**	**2020**
	£	**£**	**£**	**£**
Trade creditors	487,268	184,295	484,092	179,667
Amounts owed to subsidiary undertaking	-	-	25,298	6,303
Taxation and social security costs	215,649	149,433	215,649	149,433
Deferred income	155,028	161,115	121,556	122,983
Other creditors	123,324	102,164	123,324	102,164
Accruals	261,051	134,930	244,561	130,579
	1,242,320	**731,937**	**1,214,480**	**691,129**

Group deferred income in 2021 includes £10,000 relating to grant income received but not recognised as income in the year (2020: £30,000). The balance also includes £ 109,556 paid by participants to enter the overseas trek challenge event which had to be postponed as a result of Covid-19 (2020: £92,043). The remaining balance is payments made in advance by players of the lottery. The movement in group deferred income is as follows:

	2021	2020
	£	£
Deferred income brought forward	161,115	414,044
Payments received	2,233,117	669,911
Income recognised	(2,239,204)	(922,840)
Deferred income carried forward	155,028	161,115

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2021.

20. CONTINGENT LIABILITIES

During the year, the Hospice received £500 from a local solicitor's firm which was the distribution of dormant client funds totalling £500, and was recorded as voluntary income. Similarly in the year ended 31 March 2014, the Hospice received £26,972 of dormant client funds, also from another local solicitor's firm. Trustees consider it unlikely that either of the sums noted will be repayable but the Hospice has indemnified the solicitors' firms for the amounts recorded, and consequently notes a contingent liability for the same total amount.

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

At March 2021	General Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	3,484,333	5,337,600	8,821,933
Fixed asset investments	1,225,512	-	1,225,512
Current assets	6,642,875	-	6,642,875
Current liabilities	(1,242,320)	-	(1,242,320)
Total net assets	**10,110,400**	**5,337,600**	**15,448,000**

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets. Using this definition, the free reserves of the Charity at 31 March 2021 were £6,393,642 (2020: £5,173,908).

At March 2020	General Funds	Restricted Funds	Total
	£	£	£
Tangible fixed assets	3,700,271	5,511,735	9,212,006
Fixed asset investments	1,042,572	-	1,042,572
Current assets	5,038,404	-	5,038,404
Current liabilities	(731,937)	-	(731,937)
Total net assets	**9,049,310**	**5,511,735**	**14,561,045**

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2021

	1 April 2020	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2021
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**8,806,390**	9,919,474	(9,904,277)	17,500	810,406	165,612	**9,815,105**
Non-charitable trading reserve	**175,131**	1,286,511	(418,811)	-	(810,406)	**-**	**232,425**
Designated funds:							
Sundry donations for specific purposes – unrestricted	**67,789**	30,994	(35,913)	-	-	**-**	**62,870**
Total unrestricted funds	**9,049,310**	**11,236,979**	**(10,359,001)**	**17,500**	**-**	**165,612**	**10,110,400**
Restricted funds:							
Adult inpatients' unit refurbishment fund	5,338	**-**	(5,338)	-	-	-	-
Albert Hunt Trust	-	10,000	-	-	-	-	10,000
Angela Taylor	1,000	-	-	-	-	-	1,000
Barbour Foundation	1,544	-	(421)	-	-	-	1,123
Barbour Foundation 1	5,500	-	(902)	-	-	-	4,598
BBC Children in Need 1	500	9,000	(7,411)	-	-	-	2,089
BBC Children in Need 2	-	37,123	(17,962)	-	-	-	19,161
BBC Children in Need 3	-	3,000	(3,000)	-	-	-	-
BGL Group	-	6,924	(4,663)	-	-	-	2,261
Bridget Catherine Johnson Settlement Fund	8,000	-	(4,250)	-	-	-	3,750
Children's service building fund	2,123,951	**-**	(79,975)	-	-	-	2,043,976

