

ST LUKE'S CHESHIRE HOSPICE

England & Wales · Charity number 515595

Details

Status Registered

Legal form Charitable company

Company number [01846186](#)

Registered 1984-10-01

Register [View on the Charity Commission register](#)

Contact

Address Grosvenor House
Queensway
Winsford
Cheshire
CW7 1BH

Phone 01606551246

Email enquiries@slhospice.co.uk

Website www.slhospice.co.uk

Activities

Objects: TO PROMOTE THE RELIEF OF ILLNESS AND SUFFERING IN SUCH WAYS AS THE ASSOCIATION SHALL FROM TIME TO TIME THINK FIT, AND IN PARTICULAR IN THE SOUTH AND MID-CHESHIRE AREA AND ADJACENT AREAS (A) BY ESTABLISHING, MAINTAINING AND CONDUCTING RESIDENTIAL NURSING AND CONVALESCENT HOMES FOR THE RECEPTION AND CARE OF PERSONS OF EITHER SEX WHO ARE SUFFERING FROM ANY CHRONIC OR TERMINAL ILLNESS OR FROM ANY DISABILITY OR DISEASE ATTRIBUTABLE TO OLD AGE. (FOR FULL DETAILS SEE CLAUSE 3 OF MEMORANDUM.))

Activities: The Charity's activities include in-care, day-care, therapies, home befriending service, lymphoedema clinic, benefits advice, counseling, education, research into palliative care thus improving services. Also development of a model for dementia care for the end of life, development of an infrastructure for palliative care research, development of a model of a Public Health/end of life approach.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** THE SOUTH AND MID-CESHIRE AREA
- Cheshire East
- Cheshire West & Chester

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,698,175	£6,135,019	£12,701,839	170
2024-03-31	£5,758,535	£5,586,122	£10,062,905	160
2023-03-31	£6,129,236	£5,045,226	£9,635,322	151
2022-03-31	£5,647,910	£4,493,072	£9,033,297	149
2021-03-31	£5,669,973	£4,784,800	£7,658,303	151

Trustees

Name	Role	Appointed
Anita Cawley		2026-03-01
Dame Patricia Anne Bacon DBE		2026-04-01
Daniel John Morear		2024-11-04
Dennis Dunn MBE JP DL		2025-10-01
Graham Peter Jones		2018-06-27
Katharine Gibbs-Blythe		2021-11-24
Lee Greenbury		2019-06-28
Rachael Lisa Williams		2024-06-26
Tina Cookson		2019-06-28
Wendy Davies		2020-01-29
Zoe Ahearne		2023-06-28

ST LUKE'S CHESHIRE HOSPICE

England & Wales - Charity number 515595

Accounts

Registered company number: 01846186 (England and Wales)

Registered charity number: 515595

St Luke's (Cheshire) Hospice

Report of the Trustees and
Consolidated Financial Statements

For The Year Ended
31 March 2025



St Luke's
CHESHIRE HOSPICE

St Luke's (Cheshire) Hospice

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St Luke's (Cheshire) Hospice

Chairman's Report

For the year ended 31 March 2025

As I begin my ninth and final year as Chairman of the Hospice, I will be forever grateful for the opportunity to contribute in some small way to this amazing organisation. Our ongoing success is down to people – so very many people working so hard to help and support those going through such a difficult time in their lives. I have tried below, to remember and thank all of you who have supported us in so many different ways.

Let me first say a very special thank you! Our Chief Executive, Neil Wright has indicated his wish to take a well-earned retirement at the end of April. Neil has served the Hospice well since his appointment in 2018 and has been influential in so many different ways. He has developed important relationships with other hospice and voluntary organisations as well as with our local authorities and NHS. He is highly respected by our staff and volunteers and regularly attends our many and varied fund-raising events! We owe him much and wish him a long and happy retirement.

2024/25 has been another very busy year for the Hospice. We have continued to care for those in their final days while providing much needed support and care to families and friends. We have also continued to develop services through our Day Hospice, which have been greatly appreciated. You will find more details of our services throughout this report. I was particularly privileged to observe our Dementia Carer's and Music Therapy workshops and to hear how much they are appreciated by those who attend.

We have also continued with many successful fund-raising events and our shops continue to receive not only a good supply of donated items for sale but also a steady flow of shoppers eager to find a bargain! Fundamental to this success are the many volunteers who not only staff the shops and our warehouse but also provide the organisational support for our big events such as the Twilight Walk and our regular Midnight Walk. Thank-you all for your time and effort – it is much appreciated. I would also like to take the opportunity to thank the very large number of lottery players who continue to give such valued support through our Hospice Lottery.

Of course, the organisation of the Hospice and all its success can only be achieved through a dedicated and well led staff. I have already recognised the contribution and achievements of our retiring Chief Executive, but I would wish to record my thanks to all our staff and particularly the three long-time members of our Management Team. While we work to identify a permanent new Medical Director, our Directors of Care, Income Generation and Finance have continued to work "above and beyond" to ensure the smooth running of the Hospice and its services. Kate Estcourt has not only watched over our In-care and Day-care services but has taken additional responsibility to ensure that the important link between medical and nursing care and safety is maintained. I must also record my thanks to our "temporary part-time Clinical Leads", Sally Chambers and Alice Webster for their valued support. Claire Langston has once again led her successful and imaginative team with great success. Despite a number of changes in her senior staff she has continued her flow of great ideas for fundraising and has also been instrumental in the redesign of our "Facebook" publicity. Once again, Nabela Chaudhry has had the challenge of managing our finances and ensuring that we achieve best value for the funds we receive from so many different sources. The successful financial management of the hospice owes so much to her dedication and that of her and the Finance Team.

As I think of all those people who support us, I must give special thanks to our President, Lady Alexis Redmond MBE, and our Patrons, Rosie Spiegelberg MBE and Lady Rose Cholmondeley, who continue to encourage and support all that we do. In addition, we have a very special group of Vice Presidents who we are trying to involve even more as our services continue to evolve and increase. A further source of support is the many and varied organisations who provide sponsorship, help and so much more, which make such a significant contribution to our work. And finally, I must thank our Trustees who meet with me on a monthly basis to oversee the work of the Hospice. They give freely of their skills and time and we owe them a special thank-you.

With my best wishes and thanks to you all

With my best wishes



Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Reference and Administration Details

For the year ended 31 March 2025

Registered Company Number (England & Wales)	St Luke's Hospice is a company limited by guarantee, number 01846186 (not having a share capital).
Registered Charity Number	<p>The company is a Registered Charity, number 515595 and its Memorandum of Articles of Association govern its functions.</p> <p>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.</p>
Principal and Registered Office	St Luke's (Cheshire) Hospice Grosvenor House Queensway Winsford Cheshire CW7 1BH
Contacting Us	You can contact us by telephone on 01606 551246, by email on enquiries@slhospice.co.uk. If you would like to find out more about our work, please go to our website: http://www.slhospice.co.uk or follow us on Facebook and Twitter.
Auditors	MHA Richard House 9 Winckley Square Preston PR1 3HP
Senior Statutory Auditor	Nicola Mason
Investment Fund Manager	Rathbones Investment Management Martins Buildings 4 Water Street Liverpool L3 1NW
Bankers	National Westminster Bank Plc P O Box 6 The Bull Ring Northwich Cheshire CW9 5BN

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Members of Board

The Members of Board are Trustees of the Charity and constitute the Board of Directors.

The Trustees (who are also directors of the charity for the purpose of the Companies Act 2006) who served during the period are set out below. Details of our Senior Management Team (SMT), to whom the day to day management of the Hospice is delegated and Ambassadorial roles, are also presented.

Trustees

John Michael Ridley (Chairman)

Tina Cookson

Katie Gibbs-Blythe

Colin Norman

Graham Jones

Lee Greenbury

Wendy Davies

Graham Aitken

(Resigned 2nd October 2024)

Samuel Malton

Zoe Ahearne

Rachael Williams

(Appointed 4th November 2024)

Daniel Morear

(Appointed 30th April 2025)

Darren Francis

Vice Presidents

Mrs D Mather

Mr C Winward

Mrs J Corfield

Dr V Pritchard

(Deceased March 2025)

Mrs D Parsons

Mrs F Bruce

(Resigned August 2024)

Mr R Mills MBE

(Resigned June 2024)

Mrs J Thomas

Mr W Crafter

Mr J Baldwin TD DL

Joint Patrons

Mrs W Spiegelberg MBE

Lady Rose Cholmondeley

President

Lady Alexis Redmond MBE

Honorary Treasurer

Colin Norman

Company Secretary

Vacant

Senior Management Team (SMT)

Neil Wright

Chief Executive (Retired 30th April 2025)

Karen Nutt

Chief Executive (Appointed 27th May 2025)

Kate Estcourt

Director of Care

Nabela Chaudhry

Finance Director

Claire Langston

Director of Income Generation & Communications

Vacant

Medical Director

Dr Sally Chambers

Medical /Clinical Lead

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Governance and Management Arrangements

Governing Arrangements

St Luke's (Cheshire) Hospice is a Registered Charity and a Company Limited by Guarantee. The company was established under a Memorandum of Association (MA), which sets out the objects and powers and the essential rules for running the Charity and is governed under its Articles of Association. The Hospice is governed by statute, mainly the Charities Act 2011 and the Companies Act 2006. The services delivered by St Luke's are registered by the Care Quality Commission.

The Charity has two wholly owned subsidiaries. St Luke's Hospice Promotions Limited which operates a lottery in support of the Hospice and St Luke's Hospice Trading Limited which runs charity retail shops in support of the Hospice. Both companies exist to generate income to support the work of St Luke's (Cheshire) Hospice. All surplus income is gift aided to the parent company for this purpose. Two Trustees from the St Luke's (Cheshire) Hospice Board also sit on the Board of St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited.

Decision Making Arrangements - Role of the Trustee Board & Committees

St Luke's (Cheshire) Hospice has a Trustee Board. The Trustees are directors of the Company as well as being Trustees for the purposes of charity law. It is their role to carry out the objects as set out in the MA, to ensure the Hospice is managed as required by the MA and in line with the standards required by charity law, other statute and regulations, guidelines and good practice.

In line with the above roles, the Trustees are responsible for setting strategy, embedding good governance, maintaining oversight and ensuring the probity of policy and decision making for the effective operations of the Hospice and the achievement of agreed goals. All decisions made by the Board must be made in accordance with the MA.

Whilst our Trustee Board retains ultimate responsibility, the work of the Board is delivered through the following Sub Committees as detailed below:

- Patient Care & Clinical Governance Committee
- Finance and IT Committee
- Income Generation and Communication Committee
- Human Resources Committee
- Estates Committee

The Committees have delegated authority from the Trustee Board to oversee areas of particular Hospice activity and operations. Committees are chaired by a Trustee and have a SMT Lead (with relevant expertise). Membership of the Committees includes a second Trustee representative, SMT representatives as well as the lead operational managers. The Chairs of the Committees provide a report to the Trustee Board and make minutes of the Meetings available to all Trustees.

Each year the Board undertakes a "skill mix" audit to make sure that each of the Trustees has the experience and professional expertise to continue to make a valuable, informed contribution to the Board's collective decision making as well as oversight of the work of the Senior Management Team.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Role of Trustees at St Luke's

Arrangements for our Trustees are set out in our Articles as follows:

- Trustees are members of the Board – we will have no less than five Trustees and no more than twelve.
- Trustees become members of the organisation.
- Trustees have the power to appoint any person who is able and willing to do so to be a Trustee.
- Trustees are elected to serve for an initial period of three years.

At the expiry of three years, a Trustee may, if they so wish, seek re-election for two further three-year terms. After serving three terms of office, a Trustee must stand down. We look to seek the balance of retaining the skills and organisational knowledge of Trustees counterbalanced with a fresh perspective in running the hospice. It is vital that the diversity, skills and experience of our Trustee Board reflects the needs of our Hospice and the local community.

Trustees may be attracted to St Luke's through many different routes – we believe it is important that we recruit new Trustees from the widest pool possible. We have an established process for the recruitment, selection and induction of new Trustees. Our induction process is designed to ensure that Trustees are confident in their appointment and fully understand:

- Their legal responsibilities, obligations and expected contributions.
- The wider context of the Hospice Movement and the broader landscape in which we operate.
- The governance arrangements at St Luke's and its regulatory environment.
- The support available to them, where to go for further help and information.

New Trustees receive an induction pack which provides a range of information including the history of the Hospice Movement, the nature of our services at St Luke's, our ways of working, key contact points and an overview of our strategic direction, performance and risks.

Trustees are expected to undertake an annual review with the Chairman where continuing development needs to fulfil the Trustee role effectively are discussed and supported.

Associate Trustee

In order to widen support and guidance to the Senior Management Team, the Trustees have created a role called Associate Trustee. The role of an Associate Trustee is as a co-opted, non-voting member who sits and supports the work of one of the 5 Trustee subcommittees. Using their expertise and experience, they overview and challenge the Senior Management Team in delivering the strategic aims of the Hospice. On occasions, Associate Trustees are invited to attend Full Board meetings not only to learn more about the work across the Hospice but to offer a different perspective.

Public Benefit

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

Management Arrangements at St Luke's

The SMT, with responsibilities for Care/Clinical Services, Medical Services, Income Generation & Communications, Financial, Estates, Human Resources and IT, is led by a Chief Executive Officer (CEO) who has responsibility for the operations of St Luke's, the implementation of regulatory requirements and the strategic and other decisions made by the Trustee Board. Members of the SMT are invited to attend the Trustee Board meetings but do not have voting rights.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Risk Management

The Trustee Board is responsible for ensuring that the Hospice has clear strategies and systems for assessing and managing risk. This is at both an operational and strategic level.

Acknowledging that not all risks can be eliminated, the Trustees and SMT, as part of on-going activity and reporting, assess, manage and monitor all the major risks to which the Hospice is exposed, endeavouring to ensure that risks are avoided or mitigated where possible, to an acceptable level.

Extracts of the Risk Register highlighting current Risks are reviewed by the board monthly and a full review undertaken by the Board annually.

Clinical

It has been a busy year in the clinical side of the organisation. Following a regional review of benchmarking of doctor numbers per head of population within central Cheshire, we were awarded new funding from the ICB enabling the recruitment of doctors to strengthen both hospice and community teams (1.2 FTE within the hospice). It has been lovely welcoming them to the medical team. Dr Sally Chambers is working 3 days per week as Clinical Lead pending recruitment of a substantive Medical Director post in the coming short months.

Our nursing team has been strengthened by the appointment of a 4th band 6 Sister on the in-patient unit, with a presence on both day and night shifts. We benefit from the wisdom and continuity of a stable nursing workforce as we continue to look after an increasingly complex cohort of patients, the youngest of whom was tragically only 25 years old.

We provide the vital service of 24/7 access to Specialist Palliative Care advice and support to patient, carers and health care professionals via our advice line. This offer is strengthened over the weekend by the presence of a band 7 Specialist Palliative and End of Life Care nurse who is based at St Luke's and provides proactive and reactive input to patients by phone and if needed, by undertaking home visits. This aligns with our strategy of reaching out of the hospice supporting the Specialist Palliative Care needs of our community.

Our ambition is to collaborate closer with our NHS partners to set up a Virtual Ward and 'single point of referral' into Specialist Palliative Care services across central Cheshire. We hope to make progress in ongoing discussions with the Integrated Care Board to secure appropriate funding.

The Day Hospice unit continues to offer a wide range of supportive therapies. In addition to the nurse led well-being days, we offer complementary therapies, access to occupational therapy support, creative therapies as well as counselling, social work and benefits advice. The Day Hospice has continued the vital dementia carers group and demand for this service remains high. We have the ambition to recruit to a Dementia Specialist Nurse in the coming financial year.

We are continuing to collaborate with CCICP in providing a complementary therapy service to patients and their carers who are too poorly to travel to the hospice.

The family support and counselling team continue to work with members of our community, both on a 1:1 basis and in a variety of group settings. The Homelessness Nurse role is a vital service for some of our most vulnerable patients, and as a joint post between all the Cheshire hospices, is an example of a successful ongoing partnership working reaching out to patients whose needs can often be hidden.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Make our buildings even better

Although the hospice offers a good environment for our clinicians to provide good care, the SMT and Board of Trustees have considered carefully how we can continue to improve and provide good care for the next 37 years as we have done since the hospice opened 37 years ago in 1988.

The Board of Trustees and SMT have concluded that whilst the hospice building is good enough for our present-day needs, it may not fit our needs in the future and the Trustees have asked the SMT to come up with a range of options.

One of the options under careful consideration, is the opportunity to co-locate on the new Mid Cheshire Hospital Trust site and we have had several initial exploratory discussions with the Hospital's senior team. However, as any land on the new hospital site is unlikely to be available for over 10 years, the Trustees feel that it is prudent to keep all options open. A new hospice, on whichever site, will involve a large capital commitment, which is why the Trustees have designated some of our reserves towards a future building project.

Although we have ambitions for a new hospice, the Trustees are mindful that we need a programme to continue to make improvements to the existing hospice for those patients we have the privilege to care for today. In addition to a new, much improved drugs room and more engaging dining room, we are remodelling the Hospice's reception area to make it more welcoming.

Shortly before Christmas, we were awarded a grant from Cheshire West and Chester Council towards the installation of over 100 solar roof panels, which not only meets our ambitions to be green and reduce our carbon footprint but is also forecast to reduce our energy bills by over £10,000 a year.

In December 2024, Wes Streeting, the Secretary of State for Health and Social care announced a £100m capital grant to be distributed amongst Hospices in England and Wales to create better patient care facilities and we have been advised that we will be receiving a grant of approximately £340,000 part in the accounts this year and in next financial year. We have several ideas how to use the grant, but one idea under active consideration is to build a new Inpatient unit lounge area looking out onto a new inner courtyard garden. The project would also incorporate a new Ambulance Bay, new IPU patient entrance and redesigned Hospice Main entrance.

We own two of our retail shops. Middlewich, one of our shops, was renovated last year and this year we took the opportunity to reimagine and refurbish the other shop that we own, called 'Furniture and Fashions'. The shop, situated on the outskirts of Winsford, has been remodelled into a more contemporary fashion and homeware shop, rebranded as 'St Luke's @ 72'. Initial sales suggest that the redesigned shop has been well received by the local community.

A key part of our retail operation is our warehousing facility in Winsford, where we plan to sign a longer-term lease. We completed an improvement programme providing better staff welfare facilities, improved the look and feel of our sales floor as well as installing a better heating system and new roller shutter. So far, these improvements have provided better working conditions and a better customer experience leading to better sales. We hope to increase our warehousing space even further this year by signing a lease on the adjacent 5000 square feet unit next door.

We have a comprehensive planned preventative maintenance programme to refresh and improve all our retail units. This year we plan to undertake major improvements to our shop in Hartford in return for a longer lease commitment.

Throughout the year, we have continued to upgrade and replace ageing kitchen equipment. The new equipment is, not only more energy efficient and cost effective, but enables us to offer a more varied menu for our patients, visitors and staff. We are grateful for the professionalism of our catering and housekeeping teams. These departments continue to provide our patients, visitors, staff and volunteers with nourishing food and keep infections under control.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Income Generation

Our fundraising and communications teams continue to face challenging times trying to encourage the public to join mass participation events and other fundraising initiatives. However, the fundraising challenge is not just specific to St Luke's, but is being faced by many charities across the country and may have more longer lasting consequences for charitably funded organisations in the future. Nevertheless, the Income Generation team here at St Luke's has a great reputation and continues to find new innovative ways to support the work of the hospice. New events and activities have been added during the last financial period to enhance our engagement with supporters and attract new support.

The success of our Trading Company is underpinned by a large group of shop volunteers and a stable staffing model. We are still facing a competitive retail labour market and have adjusted payrates to attract and retain good quality staff and we could always do with more volunteer support to strengthen our operational model. The shops however continue to be the 'window on our community' and make a good contribution.

Our communications department became an even more effective and essential form of communication during the pandemic making sure that we stayed engaged with supporters online via social media. Although people welcome the return of meeting face to face, we are seeing general signs of Social Media Fatigue, but this nevertheless remains a vital part of our communications strategy. Our communications department work professionally and diligently to find stories to explain the vital work that we do here at the Hospice.

Over a good number of years, we have actively pursued the policy of signing up new lottery players on Direct Debit. All this past hard work has paid off as a way of stabilising this source of sustainable income which helps to fund the care that we provide. As a result, our lottery subsidiary continued to make an excellent contribution towards the work of the hospice. We engage outside lottery canvassers who recruit new members sufficient to replace those who decide to stop playing our lottery.

Non-Clinical Staff

There will always be staff movement owing to the age and nature of our workforce, and the HR Team work diligently to make sure that we advertise, recruit and onboard new staff as quickly as possible. The hospice has a good reputation. We adopt a supportive attitude to flexible working where operationally possible, which helps with recruitment, work life balance and the mental health of our staff. Generally, we do not have any issues in attracting staff who are keen to work at the hospice. However, over the last 12 months, competing with commercial retailers, it has been difficult to recruit a full complement of retail shop managers, which in turn has slightly affected sales.

Our Finance team account for all our income streams and departmental expenditure. They provide excellent accurate and timely management information which enables the SMT and Trustees to make the right decisions for the hospice. The financial support from the government remains one of the lowest in the country for an adult hospice. This means the Finance team works closely with our Income Generation team to account for the various sources of income received from supporters and from our own initiatives.

The Finance Team provide quality, comprehensive financial information. This year their job was a little more involved as the whole of the finance team was involved in implementing a new more responsive Hospice wide Finance system.

The IT Manager has continued to build on our Cloud based system solutions. This approach enables our staff to work safely from home where they can do so. As a hospice we embrace technological solutions positively where and whenever we can to improve the care that we provide.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

The local Health Economy

St Luke's (Cheshire) Hospice covers an approximate population of 300,000 and primarily, sees patients at The Hospice in Winsford and Winterley Grange, in Sandbach.

Two of our main strategic aims is to 'reach out' and 'support more patients and carers' who have palliative care needs wherever they need our support. However, with pressure on finances, Winterley Grange is proving to be surplus to our requirements, and we have put the building up for sale. We feel that we can adequately look after our patients at the hospice and the sale of Winterley Grange will encourage us to reach out more to support patients who can't ordinarily access the hospice.

St Luke's is an innovative hospice and whenever and wherever we can, we use the resources that we have, to test different, better ways of working and we always do this against a backdrop of affordability.

The old Cheshire CCG area used to be organized into 4 CCG areas, comprising the former 4 CCG's, South Cheshire CCG, Vale Royal CCG, East Cheshire CCG and West Cheshire CCG, before they all merged to become one Cheshire CCG. Cheshire CCG has itself been disbanded and replaced with one statutory body called Cheshire and Merseyside Integrated Care Board, which itself is split up into 9 Places. The new 'Place' structures commission health services in their respective Places. St Luke's hospice straddles two Places, South Cheshire based in Cheshire East Place and Vale Royal based in Cheshire West Place.

This new administrative structure continues to create added complications for St Luke's as both East and West places have adopted different ways of working. Ideally, we would like the ICB to recognise the existence of the unique, mature end of life care network across Central Cheshire, which would make the delivery of our care more coordinated.

Cheshire and Merseyside Integrated Care Board

Cheshire & Merseyside ICB acknowledge the challenge of Hospice financial sustainability and although they say they are committed to providing equal access to good end of life care for everybody across Cheshire and Merseyside, unfortunately, they lack the financial resources to make this a reality.

Despite the promise of better NHS funding from the increase in National Insurance levels, the ICB's finances continue to be challenging. This has led to a reduction in commissioning staff and cutbacks in clinical services. Unfortunately, end of life care and the hospice is not immune from the funding crisis affecting the NHS. The hospice continues to get below inflationary increases on its grant. As the hospice only receives 13.3% government support of our overall expenditure, this represents a progressive decline in government funding for the care provided by St Luke's.

The overspending the ICB's budget and consequent financial cutbacks, coupled with the disruption of change is making the commissioning of healthcare a little confused and uncertain. This is particularly so for us here at St Luke's, but we are not alone as all hospice organisations in the C&M ICB area face a similar situation.

Nevertheless, St Luke's is in a very envious position in that we are grateful that we continue to be well supported by our local community, which enables us to continue our strategy to provide excellent end of life care for the people of Central Cheshire.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Vision, Mission and Values

Strategy

Following the retirement of the current Chief Executive, we are currently working on a new strategy, which will describe where the hospice is now and set out a vision and mission taking into consideration the changing political and economic factors affecting the national and local healthcare economy. Our strategic aims to reach out, care for more people, be sustainable and make our buildings even better remains apposite.

Despite limited financial support from the Cheshire and Merseyside Integrated Care Board, we will find ways to support existing and new ways of working and become even more collaborative, efficient, innovative and cost effective in our practice.

The Hospice has reaffirmed our Vision, Mission, Values and Strategic aims

Our Vision

Our Vision is for all dying people in Cheshire and those close to them to have access to the care and support they need, when and wherever they need it.

Our Mission

Our Mission is to help people in Cheshire to live the life they can, informed and supported at the end of their life

Our continuing strategic Aims

1. **Care for more people** – we monitor our clinical activity on a monthly basis and by maximising our clinical workforce and resources, we make sure that we have the privilege to care for as many people as possible.
2. **Be Sustainable** - We have a robust reserves policy to ensure that we are financially sustainable for the near future; we continually review all our infrastructure to see whether we can swap to a more environment sustainable method of operation. We review all our activities to ensure we are as efficient as possible. Where possible we partner with other hospices/health care organisations to be more efficient.
3. **Reach Out** – We have established a number of services where we reach out from the hospice, our Weekend Hub; Complementary Therapies; Occupational Therapy support.
4. **Make our building even better** –We have carried out a number of building improvements across the whole of the Hospice's estate to make all our spaces more efficient and more engaging. The announcement of the NHS Capital Expenditure Grant will make a significant difference to the look and feel of the in patient unit

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Our Hospice Values

Our Values reflect our fundamental beliefs. They guide the way we behave with patients, carers, volunteers, supporters, suppliers, external stakeholders and each other to achieve results. The values unite us as an organisation and together we are St Luke's.

The values of St Luke's are at the heart of everything we do and underpin our strategies, policies and ways of working. Embedding our values through our recruitment, induction, training and communications also helps to create the appropriate environment to work in partnerships with others. Our values are:

- **CARING** - We provide quality, dignified holistic palliative care and support
- **INNOVATIVE** - We promote a culture where innovation and new ideas are encouraged, whilst valuing our heritage and past.
- **COLLABORATIVE** - We work together collaboratively, share ideas and support each other to ensure that we achieve our common goals, both within the hospice and within our wider community.
- **RESPECTFUL** - We treat those we care for, volunteers, colleagues and supporters with respect, dignity & compassion. We respect ethnic, cultural and spiritual beliefs and recognize equality of access.
- **RESOURCEFUL** - we spend money wisely in all that we do to ensure we have equipment and an environment in which to deliver quality, sustainable clinical and non-clinical services.
- **KNOWLEDGEABLE** - We are experienced, knowledgeable and well-trained.
- **HONEST** - We communicate what we do openly and honestly with all our stakeholders and users.
- **EXCELLENCE** - We strive for excellence in everything that we do, we celebrate our successes and learn from our mistakes.

We are committed to creating a culture in which diversity and equality of opportunity is actively promoted and developed. We are committed to challenging all forms of inequality in our role as a service provider and employer.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Principal Objects & Activities, supported by Staff & Volunteers, working with and in the community

Principal Objects and Activities

The principal object of the Charity is to promote the relief of illness amongst people suffering from a terminal illness. We aim to achieve this in three key ways:

One - The provision of Specialist Palliative Care

With the focus of our services on complex symptom control and terminal care in:

Inpatient Care
Telephone support and advice

Two - The Provision of Supportive Care

Our experience in supporting patients, their carers' and loved ones tells us that they often have a need for supportive care in many different forms, involving both our trained staff but also from our trained volunteers. The services we provide consist of:

Social Work & Benefits Adviser	Family Support and Counselling Services
Spiritual Care (Chaplaincy)	Community Befriending & Engagement Day Hospice and
Complementary Therapies	Lymphoedema Clinics
Homelessness End of Life Care	

Three - The Support and Education of other Providers and our Community

St Luke's has always had a strong focus on education. The End of Life Partnership (formerly Cheshire Hospice Education), was born out of the vision, work and funding committed by St Luke's Hospice over many years.

In partnership with others, we support communities, professionals and local organisations across Cheshire to improve the palliative and end of life experience and care for all.

We also train medical and clinical staff who work in different clinical professions and settings so that they too, can take our shared knowledge and skills into their own communities, in hospital, home and other care settings.

The Contribution of our Supporters, Staff and Volunteers

We truly value the commitment, contribution and achievements of all our staff, volunteers and supporters. They are the hallmark of St Luke's and allow us to deliver the best possible services to our patients, carers and their loved ones.

We want to ensure that St Luke's is seen as a good place to work and volunteer and our aim is to continue to attract, recruit and retain our large and valued volunteer community with its wide range of skills and experience. We believe engaging, developing and motivating as best we can is key to achieving this.

Staff and volunteers are recruited in line with relevant standards, including the Disclosure and Barring Service. Induction and orientation are provided alongside a range of developmental and learning opportunities.

The Hospice has over 690 regular volunteers in a range of services fulfilling a variety of roles. Working alongside our employed staff, volunteers offer their skills, experience and expertise to many departments in the Hospice and the Trading and the Promotions companies; this may be directly with patients, on our reception desks or in our shops. Volunteers donated 59,575 hours of time which, if paid at the national living wage of £11.44 would equate to £681,538.

We look forward to our volunteers working alongside us because without the commitment and support we receive from volunteers; we could not provide the services we do. We want to acknowledge and sincerely thank our supporters and volunteers for their generous and much needed gifts of time and money in their many varied forms, to the Hospice.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Working with Others and in the Community

Working with others in partnership, across the health community is key to ensuring we achieve our own and shared health objectives and outcomes. Examples of this include our relationships and roles as follows:

- Work in partnership with CCICP to provide a Lymphoedema service to Central Cheshire Patients.
- Training and education of undergraduate and postgraduate students in a range of health care professions from local university medical and health care schools.
- Developing relationships with Health and Educational organisations including local GP Alliances.
- Education providers through mutually supportive mission and goals that will strengthen the impact and outcomes of our work.
- Membership of umbrella organisations such as Hospice UK, Hospice Lotteries Association, Gambling Association, Charity Retail Association, Fundraising Regulator, National Association of Hospice Fundraisers, Association of palliative medicine and other local and national professional networks.
- Development of community befriending to enable compassionate communities to develop and address social isolation and loneliness experienced by the ill, frail and elderly in our community
- Working with East Cheshire Hospice and the Hospice of the Good Shepherd to widen access through engagement with Homeless people at end of life and our local LGBTQ+ communities.
- Our developing relationship with the Christie who use the Hospice premises to deliver their service to local residents making their treatment more patient centred, easier and convenient saving them time.

Cheshire and Merseyside Hospice Collaborative

Following the creation of the Cheshire and Merseyside ICB, each of the 12 adult and Children's Hospices have formed a 'Hospice Collaborative' to formalise working more collaboratively and closer together, sharing experience and best practices.

We provide a modest contribution towards a Collaborative Project manager who has been set a number of collective objectives. The formation of the Collaborative and the appointment of the project manager is still in the early stages, but it is hoped that by speaking together as a Hospice movement, we are stronger and louder than our individual voices.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Financial Report

Financial Performance and Review

Globally in recent years there has been a constant stream of unique challenges which inevitably impact on the environment that charities like the hospice are operating in. We have seen a continuation of this trend this year with more global uncertainty created by events such as the Trump administrations sweeping tariffs, regional conflicts and wars, unprecedented natural disasters and the impact of several powerful nations going to the polls.

Although the hospice is not always directly impacted by these global events it does create a level of uncertainty for both the organisation and its supporters which in turn can impact on both our supply chain and the level of financial support we are able to secure from our donors. We continue to operate in a fast-changing world with much uncertainty and with an increasing number of charities all competing for the same limited funds.

The Hospice sector as reported by Hospice UK recorded that in the financial year 2024-25 most hospices had budgeted to make a deficit, St Luke's was one of these hospices. Like many other hospices we continued to be cautious about our income projections due to the unpredictable nature of some of these income streams.

The trustees and SMT recognising these ongoing challenges entered the new financial year with caution, continuing our prudent approach to our financial management. There was a clear realisation that the legacy income, as recently experienced could fall significantly from one year to the next and the increase in the minimum wage coupled with the annual inflationary increases inevitably increased the cost base without a "certain" corresponding increase in income. This cautious optimism in relation to fundraising was duly reflected in the annual budget. There was still some concern about the impact of shop closures during renovations and the ability to fully staff the shops which was reflected in the prudent Trading budget.

Entering the year once again with a prudent budget our reserves continued to provide us with the reassurance that we could navigate our way through any further uncertainty by maintaining our approach of managing our resources efficiently and effectively. Focussing on maintaining all our services and where possible improving the offering to patients whether that be through continuing dementia carer workshops or increasing complimentary therapy sessions in the community. The needs of our patients and the continued delivery of safe, effective and high-quality care services remained at the centre of all decision making throughout this period

At 31 March 2025, the final outturn for the Hospice was pleasingly a "record" group surplus of £2,578,334 (2024: £488,183). This extraordinary result is predominately due to an exceptional year of legacies of £2,933,839 (2024: £354,695). It is imperative to highlight that once again this surplus would not exist without the receipt of legacy monies. Excluding these monies and the loss on the revaluation of our investments, the Hospice would be declaring an operating deficit. The Group surplus was £2,563,156 (2024: £172,413) as at the 31 March 2025 before accounting for the year end loss of £32,375 (2024: £315,770 gain) on the revaluation of our investments and the gain on revaluation of fixed assets.

Our financial position this year has been hugely favourable following the receipt of one large, unexpected legacy of £1.8m. Prior to this year the largest individual legacy received had been £0.5m. We received several other significant legacies in the year taking the total to £2.9m. We are humbled by the generosity of our supporters who have remembered us in their wills and as always aim to use these monies in a way that best supports the hospice.

Despite the exceptional legacies it is important to recognise that we must continue to develop and strengthen our recurring, sustainable income streams. In years when legacy income is not as buoyant it is these income streams that are required to maintain and deliver regular income. It was therefore reassuring to see many of our "traditional" income streams continue the upward trend we had started to see evidence of in the last couple of years.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Our fundraising activities delivered strong results throughout the year. This culminated with income generation income closing the year well ahead of budget, similar to prior year. The positive outturn was reflected in most income generation activities but notably in community, in memoriam giving, events and corporate. Community continues to go from strength to strength each year with the star performer continuing to be the Elf Run. In memoriam giving also generated income well ahead of expectations thanks to the generosity of our supporters. The third year of the Twilight Walk cemented the strong performance in events once again this year. Both Promotions and Trading also reflected positive end of year outcomes as detailed below.

Despite the inevitable inflationary increases that our suppliers passed onto us throughout the year the expenditure levels continued to be well managed with total expenditure being slightly lower than budget. Approximately 76% of our total expenditure relates to pay, a proportion of the cost savings were secured from vacancies.

The Hospice made a relatively small loss on the revaluation of its investments of £32,375 (2024: £315,770 gain) at the end of the financial year. Although no additional funds were placed with the fund managers for investing in the portfolio during the year we continued to place significant amounts of cash reserves with the NatWest Treasury Reserve for periods of between 3 to 12 months and towards the end of the year we also placed cash reserves with Rathbones due to their competitive interest rates. This continued to allow the Hospice to obtain better returns on liquid assets without tying them up in longer term investments and incurring investment management fees. On 31 March 2025 £3.05m (2024 £2.0m) was held in NatWest Treasury Reserve accounts and £0.2m in Rathbones Time Deposit accounts.

St Luke's Trading Limited Income in the year was £1,161,327 (2024: £1,135,439) an expected increase from the previous year. However, Trading like many other retailers continued to face staffing challenges, coupled with the lower number of volunteers this once again at times required some of our shops to close or reduce their hours of trading.

For a period of over two months one of our retail outlets (@72) was closed for refurbishment which was longer than anticipated or budgeted. The Warehouse was required to remain closed for a few additional weeks at the beginning of April whilst the finishing touches of the renovation were completed. Our eBay account also was offline for a several weeks during the busy Christmas period. Despite all these challenges Trading Limited once again delivered pleasing results and exceeded its conservative budget. However, a year end provision of £100,000 has been made in relation to essential dilapidation works required on the trading estate which inevitably reduced the disclosed year end profit.

St Luke's Trading Limited delivered a statutory profit in the year of £43,013 (2024: £57,418) whilst the Hospice received further income from the sale of donated goods at the shops of £439,060 (2024: £406,841) of which £87,812 (2024: £73,951) was claimed in Gift Aid credits from HMRC.

St Luke's Promotions Limited continues to be one of our most significant income generation streams gifting the Hospice £635,819 (2024: £602,483). The year end result once again exceeded budget and prior year. The canvassing company have continued to secure strong player numbers this coupled with a well-managed cost base has resulted in the pleasing year end position.

The Lottery however is not without its challenges due to increased attrition levels and the impact of an ageing supporter base. The in-house lottery team continue to develop solutions to mitigate and minimise the impact of these challenges. Our external lottery canvassers continue to play an important role and have been instrumental in maintaining and increasing playing membership.

Legacy income continues to remain an important income stream for the Hospice. We are extremely grateful to all those who have remembered the Hospice in their will. Legacy income has always been essential in supporting the hospice, however due to its unpredictability it is not a source of income that can be forecast with a huge degree of certainty. The large increase of over two and a half million from last year's legacy income clearly illustrates this point. That said it is an area that warrants our attention hence we continue to review and develop our approach to legacies and major donors.

St Luke's (Cheshire) Hospice

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For the year ended 31 March 2025

We continue to receive and are grateful for the statutory funding from the Integrated Care Board which accounts for 9.3% (2024:13.9%) of our consolidated income or 13.3% (14.4%) of group expenditure. This level of statutory funding is relatively low for the sector and consequently means that 90.7% (2024:86.1%) of our funds are voluntary and must be generated by the Hospice.

Financial Governance & Management

The governance arrangements and operating practices supporting the development of the Financial Regulations Policies and Procedures and Scheme of Delegation remain under continuous quality improvement to ensure they are the best they can be.

The monthly reporting pack continually evolves. In addition to the traditional monthly accounting information explaining variances between budget and actual results and projected year end results, the board also receive an extract from the Risk Register highlighting the current Opportunities and Risks.

The monthly Income Generation reporting pack includes the Red Amber Green traffic light system enabling reporting, review and monitoring in depth by 'exception'. Full accountability of operational expenditure is being achieved through appropriate controls managed, reviewed and monitored monthly through budget holders, to the senior managers, to the Board.

Reserves Policy and Position

Trustees are required to consider on an annual basis the level of reserves the charity needs to hold, as an important part of planning and sound financial management.

The reserves position has been carefully considered to identify the level required to manage unforeseen circumstances, and unavoidable adverse variances to budget. The reserves policy, which is in line with Charity Commission guidance and comparative charities, calls for the group free reserves to be no less than six months of operating costs, and no greater than twelve months of operating costs.

Over recent years the Trustees have been exploring whether a different hospice site would help to offer a better care environment in the future. Considering the need to invest in the Hospice's infrastructure and the ongoing discussions relating to a potential new site a substantial amount of funds have been designated for the Hospice Development Fund and it is proposed that we continue to build this fund.

Following Board approval, Additional funds have been designated for the Hospice Development Fund increasing the designation to £5m. (2024: £3.5m). These monies will potentially fund our future longer-term aspirations to move to a new location or to develop the existing site to ensure the longevity of the Hospice.

A further £440,000 (2024: £250,000) has been set aside recognising the ongoing capital commitment required to maintain and develop our properties and other assets and ensure compliance to Health and Safety regulations. A substantial amount of this capital designation will be utilised to improve and invest in our retail estate, with £190,000 of it allocated to the Hartford shop. A further £100,000 has been earmarked for estate dilapidations work. An additional designation of £100,000 has been made for future service development and/or sustainability.

In summary the Board have approved a total increase in the designation of reserves of £2.1m this financial year. The timing of when designated reserves monies will be used will be subject to the ongoing review of our financial position before any monies are drawn down and spent

The free reserves as at the 31 March 2025 stood at £4,394,567 (2024: £3,860,862), see note 23, which represents approximately 9 months of operating costs.

Investment Policy and Position

St Luke's Investment Policy is to achieve maximum return with minimum risk, whilst protecting the capital base. Funds potentially required for working capital are invested in a more readily accessible low risk portfolio. The

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Investment Managers Rathbones, provide quarterly reports and present an investment performance review annually to the Finance Director and Finance Committee who then present an investment performance report to the Board of Trustees annually.

Our listed investment assets are valued in the Balance Sheet at Market Value of £4,659,769 (2024: £4,551,550). The Charity made a loss on investments during the year of £32,375 (2024: £315,770 gains). These monies are invested for the medium to longer term.

Financial Risk Management

In line with good practice and recommendations of the Charity Commission, the Hospice holds funds in reserve and is therefore exposed to fluctuations in the stock market, which affect the value of its investment portfolio. This portfolio is monitored by the Finance Committee in terms of the risk profile and the decision to hold or sell the portfolio is under constant review as advised by the Hospice Fund Managers, Rathbones Investment Management Ltd. A significant proportion of cash reserves have been held in a relatively liquid treasury reserve account for the last two years which mitigates some of the risk associated with the investment portfolio market fluctuations.

Fundraising Standards Information

St Luke's (Cheshire) Hospice and its subsidiary companies St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited are committed to responsible fundraising practice and regular monitoring.

As a member of the Fundraising Regulator, we agree to ensure our fundraising is legal, open, honest and respectful. These standards for fundraising are set out in the Code of Fundraising Practice. Please see our website for details.

- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible

The Hospice complies with the Data Protection Act requirements and will protect members' data. St Luke's Promotions Ltd and St Luke's Trading Ltd are subsidiary companies of St Luke's (Cheshire) Hospice Ltd and are all registered under the Data Protection Act 1988.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

St Luke's Hospice Promotions Ltd is also a member of the Hospice Lotteries Association - Both organisations are committed to using lotteries to fundraise responsibly and work together to encourage responsible gambling and access support if needed. The 'Responsibility in Gambling Trust', 'GamCare' and 'Gamble Aware' provides such support if required. We offer a Self-Exclusion option and a robust process for complaints and feedback. Regular monitoring of new members is completed by telephone following new sign ups to our lottery. The Gambling Act 2005 confirms that St Luke's Hospice Promotions Limited now has a statutory duty to verify that members are 16 years of age or over, the minimum age allowed for anyone to play in the lottery. It is an offence for anyone under the age of 16 years to participate in a lottery.

The charity uses a third party to canvass for the in-house lottery named SEC and the contract covering the arrangement embodies all of the above principles, including a methodology for bringing any conversation about lottery membership to an end after receiving a second refusal from an individual. We ensure all these agents observe the highest standards in terms of fundraising practice and monitor their performance through the use of mystery shopping and random checks with any donors that sign up to support our lottery. Weekly calls are in place with SEC.

We are registered voluntarily with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. The Code covers the requirements charities must follow as set out in The Charities (Protection and Social Investment) Act 2016 and outlines the behaviour we expect from our fundraisers. It includes treating people fairly and with respect, explaining our cause in a way which does not mislead people, and being sensitive to people who may be in vulnerable circumstances.

St Luke's (Cheshire Hospice) is a member of the Hospice Income Generation Network. Our website outlines our complaints policy for the public. We received no fundraising complaints in the last year. Our policy is to respond to all complaints within 10 days. Serious complaints are escalated to our Executive Team and Trustees to consider lessons learnt. We report to the Fundraising Regulator and Gambling Commission on the totality of our complaints. We have policies and procedures in place to safeguard the vulnerable and we ensure our fundraisers and third-party suppliers adhere to these policies.

Should we be informed of any persons contacted by the charity who no longer wish to receive communications; any such person would be removed from the charity's database, but no such requests have been received this year. Fundraising activities at the hospice are carried out in an ethical and sustainable manner. The charity has adopted policies covering data protection, confidentiality and privacy for donors and supporters, including the option to opt in to fundraising communications (rather than opting out), to only hold details with the consent of the individual and to have any such details as are held, removed at the request of the 'data owner'.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Review of Achievements and Performance

- Our Inpatient unit remains a centre of excellence caring for patients referred to us from both hospital and community services for both pain relief, symptom control and end of life care.
- Our day hospice services have continued to deliver much needed services. We have continued to expand our dementia carers group and reach out with complimentary therapies at home. Although Hospices mainly support patients with Cancer, we provide end of life services for patients with life limiting illnesses other than cancer.
- Approximately three quarters of IPU admissions to St Luke's were admitted from home for specialist care confirming our role in preventing unnecessary hospital admissions. The remaining third of admissions were transferred to us from hospital helping the Hospital to create greater bed capacity to care for other patients.
- Of the 370 referrals to our IPU, 81% of those patients had a cancer diagnosis. 19% a non-cancer diagnosis.
- 38% of the patients admitted to our inpatient unit were discharged back home dispelling the myth that the Hospice is only a place where people go to die.
- Our average length of stay was 13 days underlining our strong desire to support patients who want to go back home to be cared for and die in their place of choosing.
- We successfully recruited additional doctors to provide more robust medical staffing which enabled us to provide more sustainable, quality end of life care for the people of Central Cheshire. We also provide placements for trainee nurses, counsellors and allied health care professionals.
- Better medical staffing helped us to achieve a better occupancy rate up from 63% to 74%.
- We continue to ask for feedback following each episode of care and overwhelmingly the majority of our patients rated our care as excellent or good. Feedback from patients, relatives, carers and service users emphasised the holistic care, kindness and compassion shown to them
- The FSC and SCC teams had 316 referrals for their support. They support patients, families (including children) and carers at difficult times and delivered 1,744 different sessions.
- We continue to embed our Electronic Patient Record (EPR) system, EMIS Web. This system has allowed us to work towards local and national targets for improving palliative and end of life care using an Electronic Palliative and Care Co-ordination Systems (EPaCCS). It allows the documentation and sharing of advance care planning decisions across organisations to prevent crisis and improve care. The majority of patients attending our services now have an advance care plan documenting their wishes.
- Along with East Cheshire Hospice and the Hospice of the Good Shepherd we continue to work collaboratively to breakdown any potential barriers to provide care services to the LGBTQ+ community. We are proud to display our Navajo Mark award.
- We continued our much-needed befriending service engaging with vulnerable people who feel isolated and in need of support.
- Our work to support people who are homeless at the end of life continues. In addition to direct support, we also helped to support the professionals who cared for homeless people in places like Hostels.
- Our work in collaboration with Mid Cheshire Hospital Trust (MCHFT) Macclesfield District General Hospital (MDGH), Central Cheshire Integrated Care Partnership (CCICP) enabled us to continue to offer a much-needed joint Lymphoedema service.
- Care staff continue to improve palliative and end of life care by actively participating at strategic groups such as the Hospice Learning & Development groups and Cancer Network meetings as well as Regional Hospice UK support groups.

St Luke's (Cheshire) Hospice

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For the year ended 31 March 2025

- We continue to collaborate with the Christie where they use the Day Hospice space on a Friday and deliver chemotherapy for up to 15 patients a day. In addition, we provide a space for a day and a half a week where patients can call in and have bloods taken in preparation for their visit on a Friday. This has proved popular with local people who no longer need to spend a long day in Manchester, with another visit for bloods tests, instead they can come here under more relaxed surroundings and nearer to home.
- We had 256 telephone calls via our Specialist palliative Care Telephone Advice Line mainly to support healthcare professionals. These calls give non-hospice staff the confidence to support patients in numerous other care settings helping to keep patients from being admitted inappropriately to Hospital. 43% of the helpline calls were to support patients and their loved ones.
- The Hospice has continued to focus on staff wellbeing by implementing an activities-based wellbeing programme and renewed our commitment to mental aid support and training.
- We are pleased to have achieved excellent Income Generation results across the last financial year with all areas of fundraising showing a positive. Our Events, Community and Corporate Income Generation Teams once again put on a full calendar of events with some new additions and lots of very well attended community events. Our loyal donors and friends continue to support us and we had a fantastic response to our Patient Comfort appeal for a new bathroom.
- Our communications team made sure that the hospice is front and centre in the public's minds by keeping the public aware of the continued good work of St Luke's. Our social media presence has grown and our new website is a much better platform for fundraising and also access to information about our care services.
- On the back of the success of the redevelopment of our Middlewich Shop we reimagined another of our owner occupier shops rebranding it from 'Furniture and Fashions' to 'St Luke's @ 72'. The shop had a terrific opening week. The challenge now is to hit those sales every week. @72 is a true community shop which we know will be well supported by the people of Winsford.
- Our lottery remains the biggest singular source of income and continued to achieve excellent week on week results. Marketing of the lottery online, with patient stories and examples of the impact of our services, has boosted awareness and delivered improved online members signups. We continue to use the canvassing company SEC, who have been very successful in recruiting new members
- We successfully upgraded our financial system moving away from the relatively basic and dated Sage 50 accounting system to a new much improved cloud based system Microsoft Business Central.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Plans for the future

The provision of safe, effective and high quality care services is at the centre of our Strategic and Operational Plans. We identified 4 main strategic aims.

- **Care for more people** – the Hospice will continue to maximise clinical capacity by improving access to the Hospice services. Working in a collaborative and integrated way with colleagues from the community and hospital settings to set up a better co-ordinated pathway to improve the patient journey, identifying patients more suited to hospice care

The work of our Day Hospice in caring for people living with dementia has been so successful that we want to not only continue this work but develop a Dementia Specialist Nurse post which will enable us to run more groups supporting this group of patients and their families.

We will work to reduce inequalities in accessing hospice care for those from the LGBTQ+ community

- **Reach out – Be sustainable** – this has even greater prominence as the Government struggles to get to grips with challenging economic times. Although the creation of the new Integrated Care Boards offered initial hope, they realise that they do not have the financial resources to provide fairer hospice funding support going forward. It is so important for us to provide quality services but only ones that we can afford to provide.

One of the services we will continue to fund is the Weekend Service complimenting the work of the Macmillan teams, district nursing service and community medical palliative care services which are not currently provided 7 days a week.

We undertook a pilot to provide Complementary Therapies at home with the aim of establishing a new St Luke's Hospice service. Working in partnership with CCICP we have an 25 month pilot from April 2024 – May 2026 to provide complementary therapies to anyone who is unable to access them at Grosvenor House. We aim to offer a minimum of 8 Complementary Therapy appointments per week. Thereafter we will identify longer term sustainable funding to retain this service.