Coleman fund	215,650	-	(4,613)	-	-	-	211,037
Daisy Marr	1,656	-	(165)	-	-	-	1491
Day hospice building fund	446,741	-	(16,450)	-	-	-	430,291
Day services building fund	1,525,083	-	(38,097)	-	-	-	1,486,986
Dementia UK	1,220	-	(1,220)	-	-	-	-
EP Robson	821	-	(110)	-	-	-	711
Family Room Upgrade Fund:	171,979	-	(3,451)	-	-	-	168,528
Grace and Amber Charlton	-	5,000	(5,000)	-	-	-	-
Guyll Leng Trust 1	2,779	-	-	-	-	-	2,779
Guyll Leng Trust 2	3,000	-	-	-	-	-	3,000
Guyll Leng Trust 3	-	2,500	(296)	-	-	-	2,204
Hadrian Trust	-	1,200	-	-	-	-	1,200
Hospice Building fund	675,185	-	(28,642)	-	-	-	646,543
Information centre	72,914	-	(5,078)	-	-	-	67,836
Karbon Homes	-	1,000	(313)	-	-	-	687
Kavli Trust	-	30,000	-	-	-	-	30,000
Macmillan	26,184	-	(14,654)	-	-	-	11,530
Main Kitchen upgrade	102,586	-	(12,958)	-	-	-	89,628
Mel Weir Charitable Trust	2,344	-	(234)	-	-	-	2,110
Mini Bus Fund	17,500	-	-	(17,500)	-	-	-
National Emergencies Trust - Community Foundation 1	-	3,600	(3,600)	-	-	-	-
National Emergencies Trust - Community Foundation 2	-	1,600	(1,600)	-	-	-	-
National Emergencies Trust - Community Foundation 3	-	2,000	(17)	-	-	-	1,983
National Emergencies Trust (via Community Foundation) 4	-	10,000	(5,000)	-	-	-	5,000
National Lottery Community Fund 1	12,155	27,566	(27,402)	-	-	-	12,319

National Lottery Community Fund 2	-	21,476	(21,476)	-	-	-	-
National Lottery Community Fund 3	-	41,475	(41,475)	-	-	-	-
NEPAC 1	1,059	-	(101)	-	-	-	958
NEPAC 3	1,875	-	(150)	-	-	-	1,725
Newcastle Building Society (via Community Foundation)	1,937	-	(192)	-	-	-	1,745
NHS England and NHS Improvement	-	274,638	(274,638)	-	-	-	-
NHS England via Hospice UK	-	1,550,709	(1,550,709)	-	-	-	-
OSM Province	-	1,000	(553)	-	-	-	447
Prime Fund via Community Foundation	-	5,000	-	-	-	-	5,000
Proctor and Gamble 1	1,567	-	(171)	-	-	-	1,396
Proctor and Gamble 2	-	25,000	(25,000)	-	-	-	-
Rank Foundation	-	25,000	(25,000)	-	-	-	-
Rods and Cods	277	-	(277)	-	-	-	-
Rose Joicey Fund (via Community Foundation)	650	-	(650)	-	-	-	-
Rothley Trust	-	1,250	(1,250)	-	-	-	-
Screwfix	-	800	-	-	-	-	800
Seahouse and District Cancer Research and Relief fund	4,458	-	(500)	-	-	-	3,958
The Sir Jules Thorn Trust	-	9,999	(991)	-	-	-	9,008
The Shears Foundation	-	50,000	(50,000)	-	-	-	-
The Social Enterprise Investment Fund	43,646	-	(43,646)	-	-	-	-
Tesco Bags of Help	-	500	(500)	-	-	-	-
The Co-op Foundation	-	10,000	-	-	-	-	10,000
Together for Short lives	11,611	-	(11,611)	-	-	-	-
WA Handley Trust 1	1,704	-	(170)	-	-	-	1,534
WA Handley Trust 2	3,246	-	(434)	-	-	-	2,812

WA Handley Trust 3	2,580	-	(242)	-	-	-	2,338
WA Handley Trust 4	-	2,600	(2,600)	-	-	-	-
Warburtons Community Fund	-	250	-	-	-	-	250
The William Leech Charity	-	35,000	(8,750)	-	-	-	26,250
Winter Family via Community Foundation	-	3,000	(3,000)	-	-	-	-
Young adults' service restricted fund 1	3,533	-	(3,533)	-	-	-	-
Young adults' service restricted fund 2	2,904	-	(2,904)	-	-	-	-
Nurse call system (children) fund	1,458	-	(1,423)	-	-	-	35
Nurse Call System (outpatients) fund	5,600	-	(77)	-	-	-	5,523
Total restricted funds	**5,511,735**	**2,208,210**	**(2,364,845)**	**(17,500)**	**-**	-	**5,337,600**
Total funds	**14,561,045**	**13,445,189**	**(12,723,846)**	**-**	**-**	**165,612**	**15,448,000**