- **Make our buildings better** – The Trustees have made the decision to explore whether a different hospice site would help to offer a better care environment in the future. We also recognise that we need to modernise / improve our existing buildings to better support our patients today. We will be exploring longer term solutions to ensure the enduring longevity of St Luke's for many years to come along with various projects which makes the hospice environment better today. The NHS Capex Grant via Hospice UK is likely to make a significant difference to an inpatients stay at the hospice.

Our aim is to continue working towards our vision, keeping compassionate care at the centre of all we do. We will continue to work in collaboration with others to influence the provision of end of life care, education and training so that we can improve outcomes for palliative and end of life care patients within our communities.

We remain committed to helping people to live the life they can supported, informed and cared for until they die.

St Luke's (Cheshire) Hospice

Trustees' Report

For the year ended 31 March 2025

Statement of Trustee Responsibilities

The Trustees (who are also the directors of St Luke's (Cheshire) Hospice (a company limited by guarantee for the purposes of Company Law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity 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; and
- Prepare the financial statements on a '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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to Auditors

In so far as the Trustees are aware

- There is no relevant audit information of which the charitable company's auditors are unaware,
- 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, who are also Directors of the Charity for the purposes of the Company Act 2006, present their report with the consolidated financial statements of the Charity for the period ended 31st March 2024. The Trustees adopted the provision of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in 2019.

As such, this forms the Annual Report of the Trustees for the purposes of S162 of the Charities Act 2011 and S445 (3), S414A-414D (Report of the Trustees) of the Companies Act 2006.

Report of the Trustees, approved by order of the Board of Trustees, as the Company Directors, on 30 July 2025 and signed on the board's behalf by:



Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2025

Opinion

We have audited the financial statements of St Luke's (Cheshire) Hospice (the 'parent charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, and of 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 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 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.

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2025

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.; or

Respective responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2025

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries;
- Review of the systems for recording income, and testing of a sample of income transactions throughout the year to check they have been recorded in the accounts and in the correct period.

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

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

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with the 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.

Nicola Mason

Nicola Mason (Senior Statutory Auditor)
For and on behalf of
MHA
Statutory Auditor
Preston

Date: *22/8/25*

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

St Luke's (Cheshire) Hospice

Consolidated Statement of Financial Activities

(Incorporating a Consolidated Income and Expenditure Account)

As at 31 March 2025

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income from					
Donations and legacies	2	4,696,737	3,100	4,699,837	1,874,075
Charitable activities	3	697,102	273,464	970,566	982,038
Other trading activities	4	2,753,227	-	2,753,227	2,655,002
Investment income	5	274,545	-	274,545	247,420
Total income		8,421,611	276,564	8,698,175	5,758,535
Expenditure on					
Raising funds	6	2,019,228	-	2,019,228	1,914,424
Charitable activities	7	3,924,268	191,523	4,115,791	3,671,698
Total expenditure		5,943,496	191,523	6,135,019	5,586,122
Net income/(expenditure) before other gains and losses		2,478,115	85,041	2,563,156	172,413
Revaluation of fixed assets	14	47,553	-	47,553	-
Net (losses)/gains on investments	15	(32,375)	-	(32,375)	315,770
Net income /(expenditure)		2,493,293	85,041	2,578,334	488,183
Transfers between funds	20	-	-	-	-
Net movement in funds		2,493,293	85,041	2,578,334	488,183
Total funds brought forward		10,068,586	54,919	10,123,505	9,635,322
Total funds carried forward	20	12,561,879	139,960	12,701,839	10,123,505

All incoming resources and resources expended derive from continuing activities.
All gains and losses recognised in the year are included above.

St Luke's (Cheshire) Hospice

Balance Sheets

Year ended 31 March 2025

	Note	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Fixed assets					
Intangible assets	13	26,018	-	26,018	-
Tangible assets	14	2,581,615	2,457,724	2,432,669	2,416,334
Investments	15	4,659,769	4,551,550	4,659,769	4,551,550
Investments in subsidiaries	16	-	-	4	4
		<u>7,267,402</u>	<u>7,009,274</u>	<u>7,118,460</u>	<u>6,967,888</u>
Current assets					
Stock	17	6,893	8,142	-	-
Debtors	18	1,332,072	782,194	1,345,942	852,472
Cash at bank and in hand		4,708,213	2,756,086	4,484,308	2,505,473
		<u>6,047,178</u>	<u>3,546,422</u>	<u>5,830,250</u>	<u>3,357,945</u>
Creditors: amounts due within 1 year	19	<u>(612,741)</u>	<u>(432,191)</u>	<u>(331,626)</u>	<u>(262,928)</u>
Net current assets		<u>5,434,437</u>	<u>3,114,231</u>	<u>5,498,624</u>	<u>3,095,017</u>
Net assets		<u>12,701,839</u>	<u>10,123,505</u>	<u>12,617,084</u>	<u>10,062,905</u>
Charity Funds					
Restricted Funds	20	139,960	54,919	139,960	54,919
Unrestricted Funds					
- General funds	20	6,921,879	6,318,586	6,837,124	6,257,986
- Designated funds	20	5,640,000	3,750,000	5,640,000	3,750,000
Total Unrestricted funds		<u>12,561,879</u>	<u>10,068,586</u>	<u>12,477,124</u>	<u>10,007,986</u>
Total funds		<u>12,701,839</u>	<u>10,123,505</u>	<u>12,617,084</u>	<u>10,062,905</u>

The financial statements were approved by the Board of Trustees on 30 July 2025 and signed and authorised for issue on its behalf by:



Mr M Ridley - Chairman

St Luke's (Cheshire) Hospice

Consolidated Statement of Cash flow Statement

Year ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities:			
Net income/(expenditure) for year		2,578,334	488,183
Investment income	5	(274,545)	(247,420)
Amortisation of intangible fixed assets	13	3,025	-
Depreciation & impairment of tangible fixed assets	14	176,495	142,534
Revaluation of tangible fixed assets	14	-	-
Losses/(gains) on investments	15	32,375	(315,770)
(Profit)/loss on disposal of tangible fixed assets		136,205	-
Decrease in stock		1,249	(598)
(Increase)/decrease in debtors		(549,878)	27,331
Increase/(decrease) in creditors		180,550	(117,055)
(Decrease)/increase in provisions		-	-
Net cash provided by (used in) operating activities		2,283,810	(22,795)
Cash flows from investing activities:			
Income from investments	5	274,545	247,420
Payments to acquire tangible fixed assets	14	(467,905)	(245,991)
Receipts from sale of tangible fixed assets		2,271	-
Payments to acquire investments	15	(832,636)	(619,904)
Receipts from sales of investments	15	692,042	588,622
Net cash flow from investing activities		(331,683)	(29,853)
Increase/(decrease) in cash and cash equivalents		1,952,127	(52,648)
Cash and cash equivalents brought forward		2,756,086	2,808,734
Cash and cash equivalents carried forward		4,708,213	2,756,086
Cash and cash equivalents consist of:			
Cash at bank and in hand		4,708,213	2,756,086
		4,708,213	2,756,086

1 Summary of significant accounting policies

a General information and basis of preparation

St Luke's (Cheshire) Hospice is a charitable company registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is to care and support people with life limiting and terminal illness and the people close to them.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies.

St Luke's (Cheshire) Hospice meets the definition of a public benefit entity under FRS102.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has availed itself of Paragraph 4(1) of Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 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.

b Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

c Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity i.e. amount the charity would be willing to pay in the open market. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

1 Summary of significant accounting policies (continued)

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Legacies are included in the accounts in accordance with SORP and FRS102. Legacies are recognised in the accounts if probate has been granted and executors have identified that a payment can be made imminently. On occasion legacies will be notified to the charity but it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d Expenditure recognition

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered, and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Premises overheads have been allocated on a floor area basis. The overheads costs of the central function have been apportioned on an estimated basis of usage by each function. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes lottery prizes, the salaries of the staff who promote fund-raising, direct expenditure including costs of events and an allocation of internal overheads.
- Expenditure on charitable activities includes expenditure associated with the objects, as described in the report of the Trustees.

1 Summary of significant accounting policies (continued)

- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

e Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Hospice. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

f Fixed assets

Fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land and buildings and Long leasehold property	2%, 10% and 20% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost
Computer equipment	25% on cost

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer equipment	25% on cost
--------------------	-------------

Items are capitalised when the cost exceeds £1,000.

Investment property is defined as property (land or a building) held by the charity to earn rentals or for capital appreciation, or both. Investment property is initially recorded at cost, including any directly attributable expenditure. After initial recognition Investment property is remeasured at fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities.

g Pension contributions

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the SoFA in the period to which they relate.

Retirement benefits are accruing for various employees of the company through the NHS Pension Scheme. This is a defined benefit scheme, which is externally funded and contracted out of the State Earnings Related Pension Scheme. The regular pension cost is charged to the income and expenditure account and is based on the expected pension costs over the service life of the employees.

1 Summary of significant accounting policies (continued)

h Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

i Shares in subsidiary undertakings

These are stated at cost. The results of the trading subsidiaries are detailed in note 16 to the accounts.

j Stock

Items donated for resale in the shops are not included within the financial statements until they are sold.

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to its present location and condition.

Stock held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

k Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

l Judgements and key sources of estimation uncertainty

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

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

m Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

n Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The Hospice is not VAT registered but is able to recover VAT using the VAT Relief Scheme for charities.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

1 Summary of significant accounting policies (continued)

o Going concern

The trustees are required to assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts. At the date of approving these accounts, the trustees have a reasonable expectation that the charity will be able to manage the situation and that it has sufficient cash resources to enable it to meet its liabilities as they fall due for at least 12 months from the date of approval. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2 Donations and legacies

	2025	2024
	£	£
Donations	1,765,998	1,519,380
Legacies	2,933,839	354,695
	<u>4,699,837</u>	<u>1,874,075</u>

Above income attributable to restricted was £3,100 (2024: £nil), balance to unrestricted.

3 Income from charitable activities

	2025	2024
	£	£
Medical consultancy fees	-	(2,405)
Grants – NHS CCG	691,090	665,342
Grants – Other	254,131	273,974
Other	25,345	45,127
	<u>970,566</u>	<u>982,038</u>

Above income attributable to restricted was £273,464 (2024: £264,047), balance to unrestricted.

4 Income from other trading activities

	2025	2024
	£	£
Fundraising events	572,409	547,841
Shops and lotteries	2,160,394	2,092,187
Other	20,424	14,974
	<u>2,753,227</u>	<u>2,655,002</u>

Above income attributable to restricted was £nil (2024: £23,360), balance to unrestricted.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

5 Income from investments

	2025	2024
	£	£
Listed investments - dividend Income	113,166	117,972
Rents received	46,530	39,191
Short term deposit interest	114,849	90,257
	<u>274,545</u>	<u>247,420</u>

All of the above income was attributable to unrestricted funds in the current and prior year.

6 Expenditure on raising funds

	2025	2024
	£	£
Shops and lotteries	1,446,295	1,396,494
Other fundraising costs	572,933	517,930
	<u>2,019,228</u>	<u>1,914,424</u>

All of the above expenditure was attributable to unrestricted funds in the current and prior year.

7 Expenditure on charitable activities

	2025	2024
	£	£
Staff costs	3,338,726	2,937,287
Building costs	399,944	385,530
Administration expenses	113,710	77,610
Patient care & medical services	231,450	233,477
Professional fees	31,961	37,794
	<u>4,115,791</u>	<u>3,671,698</u>

Above expenditure attributable to restricted was £191,523 (2024: £261,849), balance to unrestricted.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

8 Support cost breakdown by activity

Included within total expenditure are support costs as analysed below:

	Basis	Fundraising activities £	Charitable activities £	Total 2025 £	Fundraising activities £	Charitable activities £	Total 2024 £
Staff costs	Actual	82,407	665,584	747,991	78,126	631,005	709,131
Building costs	Space	14,845	66,817	81,662	11,484	51,350	62,834
Admin expenses	Actual	21,699	43,846	65,545	27,027	63,786	90,813
Patient care costs	Actual	5,799	8,549	14,348	956	4,309	5,265
Professional fees	Actual	15,981	15,981	31,961	18,897	18,897	37,794
		<u>140,731</u>	<u>800,776</u>	<u>941,507</u>	<u>136,490</u>	<u>769,347</u>	<u>905,837</u>

Included within professional fees and staff costs are governance costs as analysed below:

	Note	2025 £	2024 £
Governance costs			
Auditor's remuneration	10	25,547	23,100
Senior management		18,668	21,096
Other governance charges		2,089	2,085
		<u>46,304</u>	<u>46,281</u>

9 Net income/(expenditure) for the year

	2025 £	2024 £
Net income/(expenditure) is stated after charging/(crediting):		
Amortisation of intangible fixed assets	3,025	-
Depreciation & impairment of tangible fixed assets	176,495	142,534
Revaluation of tangible fixed assets	(47,553)	-
Auditor's remuneration	25,547	23,100
(Profit)/loss on sale of tangible fixed assets	13,123	-
Losses/(gains) on investments	32,375	(315,770)
	<u>25,547</u>	<u>23,100</u>
Fees payable to the charity's auditor:		
Audit of the charity's annual accounts	10,285	9,350
Audit of the charity's subsidiaries	8,470	7,700
Other services	6,792	6,050
	<u>25,547</u>	<u>23,100</u>

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

10 Staff costs

	2025	2024
	£	£
Wages and salaries	3,539,902	3,400,091
Social security costs	278,141	270,078
Pension costs	249,184	237,736
	<u>4,067,227</u>	<u>3,907,905</u>

The Hospice belongs to two pension schemes: the NHS pension scheme and a defined contribution scheme.

The NHS scheme is a defined benefit scheme, the assets of which are held in a separate trustee-administered fund. Under the definitions set out under FRS102, the NHS scheme is a multi-employer pension scheme. The Hospice is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Employer contributions charged against income for the period were £131,351 (2024: £124,716).

The Hospice and its subsidiaries also made contributions to a defined contribution scheme during the period totalling £117,833 (2024: £113,020).

The average number of employees analysed by function was:

	2025	2024
	No.	No.
Administrative	10	13
Charitable activities	106	99
Fundraising	15	15
St Luke's Hospice Trading	35	29
St Luke's Hospice Promotions	4	4
	<u>170</u>	<u>160</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2025	2024
	No.	No.
£60,000 - £70,000	2	2
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	-	1
	<u>3</u>	<u>4</u>

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

11 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration or expenses during the year (2024: £nil). The total amount of employee benefits, including salaries, received by key management personnel was £373,392 (2024: £421,964). The Trustees consider key management personnel to be comprised of the Trustees, Chief Executive Officer, Medical Director, Director of Income Generation, Finance Director and the Director of Care.

	2025	2024
	£	£
Trustees' Indemnity Insurance	1,625	1,625

12 Taxation

No liability to UK corporation tax arose on net expenditure for the year ended 31 March 2025 nor for the year ended 31 March 2024 for the company. A tax liability of £nil (2024: £nil) arose on the subsidiary companies included within the consolidated accounts.

13 Intangible fixed assets

Company	Intangible asset
	£
Cost	
At 1 April 2024	-
Revaluation	-
Transfer	-
Additions	29,043
Disposals	-
At 31 March 2025	29,043
Depreciation	
At 1 April 2024	-
Charge for year	3,025
Revaluation	-
Transfer	-
Eliminated on disposal	-
At 31 March 2025	3,025
Net book value	
At 31 March 2025	26,018
At 31 March 2024	-

During the year, a new finance system was implemented. The intangible asset related to capitalisation of the system.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

14 Tangible fixed assets

Company	Freehold land & buildings	Leasehold land & buildings	Fixtures & fittings	Computer Equipment	Motor vehicles	Investment Property	Totals
	£	£	£	£	£	£	£
Cost							
At 1 April 2024	3,161,350	580,723	560,984	89,307	14,370	-	4,406,734
Revaluation	-	-	-	-	-	31,795	31,795
Transfer	(139,038)	-	-	-	-	139,038	-
Additions	69,293	-	72,215	3,167	-	-	144,675
Disposals	-	-	(32,412)	-	-	-	(32,412)
At 31 March 2025	3,091,605	580,723	600,787	92,474	14,370	170,833	4,550,792
Depreciation							
At 1 April 2024	1,508,220	151,531	246,292	69,987	14,370	-	1,990,400
Charge for year	74,106	12,199	68,920	5,472	-	-	160,697
Revaluation	-	-	-	-	-	(15,756)	(15,756)
Transfer	(15,756)	-	-	-	-	15,756	-
Eliminated on disposal	-	-	(17,218)	-	-	-	(32,974)
At 31 March 2025	1,566,570	163,730	297,994	75,459	14,370	-	2,118,123
Net book value							
At 31 March 2025	1,525,035	416,993	302,793	17,015	-	170,833	2,432,669
At 31 March 2024	1,653,130	429,192	314,692	19,320	-	-	2,416,334

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

14 Tangible fixed assets (continued)

Group	Freehold land & buildings	Leasehold land & buildings	Fixtures & fittings	Computer Equipment	Motor vehicles	Investment Property	Totals
	£	£	£	£	£	£	£
Cost							
At 1 April 2024	3,161,350	684,458	659,276	155,779	40,141	-	4,701,004
Revaluation	-	-	-	-	-	31,795	31,795
Transfer	(139,038)	-	-	-	-	139,038	-
Additions	69,293	76,393	94,992	4,606	22,745	-	268,029
Disposals	-	-	(32,412)	-	(8,278)	-	(40,690)
At 31 March 2025	<u>3,091,605</u>	<u>760,851</u>	<u>721,856</u>	<u>160,385</u>	<u>54,608</u>	<u>170,833</u>	<u>4,960,138</u>
Depreciation							
At 1 April 2024	1,508,220	243,665	318,427	132,827	40,141	-	2,243,280
Charge for year	74,106	18,642	74,573	6,805	2,369	-	176,495
Revaluation	-	-	-	-	-	(15,756)	(15,756)
Transfer	(15,756)	-	-	-	-	15,756	-
Eliminated on disposal	-	-	(17,218)	-	(8,278)	-	(41,252)
At 31 March 2025	<u>1,566,570</u>	<u>262,307</u>	<u>375,782</u>	<u>139,632</u>	<u>34,232</u>	<u>-</u>	<u>2,378,523</u>
Net book value							
At 31 March 2025	<u>1,525,035</u>	<u>498,544</u>	<u>346,074</u>	<u>20,573</u>	<u>20,376</u>	<u>170,833</u>	<u>2,581,615</u>
At 31 March 2024	<u>1,653,130</u>	<u>440,793</u>	<u>340,849</u>	<u>22,952</u>	<u>-</u>	<u>-</u>	<u>2,457,724</u>

The historical cost of investment properties at the year end is £139,038 (2024:£nil)

15 Fixed asset investments

Company and Group	Unrestricted funds	Total 2025	Total 2024
	£	£	£
<u>Quoted investments</u>			
At 1 April 2024	4,551,550	4,551,550	4,204,498
Less disposal proceeds	(692,042)	(692,042)	(588,622)
Add acquisitions at cost	832,636	832,636	619,904
Net (losses)/gain on revaluation	(32,375)	(32,375)	315,770
At 31 March 2025	<u>4,659,769</u>	<u>4,659,769</u>	<u>4,551,550</u>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

16 Investment in subsidiaries

The parent charity owns 100% of the issued share capital of St Luke's Hospice Trading Ltd (Co.No.-03024652) and St Luke's Hospice Promotion Ltd (Co.No.-02862345) at cost of £4 (2024: £4), performance for the year was as follows:

	St Luke's Trading Limited	St Luke's Promotions Limited	Total 2025	Total 2024
	£	£	£	£
Shops and lottery income	1,178,889	981,505	2,160,394	2,092,187
Interest & other operating income	2	2,237	2,239	1,714
Total income	1,178,891	983,742	2,162,633	2,093,901
Total costs before rental costs paid to Hospice	(1,099,072)	(347,223)	(1,446,295)	(1,396,494)
Net income for the year	79,819	636,519	716,338	697,407
Rental costs paid to Hospice	(36,806)	(700)	(37,506)	(37,506)
Net income for the year before profits donated	43,013	635,819	678,832	659,901
Profits donated to St Luke's (Cheshire) Hospice	(17,138)	(637,539)	(654,677)	(666,123)
Net Profit/(loss) for the year after donations	25,875	(1,720)	24,155	(6,222)
Share capital & reserves brought forward	17,169	43,435	60,604	66,826
Share capital & reserves carried forward	43,044	41,715	84,759	60,604
Fixed assets	148,946	-	148,946	41,390
Current assets	165,407	176,198	341,605	370,957
Current liabilities	(271,309)	(134,483)	(405,792)	(351,743)
Net assets	43,044	41,715	84,759	60,604

During the year St Luke's Hospice Trading Limited transacted sales of donated goods in its shops of £351,248 (2024: £332,890) under the Gift Aid Retail Scheme. This enabled the Hospice to claim £87,812 (2024: £73,951) in Gift Aid credits from HMRC. Therefore, the Hospice benefitted from the sale of donated goods at the shops by £439,060 (2024: £406,841).

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

17	Stock		2025	2024
	Group			
			£	£
	Goods for resale		6,893	8,142

18	Debtors		Company 2025	Company 2024	Group 2025	Group 2024
			£	£	£	£
	Amounts owed by group undertakings		124,612	182,479	-	-
	Other debtors		95,199	78,441	97,893	78,441
	VAT		70,704	73,734	96,005	85,229
	Prepayments and accrued Income		1,032,433	435,361	1,112,994	533,801
	Trade debtors		23,394	82,457	25,180	84,723
			1,345,942	852,472	1,332,072	782,194

19	Creditors: amounts falling due within one year		Company 2025	Company 2024	Group 2025	Group 2024
			£	£	£	£
	Bank overdraft		-	-	-	10,279
	Trade creditors		73,198	79,277	104,074	101,210
	Other creditors		45,596	45,277	53,110	45,300
	Social security and other taxes		64,862	65,319	64,862	65,319
	Accruals and deferred Income		147,970	73,055	390,695	210,083
			331,626	262,928	612,741	432,191

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

20 Fund reconciliation

Company	Balance at 1 April 2024	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2025
	£	£	£	£	£	£
Unrestricted funds	6,257,986	6,951,161	(4,247,201)	(2,140,000)	15,178	6,837,124
Designated funds	3,750,000	-	(250,000)	2,140,000	-	5,640,000
	10,007,986	6,951,161	(4,497,201)	-	15,178	12,477,124
<u>Restricted funds</u>						
Lymphoedema	-	23,616	(23,616)	-	-	-
Medical Supplies	-	93,266	(93,266)	-	-	-
Carers Break services	-	-	-	-	-	-
Hospice UK	-	84,739	(4,418)	-	-	80,321
EOLP	-	10,115	(10,115)	-	-	-
Other restricted funds	54,919	64,828	(60,108)	-	-	59,639
	54,919	276,564	(191,523)	-	-	139,960
<u>Group</u>						
Group	Balance at 1 April 2024	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2025
	£	£	£	£	£	£
Unrestricted funds	6,318,586	8,421,611	(5,693,496)	(2,140,000)	15,178	6,921,879
Designated funds	3,750,000	-	(250,000)	2,140,000	-	5,640,000
	10,068,586	8,421,611	(5,943,496)	-	15,178	12,561,879
<u>Restricted funds</u>						
Lymphoedema	-	23,616	(23,616)	-	-	-
Medical Supplies	-	93,266	(93,266)	-	-	-
Carers Break services	-	-	-	-	-	-
Hospice UK	-	84,739	(4,418)	-	-	80,321
EOLP	-	10,115	(10,115)	-	-	-
Other restricted funds	54,919	64,828	(60,108)	-	-	59,639
	54,919	276,564	(191,523)	-	-	139,960

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

20 Fund reconciliation (continued)

Company	Balance at 1 April 2023	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2024
	£	£	£	£	£	£
Unrestricted funds	6,289,139	4,080,856	(3,677,779)	(750,000)	315,770	6,257,986
Designated funds	3,250,000	-	(250,000)	750,000	-	3,750,000
	9,539,139	4,080,856	(3,927,779)	-	315,770	10,007,986
<u>Restricted funds</u>						
Lymphoedema	-	44,321	(44,321)	-	-	-
Medical Supplies	-	92,434	(92,434)	-	-	-
Carers Break services	-	11,973	(11,973)	-	-	-
Hospice UK	-	-	-	-	-	-
EOLP	-	10,190	(10,190)	-	-	-
Other restricted funds	29,361	128,489	(102,931)	-	-	54,919
	29,361	287,407	(261,849)	-	-	54,919
<u>Group</u>						
Group	Balance at 1 April 2023	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2024
	£	£	£	£	£	£
Unrestricted funds	6,355,961	5,471,128	(5,074,273)	(750,000)	315,770	6,318,586
Designated funds	3,250,000	-	(250,000)	750,000	-	3,750,000
	9,605,961	5,471,128	(5,324,273)	-	315,770	10,068,586
<u>Restricted funds</u>						
Lymphoedema	-	44,321	(44,321)	-	-	-
Medical Supplies	-	92,434	(92,434)	-	-	-
Carers Break services	-	11,973	(11,973)	-	-	-
Hospice UK	-	-	-	-	-	-
EOLP	-	10,190	(10,190)	-	-	-
Other restricted funds	29,361	128,489	(102,931)	-	-	54,919
	29,361	287,407	(261,849)	-	-	54,919

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

20 Fund reconciliation (continued)

Medical supplies

The Department of Health via Integrated Care Board, centrally fund all Hospice pharmacy and medical supplies.