Transfers have been made from restricted to general funds to reflect conditions met on restricted funding for capital purchases

NOTES TO THE FINANCIAL STATEMENTS (continued)
22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2020

	1 April 2019	Income	Expenditure	Transfers	Gift Aid	Loss on investments	31 March 2020
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	**7,943,032**	11,933,502	(11,819,349)	-	889,649	(140,444)	**8,806,390**
Non-charitable trading reserve	**79,632**	1,771,037	(785,889)	-	(889,649)	**-**	**175,131**
Designated funds:	**-**						**-**
Sundry donations for specific purposes – unrestricted	**76,307**	28,899	(28,648)	(8,769)	-	**-**	**67,789**
Total unrestricted funds	**8,098,971**	**13,733,438**	**(12,633,886)**	**(8,769)**	**-**	**(140,444)**	**9,049,310**
Restricted funds:							
Adult inpatients' unit refurbishment fund	59,856	**-**	(54,518)	-	-	-	5,338
Angela Taylor	-	1,000	-	-	-	-	1,000
Barbour Foundation	1,965	-	(421)	-	-	-	1,544
Barbour Foundation 1	-	5,500	-	-	-	-	5,500
BBC Children in Need 2	**-**	34,639	(34,639)	-	-	-	-
BBC Children in Need 1	**-**	9,000	(8,500)	-	-	-	500
Bridget Catherine Johnson Settlement Fund	**-**	8000	-	-	-	-	8,000
Children's service building fund	2,203,926	**-**	(79,975)	-	-	-	2,123,951
Coleman fund	220,263	**-**	(4,613)	-	-	-	215,650
Co-op Community Fund	-	3,394	(3,394)	-	-	-	-
CSIS (via Hospice UK)	**-**	13,031	(13,031)	-	-	-	-
Day hospice building fund	463,191	**-**	(16,450)	-	-	-	446,741
Day services building fund	1,563,180	**-**	(38,097)	-	-	-	1,525,083

Dementia UK	-	28,967	(27,747)	-	-	-	1,220
Dickon Trust	-	2,000	(2,000)	-	-	-	-
Family Room Upgrade Fund:	15,678	-	(288)	156,589	-	-	171,979
The Margaret Inness Trust	-	147,188	-	(147,188)	-	-	-
Hadrian Trust	-	1,000	-	(1,000)	-	-	-
P Smith	-	120	-	(120)	-	-	-
S MacKellar	-	1,004	-	(1,004)	-	-	-
Amos Hinton & Sons	-	9,755	-	(9,755)	-	-	-
Gosforth Masonic Lodge	-	1,000	(1,000)	-	-	-	-
Guyll Leng Trust 1	2,779	-	-	-	-	-	2,779
Guyll Leng Trust 2	-	3,000	-	-	-	-	3,000
Health Education England	13,690	-	(13,690)	-	-	-	-
High Sheriff Award (via Community Foundation)	-	600	(600)	-	-	-	-
Hospice Building fund	703,827	-	(28,642)	-	-	-	675,185
Information centre	77,992	-	(5,078)	-	-	-	72,914
The Legal Education Foundation	9,678	-	(9,678)	-	-	-	-
Macmillan	11	198,254	(172,081)	-	-	-	26,184
Main Kitchen upgrade	115,544	-	(12,958)	-	-	-	102,586
Daisy Marr	1,821	-	(165)	-	-	-	1,656
Masonic Charitable Foundation	-	1,700	(1,700)	-	-	-	-
Mel Weir Charitable Trust	-	2,500	(156)	-	-	-	2,344
Mini Bus Fund:							
The Prism Trust	-	5,000	-	(5,000)	-	-	-
QBE Foundation	-	2,500	-	(2,500)	-	-	-
Albert Hunt Trust	-	10,000	-	(10,000)	-	-	-
Mini Bus Fund	-	-	-	17,500	-	-	17,500
National Lottery Community Fund 1	-	24,705	(12,550)	-	-	-	12,155
NEPAC 1	1,110	-	(51)	-	-	-	1,059