Designated funds

As at 31 March 2025 the trustees have designated the following amounts from free reserves:

	Balance at 1 April 2024	Utilised / released	New designations	Balance at 31 March 2025
	£	£	£	£
Hospice Development Fund	3,500,000	-	1,500,000	5,000,000
Capital Projects	250,000	(250,000)	440,000	440,000
Dilapidations	-	-	100,000	100,000
Service Sustainability/Development	-	-	100,000	100,000
	<u>3,750,000</u>	<u>(250,000)</u>	<u>2,140,000</u>	<u>5,640,000</u>

Hospice Development Fund

In light of the need to invest in the Hospice's infrastructure the Hospice Development Fund has been increased by a further £1.5m. This is an additional designation from the existing reserves monies. These monies will potentially be used to fund our future longer term aspirations to develop the existing site or to move to a new location.

Capital Projects

Funds are designated by the Trustees for approved Capital Projects.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

21 Analysis of net assets between funds

Company	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Intangible fixed assets	26,018	-	26,018	-
Tangible fixed assets	2,352,348	80,321	2,432,669	2,416,334
Investments	4,659,773	-	4,659,773	4,551,554
Current assets	5,770,611	59,639	5,830,250	3,357,945
Current liabilities	(331,626)	-	(331,626)	(262,928)
	12,477,124	139,960	12,617,084	10,062,905
Group	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Intangible fixed assets	26,018	-	26,018	-
Tangible fixed assets	2,501,294	80,321	2,581,615	2,457,724
Investments	4,659,769	-	4,659,769	4,551,550
Current assets	5,987,539	59,639	6,047,178	3,546,422
Current liabilities	(612,741)	-	(612,741)	(432,191)
	12,561,879	139,960	12,701,839	10,123,505

22 Free reserves

	Group 2025 £	Group 2024 £
Total Reserves	12,701,839	10,123,505
Less:		
Unrestricted Intangible Fixed Assets	(26,018)	-
Unrestricted Tangible Fixed Assets	(2,501,294)	(2,457,724)
Restricted funds	(139,960)	(54,919)
Designated funds	(5,640,000)	(3,750,000)
Free reserves	4,394,567	3,860,862

Please refer to the Finance Report (page 14) and Reserves Policy and Position (Page 16) for further information.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2025

23 Results of the parent company

As permitted by Section 408 of the Companies Act 2006 these accounts do not include a separate SOFA for the parent charity. The results of the parent charity alone (including gift aid receipts from its subsidiaries, as detailed in note 16) are:

	2025 £	2024 £
Incoming resources	7,227,725	4,368,263
Resources expended	<u>(4,688,724)</u>	<u>(4,189,628)</u>
Net incoming resources before other recognised gains and losses	2,539,001	178,635
Revaluation of fixed assets	47,553	-
Gains/(losses) on investments	<u>(32,375)</u>	<u>315,770</u>
Net movement in funds	<u>2,554,179</u>	<u>494,405</u>

24 Operating lease commitments

Total future minimum lease payments are as follows:

	Land & Buildings £	Other £	Total 2025 £	Total 2024 £
Within one year	88,354	13,926	102,280	110,008
Within two to five years	222,696	20,340	243,036	89,992
Over 5 years	106,452	-	<u>106,452</u>	<u>-</u>
	<u>417,502</u>	<u>34,266</u>	<u>451,768</u>	<u>200,000</u>

25 Related party transactions

There were no related party transactions during the current or prior year.

26 Post balance sheet events

As in previous years, the Hospice has been bequeathed a share in a number of legacies during the year. It is the Hospice policy to recognise the income once the amounts can be accurately quantified. All assets quantified have been included in the accounts.

At the year end any legacies still pending and due to the uncertainty of the amounts, the income will be recognised in the year in which the donations are either received or the amounts can be determined with reasonable certainty. The approximate value of such donations in wills to which the Hospice can put a value is in the region of £23,000 (2024: £30,000).

At the year end, the charity had capital commitments of £2,924.(2024 : £74,000).

ST LUKE'S CHESHIRE HOSPICE

England & Wales - Charity number 515595

Accounts

Registered company number: 01846186 (England and Wales)

Registered charity number: 515595

St Luke's (Cheshire) Hospice

Report of the Trustees and
Consolidated Financial Statements

For The Year Ended
31 March 2024



St Luke's
CHESHIRE HOSPICE

St Luke's (Cheshire) Hospice

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St Luke's (Cheshire) Hospice

Introduction from Mike Ridley, Chairman

For the year ended 31 March 2024

As I begin my eighth year as Chairman of the Hospice, I look back to 2023/24, and continue to be amazed at the achievements of this relatively small organisation within our local community. It is a very humbling experience, leading and supporting our wonderful Hospice and I thank from the bottom of my heart, every single person (mentioned below) who have been there for the Hospice, over the years, in so many different capacities.

2023/24 was a year of continued recovery from the effects of Covid, with many positive improvements and developments which you will find throughout this report. We have also seen a determined approach, not just to maintain our services, but to begin to look to the future, to see how we might be able to provide more or different services. We must also continue to be aware of the constraints placed upon us by our existing building and facilities and to consider our longer-term plans for more and better hospice services for our local population.

I have been particularly pleased that we continually review our Hospice building and site here at St. Luke's. Under Neil's imaginative leadership we have seen a number of internal improvements to the accommodation and services we provide for our patients and staff. A significant example of this is our new Pharmacy area which has replaced a much smaller and more difficult to manage room, but which is so important to providing a full range of services and treatments to those we look after.

Once again, our staff and volunteers have worked tirelessly to ensure that our services continue. Generating income to provide these services will always be a challenge, particularly when we only receive approximately 14% of our total funding from the government (a much smaller contribution than many other hospices receive). This makes the work of all our fundraisers and supporters, shop workers, lottery sellers and subscribers and all those who attend our "big" events, so important for the continuation of our services.

As I think of those who support us I must also thank once again our President, Lady Alexis Redmond MBE, and our Patrons, Rosie Spiegelberg MBE and Lady Rose Cholmondeley who continue to encourage and support all that we do. In addition, we have a special group of Vice Presidents who we are looking to involve even more as our services continue to evolve and increase. A further source of support is the many and varied organisations who provide sponsorship, help and so much more, which make such a significant contribution to our work. A special thank-you to you all.

In leading the Hospice, I have enjoyed my regular meetings with our Board of Trustees, who work so hard to ensure that the work of the Board and its committees supports our continuing progress. We have recently said goodbye and thank-you to Tony Baxter who had completed nine years of dedicated service to the Hospice. My thanks go to our existing and new trustees.

I must finally pay tribute to our Management Team under the great leadership of Neil Wright. Everyone has played an enormous part in the success of the Hospice. Kate Estcourt has not only provided leadership from her nursing role but has also gone "above and beyond" in meeting the additional demands placed upon her following the departure of our Medical Director. Claire Langston has risen to the challenge of maintaining and generating even more income to fund our current and future services and Nabela Chaudhry is the rock on which our finances are based! All of these, together with Neil's imagination and dedication, ensure that the Hospice will continue its great services. Thank-you to the Team and to Gaynor for looking after us!

And just one last personal thank-you. When I began my service to the Hospice all those years ago, I knew very little about hospices and the care they were able to give. One of my first meetings was therefore with Dr Andrea Graham our Medical Director (who responded to my many and varied "layman's" questions with such great patience!). Sadly, Andrea left us this year, but I just want to place on record my enormous personal thanks and that of the whole Hospice for her commitment and dedicated service over a period of 23 years and to wish her well for the future.

With my best wishes



Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Reference and Administration Details

For the year ended 31 March 2024

Registered Company Number (England & Wales)	St Luke's Hospice is a company limited by guarantee, number 01846186 (not having a share capital).
Registered Charity Number	<p>The company is a Registered Charity, number 515595 and its Memorandum of Articles of Association govern its functions.</p> <p>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.</p>
Principal and Registered Office	St Luke's (Cheshire) Hospice Grosvenor House Queensway Winsford Cheshire CW7 1BH
Contacting Us	You can contact us by telephone on 01606 551246, by email on enquiries@slhospice.co.uk. If you would like to find out more about our work, please go to our website: http://www.slhospice.co.uk or follow us on Facebook and Twitter.
Auditors	MHA Richard House 9 Winckley Square Preston PR1 3HP
Senior Statutory Auditor	Nicola Mason
Investment Fund Manager	Rathbones Investment Management Martins Buildings 4 Water Street Liverpool L3 1NW
Bankers	National Westminster Bank Plc P O Box 6 The Bull Ring Northwich Cheshire CW9 5BN
Solicitors	Poole Alcock 238-246 Edleston Road Crewe CW2 7EH

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Members of Board

The Members of Board are Trustees of the Charity and also constitute the Board of Directors.

The Trustees (who are also directors of the charity for the purpose of the Companies Act 2006) who served during the period are set out below. Details of our Senior Management Team (SMT), to whom the day to day management of the Hospice is delegated and Ambassadorial roles, are also presented.

Trustees

Mr John Michael Ridley (Chairman)

Mrs Tina Cookson

Dr Katie Gibbs-Blythe

Mr Anthony J Baxter

- Retired 18th March 2024

Mr Colin Norman

Mr Graham Jones

Mr Lee Greenbury

Mrs Wendy Davies

Mr Sean Houlston

- Resigned 5th February 2024

Mr Graham Aitken

Dr Samuel Malton

Mrs Zoe Ahearne

Mrs Rachael Williams

- Appointed 26th June 2024

Vice Presidents

Mrs D Mather

Mrs D Parsons

Mr R Mills MBE

Mrs J Thomas

Mrs J Corfield

Mrs F Bruce

Mr J Baldwin TD DL

Mr J Lea – Resigned September 2023

Mr W Crafter

Dr V Pritchard

Mr C Winward

Joint Patrons

Mrs W Spiegelberg MBE

Lady Rose Cholmondeley

President

Lady Alexis Redmond MBE

Honorary Treasurer

Colin Norman

Company Secretary

Vacant

Senior Management Team (SMT)

Mr Neil Wright

Miss Kate Estcourt

Mrs Nabela Chaudhry

Miss Claire Langston

Dr Andrea Graham

Chief Executive

Director of Care

Finance Director

Director of Income Generation & Communications

Medical Director – Resigned 29th February 2024

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Governance and Management Arrangements

Governing Arrangements

St Luke's (Cheshire) Hospice is a Registered Charity and a Company Limited by Guarantee. The company was established under a Memorandum of Association (MA), which sets out the objects and powers and the essential rules for running the Charity and is governed under its Articles of Association. The Hospice is governed by statute, mainly the Charities Act 2011 and the Companies Act 2006. The services delivered by St Luke's are registered by the Care Quality Commission.

The Charity has two wholly owned subsidiaries. St Luke's Hospice Promotions Limited which operates a lottery in support of the Hospice and St Luke's Hospice Trading Limited which runs charity retail shops in support of the Hospice. Both companies exist to generate income to support the work of St Luke's (Cheshire) Hospice. All surplus income is gift aided to the parent company for this purpose. Two Trustees from the St Luke's (Cheshire) Hospice Board also sit on the Board of St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited.

Decision Making Arrangements - Role of the Trustee Board & Committees

St Luke's (Cheshire) Hospice has a Trustee Board. The Trustees are directors of the Company as well as being Trustees for the purposes of charity law. It is their role to carry out the objects as set out in the MA, to ensure the Hospice is managed as required by the MA and in line with the standards required by charity law, other statute and regulations, guidelines and good practice.

In line with the above roles, the Trustees are responsible for setting strategy, embedding good governance, maintaining oversight and ensuring the probity of policy and decision making for the effective operations of the Hospice and the achievement of agreed goals. All decisions made by the Board must be made in accordance with the MA.

Whilst our Trustee Board retains ultimate responsibility, the work of the Board is delivered through the following Sub Committees as detailed below:

- Patient Care & Clinical Governance Committee
- Finance and IT Committee
- Income Generation and Communication Committee
- Human Resources Committee
- Estates Committee

The Committees have delegated authority from the Trustee Board to oversee areas of particular Hospice activity and operations. Committees are chaired by a Trustee and have a SMT Lead (with relevant expertise). Membership of the Committees includes a second Trustee representative, SMT representatives as well as the lead operational managers. The Chairs of the Committees provide a report to the Trustee Board and make minutes of the Meetings available to all Trustees.

Each year the Board undertakes a "skill mix" audit to make sure that each of the Trustees has the experience and professional expertise to continue to make a valuable, informed contribution to the Board's collective decision making as well as oversight of the work of the Senior Management Team.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Role of Trustees at St Luke's

Arrangements for our Trustees are set out in our Articles as follows:

- Trustees are members of the Board – we will have no less than five Trustees and no more than twelve.
- Trustees become members of the organisation.
- Trustees have the power to appoint any person who is able and willing to do so to be a Trustee.
- Trustees are elected to serve for an initial period of three years.

At the expiry of three years, a Trustee may, if they so wish, seek re-election for two further three-year terms. After serving three terms of office, a Trustee must stand down. We look to seek the balance of retaining the skills and organisational knowledge of Trustees counterbalanced with a fresh perspective in running the hospice. It is vital that the diversity, skills and experience of our Trustee Board reflects the needs of our Hospice and the local community.

Trustees may be attracted to St Luke's through many different routes – we believe it is important that we recruit new Trustees from the widest pool possible. We have an established process for the recruitment, selection and induction of new Trustees. Our induction process is designed to ensure that Trustees are confident in their appointment and fully understand:

- Their legal responsibilities, obligations and expected contributions.
- The wider context of the Hospice Movement and the broader landscape in which we operate.
- The governance arrangements at St Luke's and its regulatory environment.
- The support available to them, where to go for further help and information.

New Trustees receive an induction pack which provides a range of information including the history of the Hospice Movement, the nature of our services at St Luke's, our ways of working, key contact points and an overview of our strategic direction, performance and risks.

Trustees are expected to undertake an annual review with the Chairman where continuing development needs to fulfil the Trustee role effectively are discussed and supported.

Associate Trustee

In order to widen support and guidance to the Senior Management Team, the Trustees have created a role called Associate Trustee. The role of an Associate Trustee is as a co-opted, non-voting member who sits and supports the work of one of the 5 Trustee subcommittees. Using their expertise and experience, they overview and challenge the Senior Management Team in delivering the strategic aims of the Hospice. On occasions, Associate Trustees are invited to attend Full Board meetings not only to learn more about the work across the Hospice but to offer a different perspective.

Public Benefit

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

Management Arrangements at St Luke's

The SMT, with responsibilities for Care/Clinical Services, Medical Services, Income Generation & Communications, Financial, Estates, Human Resources and IT, is led by a Chief Executive Officer (CEO) who has responsibility for the operations of St Luke's, the implementation of regulatory requirements and the strategic and other decisions made by the Trustee Board. Members of the SMT are invited to attend the Trustee Board meetings but do not have voting rights.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

The pay arrangements for all members of the SMT follow the NHS Agenda for Change pay bands and are also peer reviewed against the payrates of other hospices and similar size charities. Over the last few years we have listened to staff comments and feedback on exit interviews and have developed a fairer, structured approach to pay across the whole hospice. This fairer approach also gives a transparent, structured framework for SMT pay, agreed and overviewed by the Board of Trustees.

Risk Management

The Trustee Board is responsible for ensuring that the Hospice has clear strategies and systems for assessing and managing risk. This is at both an operational and strategic level.

Acknowledging that not all risks can be eliminated, the Trustees and SMT, as part of on-going activity and reporting, assess, manage and monitor all the major risks to which the Hospice is exposed, endeavouring to ensure that risks are avoided or mitigated where possible, to an acceptable level.

Extracts of the Risk Register highlighting current Risks are reviewed by the board monthly and a full review undertaken by the Board annually.

Clinical

We would like to acknowledge the dedication and professionalism of Dr Andrea Graham who has recently resigned her position as Medical Director of the Hospice after 23 years of service.

Our 10 bedded Inpatient Unit operated last year with no significant nursing vacancies, enabling us to provide the continuity of services that our patients need. The Medical Director vacancy gives us the opportunity to refresh and review our clinical structure so we can recruit the right person for our needs before we advertise and recruit into this role over the summer.

Our set of clinical data continues to show a growing number of patients being referred to us late in their diagnosis. This might be because of being unable or finding it difficult to access NHS care in a timely manner. This has meant that patient referrals have tended to be more complex, leading to more patients needing terminal care and therefore more deaths than discharges. This remains one of the driving forces behind our strategy, to reach out to support patients in the community before they reach the hospice.

The Day Hospice unit continues to offer a wide range of supportive therapies. In addition to the nurse led well-being days, we offer complementary therapies, access to occupational health support, creative therapies as well as counselling, social work and benefits advice. The Day Hospice has continued the vital dementia carers group and demand for this service remains high. We are working in partnership with our local community services provider, CCICP, to provide complementary therapies in peoples own homes for those patients and carers who struggle to attend the hospice building

Our Family support team offer one to one bereavement counselling to anyone known to the Hospice along with a bereavement support group for adults, called the Robins Group, and a support group for children, called the Phoenix Group. The team are working with an unprecedented demand for bereavement services and are able to respond to referrals within weeks for most referrals and within days for an urgent referral where locally the waiting lists for bereavement counselling through NHS services can be much lengthier.

Improving access to our specialist palliative care services for everyone in our local area remains a priority. Our homelessness service spans across Cheshire and, in partnership with the other Cheshire Hospices, East Cheshire Hospice & the Hospice of the Good Shepard, seeks to improve access for anyone experiencing homelessness to be able to access hospice services. Ensuring we are meeting the requirements of the Equality and Diversity act is another of the hospice's clinical priorities. Our Equality, Diversity & Inclusion lead also works pan Cheshire and has helped all three hospices to obtain a Navajo Quality mark for breaking down barriers for anyone accessing hospices services from the lesbian, gay, bisexual, transgender, queer, plus other sexual orientations and gender identities (LGBTQ+) community.

St Luke's (Cheshire) Hospice

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For the year ended 31 March 2024

St Luke's Night Care Service has been supporting patients and their carer/s in their own home overnight since July 2022. This is one of the services where we are starting to live out our strategy by reaching into the community, providing care outside the hospice. We have produced a service report which shows that the main reason for accessing this service is to support carers in their vital role in helping their loved ones. We are aiming to continue the service and forge stronger links with our own "St Luke's at Home" services and that of our local partners.

The Weekend Hub has been operating for two years and we now have data that shows the vital symptom management and carer support that this service offers via telephone advice and home visiting services. The NHS continues to struggle to provide access to local Specialist Palliative Care (SPC) 7 days a week. The hospice has a 24/7 Specialist Palliative Care Telephone Helpline and this service complements the Community SPC service during the week Monday to Friday and the helpline over the weekend. This again is part of our strategy, reaching out of the hospice supporting the Specialist Palliative Care needs of our community. Continuation of funding for this service is limited and will be reviewed with commissioners alongside our desire to set up a Single point of Referral for Specialist Palliative Care.

Facilities

Although the hospice continues to offer a good environment for our clinicians to provide good care, the SMT and Board of Trustees have considered carefully how we can continue to improve and provide good care for the next 36 years as we have done since the hospice opened 36 years ago in 1988.

The Board of Trustees and SMT have concluded that whilst the hospice building is good enough for our needs today, it may not fit our needs in the future. The Trustees have asked the SMT to come up with a range of options and sites for a new hospice. Although not yet determined, clearly a new hospice will involve a large capital commitment, which is why the Trustees have approved designating some of our reserves towards a future building project, whilst we continue to look for a suitable site.

Part way through the year, our Health and Safety and Estates Manager, Jackie Raleigh, left us to further her career. We are extremely grateful for Jackie's tenacity, attention to detail and determination to keep us all safe during the Covid years. The role of the new manager, along with her assistant, now not only looks after the Hospice buildings but also supports our retail estate as well.

Although we have ambitions for a new hospice, the Trustees are mindful that we need to continue to make improvements to the existing hospice for those patients we have the privilege to care for today. With this in mind over the last year, we have created a new, much improved drugs room and with limited communal space on the Inpatient unit, a more engaging dining room for all to use, which we have named The Fountain. Both these areas were reimaged and refocused out of the former large underutilised dining room.

We have also started a programme of works to improve the non-clinical areas of the hospice and refloored the whole of the Income generation department, installed new storage facilities and a brand new multi-functional meeting room for all to use.

We are grateful for the professionalism of the management of the catering and housekeeping teams. These departments continue to provide our patients, visitors, staff and volunteers with nourishing food and keep infections under control.

Income Generation

Our fundraising teams continue to face challenging times trying to encourage the public to join mass participation events and other fundraising initiatives. However, the fundraising challenge is not just specific to St Luke's, but is being faced by many charities across the country and may have more longer lasting consequences for charitably funded organisations in the future. Nevertheless, the Income Generation team here at St Luke's has a great reputation and will continue to find new innovative ways to support the work of the hospice. New events and activities have been added during the last financial period to enhance our engagement with supporters and attract new support.

St Luke's (Cheshire) Hospice

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For the year ended 31 March 2024

The success of our Trading Company is underpinned by a large group of shop volunteers and a stable staffing model. We are still facing a competitive retail labour market and have adjusted payrates to attract and retain good quality staff and we could always do with more volunteer support to strengthen our operational model. The shops however continue to be the 'window on our community' and make a good contribution.

One of the challenges across the shops has been to ensure they are in a good state of repair. We have been working on a cycle of projects across the shop units to ensure that our staff, volunteers and customers operate in refreshed spaces. I am pleased to say that the work we undertook in 2022/23 at our Middlewich shop including refitting the inside of the shop and recruiting new staff and volunteers has made a huge difference. The shop is bright and airy and has been welcoming customers back since its reopening last Summer.

Our communications department became an even more effective and essential form of communication during the pandemic making sure that we stayed engaged with supporters online via social media. Although people welcome the return of meeting face to face, we are seeing general signs of Social Media Fatigue, but this nevertheless remains a vital part of our communications strategy. Our communications department work professionally and diligently to find stories to explain the vital work that we do here at the Hospice.

Over a good number of years, we have actively pursued the policy of signing up new lottery players on Direct Debit. All this past hard work has paid off as a way of stabilising this source of sustainable income which helps to fund the care that we provide. As a result, our lottery subsidiary continued to make an excellent contribution towards the work of the hospice. We engage outside lottery canvassers who recruit new members sufficient to replace those who decide to stop playing our lottery.

Non-Clinical Staff

The Finance and HR teams continued to have different challenges. Now that we have a more stable workforce, the HR Team have been focusing the hospice's attention more on staff wellbeing to ensure that we retain and develop our dedicated staff. We have retained a supportive attitude to work flexibly at home and in work, which helps with recruitment, work life balance and the mental health of our staff.

Our Finance team continued to administer and account for all our income streams and departmental expenditure. They provide excellent accurate and timely management information which enables the SMT and Trustees to make the right decisions for the hospice. The financial support from the government remains one of the lowest in the country for an adult hospice. This means that the Finance team has to work closely with our Income Generation team to account for the various sources of income that we receive from our supporters and from our own initiatives.

Both the Finance and HR teams undertook a comprehensive but time-consuming project to introduce a fairer, hospice wide, pay structure based closely on the NHS' Agenda for Change but with affordable modifications. This approach will help to recognise everyone's contribution in a fair and consistent manner and should help with recruitment and retention which could be a problem in the future.

The IT Manager has continued to build on our Cloud based system solutions. This approach enables our staff to work safely from home where they are able to do so. As a hospice we embrace technological solutions positively where and whenever we can to improve the care that we provide.

The changing local Health Economy

St Luke's (Cheshire) Hospice covers an approximate population of 300,000 and primarily, sees people in St Luke's premises (Grosvenor House and Winterley Grange, Sandbach), and we are now starting to reach out into people's homes.

The health service in our area used to be organized into 4 CCG areas, comprising the former 4 CCG's, South Cheshire CCG, Vale Royal CCG, East Cheshire CCG and West Cheshire CCG, before it merged to become Cheshire CCG. St Luke's predominantly cares for patients who live in the old South Cheshire and Vale Royal areas, perhaps better described as Central Cheshire.

St Luke's (Cheshire) Hospice

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For the year ended 31 March 2024

The old Cheshire CCG has now been replaced with one statutory body called Cheshire and Merseyside Integrated Care Board, which itself is split up into 9 Places. The new 'Place' structures commission health services in their respective Places. St Luke's hospice now straddles two Places, South Cheshire based in Cheshire East Place and Vale Royal based in Cheshire West Place.

This new administrative structure is creating complications for St Luke's as both East and West places have adopted different ways of working. Ideally, we would like the ICB to recognise the existence of the unique, mature end of life care network across Central Cheshire.

Cheshire and Merseyside Integrated Care Board

Prior to the Pandemic, the Government recognised the fragility of Hospice Funding and now that the pandemic is behind us, unfortunately, the fragility of the hospice sector has not gone away.

Cheshire & Merseyside ICB continued to recognise the question of Hospice Financial sustainability and although they said they were committed to providing equality of access to good end of life care for everybody across Cheshire and Merseyside, they lack the financial resources to put this into practice.

The ICB is undergoing dramatic financial cutbacks in its budget and these cutbacks coupled with the disruption of change and a period of potential political instability, is making the commissioning of healthcare a little confused and uncertain. This is particularly so for us here at St Luke's, but we are not alone as all hospice organisations in the C&M ICB area hold a similar opinion.

Nevertheless, we are grateful that we continue to be well supported by our local community and will continue with our strategy to provide excellent end of life care for the people of Central Cheshire.

Vision, Mission and Values

Strategy 2022 – 2025

Our existing strategy has been ratified by the board until 2025. We are currently working on a new strategy which will describe where the hospice is now and set out a vision and mission taking into consideration the changing political and economic factors affecting the national and local healthcare economy. Our strategic aims to reach out, care for more people, be sustainable and make our buildings even better remains apposite.

Without the financial support of the Cheshire and Merseyside Integrated Care Board, we will find ways to support existing and new ways of working and become even more collaborative, efficient, innovative and cost effective in our practice.

The strategy of the Hospice affirms our Vision, Mission, Values and Strategic aims.

Our Vision

Our Vision is for all dying people in Cheshire and those close to them to have access to the care and support they need, when and wherever they need it.

Our Mission

Our Mission is to help people in Cheshire to live the life they can, informed and supported at the end of their life

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Our Strategic Aims

1. **Care for more people** – we monitor our clinical activity on a monthly basis and by maximising our clinical workforce and resources, we make sure that we have the privilege to care for as many people as possible.
2. **Be Sustainable** - We have a robust reserves policy to ensure that we are financially sustainable for the near future; we continually review all our infrastructure to see whether we can swap to a more environment sustainable method of operation. We review all our activities to ensure we are as efficient as possible. Where possible we partner with other hospices/health care organisations to be more efficient.
3. **Reach Out** – We have established a number of services where we reach out from the hospice, our Weekend Hub; Night Care Service, Complementary Therapies; Occupational Therapy support.
4. **Make our building even better** –We have carried out a number of building improvements, replaced inefficient old wooden windows, new drugs room, new dining room, new IG meeting room, refurbished Middlewich shop, refreshed the Income Generation workspace to name but a few.

Our Hospice Values

Our Values reflect our fundamental beliefs. They guide the way we behave with patients, carers, volunteers, supporters, suppliers, external stakeholders and each other to achieve results. The values unite us as an organisation and together we are St Luke's.

The values of St Luke's are at the heart of everything we do and underpin our strategies, policies and ways of working. Embedding our values through our recruitment, induction, training and communications also helps to create the appropriate environment to work in partnerships with others. Our values are:

- **CARING** - We provide quality, dignified holistic palliative care and support
- **INNOVATIVE** - We promote a culture where innovation and new ideas are encouraged, whilst valuing our heritage and past.
- **COLLABORATIVE** - We work together collaboratively, share ideas and support each other to ensure that we achieve our common goals, both within the hospice and within our wider community.
- **RESPECTFUL** - We treat those we care for, volunteers, colleagues and supporters with respect, dignity & compassion. We respect ethnic, cultural and spiritual beliefs and recognize equality of access.
- **RESOURCEFUL** - we spend money wisely in all that we do to ensure we have equipment and an environment in which to deliver quality, sustainable clinical and non-clinical services.
- **KNOWLEDGEABLE** - We are experienced, knowledgeable and well-trained.
- **HONEST** - We communicate what we do openly and honestly with all our stakeholders and users.
- **EXCELLENCE** - We strive for excellence in everything that we do, we celebrate our successes and learn from our mistakes.

We are committed to creating a culture in which diversity and equality of opportunity is actively promoted and developed. We are committed to challenging all forms of inequality in our role as a service provider and employer.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Principal Objects & Activities, supported by Staff & Volunteers, working with and in the community

Principal Objects and Activities

The principal object of the Charity is to promote the relief of illness amongst people suffering from a terminal illness. We aim to achieve this in three key ways:

One - The provision of Specialist Palliative Care with the focus of our services on complex symptom control and terminal care in:

Inpatient Care

Telephone support and advice

Two - The Provision of Supportive Care

Our experience in supporting patients, their carers' and loved ones tells us that they often have a need for supportive care in many different forms, involving both our trained staff but also from our trained volunteers. The services we provide consist of:

Social Work & Benefits Adviser

Spiritual Care (Chaplaincy)

Complementary Therapies

Psychosexual Clinics

LGBTQ+ Development Facilitator

Family Support and Counselling Services

Community Befriending & Engagement Day Hospice and

Lymphoedema Clinics

Homelessness End of Life Care

Three - The Support and Education of other Providers and our Community

St Luke's has always had a strong focus on education. The End of Life Partnership (formerly Cheshire Hospice Education), was born out of the vision, work and funding committed by St Luke's Hospice over many years.

We support the work of the End of Life Partnership and in partnership with others, we support communities, professionals and local organisations across Cheshire to improve the palliative and end of life experience and care for all.

We also train medical and clinical staff who work in different clinical professions and settings so that they too, can take our shared knowledge and skills into their own communities, in hospital, home and other care settings.

The Contribution of our Supporters, Staff and Volunteers

We truly value the commitment, contribution and achievements of all our staff, volunteers and supporters. They are the hallmark of St Luke's and allow us to deliver the best possible services to our patients, carers and their loved ones.

We want to ensure that St Luke's is seen as a good place to work and volunteer and our aim is to continue to attract, recruit and retain our large and valued volunteer community with its wide range of skills and experience. We believe engaging, developing and motivating as best we can is key to achieving this.

Staff and volunteers are recruited in line with relevant standards, including the Disclosure and Barring Service. Induction and orientation are provided alongside a range of developmental and learning opportunities.

The Hospice has over 680 regular volunteers in a range of services fulfilling a variety of roles. Working alongside our employed staff, volunteers offer their skills, experience and expertise to many departments in the Hospice and the Trading and the Promotions companies; this may be directly with patients, on our reception desks or in our shops. Volunteers donated 58,000 hours of time which, if paid at the national living wage of £10.42, would equate to £604,000.

St Luke's (Cheshire) Hospice

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We look forward to our volunteers working alongside us because without the commitment and support we receive from volunteers; we could not provide the services we do. We want to acknowledge and sincerely thank our supporters and volunteers for their generous and much needed gifts of time and money in their many varied forms, to the Hospice.

Working with Others and in the Community

Working with others in partnership, across the health community is key to ensuring we achieve our own and shared health objectives and outcomes. Examples of this include our relationships and roles as follows:

- Work in partnership with CCICP to provide a Lymphoedema service to Central Cheshire Patients.
- Training and education of undergraduate and postgraduate students in a range of health care professions from local university medical and health care schools.
- Developing relationships with Health and Educational organisations including local GP Alliances.
- End of Life Partnership through mutually supportive mission and goals that will strengthen the impact and outcomes of our work.
- Membership of umbrella organisations such as Hospice UK, Hospice Lotteries Association, Hospice Quality Partnership, Lotteries Board, Charity Retail Association, Fundraising Regulator, National Association of Hospice Fundraisers, Association of palliative medicine and other local and national professional networks.
- Development of community befriending to enable compassionate communities to develop and address social isolation and loneliness experienced by the ill, frail and elderly in our community
- Working with East Cheshire Hospice and the Hospice of the Good Shepherd to widen access through engagement with Homeless people at end of life and our local LGBTQ+ communities.
- Our developing relationship with the Christie who use the Hospice premises to deliver their service to local residents making their treatment more patient centred, easier and convenient saving them time.

Cheshire and Merseyside Hospice Collaborative

Following the creation of the Cheshire and Merseyside ICB, each of the 12 adult and Children's Hospices have formed a 'Hospice Collaborative' to formalise working more collaboratively and closer together, sharing experience and best practices.

We provide a modest contribution towards a Collaborative Project manager who has been set a number of collective objectives. One of the most those objectives last year was to create a 'Sustainable Funding Model' to present to the Cheshire and Merseyside ICB. Although a robust model has been created, the ICB do not have the resources to provide more sustainable government funding.

The formation of the Collaborative and the appointment of the project manager is still in the early stages, but it is hoped that by speaking together as a Hospice movement, we are stronger and louder than our individual voices.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Financial Report

Financial Performance and Review

Charities across the globe have dealt with a constant stream of challenges over the last few years and continue to operate in a fast-changing world with much uncertainty. Although we have safely crossed the threshold of the “once in a generation” events of recent years we are still exposed to ongoing challenges whether they be inflationary cost pressures or the potential future challenges and/or opportunities that may arise for example from the artificial intelligence.

The Hospice sector as reported by Hospice UK recorded that the financial year 2023-24 was the “worst ever” reflecting the significant impact that the end of the “covid government support grants” had on the finances of hospices and the challenges the sector now encountered in resurrecting its income streams. The trustees and SMT recognising these ongoing challenges entered the new financial year with caution, continuing our prudent approach to our financial management. There was a clear realisation that the “exceptionally” high legacy income received in prior years, which had helped secure our strong financial position were unlikely to be repeated in the future.

The financial year began once again with cautious optimism in relation to fundraising which was duly reflected in the annual budget. There was also still some concern about the return of supporters to our shops which was reflected in the prudent Trading budget. Pleasingly however there was a strong resurgence across most of our fund raising activities throughout the year. This culminated with income generation income closing the year well ahead of budget and the prior year. The positive outturn was mirrored in most income generation activities but notably in community, events and corporate. The second year of the twilight walk build on the success of the first year and the well established elf run continued to go from strength to strength. In memoriam giving also generated income well ahead of expectations thanks to the generosity of our supporters. As detailed below the end of year results for Trading also reflected a very positive outcome.

Entering the year once again with a prudent budget our reserves continued to provide us with the reassurance that we could navigate our way through any further uncertainty by maintaining our approach of managing our resources efficiently and effectively. Focussing on maintaining all of our services and where possible improving the offering to patients whether that be through dementia carer workshops or increasing complimentary therapy sessions. The needs of our patients and the continued delivery of safe, effective and high-quality care services remained at the centre of all decision making throughout this period.

The Hospice made a group surplus of £488,183 (2023: £602,025). It is imperative to highlight that once again this surplus would not exist without the receipt of legacy monies of £354,695 (2023: £1,383,427). Excluding these monies and the gain on the revaluation of our investments, the Hospice would be declaring an operating deficit. The Group surplus was £172,413 (2023: £1,084,010) as at the 31 March 2024 before accounting for the year end gain of £315,770 (2023: £302,033 loss) on the revaluation of our investments and £nil (2023: £179,952) on revaluation of fixed assets.

As mentioned this year's legacy income was significantly less than previous years and less than had been budgeted. However, it was reassuring to see many of our “traditional” income streams continued the upward trend we had started to see evidence of in the previous financial year. Nevertheless, the Executive team and the Board of Trustees recognise that the last few years of surpluses, including two years of “exceptional” surpluses, will be required to carry and support us through the potentially difficult years ahead to ensure we can continue to provide vital services for our patients. The continued low level of central government funding and the relatively low ICB annual inflationary increases remain a concern and further support the need to maintain a level of caution towards the future. The hospice like all other organisations faces significant inflationary wage pressures with the National Living Wage increasing by 10% but unlike many other organisations is unable to pass these cost increases on to service users.

Despite the inevitable inflationary increases that our suppliers passed onto us throughout the year the expenditure levels continued to be well managed with total expenditure being slightly lower than budget. Approximately 79% of our total expenditure relates to pay, a proportion of the cost savings were secured from vacancies when roles were not immediately filled.

St Luke's (Cheshire) Hospice

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For the year ended 31 March 2024

The Hospice made a gain on the revaluation of its investments of £315,770 (2023: £302,033 gain). Although no additional funds were placed with the fund managers during the year we continued to place significant amounts of cash reserves with the NatWest Treasury Reserve for periods of between 3 to 12 months. This allowed the Hospice to obtain better returns on liquid assets without tying them up in longer term investments and incurring investment management fees. At 31 March 2024 £2m (2023 £1.7m) was held in NatWest Treasury Reserve accounts.

Over recent years the Trustees have been exploring whether a different hospice site would help to offer a better care environment in the future. In light of the need to invest in the Hospice's infrastructure and the ongoing discussions relating to a potential new site a substantial amount of funds have been designated for the Hospice Development Fund and it is proposed that we continue to build this fund. Following Board approval increased reserves have been designated for the Hospice Development Fund increasing the designation to £3.5m. (2023: £3.0m). These monies will potentially fund our future longer-term aspirations to move to a new location or to develop the existing site to ensure the longevity of the Hospice.

A further £250,000 (2023: £250,000) has been set aside recognising the ongoing capital commitment required to maintain and develop our properties and other assets and ensure compliance to Health and Safety regulations. Almost half of this capital designation will be utilised to improve and invest in our retail estate. The timing of when designated reserves monies will be used will be subject to ongoing review of our financial position before any monies are drawn down and spent.

St Luke's Trading Limited Income in the year was £1,152,128 (2023: £1,002,292) an expected increase from the previous year. However, Trading like many other retailers continued to face staffing challenges, coupled with the lower number of volunteers this at times required some of our shops to close or reduce their hours of trading. July 2023 saw the opening of the fully refurbished Middlewich shop after an extended period of closure. Trading Limited once again delivered pleasing results and exceeded its conservative budget.

St Luke's Trading Limited delivered a statutory profit in the year of £57,418 (2023: £40,238) whilst the Hospice received further income from the sale of donated goods at the shops of £406,841 (2023: £382,560) of which £73,951 (2023: £72,795) was claimed in Gift Aid credits from HMRC.

St Luke's Promotions Limited continues to be our most significant income generation stream gifting the Hospice £602,483 (2023: £633,846). The Lottery however is not without its challenges due to increased attrition levels and the impact of an ageing supporter base. The in-house lottery team continue to develop solutions to mitigate and minimise the impact of these challenges. Our external lottery canvassers continue to play an important role and have been instrumental in maintaining and increasing playing membership.

Legacy income continues to remain an important income stream for the Hospice. We are extremely grateful to all those who have remembered the Hospice in their will. This year legacy income generated income of £354,695 (2023: £1,383,427). Legacy income has always been essential in supporting the hospice, however due to its unpredictability it is not a source of income that can be forecast with a huge degree of certainty. The large drop of over one million from last year's legacy income to this year's starkly illustrates this point. That said it is an area that warrants our attention hence we continue to review and develop our approach to legacies and major donors.

We continue to receive and are grateful for the statutory funding from the Integrated Care Board which accounts for 13.9% (2023:12.4%) of our consolidated income. This level of statutory funding is relatively low for the sector and consequently means that 86.1% (2023:87.4%) of our funds are voluntary and must be generated by the Hospice.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Financial Governance & Management

The governance arrangements and operating practices supporting the development of the Financial Regulations Policies and Procedures and Scheme of Delegation, any updates and re-training of staff to ensure they are fully integrated and embedded into day to day operations, remain under continuous quality improvement to ensure they are the best they can be.

The monthly reporting pack continually evolves. In addition to the traditional monthly accounting information explaining variances between budget and actual results and projected year end results, the board also received an extract from the Risk Register highlighting the current Opportunities and Risks.

The monthly Income Generation reporting pack includes the Red Amber Green traffic light system enabling reporting, review and monitoring in depth by 'exception'. Full accountability of operational expenditure is being achieved through appropriate controls managed, reviewed and monitored monthly through budget holders, to the senior managers, to the Board.

Reserves Policy and Position

Trustees are required to consider on an annual basis the level of reserves the charity needs to hold, as an important part of planning and sound financial management.

The reserves position has been carefully considered to identify the level required to manage unforeseen circumstances, and unavoidable adverse variances to budget. The reserves policy, which is in line with Charity Commission guidance and comparative charities, calls for the group free reserves to be no less than six months of operating costs, and no greater than twelve months of operating costs.

The Board have designated reserves of £3,500,000 from the reserves for the Development of the Hospice and a further £250,000 for capital projects. Considering the need to invest in the Hospice's infrastructure the Hospice Development Fund has been increased by £0.5m. These monies will potentially be used to fund our future longer-term aspirations to develop the existing site or to move to a new location. The £250,000 Capital Projects designation recognises the funds needed to facilitate the programme of works identified and planned by the Estates team during 2024/25 on both the hospice and trading estate.

The free reserves as at the 31 March 2024 stood at £3,860,862 (2023: £4,001,694), see note 22, which represents approximately 8 months of operating costs.

Investment Policy and Position

St Luke's Investment Policy is to achieve maximum return with minimum risk, whilst protecting the capital base. Funds potentially required for working capital are invested in a more readily accessible low risk portfolio. The Investment Managers Rathbones, report to the Finance Director and Finance Committee quarterly who then present an investment performance report to the Board of Trustees annually.

Our listed investment assets are valued in the Balance Sheet at Market Value of £4,551,550 (2023: £4,204,498). The Charity made gains on investments during the year of £315,770 (2023: £302,033 losses). These monies are invested for the medium to longer term.

Financial Risk Management

In line with good practice and recommendations of the Charity Commission, the Hospice holds funds in reserve and is therefore exposed to fluctuations in the stock market, which affect the value of its investment portfolio. This portfolio is monitored by the Finance Committee in terms of the risk profile and the decision to hold or sell the portfolio is under constant review as advised by the Hospice Fund Managers, Rathbones Investment Management Ltd. A significant proportion of cash reserves have been held in a relatively liquid treasury reserve account for the last two years which mitigates some of the risk associated with the investment portfolio market fluctuations.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Fundraising Standards Information

St Luke's (Cheshire) Hospice and its subsidiary companies St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited are committed to responsible fundraising practice and regular monitoring.

As a member of the Fundraising Regulator, we agree to ensure our fundraising is legal, open, honest and respectful. These standards for fundraising are set out in the Code of Fundraising Practice. Please see our website for details.

- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible

The Hospice complies with the Data Protection Act requirements and will protect members' data. St Luke's Promotions Ltd and St Luke's Trading Ltd are subsidiary companies of St Luke's (Cheshire) Hospice Ltd and are all registered under the Data Protection Act 1988.

St Luke's Hospice Promotions Ltd is also a member of the Hospice Lotteries Association - Both organisations are committed to using lotteries to fundraise responsibly and work together to encourage responsible gambling and access support if needed. The 'Responsibility in Gambling Trust', 'GamCare' and 'Gamble Aware' provides such support if required. We offer a Self-Exclusion option and a robust process for complaints and feedback. Regular monitoring of new members is completed by telephone following new sign ups to our lottery. The Gambling Act 2005 confirms that St Luke's Hospice Promotions Limited now has a statutory duty to verify that members are 16 years of age or over, the minimum age allowed for anyone to play in the lottery. It is an offence for anyone under the age of 16 years to participate in a lottery.

The charity uses a third party to canvass for the in-house lottery named SEC and the contract covering the arrangement embodies all of the above principles, including a methodology for bringing any conversation about lottery membership to an end after receiving a second refusal from an individual. We ensure all these agents observe the highest standards in terms of fundraising practice and monitor their performance through the use of mystery shopping and random checks with any donors that sign up to support our lottery. Weekly calls are in place with SEC.

We are registered voluntarily with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. The Code covers the requirements charities must follow as set out in The Charities (Protection and Social Investment) Act 2016 and outlines the behaviour we expect from our fundraisers. It includes treating people fairly and with respect, explaining our cause in a way which does not mislead people, and being sensitive to people who may be in vulnerable circumstances.

St Luke's (Cheshire Hospice) is a member of the Hospice Income Generation Network. Our website outlines our complaints policy for the public. We received no fundraising complaints in the last year.

Our policy is to respond to all complaints within 10 days. Serious complaints are escalated to our Executive Team and Trustees to consider lessons learnt. We report to the Fundraising Regulator and Gambling Commission on the totality of our complaints. We have policies and procedures in place to safeguard the vulnerable and we ensure our fundraisers and third-party suppliers adhere to these policies.

Should we be informed of any persons contacted by the charity who no longer wish to receive communications; any such person would be removed from the charity's database, but no such requests have been received this year. Fundraising activities at the hospice are carried out in an ethical and sustainable manner. The charity has adopted policies covering data protection, confidentiality and privacy for donors and supporters, including the option to opt in to fundraising communications (rather than opting out), to only hold

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

details with the consent of the individual and to have any such details as are held, removed at the request of the 'data owner'.

Review of Achievements and Performance

- Our Inpatient unit remains a centre of excellence caring for patients referred to us from both hospital and community services for both pain relief, symptom control and end of life care.
- During the year we have successfully commissioned a larger, more modern pharmacy room providing a better working environment for pharmacy and clinical staff.
- During the year we also invested in creating a relaxing dining room named the Fountain for the benefit of patients, families, visitors as well and staff and volunteers.
- Our day hospice services have continued to deliver much needed services. We have continued to expand our dementia carers group and reach out with complimentary therapies at home. Although Hospices mainly support patients with Cancer, we provide end of life services for patients with life limiting illnesses other than cancer.
- Approximately two thirds of IPU admissions to St Luke's were admitted from home for specialist care confirming our role in preventing unnecessary hospital admissions. The remaining third of admissions were transferred to us from hospital helping the Hospital to create greater bed capacity to care for other patients.
- Of the 353 referrals to our IPU, 82% of those patients had a cancer diagnosis. 18% a non-cancer diagnosis.
- 28% of the patients admitted to our inpatient unit were discharged back home dispelling the myth that the Hospice is only a place where people go to die.
- Our average length of stay was 11 days underlining our strong desire to support patients who want to go back home to be cared for and die in their place of choosing.
- We achieved an occupancy rate of 63%. Lower availability of medical staff led to reduced occupancy early in the year, however occupancy levels have since returned to normal.
- We successfully recruited additional doctors to provide more robust medical staffing which enabled us to provide more sustainable, quality end of life care for the people of Central Cheshire. We also provide placements for trainee nurses, counsellors and allied health care professionals.
- We continue to ask for feedback following each episode of care and overwhelmingly the majority of our patients rated our care as excellent or good. Feedback from patients, relatives, carers and service users emphasised the holistic care, kindness and compassion shown to them
- The FSC and SCC teams had 285 referrals for their support. They support patients, families (including children) and carers at difficult times and delivered 2,543 different sessions.
- We continue to embed our Electronic Patient Record (EPR) system, EMIS Web. This system has allowed us to work towards local and national targets for improving palliative and end of life care using an Electronic Palliative and Care Co-ordination Systems (EPaCCS). It allows the documentation and sharing of advance care planning decisions across organisations to prevent crisis and improve care. The majority of patients attending our services now have an advance care plan documenting their wishes.
- Along with East Cheshire Hospice and the Hospice of the Good Shepherd we continue to operate a pan Cheshire service to breakdown any potential barriers to provide care services to the LGBTQ+ community. We were delighted to have retained the Navajo Mark for a further two years.
- We continued our much-needed befriending service engaging with vulnerable people who feel isolated and in need of support.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

- Our work to support people who are homeless at the end of life continues. In addition to direct support, we also helped to support the professionals who cared for homeless people in places like Hostels. We also led on the EDI conference this year highlighting the difficulties some groups face accessing hospice care. The conference drew together experts in the field who offered practical advice on how to remove some of these barriers.
- Our work in collaboration with Mid Cheshire Hospital Trust (MCHFT) Macclesfield District General Hospital (MDGH), Central Cheshire Integrated Care Partnership (CCICP) enabled us to continue to offer a much-needed joint Lymphoedema service.
- Care staff continue to improve palliative and end of life care by actively participating at strategic groups such as the Hospice Learning & Development groups and Cancer Network meetings as well as Regional Hospice UK support groups.
- We continue to collaborate with the Christie where they use the Day Hospice space on a Friday and deliver chemotherapy for up to 15 patients a day. In addition, we provide a space for a day and a half a week where patients can call in and have bloods taken in preparation for their visit on a Friday. This has proved popular with local people who no longer need to spend a long day in Manchester, with another visit for bloods tests, instead they can come here under more relaxed surroundings and nearer to home.
- We had 261 telephone calls via our Specialist palliative Care Telephone Advice Line mainly to support healthcare professionals. These calls give non-hospice staff the confidence to support patients in numerous other care settings helping to keep patients from being admitted inappropriately to Hospital. 40% of the helpline calls were to support patients and their loved ones.
- The Hospice implemented a hospice wide fairer pay structure to address the challenges of recruitment and retention.
- The Hospice has continued to focus on staff wellbeing by implementing an activities-based wellbeing programme and renewed our commitment to mental aid support and training.
- We are pleased to have achieved excellent Income Generation results across the last financial year with all areas of fundraising showing a positive. Our Events, Community and Corporate Income Generation Teams once again put on a full calendar of events with some new additions and some very well attended community events. Our loyal supporters remain very supportive and we had a fantastic response to our Patient Comfort appeal enabling the purchase of new equipment. The goal was to re-establish the same income generating capacity as before the pandemic and to offer as many choices of fundraising for our community as possible, whilst focussing on sustainability. This was achieved and we hope now to continue to grow.
- Our communications team made sure that the hospice is front and centre in the public's minds by keeping the public aware of the continued good work of St Luke's. Our social media presence has grown and the launch of a new website in Autumn 2023 has ensured we have a much better platform for fundraising and also access to information about our care services.
- After the reopening in July 2023 of our refurbished Middlewich shop it continues to flourish and more plans in place to ensure our shop units are refreshed on a continuous cycle. We have achieved some excellent results across some shops whilst some shops continue to have more challenges dependent on their location. Robust recruitment in 2023 has stabilised our shop units and achieved better coverage and increased sales.
- Our lottery remains the biggest singular source of income and throughout the last financial period continued to be resilient with excellent week on week results. Marketing of the lottery online with patient stories and examples of the impact of our services has boosted awareness and delivered improved online members sign ups.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

Plans for the future

The provision of safe, effective and high quality care services is at the centre of our Strategic and Operational Plans. We identified 4 main strategic aims.