NEPAC 2	2,000	-	(2,000)	-	-	-	-
NEPAC 3	2,000	-	(125)	-	-	-	1,875
Newcastle Building Society (via Community Foundation)	1,953	(16)	-	-	-	-	1,937
NHS England and NHS Improvement	-	217,985	(217,985)	-	-	-	-
Northern Cancer Alliance	10,001	-	(10,001)	-	-	-	-
JGW Patterson 1	11,357	-	(11,357)	-	-	-	-
JGW Patterson 2	2,914	-	(2,914)	-	-	-	-
Proctor and Gamble 1	1,710	-	(143)	-	-	-	1,567
EP Robson	-	830	(9)	-	-	-	821
Rods and Cods	277	-	-	-	-	-	277
Rose Joicey Fund (via Community Foundation)	-	1,000	(350)	-	-	-	650
Rothley Trust	397	-	(397)	-	-	-	-
Seahouse and District Cancer Research and Relief fund	4,958	-	(500)	-	-	-	4,458
The Shears Foundation	-	50,000	(50,000)	-	-	-	-
The Sir James Knott Trust	11,310	-	(11,310)	-	-	-	-
The Social Enterprise Investment Fund	88,352	-	(44,706)	-	-	-	43,646
Together for Short lives	20,574	45,358	(54,321)	-	-	-	11,611
WA Handley Trust 1	12,600	-	(2,600)	-	-	-	-
WA Handley Trust 2	-	1,718	(14)	-	-	-	1,704
WA Handley Trust 3	-	3,282	(36)	-	-	-	3,246
WA Handley Trust 4	-	2,600	(20)	-	-	-	2,580
Young adults' service restricted fund 1	16,796	-	(13,263)	-	-	-	3,533
Young adults' service restricted fund 2	6,107	-	(3,203)	-	-	-	2,904
Nurse call system (children) fund	2,881	-	(1,423)	-	-	-	1,458
Nurse Call System Outpatients Fund:							
Joseph Strong Trust	-	1,000	-	(1,000)	-	-	-
St Michael's Healing Home Trust	-	4,600	-	(4,600)	-	-	-
Nurse Call System (outpatients) fund	-	-	-	5,600	-	-	5,600

AIU Garden Refurb Fund:							
Tesco / Groundworks	855	-	(855)	-	-	-	-
Andrew Lee - Adults Garden	1,000	-	(1,000)	-	-	-	-
Graham Jenning - Adults garden lighting	6,000	-	(6,000)	-	-	-	-
Mrs Ghura	-	100,000	(100,000)	-	-	-	-
D Phillips	-	250	(250)	-	-	-	-
Rothley Trust	-	1,000	(1,000)	-	-	-	-
Mr Piper	-	20	(20)	-	-	-	-
Will Charitble Trust	-	12,000	(12,000)	-	-	-	-
Appeal (unnamed)	-	170	(170)	-	-	-	-
From Family Room Upgrade Fund	-	-	(2,478)	2,478	-	-	-
Appeal Income – transfer from designated funds	-	-	(8,769)	8,769	-	-	-
Total restricted funds	**5,646,600**	**957,623**	**(1,101,257)**	**8,769**	**-**	**-**	**5,511,735**
Total funds	**13,745,571**	**14,691,061**	**(13,735,143)**	**-**	**-**	**(140,444)**	**14,561,045**

Transfers have been made from restricted to general funds to reflect conditions met on restricted funding for capital purchases

22. STATEMENT OF FUNDS – GROUP (continued)

General Funds

Included with the general accumulation funds are the non-charitable trading reserves. These represent the retained profit of the trading subsidiary, St Oswald's Promotions Limited. The gross income and expenditure of the subsidiary have been shown and the transfer represents the amount of profit passed to the parent company by Gift Aid.

Designated funds

The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated.

Restricted Funds

Adult Inpatient Unit Refurbishment Fund
This refurbishment was carried out using funds from a grant from the Department of Health.

Albert Hunt Trust
This donation was used towards the cost of new windows in the Dining Room.

Angela Taylor
This donation is to fund a dietician to work within the Adult Inpatient Unit in 2021/22.

Barbour Foundation
This donation was used to purchase a nurse call system in our Day Services Unit.

Barbour Foundation 1
This donation was made towards the cost of Rise & Recliner Chairs for our Day Services Unit.

BBC Children in Need 1
The grant is funding towards a music therapist in the Children and Young Adult's service.

BBC Children in Need 2
The grant was donated to fund a Family and Bereavement Practioner (Children's Lead), along with supervision and equipment for children's bereavement programme – the grant started in October 2021.

BBC Children in Need 3
This grant funded the purchase of laptops and a wifi upgrade in the Children and Young Adult's Service.

22. STATEMENT OF FUNDS – GROUP (continued)

BGL Group
This money was donated to fund IT equipment and activities and play equipment for our Children's Service.

Bridget Catherine Johnson Settlement Fund
This donation is for the purpose of funding a music therapist on the Adult Inpatient Unit.

Children's Services Building Fund
This reserve was established from voluntary donations during the Jigsaw Appeal to cover the costs of developing and providing a service to children with life threatening illness and their family members. Expenditure during the year relates to depreciation on the assets used by the children's service.

Coleman Fund
This was established through donations specifically designated for upgrading and construction work to the Hospice, including the establishment of an education centre.

Co-op Community Fund.
This money was donated to fund a men's group in the Focus on living Centre.

CSIS (via Hospice UK)
This fund was used to cover a pilot of the befriending project.

Daisy Marr
This donation was used to purchase two 'pea pod' chairs for our Children's Unit.

Day Hospice Building Fund
This was established to construct and equip a new Day Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Day Services Building Fund
This fund was established to cover the cost of the constriction of the Day Services Building and includes a grant of £498,455 from the Department of Health under their Dignity in Care for Older People Capital Gains Programme for Hospices; donations from the family of a patient including gift aid; and the utilisation of £675,632 of free reserves.

Dementia UK
This donation was used to fund an Admiral Nurse post.

Dickon Family Trust
This donation was used towards nurse salaries in the Children's unit.

EP Robson
This donation was used to purchase a sofa for Children's garden room.

22. STATEMENT OF FUNDS – GROUP (continued)

Family Room Upgrade Fund
This project fund was set up to upgrade our family room in the adult inpatient unit.

Gosforth masonic Lodge
This donation was used towards the purchase of slings for use by our children's physiotherapists.

Grace and Amber Charlton
This donation was used to fund a service to provide emotional support to our nurses and care staff.

Guyll Leng Charitable Trust 1
This donation was used towards the cost of a music therapist in the Children and Young Adult's Unit.

Guyll Leng Charitable Trust 2
This money was donated to purchase televisions and brackets for use by our young adults.

Guyll Leng Charitable Trust 3
This donation was made for the purchase of equipment and entertainment packages for the Children and Young Adults.

Hadrian Trust
This donation was made for the purchase of Syringe Drivers for the Adult Inpatient Unit.

Health Education England
This donation was to fund research into end of life care.

High Sheriff Award (via Community Foundation)
This donation was given in recognition of work of our young volunteers and was used to help fund the Family Support Centre.

Hospice Building Fund
This fund comprises moneys raised for the original building of the Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

Information Centre
This was established to construct and equip an information centre within the grounds of the main Hospice. The project was funded by a grant of £193,356 from the Community Fund, all of which was used to fund capital works. The reserve represents the original grant less accumulated depreciation.

The Legal Education Foundation
This funding was used for research into the legal needs of adults with life limiting conditions.

22. STATEMENT OF FUNDS – GROUP (continued)

Karbon Homes
This donation was used to purchase arts and crafts materials for the Children's Service.

Kavli Trust
This donation was used to purchase outdoor play equipment for the Children's Service.

Macmillan
A project across the regions 10 independent hospices seeking to explore collaborative/joint ways of working to enable greater care provision for the regions patients and families.

Main Kitchen Upgrade Fund / Revenue Fund
The donations to this fund were used towards the cost of improving of our catering facilities (capital) and patient nutrition services (revenue).

Mel Weir Charitable Trust
This donation was used towards the purchase of a new washing machine for our Adult Inpatient Unit.

Mini Bus Fund
The donors of this money kindly agreed to it being used to support the running costs of the hospice during the Covid-19 pandemic.

National Emergencies Trust (via Community Foundation) 1
This donation was used to purchase a virtual reality headset for the Adult Inpatient Unit.

National Emergencies Trust (via Community Foundation) 2
This donation was used to provide lockers for personal protective equipment (PPE) storage for the Adult Inpatient Unit.

National Emergencies Trust (via Community Foundation) 3
This donation was used to provide lockers for personal protective equipment (PPE) storage for the Children's Services.

National Emergencies Trust (via Community Foundation) 4
This donation was used towards the funding of staff for Bereavement Services.

National Lottery Community Fund 1
This money was donated to fund a patient and family befriending project.

National Lottery Community Fund 2
This donation was used towards the funding of the salaries of the Bereavement Support Team.

22. STATEMENT OF FUNDS – GROUP (continued)

National Lottery Community Fund 3
This donation was used towards the funding of a project to provide training and support to local companies on the subject of bereavement.