- **Care for more people** – The 'baby boomer' population, advances in medicine enabling people to live longer and supporting people with diseases other than cancer, mean that there are more patients dying and with greater complexities. We will deliver more quality care services validated through continuous review and improvement programmes.
- **Reach out** – there are more people being cared for in their own homes and in community settings such as care homes. Our ambition is to develop and extend our hospice care for patients outside the hospice walls. We have started by setting up a St Luke's Night care Service and our Weekend Service. We will monitor and review the success of these services on an ongoing basis.
- **Be sustainable** – this has even greater prominence as the Government struggles to get to grips with a challenging economy. It is important to provide quality services that we can afford to provide. Although the creation of the new Integrated Care Boards offered initial hope they realise that they do not have the financial resources to provide fairer hospice funding support going forward.
- **Make our buildings better** – The Trustees have made the decision to explore whether a different hospice site would help to offer a better care environment in the future. We also recognise that we need to modernise / improve our existing buildings to better support our patients today. We will be exploring longer term solutions to ensure the enduring longevity of St Luke's for many years to come.

Our aim is to continue working towards our vision, keeping compassionate care at the centre of all we do. We will continue to work in collaboration with others to influence the provision of end of life care, education and training so that we can improve outcomes for palliative and end of life care patients within our communities.

We remain committed to helping people to live the life they can supported, informed and cared for until they die.

Statement of Trustee Responsibilities

The Trustees (who are also the directors of St Luke's (Cheshire) Hospice (a company limited by guarantee) for the purposes of Company Law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity 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; and
- Prepare the financial statements on a 'going-concern' basis unless it is inappropriate to presume that the charitable company will continue in business

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2024

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to Auditors

In so far as the Trustees are aware

- There is no relevant audit information of which the charitable company's auditors are unaware,
- 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, who are also Directors of the Charity for the purposes of the Company Act 2006, present their report with the consolidated financial statements of the Charity for the period ended 31st March 2024. The Trustees adopted the provision of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in 2019.

As such, this forms the Annual Report of the Trustees for the purposes of S162 of the Charities Act 2011 and S445 (3), S414A-414D (Report of the Trustees) of the Companies Act 2006.

Report of the Trustees, approved by order of the Board of Trustees, as the Company Directors, on August 12, 2024
..... and signed on the board's behalf by:

Mike Ridley

Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2024

Opinion

We have audited the financial statements of St Luke's (Cheshire) Hospice (the 'parent charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of 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 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 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.

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2024

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report.

Respective responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2024

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries;
- Review of the systems for recording income, and testing of a sample of income transactions throughout the year to check they have been recorded in the accounts and in the correct period.

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

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

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with the 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.



Nicola Mason (Senior Statutory Auditor)
For and on behalf of
MHA
Statutory Auditor
Preston

Date: August 12, 2024
Date:

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

St Luke's (Cheshire) Hospice

Consolidated Statement of Financial Activities

(Incorporating a Consolidated Income and Expenditure Account)

As at 31 March 2024

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income from					
Donations and legacies	2	1,874,075	-	1,874,075	2,651,317
Charitable activities	3	717,991	264,047	982,038	944,191
Other trading activities	4	2,631,642	23,360	2,655,002	2,383,205
Investment income	5	247,420	-	247,420	150,523
Coronavirus Support funding	6	-	-	-	-
Total income		5,471,128	287,407	5,758,535	6,129,236
Expenditure on					
Raising funds	7	1,914,424	-	1,914,424	1,655,299
Charitable activities	8	3,409,849	261,849	3,671,698	3,389,927
Total expenditure		5,324,273	261,849	5,586,122	5,045,226
Net income/(expenditure) before other gains and losses		146,855	25,558	172,413	1,084,010
Revaluation of fixed assets	14	-	-	-	(179,952)
Net (losses)/gains on investments	15	315,770	-	315,770	(302,033)
Net income /(expenditure)		462,625	25,558	488,183	602,025
Transfers between funds	20	-	-	-	-
Net movement in funds		462,625	25,558	488,183	602,025
Total funds brought forward		9,605,961	29,361	9,635,322	9,033,297
Total funds carried forward	20	10,068,586	54,919	10,123,505	9,635,322

All incoming resources and resources expended derive from continuing activities.
All gains and losses recognised in the year are included above.

St Luke's (Cheshire) Hospice

Balance Sheets

Year ended 31 March 2024

	Note	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Fixed assets					
Tangible assets	14	2,457,724	2,354,267	2,416,334	2,337,125
Investments	15	4,551,550	4,204,498	4,551,550	4,204,498
Investments in subsidiaries	16	-	-	4	4
		7,009,274	6,558,765	6,967,888	6,541,627
Current assets					
Stock	17	8,142	7,544	-	-
Debtors	18	782,194	809,525	852,472	852,932
Cash at bank and in hand		2,756,086	2,808,734	2,505,473	2,483,718
		3,546,422	3,625,803	3,357,945	3,336,650
Creditors: amounts due within 1 year	19	(432,191)	(549,246)	(262,928)	(309,777)
Net current assets		3,114,231	3,076,557	3,095,017	3,026,873
Net assets		10,123,505	9,635,322	10,062,905	9,568,500
Charity Funds					
Restricted Funds	20	54,919	29,361	54,919	29,361
Unrestricted Funds					
- General funds	20	6,318,586	6,355,961	6,257,986	6,289,139
- Designated funds	20	3,750,000	3,250,000	3,750,000	3,250,000
Total Unrestricted funds		10,068,586	9,605,961	10,007,986	9,539,139
Total funds		10,123,505	9,635,322	10,062,905	9,568,500

August 12, 2024

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

Mike Ridley

Mr M Ridley - Chairman

St Luke's (Cheshire) Hospice

Consolidated Statement of Cash flow Statement

Year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Net income/(expenditure) for year		488,183	602,025
Investment income	5	(247,420)	(150,523)
Depreciation & impairment of tangible fixed assets	14	142,534	140,006
Revaluation of tangible fixed assets	14	-	179,952
Losses/(gains) on investments	15	(315,770)	302,033
(Profit)/loss on disposal of tangible fixed assets		-	36,239
Decrease in stock		(598)	(192)
(Increase)/decrease in debtors		27,331	(149,077)
Increase/(decrease) in creditors		(117,055)	822
(Decrease)/increase in provisions		-	-
Net cash provided by (used in) operating activities		(22,795)	961,285
Cash flows from investing activities:			
Income from investments	5	247,420	150,523
Payments to acquire tangible fixed assets	14	(245,991)	(491,978)
Receipts from sale of tangible fixed assets		-	-
Payments to acquire investments	15	(619,904)	(547,731)
Receipts from sales of investments	15	588,622	294,440
Net cash flow from investing activities		(29,853)	(594,746)
Increase/(decrease) in cash and cash equivalents		(52,648)	366,539
Cash and cash equivalents brought forward		2,808,734	2,442,195
Cash and cash equivalents carried forward		2,756,086	2,808,734
Cash and cash equivalents consist of:			
Cash at bank and in hand		2,756,086	2,808,734
		2,756,086	2,808,734

1 Summary of significant accounting policies

a General information and basis of preparation

St Luke's (Cheshire) Hospice is a charitable company registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is to care and support people with life limiting and terminal illness and the people close to them.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies.

St Luke's (Cheshire) Hospice meets the definition of a public benefit entity under FRS102.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has availed itself of Paragraph 4(1) of Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 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.

b Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

c Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity i.e. amount the charity would be willing to pay in the open market. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

1 Summary of significant accounting policies (continued)

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Legacies are included in the accounts in accordance with SORP and FRS102. Legacies are recognised in the accounts if probate has been granted and executors have identified that a payment can be made imminently. On occasion legacies will be notified to the charity but it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d Expenditure recognition

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered, and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Premises overheads have been allocated on a floor area basis. The overheads costs of the central function have been apportioned on an estimated basis of usage by each function. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes lottery prizes, the salaries of the staff who promote fund-raising, direct expenditure including costs of events and an allocation of internal overheads.
- Expenditure on charitable activities includes expenditure associated with the objects, as described in the report of the Trustees.

Notes to the Financial Statements

Year ended 31 March 2024

1 Summary of significant accounting policies (continued)

- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

e Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Hospice. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

f Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land and buildings and Long leasehold property	2%, 10% and 20% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost
Computer equipment	25% on cost

Items are capitalised when the cost exceeds £1,000

g Pension contributions

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the SoFA in the period to which they relate.

Retirement benefits are accruing for various employees of the company through the NHS Pension Scheme. This is a defined benefit scheme, which is externally funded and contracted out of the State Earnings Related Pension Scheme. The regular pension cost is charged to the income and expenditure account and is based on the expected pension costs over the service life of the employees.

h Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

i Shares in subsidiary undertakings

These are stated at cost. The results of the trading subsidiaries are detailed in note 16 to the accounts.

1 Summary of significant accounting policies (continued)

j Stock

Items donated for resale in the shops are not included within the financial statements until they are sold.

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to its present location and condition.

Stock held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

k Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

l Judgements and key sources of estimation uncertainty

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

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

m Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

n Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The Hospice is not VAT registered but is able to recover VAT using the VAT Relief Scheme for charities.

o Going concern

The trustees are required to assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts. At the date of approving these accounts, the trustees have a reasonable expectation that the charity will be able to manage the situation and that it has sufficient cash resources to enable it to meet its liabilities as they fall due for at least 12 months from the date of approval. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

2 Donations and legacies

	2024	2023
	£	£
Donations	1,519,380	1,267,890
Legacies	<u>354,695</u>	<u>1,383,427</u>
	<u>1,874,075</u>	<u>2,651,317</u>

Above income attributable to restricted was £nil (2023: £nil), balance to unrestricted.

3 Income from charitable activities

	2024	2023
	£	£
Medical consultancy fees	(2,405)	25,007
Grants – NHS CCG	665,342	639,137
Grants – Other	273,974	228,282
Other	<u>45,127</u>	<u>51,765</u>
	<u>982,038</u>	<u>944,191</u>

Above income attributable to restricted was £264,047 (2023: £229,023), balance to unrestricted.

4 Income from other trading activities

	2024	2023
	£	£
Fundraising events	547,841	430,642
Shops and lotteries	2,092,187	1,929,926
Other	<u>14,974</u>	<u>22,637</u>
	<u>2,655,002</u>	<u>2,383,205</u>

Above income attributable to restricted was £23,360 (2023: £nil), balance to unrestricted.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

5 Income from investments

	2024	2023
	£	£
Listed UK investments - dividend Income	117,972	103,410
Rents received	39,191	22,016
Short term deposit interest	90,257	25,097
	<u>247,420</u>	<u>150,523</u>

All of the above income was attributable to unrestricted funds in the current and prior year.

6 Other income

	2024	2023
	£	£
Job Retention Scheme	-	-
Hospice UK Covid Support	-	-
Covid Business Rates Support	-	-
	<u>-</u>	<u>-</u>

Above income attributable to restricted was £nil (2023: £nil), balance to unrestricted.

7 Expenditure on raising funds

	2024	2023
	£	£
Shops and lotteries	1,396,494	1,219,093
Other fundraising costs	517,930	436,206
	<u>1,914,424</u>	<u>1,655,299</u>

All of the above expenditure was attributable to unrestricted funds in the current and prior year.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

8 Expenditure on charitable activities

	2024	2023
	£	£
Staff costs	2,937,287	2,644,772
Building costs	385,530	395,306
Administration expenses	77,610	77,166
Patient care & medical services	233,477	241,595
Professional fees	37,794	31,088
	<u>3,671,698</u>	<u>3,389,927</u>

Above expenditure attributable to restricted was £261,849 (2023: £219,162), balance to unrestricted.

9 Support cost breakdown by activity

Included within total expenditure are support costs as analysed below:

	Basis	Fundraising activities £	Charitable activities £	Total 2024 £	Fundraising activities £	Charitable activities £	Total 2023 £
Staff costs	Actual	78,126	631,005	709,131	69,389	560,436	629,825
Building costs	Space	11,484	51,350	62,834	10,495	46,838	57,333
Admin expenses	Actual	27,027	63,786	90,813	26,634	65,533	92,167
Patient care costs	Actual	956	4,309	5,265	1,042	4,694	5,736
Professional fees	Actual	18,897	18,897	37,794	15,544	15,544	31,088
		<u>136,490</u>	<u>769,347</u>	<u>905,837</u>	<u>123,104</u>	<u>693,045</u>	<u>816,149</u>

Included within professional fees and staff costs are governance costs as analysed below:

	Note	2024 £	2023 £
Governance costs			
Auditor's remuneration	10	23,100	21,500
Senior management		21,096	20,597
Other governance charges		<u>2,085</u>	<u>2,071</u>
		<u>46,281</u>	<u>44,168</u>

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

10 Net income/(expenditure) for the year

	2024	2023
Net income/(expenditure) is stated after charging/(crediting):	£	£
Depreciation & impairment of tangible fixed assets	142,534	140,006
Revaluation of tangible fixed assets	-	179,952
Auditor's remuneration	23,100	21,500
(Profit)/loss on sale of tangible fixed assets	-	36,239
Losses/(gains) on investments	(315,770)	302,033
	<u> </u>	<u> </u>
Fees payable to the charity's auditor:		
Audit of the charity's annual accounts	9,350	8,500
Audit of the charity's subsidiaries	7,700	7,000
Other services	6,050	6,000
	<u> </u>	<u> </u>
	23,100	21,500
	<u> </u>	<u> </u>

11 Staff costs

	2024	2023
	£	£
Wages and salaries	3,400,091	3,074,187
Social security costs	270,078	240,274
Pension costs	237,736	212,913
	<u> </u>	<u> </u>
	3,907,905	3,527,374
	<u> </u>	<u> </u>

The Hospice belongs to two pension schemes: the NHS pension scheme and a defined contribution scheme.

The NHS scheme is a defined benefit scheme, the assets of which are held in a separate trustee-administered fund. Under the definitions set out under FRS102, the NHS scheme is a multi-employer pension scheme. The Hospice is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Employer contributions charged against income for the period were £124,716 (2023: £111,712).

The Hospice and its subsidiaries also made contributions to a defined contribution scheme during the period totalling £113,020 (2023: £101,201).

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

11 Staff costs (continued)

The average number of employees analysed by function was:

	2024	2023
	No.	No.
Administrative	13	13
Charitable activities	99	97
Fundraising	15	12
St Luke's Hospice Trading	29	25
St Luke's Hospice Promotions	4	4
	<u>160</u>	<u>151</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2024	2023
	No.	No.
£60,000 - £70,000	2	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
	<u>4</u>	<u>3</u>

12 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration or expenses during the year (2023: £nil). The total amount of employee benefits, including salaries, received by key management personnel was £421,964 (2023: £411,987). The Trustees consider key management personnel to be comprised of the Trustees, Chief Executive Officer, Medical Director, Director of Income Generation, Finance Director and the Director of Care.

	2024	2023
	£	£
Trustees' Indemnity Insurance	1,625	1,625
	<u>1,625</u>	<u>1,625</u>

13 Taxation

No liability to UK corporation tax arose on net expenditure for the year ended 31 March 2024 nor for the year ended 31 March 2023 for the company. A tax liability of £nil (2023: £nil) arose on the subsidiary companies included within the consolidated accounts.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

14 Tangible fixed assets

Company	Freehold land & buildings	Leasehold land & buildings	Fixtures & fittings	Computer Equipment	Motor vehicles	Totals
	£	£	£	£	£	£
Cost						
At 1 April 2023	3,086,027	580,723	445,564	102,227	14,370	4,228,911
Revaluation	-	-	-	-	-	-
Additions	75,323	-	117,964	19,276	-	212,563
Disposals	-	-	(2,544)	(32,196)	-	(34,740)
At 31 March 2024	3,161,350	580,723	560,984	89,307	14,370	4,406,734
Depreciation						
At 1 April 2023	1,438,633	140,725	199,721	98,337	14,370	1,891,786
Charge for year	69,587	10,806	49,115	3,846	-	133,354
Eliminated on disposal	-	-	(2,544)	(32,196)	-	(34,740)
At 31 March 2024	1,508,220	151,531	246,292	69,987	14,370	1,990,400
Net book value						
At 31 March 2024	1,653,130	429,192	314,692	19,320	-	2,416,334
At 31 March 2023	1,647,394	439,998	245,843	3,890	-	2,337,125

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

14 Tangible fixed assets (continued)

Group	Freehold land & buildings	Leasehold land & buildings	Fixtures & fittings	Computer Equipment	Motor vehicles	Totals
	£	£	£	£	£	£
Cost						
At 1 April 2023	3,086,027	678,618	520,520	164,447	40,141	4,489,753
Revaluation	-	-	-	-	-	-
Additions	75,323	5,840	141,300	23,528	-	245,991
Disposals	-	-	(2,544)	(32,196)	-	(34,740)
At 31 March 2024	3,161,350	684,458	659,276	155,779	40,141	4,701,004
Depreciation						
At 1 April 2023	1,438,633	230,327	266,100	160,285	40,141	2,135,486
Charge for year	69,587	13,338	54,871	4,738	-	142,534
Eliminated on disposal	-	-	(2,544)	(32,196)	-	(34,740)
At 31 March 2024	1,508,220	243,665	318,427	132,827	40,141	2,243,280
Net book value						
At 31 March 2024	1,653,130	440,793	340,849	22,952	-	2,457,724
At 31 March 2023	1,647,394	448,291	254,420	4,162	-	2,354,267

15 Fixed asset investments

Company and Group	Unrestricted funds	Total 2024	Total 2023
	£	£	£
<u>UK quoted investments</u>			
At 1 April 2023	4,204,498	4,204,498	4,253,240
Less disposal proceeds	(588,622)	(588,622)	(294,440)
Add acquisitions at cost	619,904	619,904	547,731
Net (losses)/gain on revaluation	315,770	315,770	(302,033)
At 31 March 2024	4,551,550	4,551,550	4,204,498

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

16 Investment in subsidiaries

The parent charity owns 100% of the issued share capital of St Luke's Hospice Trading Ltd (Co.No.-03024652) and St Luke's Hospice Promotion Ltd (Co.No.-02862345) at cost of £4 (2023: £4), performance for the year was as follows:

	St Luke's Trading Limited	St Luke's Promotions Limited	Total 2024	Total 2023
	£	£	£	£
Shops and lottery income	1,152,128	940,059	2,092,187	1,929,926
Interest & other operating income	-	1,714	1,714	757
Total income	1,152,128	941,773	2,093,901	1,930,683
Total costs before rental costs paid to Hospice	(1,057,904)	(338,590)	(1,396,494)	(1,219,093)
Net income for the year	94,224	603,183	697,407	711,590
Rental costs paid to Hospice	(36,806)	(700)	(37,506)	(37,506)
Net income for the year before profits donated	57,418	602,483	659,901	674,084
Profits donated to St Luke's (Cheshire) Hospice	(63,640)	(602,483)	(666,123)	(652,514)
Net Profit/(loss) for the year after donations	(6,222)	-	(6,222)	21,570
Share capital & reserves brought forward	23,391	43,435	66,826	45,256
Share capital & reserves carried forward	17,169	43,435	60,604	66,826
Fixed assets	41,390	-	41,390	17,142
Current assets	194,279	176,678	370,957	430,294
Current liabilities	(218,500)	(133,243)	(351,743)	(380,610)
Net assets	17,169	43,435	60,604	66,826

During the year St Luke's Hospice Trading Limited transacted sales of donated goods in its shops of £332,890 (2023: £309,765) under the Gift Aid Retail Scheme. This enabled the Hospice to claim £73,951 (2023: £72,795) in Gift Aid credits from HMRC. Therefore, the Hospice benefitted from the sale of donated goods at the shops by £406,841 (2023: £382,560).

In the prior year, the Trading income included an insurance payment of £30,130 for the closure of Winsford shop for over 4 months following fire damage and commission received for Gift Aid Sales.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

17	Stock				
	Group			2024	2023
				£	£
	Goods for resale			8,142	7,544
18	Debtors				
		Company	Company	Group	Group
		2024	2023	2024	2023
		£	£	£	£
	Amounts owed by group undertakings	182,479	141,141	-	-
	Other debtors	78,441	73,956	78,441	73,956
	VAT	73,734	48,899	85,229	62,881
	Prepayments and accrued Income	435,361	543,964	533,801	620,246
	Trade debtors	82,457	44,972	84,723	52,442
		852,472	852,932	782,194	809,525
19	Creditors: amounts falling due within one year				
		Company	Company	Group	Group
		2024	2023	2024	2023
		£	£	£	£
	Bank overdraft	-	-	10,279	15,423
	Trade creditors	79,277	126,713	101,210	177,096
	Other creditors	45,277	40,363	45,300	40,453
	Social security and other taxes	65,319	59,744	65,319	59,744
	Accruals and deferred Income	73,055	82,957	210,083	256,530
		262,928	309,777	432,191	549,246

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

20 Fund reconciliation

Company	Balance at 1 April 2023	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2024
	£	£	£	£	£	£
Unrestricted funds	6,289,139	4,080,856	(3,677,779)	(750,000)	315,770	6,257,986
Designated funds	3,250,000	-	(250,000)	750,000	-	3,750,000
	9,539,139	4,080,856	(3,927,779)	-	315,770	10,007,986
<u>Restricted funds</u>						
Lymphoedema	-	44,321	(44,321)	-	-	-
Medical Supplies	-	92,434	(92,434)	-	-	-
Carers Break services	-	11,973	(11,973)	-	-	-
Hospice UK	-	-	-	-	-	-
EOLP	-	10,190	(10,190)	-	-	-
Other restricted funds	29,361	128,489	(102,931)	-	-	54,919
	29,361	287,407	(261,849)	-	-	54,919
<u>Group</u>						
Group	Balance at 1 April 2023	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2024
	£	£	£	£	£	£
Unrestricted funds	6,355,961	5,471,128	(5,074,273)	(750,000)	315,770	6,318,586
Designated funds	3,250,000	-	(250,000)	750,000	-	3,750,000
	9,605,961	5,471,128	(5,324,273)	-	315,770	10,068,586
<u>Restricted funds</u>						
Lymphoedema	-	44,321	(44,321)	-	-	-
Medical Supplies	-	92,434	(92,434)	-	-	-
Carers Break services	-	11,973	(11,973)	-	-	-
Hospice UK	-	-	-	-	-	-
EOLP	-	10,190	(10,190)	-	-	-
Other restricted funds	29,361	128,489	(102,931)	-	-	54,919
	29,361	287,407	(261,849)	-	-	54,919

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

20 Fund reconciliation (continued)

Company	Balance at 1 April 2022	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2023
	£	£	£	£	£	£
Unrestricted funds	6,248,545	4,659,550	(3,606,971)	(530,000)	(481,985)	6,289,139
Designated funds	2,720,000	-	-	530,000	-	3,250,000
	8,968,545	4,659,550	(3,606,971)	-	(481,985)	9,539,139
<u>Restricted funds</u>						
Lymphoedema	-	32,623	(32,623)	-	-	-
Medical Supplies	-	90,800	(90,800)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Hospice UK	-	18,949	(18,949)	-	-	-
EOLP	-	10,010	(10,010)	-	-	-
Other restricted funds	19,500	60,676	(50,815)	-	-	29,361
	19,500	229,023	(219,162)	-	-	29,361
<u>Group</u>						
Group	Balance at 1 April 2022	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2023
	£	£	£	£	£	£
Unrestricted funds	6,293,797	5,900,213	(4,826,064)	(530,000)	(481,985)	6,355,961
Designated funds	2,720,000	-	-	530,000	-	3,250,000
	9,013,797	5,900,213	(4,826,064)	-	(481,985)	9,605,961
<u>Restricted funds</u>						
Lymphoedema	-	32,623	(32,623)	-	-	-
Medical Supplies	-	90,800	(90,800)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Hospice UK	-	18,949	(18,949)	-	-	-
EOLP	-	10,010	(10,010)	-	-	-
Other restricted funds	19,500	60,676	(50,815)	-	-	29,361
	19,500	229,023	(219,162)	-	-	29,361

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

20 Fund reconciliation (continued)

Medical supplies

The Department of Health via Integrated Care Board, centrally fund all Hospice pharmacy and medical supplies.