NEPAC 1
This donation was given towards the cost of clinical equipment for our Day Hospice unit.

NEPAC 2
This donation was used to purchase mobile laptops for the Adult Inpatient Unit.

NEPAC 3
This donation was given towards the cost of a specialist bath chair for the Adult Inpatient Unit.

Newcastle Building Society (via Community Foundation)
This donation was used for the purchase of clinical equipment.

Northern Cancer Alliance
Funding for clinical communications.

JGW Patterson Foundation 1
This donation supported an expanded kitch project including one year's salary of a dietician.

JGW Patterson Foundation 2
This funding was given towards the cost of funding a Palliative Care project.

NHS England and NHS Improvement
Funding received specifically to meet the needs of the Children's Service.

NHS England via Hospice UK
The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation, and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

OSM Province
This donation was used for the purchase of IT equipment.

Prime Fund (via Community Foundation)
This money was donated for the purchase of IT equipment for our Focus on Living Service.

Proctor and Gamble 1
This donation was used towards furnishing the new accessible changing facility in the Day Hospice Unit.

22. STATEMENT OF FUNDS – GROUP (continued)

Proctor and Gamble 2
This donation was used towards the cost of nursing salaries for additional night shift staff.

Rank Foundation Covid-19 Recovery Fund
This donation was used towards the cost of nursing salaries in the Adult Inpatient Unit.

Rods and Cods
This money was donated towards the cost of fishing trips for children and young adults.

Rose Joicey Fund (via Community Foundation)
This donation was used towards patient outings and activities.

The Rothley Trust
This donation was used to improve IT equipment for clinical staff.

The Sir James Knott Trust
This donation was used to fund posts in the Hospices North East collaborative project.

Screwfix
This donation was used to install a bicycle shelter for the hospice.

Seahouse and District Cancer Research and Relief Fund
This donation was used to purchase three syringe drivers and drugs storage facilities for our Inpatient Unit.

Sir Jules Thorn Trust
This donation was used to purchases two 'hi/lo' beds for the Adult Inpatient Unit.

The Shears Foundation
This donation was used to help fund three Senior Nurses in our Children's & Young Adults Service.

The Social Enterprise Investment Fund
A grant received towards the cost of refurbishment of the Day Hospice.

Tesco Bags of Help
This donation was used to purchase arts and crafts materials for Focus on Living Service.

The Co-op Foundation #Iwill Fund
This money was donated towards the funding the development of young bereavement advocates.

Together for Short Lives
This donation was used to pay for a young adults transition project.

22. STATEMENT OF FUNDS – GROUP (continued)

WA Handley Trust 1
This donation was used to purchase an Oska mattress.

WA Handley Trust 2
This donation was used to purchase a powered bath chair.

WA Handley Trust 3
This donation was used to purchase an infusion pump.

WA Handley Trust 4
This donation was used towards the funding of salaries in the Focus on Living Service.

Warburtons Community Fund
This donation was used to purchase arts materials in the Focus on Living Service.

The William Leech Charity
This donation is helping us to develop our volunteer services.

Winter Family (via Community Foundation)
This donation was used to create handwashing stations throughout the hospice.

Young Adults Restricted fund 1
This fund was set up to refurbish the Young Adult unit fixtures and fittings.

Young Adults Restricted fund 2
This fund was for new equipment for the Young Adult Unit.

Nurse Call System in Children's Fund
This donation was used to purchase a new nurse call system in the Children's Unit.

Nurse Call System in Outpatients Fund
These monies were donated towards the cost of a new nurse call system.

23. LEASING COMMITMENTS

Operating leases

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2021 relate to short leasehold land and buildings as set out below:

	2021 £	2020 £
Operating leases that expire:		
Within one year	372,588	431,612
Within two to five years	1,898,124	1,117,322
Over five years	186,573	335,995
	2,457,285	1,884,929

The operating leases represent leases of premises. The leases are of varying terms.

24. CAPITAL COMMITMENTS

There were no capital commitments outstanding at the end of the year (2020: £nil).

25. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its subsidiary.

There are no other related party transactions to disclose.

St Oswald's Hospice

0191 285 0063 | enquiries@stoswaldsuk.org
www.stoswaldsuk.org
St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne NE3 1EE. Reg Charity No. 503386

Issue date: Oct 2021 | Review date: Oct 2022