Designated funds

As at 31 March 2024 the trustees have designated the following amounts from free reserves:

	Balance at 1 April 2023	Utilised / released	New designations	Balance at 31 March 2024
	£	£	£	£
Hospice Development Fund	3,000,000	-	500,000	3,500,000
Capital Projects	<u>250,000</u>	<u>(250,000)</u>	<u>250,000</u>	<u>250,000</u>
	<u>3,250,000</u>	<u>(250,000)</u>	<u>750,000</u>	<u>3,750,000</u>

Hospice Development Fund

In light of the need to invest in the Hospice's infrastructure the Hospice Development Fund has been increased by a further £0.5m. This is an additional designation from the existing reserves monies. These monies will potentially be used to fund our future longer term aspirations to develop the existing site or to move to a new location

Capital Projects

Funds are designated by the Trustees for approved Capital Projects.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

21 Analysis of net assets between funds

Company	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Tangible fixed assets	2,416,334	-	2,416,334	2,337,125
Investments	4,551,554	-	4,551,554	4,204,502
Current assets	3,303,026	54,919	3,357,945	3,336,650
Current liabilities	(262,928)	-	(262,928)	(309,777)
	10,007,986	54,919	10,062,905	9,568,500
Group	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Tangible fixed assets	2,457,724	-	2,457,724	2,354,267
Investments	4,551,550	-	4,551,550	4,204,498
Current assets	3,491,503	54,919	3,546,422	3,625,803
Current liabilities	(432,191)	-	(432,191)	(549,246)
	10,068,586	54,919	10,123,505	9,635,322

22 Free reserves

	Group 2024 £	Group 2023 £
Total Reserves	10,123,505	9,635,322
Less:		
Unrestricted Tangible Fixed Assets	(2,457,724)	(2,354,267)
Restricted funds	(54,919)	(29,361)
Designated funds	(3,750,000)	(3,250,000)
Free reserves	3,860,862	4,001,694

Please refer to the Finance Report (page 13) and Reserves Policy and Position (Page 15) for further information.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2024

23 Results of the parent company

As permitted by Section 408 of the Companies Act 2006 these accounts do not include a separate SOFA for the parent charity. The results of the parent charity alone (including gift aid receipts from its subsidiaries, as detailed in note 16) are:

	2024	2023
	£	£
Incoming resources	4,368,263	4,888,573
Resources expended	<u>(4,189,628)</u>	<u>(3,826,133)</u>
Net incoming resources before other recognised gains and losses	178,635	1,062,440
Revaluation of fixed assets	-	(179,952)
Gains/(losses) on investments	<u>315,770</u>	<u>(302,033)</u>
Net movement in funds	<u>494,405</u>	<u>580,455</u>

24 Operating lease commitments

Total future minimum lease payments are as follows:

	Land & Buildings	Other	Total 2024	Total 2023
	£	£	£	£
Within one year	98,695	11,313	110,008	112,476
Within two to five years	<u>65,192</u>	<u>24,800</u>	<u>89,992</u>	<u>175,691</u>
	163,887	36,113	200,000	288,167

25 Related party transactions

There were no related party transactions during the current or prior year.

26 Post balance sheet events

As in previous years, the Hospice has been bequeathed a share in a number of legacies during the year. It is the Hospice policy to recognise the income once the amounts can be accurately quantified. All assets quantified have been included in the accounts.

At the year end any legacies still pending and due to the uncertainty of the amounts, the income will be recognised in the year in which the donations are either received or the amounts can be determined with reasonable certainty. The approximate value of such donations in wills to which the Hospice can put a value is in the region of £30,000 (2023: £70,000).

At the year end, the charity had capital commitments of £74,000.(2023 : £nil).

ST LUKE'S CHESHIRE HOSPICE

England & Wales - Charity number 515595

Accounts

Registered company number: 01846186 (England and Wales)

Registered charity number: 515595

St Luke's (Cheshire) Hospice

Report of the Trustees and
Consolidated Financial Statements

For The Year Ended
31 March 2023



St Luke's
CHESHIRE HOSPICE

St Luke's (Cheshire) Hospice

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St Luke's (Cheshire) Hospice

Introduction from Mike Ridley, Chairman

For the year ended 31 March 2023

Once again I am delighted to present my Annual Report for 2022/23 on behalf of the Trustees of St. Luke's Hospice and to recognise the enormous support the Hospice receives in so many different ways which enables us to provide our special and much needed services to our local community. We are indeed well blessed.

As I had hoped last year, the effects of the coronavirus have gradually receded during the current year, enabling us to return to a more comprehensive service for those in our care and particularly for friends and families who visit. I am full of admiration for the way all our staff and volunteers responded to the more restrictive requirements of the epidemic and we continue to remember and give thanks for those who are no longer with us.

During the year I have been really pleased to welcome a range of improvements within the Hospice which have brightened the working environment and improved the quality of services we have been able to provide. Plans are well established to continue these improvements which will have a positive and speedy impact for the Inpatient unit, Day hospice and for our office staff. Discussions are also continuing relating to our longer-term service provision. While the need for our care in the future is unlikely to diminish, we must continually "take stock" and assess what changes may be needed to provide the most up-to-date and efficient infrastructure from which to continue our high quality services.

Once again, I would like to pay tribute to those who provide special support to the Hospice in so many different ways. Our President, Lady Alexis Redmond continues to provide such great encouragement and practical support. Our Patrons, Rosie Spiegelberg MBE and Lady Rose Cholmondeley, continue to help us, together with our valued group of Vice Presidents. During covid we were not able to use their skills and experience as much as we would have liked, but with a return to a more "normal" environment, I look forward to sharing with them our new plans and opportunities for the future. I also want to express my appreciation to so many organisations and individuals for their contributions, sponsorship and generous giving of time and talents: this is so much appreciated.

The Trustees of the Hospice continue to meet at monthly Board meetings and across our main committees, bringing their varied backgrounds and experience to the business of the hospice and the decisions that have to be made. I am hopeful that in the not too distant future we will be able to bring new trustees to the Hospice to expand our oversight and to enable us to work to our full capacity of twelve trustees.

Finally let me re-emphasise my enormous thank-you, not just to every member of staff and every volunteer, but especially to our Management Team, so ably led with vision and enthusiasm by Chief Executive Neil Wright. The wonderful support he receives from Dr Andrea Graham and Kate Estcourt and their medical and nursing teams, the fund-raising and communication skills of Claire Langston, and last but certainly not least, the financial expertise of Nabela Chaudhry, all represent wonderful, caring contributions to the life of our Hospice.

In February I completed six years of service as Chairman of St Luke's. I have always regarded this work as an enormous privilege, and so I was honoured and indeed humbled to be asked to serve for a further three year period. I offer my heartfelt thanks to you all, you who work tirelessly and with so much dedication and I look forward to continuing to share our vital work of caring for those in need.



Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Reference and Administration Details

For the year ended 31 March 2023

Registered Company Number (England & Wales)	St Luke's Hospice is a company limited by guarantee, number 01846186 (not having a share capital).
Registered Charity Number	<p>The company is a Registered Charity, number 515595 and its Memorandum of Articles of Association govern its functions.</p> <p>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.</p>
Principal and Registered Office	St Luke's (Cheshire) Hospice Grosvenor House Queensway Winsford Cheshire CW7 1BH
Contacting Us	You can contact us by telephone on 01606 551246, by email on enquiries@slhospice.co.uk. If you would like to find out more about our work, please go to our website: http://www.slhospice.co.uk or follow us on Facebook and Twitter.
Auditors	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House 9 Winckley Square Preston PR1 3HP
Senior Statutory Auditor	Christine Wilson
Investment Fund Manager	Rathbones Investment Management Martins Buildings 4 Water Street Liverpool L3 1NW
Bankers	National Westminster Bank Plc P O Box 6 The Bull Ring Northwich Cheshire CW9 5BN
Solicitors	Poole Alcock 238-246 Edleston Road Crewe CW2 7EH

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

Members of Board

The Members of Board are Trustees of the Charity and also constitute the Board of Directors.

The Trustees (who are also directors of the charity for the purpose of the Companies Act 2006) who served during the period are set out below. Details of our Ambassadorial roles and Senior Management Team (SMT), to whom the day to day management of the Hospice is delegated, are also presented.

Trustees

Mr John Michael Ridley (Chairman)	
Mrs Tina Cookson	
Dr Katie Gibbs-Blythe	
Mr Anthony J Baxter	
Miss Andrea J Holland	- Resigned 26th October 2022
Mr Colin Norman	
Mr Graham Jones	
Mr Lee Greenbury	
Mrs Wendy Davies	
Mrs Sue Bailey	- Resigned 13th February 2023
Mr Sean Houlston	- Appointed 27th April 2022
Mr Graham Aitken	- Appointed 28th June 2023
Dr Samuel Malton	- Appointed 28th June 2023
Mrs Zoe Ahearne	- Appointed 28th June 2023

Vice Presidents

Mrs D Mather	Mrs J Corfield	Mr W Crafter
Mrs D Parsons	Mrs F Bruce	Dr V Pritchard
Mr R Mills MBE	Mr J Baldwin TD DL	Mr J Lea
Mrs J Thomas	Mr C Winward	

Joint Patrons

Mrs W Spiegelberg MBE	Lady Rose Cholmondeley
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President	Alexis Redmond MBE
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Honorary Treasurer	Colin Norman
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Company Secretary	Vacant
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Senior Management Team (SMT)

Mr Neil Wright	Chief Executive
Miss Kate Estcourt	Director of Care
Mrs Nabela Chaudhry	Finance Director
Miss Claire Langston	Director of Income Generation & Communications
Dr Andrea Graham	Medical Director

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

Governance and Management Arrangements

Governing Arrangements

St Luke's (Cheshire) Hospice is a Registered Charity and a Company Limited by Guarantee. The company was established under a Memorandum of Association (MA), which sets out the objects and powers and the essential rules for running the Charity and is governed under its Articles of Association. The Hospice is governed by statute, mainly the Charities Act 2011 and the Companies Act 2006. The services delivered by St Luke's are registered by the Care Quality Commission.

The Charity has two wholly owned subsidiaries. St Luke's Hospice Promotions Limited and St Luke's Hospice Trading Limited. Both companies exist to generate income to support the work of St Luke's (Cheshire) Hospice. All surplus income is gift aided to the parent company for this purpose. Two Trustees from the St Luke's (Cheshire) Hospice Board also sit on the Board of St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited.

Decision Making Arrangements - Role of the Trustee Board & Committees

St Luke's (Cheshire) Hospice has a Trustee Board. The Trustees are directors of the Company as well as being Trustees for the purposes of charity law. It is their role to carry out the objects as set out in the MA, to ensure the Hospice is managed as required by the MA and in line with the standards required by charity law, other statute and regulations, guidelines and good practice.

In line with the above roles, the Trustees are responsible for setting strategy, embedding good governance, maintaining oversight and ensuring the probity of policy and decision making for the effective operations of the Hospice and the achievement of agreed goals. All decisions made by the Board must be made in accordance with the MA.

Whilst our Trustee Board retains ultimate responsibility, the work of the Board is delivered through the following Sub Committees as detailed below:

- Patient Care & Clinical Governance Committee
- Finance Committee
- Income Generation and Communication Committee
- Human Resources Committee
- Estates Committee
- Strategy & Governance Committee

The Committees have delegated authority from the Trustee Board to oversee areas of particular Hospice activity and operations. Committees are chaired by a Trustee and have a Lead from the SMT (with relevant expertise). Membership of the Committees includes a second Trustee representative, SMT representatives as well as the lead operational managers. The Chairs of the Committees provide a report to the Trustee Board and make available minutes of the Meetings to all Trustees.

Each year the Board undertakes a "skill mix" audit to make sure that each of the Trustees has the experience and professional expertise to continue to make a valuable, informed contribution to the Board's collective decision making as well as oversight of the work of the Senior Management Team.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

Role of Trustees at St Luke's

Arrangements for our Trustees are set out in our Articles as follows:

- Trustees are members of the Board – we will have no less than five Trustees and no more than twelve.
- Trustees become members of the organisation.
- Trustees have the power to appoint any person who is able and willing to do so to be a Trustee.
- Trustees are elected to serve for an initial period of three years.

At the expiry of three years, a Trustee may, if they so wish, seek re-election for two further three year terms. After serving three terms of office, a Trustee must stand down. We look to seek the balance of retaining the skills and organisational knowledge of Trustees counterbalanced with a fresh perspective in running the hospice. It is vital that the diversity, skills and experience of our Trustee Board reflects the needs of our Hospice and the local community.

Trustees may be attracted to St Luke's through many different routes – we believe it is important that we recruit new Trustees from the widest pool possible. We have an established process for the recruitment, selection and induction of new Trustees. Our induction process is designed to ensure that Trustees are confident in their appointment and fully understand: -

- Their legal responsibilities, obligations and expected contributions.
- The wider context of the Hospice Movement and the broader landscape in which we operate.
- The governance arrangements at St Luke's and its regulatory environment.
- The support available to them, where to go for further help and information.

New Trustees receive an induction pack which provides a range of information including the history of the Hospice Movement, the nature of our services at St Luke's, our ways of working, key contact points and an overview of our strategic direction, performance and risks.

Trustees are expected to undertake an annual review with the Chairman where continuing development needs to fulfil the Trustee role effectively are discussed and supported.

Associate Trustee

In order to widen support and guidance to the Senior Management Team, the Trustees have created a role called Associate Trustee. The role of an Associate Trustee is as a co-opted, non-voting member who sits and supports the work of one of the 6 Trustee subcommittees. Using their expertise and experience, they overview and challenge the Senior Management Team in delivering the strategic aims of the Hospice. On occasions, Associate Trustees are invited to attend Full Board meetings not only to learn more about the work across the Hospice but to offer a different perspective.

Public Benefit

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

Management Arrangements at St Luke's

The SMT, with responsibilities for Care/Clinical Services, Medical Services, Income Generation & Communications, Financial, Estates, Human Resources and IT, is led by a Chief Executive Officer (CEO) who has responsibility for the operations of St Luke's, the implementation of regulatory requirements and the strategic and other decisions made by the Trustee Board. Members of the SMT are invited to attend the Trustee Board meetings but do not have voting rights.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

The pay arrangements for all members of the SMT were established following an historical external pay evaluation process and benchmarking against other charities of a similar size (with the exception of the Medical Director – which is in line with medical pay scales). Over the last few years we have listened to staff comments and feedback on exit interviews and have developed a fairer, structured approach to pay across the whole hospice. This fairer approach also gives a transparent, structured framework for SMT pay, agreed and overviewed by the Board of Trustees.

Risk Management

The Trustee Board is responsible for ensuring that the Hospice has clear strategies and systems for assessing and managing risk. This is at both an operational and strategic level.

Acknowledging that not all risks can be eliminated, the Trustees and SMT, as part of on-going activity and reporting, assess, manage and monitor all the major risks to which the Hospice is exposed, endeavouring to ensure that risks are avoided or mitigated where possible, to an acceptable level.

Extracts of the Risk Register highlighting current Risks are reviewed by the board monthly and a full review undertaken by the Board annually.

Post Covid Era

Although the Pandemic was a tragic event, the hospice took the opportunity to learn from the experience, which has influenced the way we deliver our care, put on our events, open our shops and allow staff more flexible working.

Our staff showed great resilience and adaptability in difficult circumstances, and we have put measures in place to care for their welfare focusing on mental health and introducing several well-being activities.

During the pandemic, the hospice followed government guidance to keep patients, staff and visitors safe. As the Hospice started to emerge from the restrictions of covid and open fully, all of its care services, shops and events, we took a cautious approach and delayed completely lifting all restrictions. Staff and visitors were given the option of wearing masks. However, I am pleased to say that all services have now returned to normal and let's hope with the vaccine, that Covid is now confined to History.

Notwithstanding that, the legacy of covid has changed the way that we work and the way that we think. By way of a few examples, Covid has accelerated the move to a more cashless electronic society and we are changing the way we engage with supporters who previously felt more comfortable making a donation or paying for an event in cash; we have moved the majority of our marketing and engagement on line; we still do not know what the long term effect will be on our very successful mass participation fundraising events.

Unable to meet face to face during the pandemic, we had to adopt a telemedicine approach and have become more adept and productive in supporting patients by phone rather than having to see them in person. We have adopted a more flexible supportive approach to where our staff work allowing a balance between home and hospice where we can.

Thankfully, the Government Covid Hospice Support Grants that we received last year should give us enough financial stability to allow us time to rebalance our income and expenditure.

Clinical

Our IPU is now working normally with 10 beds open. We still face new challenges and on occasions, we have had to close some of our beds owing to clinical and medical staffing pressures. Thankfully we are now fully staffed which should enable us to provide the continuity of services that our patients need. Unlike other hospices, who have vacancies, we often get several good quality candidates to fill the vacant roles that we advertise.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

We have a comprehensive set of clinical data which shows a growing number of patients being referred to us late in their diagnosis. This might be because of being unable or finding it difficult to access NHS care in a timely manner. This has meant that patient referrals have tended to be more complex, leading to more patients needing terminal care and therefore more deaths than discharges. This is one of the driving forces behind our strategy to reach out to support patients in the community before they reach the hospice.

The Day Hospice unit continues to offer a wide range of supportive therapies. In addition to the nurse led well-being days, we offer complementary therapies, access to occupational health support, creative therapies as well as counselling, social work and benefits advice.

The Day Hospice has recently introduced a dementia carers group, which has been well received and is already starting to meet the unmet demand with a waiting list. Nurses look after the carers loved ones allowing the carer to receive our full attention. This then allows us to give the carer more support leading to greater confidence in their ability to look after their loved ones for longer at home without engaging hospital services.

A few of our Family support team left the hospice to pursue other opportunities. This gave us the opportunity to restructure, refocus and reenergise the team which continues to adapt to new ways of working.

The NHS offers very little support outside the hospice for people in need of bereavement care. We know that we could support more people with appropriate funding, but we must make sure that our team has the resources to meet demand and that our support is appropriate, sustainable and affordable.

We have two dedicated members of staff looking at equality of access to hospice care. Our homeless nurse, who covers the Hospice of the Good Shepherd and East Cheshire Hospice, continued to work right through the pandemic supporting those who look after the homeless as well as some direct palliative care. We also have a member of staff, working across the other two Cheshire hospices, trying to break down perceived barriers for patients who may struggle to access Hospice care. Her work is primarily focused on issues faced by our local LGBTQ+ and we are learning how best to break down barriers with other communities

During the year we have set up two new services. We have introduced the 'St Luke's Night Care Service' supporting patients and their carer in their own home overnight. This is one of the services where we are starting to live out our strategy by reaching into the community, providing care outside the hospice. After a period of time we will reflect and evaluate the impact of the service.

The other new service we have set up is called our 'Weekend Service'. The NHS have a duty to, but are struggling, to provide access to Specialist Palliative Care 7 days a week. The hospice has a 247, 7 days a week Specialist Palliative Care Telephone Helpline and this service complements the Community SPC service during the week Monday to Friday and the helpline over the weekend. The Hospice secured funding for a senior Palliative Care Nurse to work Saturday and Sunday to provide a SPC Community service fielding calls and undertaking domiciliary visits. This again is part of our strategy, reaching out of the hospice supporting the Specialist Palliative Care needs of our community. Continuation of Funding for this service is limited and will be reviewed with commissioners alongside our desire to set up a Single point of Referral for Specialist Palliative Care.

Facilities

The hospice is approaching the 35th Anniversary since it opened in 1988 and has added various extensions over time as funding became available. Although the hospice continues to provide a good environment for our clinicians to provide good care, the SMT and Board of Trustees have considered carefully how we can continue to improve and provide good care for the next 35 years.

The Board of Trustees and SMT have concluded that whilst the hospice building is good enough for our needs today it may not fit our needs in the future. The Trustees have asked the SMT to come up with a range of options and sites for a new hospice. Clearly this will involve a large capital commitment which is why the Trustees have approved designating some of our reserves towards a future building project.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

In the meantime, the Trustees are also mindful that we need to continue to make improvements to the existing hospice for those patients we have the privilege to care for today. Over the last year, we have

- Refloored nearly all the patient areas
- Replaced all the old wooden windows with more energy efficient UPVC windows.
- Installed air conditioning on the ward
- Replaced the old IPU bathroom refurbishing into a wet room
- Refurbished reception toilets
- Refurbished the complementary therapy rooms
- Bought outside garden furniture for the comfort of patients and their visitors
- Replaced a moveable wall making the Hartford Suite and adjoining counselling rooms more private.
- Redecorated and updated the chapel
- Refurbished the day hospice bathroom
- Refurbished the staff Bistro

We also have plans to build a new bigger drugs room and with limited communal space on the Inpatient unit, refurbish our existing dining room to make it a more welcoming environment.

The catering and housekeeping teams have had several staff changes as staff have left to take up other opportunities. We are grateful for the professionalism of the management of these departments in continuing to provide our patients with nourishing food and in keeping infections under control

Income Generation

Our Events, Community and Corporate teams continue to face challenging times trying to encourage the public to join mass participation events and other fundraising initiatives. However, the fundraising challenge is not just specific to St Luke's, but is being faced by many charities across the country and may have more longer lasting consequences for charitably funded organisations in the future. Nevertheless, the Income Generation team here at St Luke's has a great reputation and will continue to find new innovative ways to support the work of the hospice.

The success of our Trading Company is underpinned by a large group of shop volunteers. It was difficult to forecast whether we could rekindle the growing income from our retail shops once they had opened. We could always do with more volunteer support to strengthen our operational model. We are still facing a competitive retail labour market and have adjusted payrates to attract and retain good quality staff.

One of the biggest challenges was the closure and rebuilding of our shop in Middlewich. Following architectural and structural investigations, it was found that the property needed substantial repairs to stop any further subsidence. In addition to this work, the decision was taken to completely renew the building so that it met our needs now and far into the future. The building work took much longer than expected affected by labour shortages, supply issues, severe cold weather and further structural problems as the building work revealed further issues. I am pleased to say that the building work is now complete, and we are refitting the inside of the shop and recruiting new staff and volunteers for a new opening summer 2023

Our communications department became an even more effective and essential form of communication during the pandemic making sure that we stayed engaged with supporters online via social media. Although people welcome the return of meeting face to face, we are seeing general signs of Social Media Fatigue, but this nevertheless remains a vital part of our communications strategy. Our communications department work professionally and diligently to find stories to explain the vital work that we do here at the Hospice.

Over a good number of years, we have actively pursued the policy of signing up new lottery players on Direct Debit. All this past hard work has paid off as a way of stabilising this source of sustainable income which helps to fund the care that we provide. As a result, our lottery subsidiary continued to make an excellent contribution towards the work of the hospice. We engage outside lottery canvassers who recruit new members sufficient to replace those who decide to stop playing our lottery.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

Non Clinical Staff

The Finance and HR teams continued to have different challenges. Our HR teams have put in a range of measures to make sure that, staff who work flexibly at home and in work, are supported to deal with the change in working practices. They have also had several very busy recruitment campaigns particularly in a buoyant, fluid labour market.

Our Finance team continued to administer and account for all our income streams and departmental expenditure. Our finance team provide excellent accurate and timely management information which enables the SMT and Trustees to make the right decisions for the hospice. The support from the government has now stopped but the money we did receive will give us the financial stability to support the local healthcare system and deliver the special end of life care that we provide, whilst finding a new balance between our income and expenditure.

The IT Manager has continued to build on our Cloud based system solutions. This approach has enabled our staff to work safely from home where they are able to do so. Although the Pandemic was a challenging year, it has accelerated the acceptance of new ways of working by embracing technology and using it positively where and whenever we can to improve the care that we provide.

Background Information to the changing local Health Economy

St Luke's (Cheshire) Hospice covers an approximate population of 300,000 and sees people in St Luke's premises (Grosvenor House and Winterley Grange, Sandbach), in hospital settings within the catchment area and occasionally reaches out into people's homes.

The health service in our area used to be organized into 4 CCG areas, comprising the former 4 CCG's, South Cheshire CCG, Vale Royal CCG, East Cheshire CCG and West Cheshire CCG, before it merged to become Cheshire CCG. St Luke's predominantly cares for patients who live in the old South Cheshire and Vale Royal areas, perhaps better described as Mid-Cheshire.

The old Cheshire CCG has now been replaced with one statutory body called Cheshire and Merseyside Integrated Care Board, which itself is split up into 9 Places. It is the new 'Place' structures who commission health services in their respective Places. St Luke's hospice now straddles two Places, South Cheshire is based in Cheshire East Place and Vale Royal is based in Cheshire West Place

Cheshire and Merseyside Integrated Care Board

NHS England recognized the important contribution that hospices make to the healthcare economy and as a result we received funding, negotiated on our behalf by Hospice UK. This funding was awarded to hospices all over the country to preserve their capacity to care for dying patients and to support those in need of bereavement care.

Prior to the Pandemic, and the release of the Government Support Funding, the Government recognised the growing financial struggles facing hospices and those issues have not abated now we are living in a post pandemic era. The pandemic obviously affected our ability to raise money charitably and it is too early a stage to know whether this is a longer-term issue.

Cheshire & Merseyside ICB continued to recognise the question of Hospice Financial sustainability and although they are committed to provide equality of access to good end of life care for everybody across Cheshire and Merseyside, they lack the financial ability to put this into practice.

The ICB is undergoing dramatic financial cutbacks in its budget and these cutbacks coupled with the disruption of change is making the commissioning of healthcare a little confused and uncertain, particularly for us here at St Luke's, but we are not alone as all organisations in this area hold a similar opinion

Nevertheless, we are grateful that we continue to be well supported by our local community and for now, we will continue with our strategy to provide excellent end of life care for people of Mid-Cheshire

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

Vision, Mission and Values

Strategy 2022 – 2025

The Strategy covering the three years from 2020 to 2023, compiled by the Senior Management Team in consultation with staff, volunteers and Trustees, informed through one to one discussions with patients and carers, was due to be launched in April 2020 but the arrival of Covid meant that our strategy was put on hold to deal with the immediate operational issues presented by the virus.

Our strategy has been refreshed to cover 2023 -2025 to describe where the hospice is now and sets out a vision and mission to 2025 considering current political and economic factors affecting the national and local healthcare economy. The pandemic, if anything, has reinforced our main strategic aims to reach out, care for more people, be sustainable and make our buildings even better.

The New Integrated Care Boards which came in to being on the 1st July 2022 and the lessons learnt during the Pandemic will undoubtedly shape our future clinical strategy. We will find ways to support existing and new ways of working and become even more collaborative in our practice.

The strategy of the Hospice affirms our Vision, Mission, Values and Strategic aims.

Our Vision

Our Vision is for all dying people in Cheshire and those close to them to have access to the care and support they need, when and wherever they need it.

Our Mission

Our Mission is to help people in Cheshire to live the life they can, informed and supported at the end of their life

Our Hospice Values

Our Values reflect our fundamental beliefs. They guide the way we behave with patients, carers, volunteers, supporters, suppliers, external stakeholders and each other to achieve results. The values unite us as an organisation and together we are St Luke's.

The values of St Luke's are at the heart of everything we do and underpin our strategies, policies and ways of working. Embedding our values through our recruitment, induction, training and communications also helps to create the appropriate environment to work in partnerships with others. Our values are:

- **CARING** - We provide quality, dignified holistic palliative care and support
- **INNOVATIVE** - We promote a culture where innovation and new ideas are encouraged, whilst valuing our heritage and past.
- **COLLABORATIVE** - We work together collaboratively, share ideas and support each other to ensure that we achieve our common goals, both within the hospice and within our wider community.
- **RESPECTFUL** - We treat those we care for, volunteers, colleagues and supporters with respect, dignity & compassion. We respect ethnic, cultural and spiritual beliefs and recognize equality of access.
- **RESOURCEFUL** - we spend money wisely in all that we do to ensure we have equipment and an environment in which to deliver quality, sustainable clinical and non-clinical services
- **KNOWLEDGEABLE** - We are experienced, knowledgeable and well-trained
- **HONEST** - We communicate what we do openly and honestly with all our stakeholders and users
- **EXCELLENCE** - We strive for excellence in everything that we do, we celebrate our successes and learn from our mistakes.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

We are committed to creating a culture in which diversity and equality of opportunity is actively promoted and developed. We are committed to challenging all forms of inequality in our role as a service provider and employer.

Principal Objects & Activities, supported by Staff & Volunteers, working with and in the community

Principal Objects and Activities

The principal object of the Charity is to promote the relief of illness amongst people suffering from a terminal illness. We aim to achieve this in three key ways:

One - The provision of Specialist Palliative Care with the focus of our services on complex symptom control and terminal care in:

Inpatient Care	Medical Out-Patients
Telephone support and advice	

Two - The Provision of Supportive Care

Our experience in supporting patients, their carers' and loved ones tells us that they often have a need for supportive care in many different forms, involving both our trained staff but also from our trained volunteers. The services we provide consist of:

Social Work & Benefits Adviser	Family Support and Counselling Services
Spiritual Care (Chaplaincy)	Community Befriending & Engagement Day Hospice and
Complementary Therapies	Lymphoedema Clinics
Psychosexual Clinics	Homelessness End of Life Care
LGBTQ+ Development Facilitator	

Three - The Support and Education of other Providers and our Community

St Luke's has always had a strong focus on education. The End of Life Partnership (formerly Cheshire Hospice Education), was born out of the vision, work and funding committed by St Luke's Hospice over many years.

We support the work of the End of Life Partnership and in partnership with others, through the Strategic Collaborative Cheshire we support communities, professionals and local organisations across Cheshire to improve the palliative and end of life experience and care for all.

We also train medical and clinical staff who work in different clinical professions and settings so that they too, can take the shared knowledge and skill into their own communities, in hospital, home and other care settings.

The Contribution of our Supporters, Staff and Volunteers

We truly value the commitment, contribution and achievements of all our staff, volunteers and supporters. They are the hallmark of St Luke's and allow us to deliver the best possible services to our patients, carers and their loved ones.

We want to ensure that St Luke's is seen as a good place to work and volunteer and our aim is to continue to attract, recruit and retain our large and valued volunteer community with its wide range of skills and experience. We believe engaging, developing and motivating as best we can is key to achieving this.

Staff and volunteers are recruited in line with relevant standards, including the Disclosure and Barring Service. Induction and orientation is provided alongside a range of developmental and learning opportunities.

The Hospice has over 640 regular volunteers in a range of services fulfilling a variety of roles. Working alongside our employed staff, volunteers offer their skills, experience and expertise to many departments in the Hospice and the Trading and the Promotions companies; this may be directly with patients, on our reception desks or in our shops.

St Luke's (Cheshire) Hospice

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For the year ended 31 March 2023

We look forward to our volunteers working alongside us because without the commitment and support we receive from volunteers, we could not provide the services we do. We want to acknowledge and sincerely thank our supporters and volunteers for their generous and much needed gifts of time and money in their many varied forms, to the Hospice.

Working with Others and in the Community

Working with others in partnership, across the health community is key to ensuring we achieve our own and shared health objectives and outcomes. Examples of this include our relationships and roles as follows:

- Provision of services in the acute hospital
- Work in partnership with CCICP to provide a Lymphoedema service to South Cheshire and Vale Royal Patients.
- Training and education of undergraduate and postgraduate students in a range of health care professions from local university medical and health care schools.
- Developing relationships with Health and Educational organisations including the Vale Royal and South Cheshire GP Alliance.
- End of Life Partnership through mutually supportive mission and goals that will strengthen the impact and outcomes of our work.
- Membership of umbrella organisations such as Hospice UK, Hospice Lotteries Association, Hospice Quality Partnership, Lotteries Board, Charity Retail Association, Fundraising Regulator, National Association of Hospice Fundraisers, Association of palliative medicine and other local and national professional networks.
- Development of community befriending to enable compassionate communities to develop and to address social isolation and loneliness experienced by the ill, frail and elderly in our community
- Widening access through engagement with Homeless people at end of life and our local LGBTQ+ communities.
- Our developing relationship with the Christie who use the Hospice premises to deliver their service to local residents making their treatment more patient centred, easier and convenient saving them time.

Cheshire and Merseyside Hospice Collaborative

Following the creation of the Cheshire and Merseyside ICB, each of the 12 adult and Childrens Hospices have formed a 'Hospice Collaborative' to formalise working more collaboratively and closer together sharing experience and best practices.

We are providing a modest contribution towards a Collaborative Project manager who has been set a number of objectives and is helping each of the hospices to chart their way through the ICB changes. The role is also helping to support the creation of a 'Sustainable Funding Model' to present to the Cheshire and Merseyside ICB.

The formation of the Collaborative and the appointment of the project manager is still in the early stages, but it is hoped that by speaking together as a Hospice movement, we are stronger and louder than our individual voices.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

Financial Report

Financial Performance and Review

We entered the new financial year with a sense of relief and optimism as the threat of the resurgence of a full-scale pandemic returning both nationally and globally diminished. However, the escalation of the conflict in Ukraine at the start of the year and the continued inflationary cost pressures experienced across the globe introduced their own, unique set of challenges. Consequently, there was a strong realisation that the hospice sector, like many others having carefully and safely navigated itself through the pandemic would now be facing a different set of challenges that could potentially hinder the post pandemic recovery and prolong the return to a more “stable” and familiar environment. With this uncertainty we once again entered the new financial year with a prudent approach to our financial management.

The financial year began with cautious optimism in relation to fundraising. Many of the events and fundraising initiatives were resurrected but without clarity on whether our supporter's appetite to participate would be as buoyant as it had been pre pandemic. The launch and subsequent unprecedented sign up and success of a new event, the Twilight Walk soon confirmed that our supporters were once again fully engaged and willing to interact with us to support their local Hospice. However, there was still some concern about the return of supporters to our shops when setting the budgets for the year which was reflected in the prudent Trading budget.

The Hospice sector had benefited from much needed government support throughout the pandemic, but we entered this financial year knowing that no further support would be available (2022: £321,705). However, our reserves provided us with the reassurance that we could continue to navigate our way through any further uncertainty by maintaining our approach of managing our resources efficiently and effectively. This allowed our post pandemic response to focus on returning all services and other activities to normal with funds, prudently set aside to invest in these areas when the need arose. The needs of our patients and the continued delivery of safe, effective and high-quality care services remained at the centre of all decision making throughout this period.

Despite the uncertainties faced this year, the Hospice made a group surplus of £602,025 (2022: £1,374,994). It is imperative to highlight that once again this surplus was generated fundamentally following the receipt of a small number of relatively large legacies, which along with all the other legacies received in the year, generated income of £1,383,427 (2022: £914,383). Without these monies and excluding the loss on the revaluation of our investments, the Hospice would have declared an operating deficit. The Group surplus was £1,084,010 (2022: £1,154,838) as at the 31 March 2023 before accounting for the year end loss of £302,033 (2022: £220,156 gain) on the revaluation of our investments and £179,952 (2022: £nil) on revaluation of fixed assets.

It is important to reiterate that the impact of the pandemic has not been limited to just the “pandemic years”. It is however difficult to clearly predict and quantify the true impact on all our sources of income for future years. However, it was reassuring to see many of our traditional income streams returning close to pre-Covid levels in the year. Nevertheless, the Executive team and the Board of Trustees recognise that this year's and the previous two year's “exceptional” surpluses, will be required to carry and support us through the potentially difficult years ahead to ensure we can continue to provide vital services for our patients.

Despite the inevitable inflationary increases that our suppliers passed onto us throughout the year the expenditure levels continued to be well managed with total expenditure being lower than budget. Approximately 75% of our total expenditure relates to pay and consequently a fair proportion of these savings were secured from vacancies when vacant roles were not immediately filled.

Following an independent valuation of Winterley Grange the property was revalued downwards by £179,952. A further write down of assets incurred a loss on disposal of £35,544, relating to the Middlewich shop, recognising that much of the original infrastructure has been demolished and replaced. These one-off charges increased the expenditure costs in the year by a total of £215,496.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

The Hospice made a loss on the revaluation of its investments of £302,033 (2022: £220,156 gain). Although no additional funds were placed with the fund managers during the year significant amounts of cash reserves were placed with the NatWest Treasury Reserve for periods of between 3 to 12 months. During the year cash levels were well managed and remained healthy following the receipt, of a small number of relatively large legacies. This allowed the Hospice to deposit monies into reserve accounts and obtain better returns on liquid assets without tying them up in longer term investments. At 31 March 2023 £1,700,000 was held in NatWest Treasury Reserve accounts.

Following Board approval increased reserves have been set aside for the Hospice Development Fund increasing the designation to £3m. (2022: £1.5m). The increase has mainly been funded from the redesignation of £1.22m of designated reserves with the remainder of the £280,000 funded from additional reserves monies. The Trustees made the decision to explore whether a different hospice site would help to offer a better care environment in the future. These monies will potentially fund our future longer-term aspirations to move to a new location or to develop the existing site to ensure the longevity of the Hospice.

A further £250,000 (2022: £395,000) has been set aside recognising our ongoing capital commitments required to maintain and develop our properties and other assets and ensure compliance to Health and Safety regulations. The completion of the building work on the Middlewich shop this year explains the lower designation on Capital Projects this year. The timing of when designated reserves monies will be used will be subject to ongoing review of our financial position before any monies are drawn down and spent.

St Luke's Trading Limited began the year with all shops except one open to the public. A notable difference to the previous two years. The footfall and consequently the sales in Trading exceeded our expectations as consumers returned to our shops. Income in the year was £1,002,292 (2022: £807,175). However, Trading like many other retailers faced a variety of staffing challenges, coupled with the lower number of volunteers this at times required some of our shops to close or reduce their hours of trading. Trading was further impacted by the closure of Winsford shop for over 4 months following fire damage. Despite these challenges Trading delivered pleasing results and exceeded its prudent budget. The Middlewich shop remained closed throughout the year.

St Luke's Trading Limited delivered a statutory profit in the year of £40,238 (2022: £1,726) whilst the Hospice received further income from the sale of donated goods at the shops of £382,560 (2022: £306,568) of which £72,795 (2022: £58,335) was claimed in Gift Aid credits from HMRC.

St Luke's Promotions Limited continues to be a significant income stream gifting the Hospice £633,846 (2022: £625,798). The Lottery remains strong, however the team are alive to the challenges it faces due to increased attrition levels and the impact of an ageing supporter base. They continue to develop solutions to mitigate and minimise the impact. Our external lottery canvassers have been fully operational this year and have been instrumental in maintaining and increasing playing membership.

Legacy income remains an important income stream for the Hospice and it is gratefully received. Once again we have been fortunate enough to benefit from a record level of legacy monies. In addition to a number of other legacies, several relatively large legacies contributed to our legacy income generating income of £1,383,427 (2022: £914,383). The Income Generation Team are continuing their review of our approach to legacies and major donors.

We continue to receive and are grateful for the statutory funding from the Integrated Care Board which accounts for 12.6% of our consolidated income. This level of statutory funding is relatively low for the sector and consequently means that 87.4% of our funds are voluntary and must be generated by the Hospice.

Financial Governance & Management

The governance arrangements and operating practices supporting the development of the Financial Regulations Policies and Procedures and Scheme of Delegation, any updates and re-training of staff to ensure they are fully integrated and embedded into day to day operations, remain under continuous quality improvement to ensure they are the best they can be.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

The monthly reporting pack continually evolves. In addition to the traditional monthly accounting information explaining variances between budget and actual results and projected year end results, the board also received an extract from the Risk Register highlighting the current Opportunities and Risks.

The monthly Income Generation reporting pack includes the Red Amber Green traffic light system enabling reporting, review and monitoring in depth by 'exception'. Full accountability of operational expenditure is being achieved through appropriate controls managed, reviewed and monitored on a monthly basis through budget holders, to the senior managers, to the Board.

Reserves Policy and Position

Trustees are required to consider on an annual basis the level of reserves the charity needs to hold, as an important part of planning and sound financial management.

The reserves position has been carefully considered to identify the level required to manage unforeseen circumstances, and unavoidable adverse variances to budget. The reserves policy, which is in line with Charity Commission guidance and comparative charities, calls for the group free reserves to be no less than three months of operating costs, and no greater than twelve months of operating costs.

The Board have designated reserves of £3,000,000 from the reserves for the Development of the Hospice and a further £250,000 for capital projects. In light of the need to invest in the Hospice's infrastructure the Hospice Development Fund has been increased by £1.5m which has predominately been funded from the redesignation of £1.22m of designated reserves with the remainder of the £280,000 funded from additional reserves monies. These monies will potentially be used to fund our future longer term aspirations to develop the existing site or to move to a new location. The £250,000 Capital Projects designation recognises the funds needed to facilitate the programme of works identified and planned by the Estates team during 2023/24.

The free reserves as at the 31 March 2023 stood at £4,001,694 (2022: £4,075,311), see note 22, which represents approximately 9.5 months of operating costs.

Investment Policy and Position

St Luke's Investment Policy is to achieve maximum return with minimum risk, whilst protecting the capital base. Funds potentially required for working capital are invested in a more readily accessible low risk portfolio. The Investment Managers Rathbones, report to the Finance Director and Finance Committee quarterly who then present an investment performance report to the Board of Trustees annually.

Our listed investment assets are valued in the Balance Sheet at Market Value of £4,204,498 (2022: £4,253,240). The Charity made losses on investments during the year of £302,033 (2022: £220,156 gain). These monies are invested for the medium to longer term.

Financial Risk Management

In line with good practice and recommendations of the Charity Commission, the Hospice holds funds in reserve and is therefore exposed to fluctuations in the stock market, which affect the value of its investment portfolio. This portfolio is monitored by the Finance Committee in terms of the risk profile and the decision to hold or sell the portfolio is under constant review as advised by the Hospice Fund Managers, Rathbones Investment Management Ltd.

Fundraising Standards Information

St Luke's (Cheshire) Hospice and its subsidiary companies St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited are committed to responsible fundraising practice and regular monitoring.

As a member of the Fundraising Regulator, we agree to ensure our fundraising is legal, open, honest and respectful. These standards for fundraising are set out in the Code of Fundraising Practice. Please see our website for details.

St Luke's (Cheshire) Hospice

Trustees Report

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- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible

The Hospice complies with the Data Protection Act requirements and will protect members' data. St Luke's Promotions Ltd and St Luke's Trading Ltd are subsidiary companies of St Luke's (Cheshire) Hospice Ltd and are all registered under the Data Protection Act 1988.

St Luke's Hospice Promotions Ltd is also a member of the Hospice Lotteries Association - Both organisations are committed to using lotteries to fundraise responsibly and work together to encourage responsible gambling and access support if needed. The 'Responsibility in Gambling Trust', 'GamCare' and 'Gamble Aware' provides such support if required. We offer a Self-Exclusion option and a robust process for complaints and feedback. Regular monitoring of new members is completed by telephone following new sign ups to our lottery. The Gambling Act 2005 confirms that St Luke's Hospice Promotions Limited now has a statutory duty to verify that members are 16 years of age or over, the minimum age allowed for anyone to play in the lottery. It is an offence for anyone under the age of 16 years to participate in a lottery.

Review of Achievements and Performance

- Our Inpatient unit remains a centre of excellence caring for patients referred to us from both hospital and community services for both pain relief, symptom control and end of life care.
- Our day hospice services have returned to full capacity. It has been pleasing to see how our staff have identified a problem and created a solution by putting on a dementia carers group. Although Hospices mainly support patients with Cancer, this proves that we can provide end of life services for patients with life limiting illnesses other than cancer.
- Approximately two thirds of IPU admissions to St Luke's were admitted from home for specialist care confirming our role in preventing unnecessary hospital admissions. The remaining third of admissions were transferred to us from hospital helping the Hospital to create greater bed capacity to care for other patients
- Of the 361 referrals to our IPU, 88% of those patients had a cancer diagnosis. 12% a non-cancer diagnosis.
- 33% of the patients admitted to our inpatient unit were discharged back home dispelling the myth that the Hospice is only a place where people go to die.
- Our average length of stay was 12 days underlining our strong desire to support patients who want to go back home to be cared for and die in their place of choosing.
- We achieved an occupancy rate of 67%.
- We continued to successfully recruit nursing staff and doctors when other local providers had vacancies that remain unfilled. We also provide placements for trainee GPs, trainee Doctors, nurses, counsellors and healthcare assistants.
- We continue to ask for feedback following each episode of care and overwhelmingly the majority of our patients rated our care as excellent or good. Feedback from patients, relatives, carers and service users emphasised the holistic care, kindness and compassion shown to them

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

- The Family Support, Chaplaincy and Counselling Team have embraced a new way of working and are now able to offer a blended approach of support either by face to face or via video technology or phone.
- The FSC and SCC teams had 254 referrals for their support. They support patients, families (including children) and carers at difficult times and delivered 2,021 different interventions.
- We continue to embed our Electronic Patient Record (EPR) system, EMIS Web. This system has allowed us to work towards local and national targets for improving palliative and end of life care using an Electronic Palliative and Care Co-ordination Systems (EPaCCS). It allows the documentation and sharing of advance care planning decisions across organisations to prevent crisis and improve care. The majority of patients attending our services now have an advance care plan documenting their wishes.
- Along with East Cheshire Hospice and the Hospice of the Good Shepherd we were successful in winning a grant to continue to break down any potential barriers to provide care services more appropriate to the LGBTQ+ community. The hospice was delighted to secure our Navajo Mark
- We continued our much-needed befriending service engaging with vulnerable people who feel isolated and in need support.
- Our work to support people who are homeless at the end of life continues. In addition to direct support, we also helped to support the professionals who cared for homeless people in places like Hostels.
- Our work in collaboration with Mid Cheshire Hospital Trust (MCHFT) Macclesfield District General Hospital (MDGH), Central Cheshire Integrated Care Partnership (CCICP) enabled us to continue to offer a joint Lymphoedema service.
- Care staff continue to improve palliative and end of life care by actively participating at strategic groups such as the Strategic Collaborative Cheshire, Electronic Palliative Care Co-ordination System strategy group, Hospice Learning & Development groups and Cancer Network meetings as well as Regional Hospice UK support groups.
- Our work in collaboration with the Christie continued during the Pandemic where they use the Day Hospice space on a Friday and deliver chemotherapy for up to 15 patients a day. In addition, we provide a space on Wednesday mornings between 8.30am and 2pm where patients can call in and have bloods taken in preparation for their visit on a Friday. This has proved popular with local people who no longer need to spend a long day in Manchester, with another visit for bloods tests, instead they can come here under more relaxed surroundings and nearer to home. The Christie have now expanded their services to another day
- We had 227 telephone calls via our Specialist palliative Care Telephone Advice Line mainly to support healthcare professionals. These calls give non-hospice staff the confidence to support patients in numerous other care settings helping to keep patients from being admitted inappropriately to Hospital. A third of the helpline calls were to support patients and their loved ones.
- The HR team implemented successfully a new HR system called Citrus
- Our Events, Community and Corporate Income Generation Teams put on a full calendar of fundraising events. Although our loyal supporters are very supportive it has certainly been a challenging time for the teams to reignite the general public's enthusiasm after what can only be described as a difficult and challenging two years. The next two years to re-establish the same income generating capacity as before the pandemic will continue to be challenging.
- Our communications department made sure that the hospice is front and centre in the public's minds by keeping the public aware of the continued good work of St Luke's
- We were delighted to have completed the difficult major rebuild of our Middlewich shop which is due to open in summer of 2023.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

- It is pleasing to see that our lottery remains resilient to the up and downs of the economy providing a very stable contribution to the running of the hospice.

Plans for the future

The provision of safe, effective and high quality care services is at the centre of our Strategic and Operational Plans. In formulating our 3 year strategy we identified 4 main strategic aims and these strategic aims remain apposite to deal with the issues highlighted and experienced by the Coronavirus pandemic.

- **Care for more people** – The 'baby boomer' population, advances in medicine enabling people to live longer and supporting people with diseases other than cancer, mean that there are more patients dying and with greater complexities. We will deliver more quality care services validated through continuous review and improvement programmes.
- **Reach out** – there are more people being cared for in their own homes and in community settings such as care homes. Our ambition is to develop and extend our hospice care for patients outside the hospice walls. We have started by setting up a St Luke's Night care Service and our Weekend Service. We will monitor and review the success of these services on an ongoing basis.
- **Be sustainable** – this has even greater prominence following, not only the impact of Covid 19 but also as the Government struggles to get to grips with a fractured economy, rising interest rates, inflation and high energy costs. It is important to provide quality services that we can afford to provide. The creation of the new Integrated Care Boards offer the hope of fairer hospice funding support going forward.
- **Make our buildings better** – The Trustees have made the decision to explore whether a different hospice site would help to offer a better care environment in the future. We also recognise that we need to modernise / improve our existing buildings to better support our patients today. We will be exploring longer term solutions to ensure the enduring longevity of St Luke's for many years to come.

Our aim is to continue working towards our vision, keeping compassionate care at the centre of all we do. We will continue to work in collaboration with others to influence the provision of end of life care, education and training so that we can improve outcomes for palliative and end of life care patients within our communities.

We remain committed to helping people to live the life they can supported, informed and cared for until they die.

Statement of Trustee Responsibilities

The Trustees (who are also the directors of St Luke's (Cheshire) Hospice (a company limited by guarantee) for the purposes of Company Law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity 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; and

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2023

- Prepare the financial statements on a '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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to Auditors

In so far as the Trustees are aware

- There is no relevant audit information of which the charitable company's auditors are unaware,
- 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, who are also Directors of the Charity for the purposes of the Company Act 2006, present their report with the consolidated financial statements of the Charity for the period ended 31st March 2023. The Trustees adopted the provision of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in 2019.

As such, this forms the Annual Report of the Trustees for the purposes of S162 of the Charities Act 2011 and S445 (3), S414A-414D (Report of the Trustees) of the Companies Act 2006.

Report of the Trustees, approved by order of the Board of Trustees, as the Company Directors, on and signed on the board's behalf by:

Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2023

Opinion

We have audited the financial statements of St Luke's (Cheshire) Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise Group Statement of Financial Activities, Company Statement of Financial Activities, Group Balance Sheet, Company Balance Sheet, 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 parent charitable company's affairs as at 31 March 2023, and of 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 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.

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2023

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2023

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries;
- Review of the systems for recording income, and testing of a sample of income transactions throughout the year to check they have been recorded in the accounts and in the correct period.

Because of the field in which the client operates we identified that employment law, health and safety legislation, CQC regulations and compliance with the UK Companies Act are the areas most likely to have a material impact on the financial statements.

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

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

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with the 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.

Christine Wilson (Senior Statutory Auditor)
For and on behalf of
MHA Moore and Smalley
Chartered Accountants & Statutory Auditor
Preston

Date:

St Luke's (Cheshire) Hospice

Consolidated Statement of Financial Activities

(Incorporating a Consolidated Income and Expenditure Account)

As at 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from					
Donations and legacies	2	2,651,317	-	2,651,317	2,091,617
Charitable activities	3	715,168	229,023	944,191	952,023
Other trading activities	4	2,383,205	-	2,383,205	2,118,300
Investment income	5	150,523	-	150,523	100,352
Coronavirus Support funding	6	-	-	-	385,618
Total income		5,900,213	229,023	6,129,236	5,647,910
Expenditure on					
Raising funds	7	1,655,299	-	1,655,299	1,471,260
Charitable activities	8	3,170,765	219,162	3,389,927	3,021,812
Total expenditure		4,826,064	219,162	5,045,226	4,493,072
Net income/(expenditure) before other gains and losses		1,074,149	9,861	1,084,010	1,154,838
Revaluation of fixed assets	14	(179,952)	-	(179,952)	-
Net (losses)/gains on investments	15	(302,033)	-	(302,033)	220,156
Net income /(expenditure)		592,164	9,861	602,025	1,374,994
Transfers between funds	20	-	-	-	-
Net movement in funds		592,164	9,861	602,025	1,374,994
Total funds brought forward		9,013,797	19,500	9,033,297	7,658,303
Total funds carried forward	20	9,605,961	29,361	9,635,322	9,033,297

All incoming resources and resources expended derive from continuing activities.
All gains and losses recognised in the year are included above.

St Luke's (Cheshire) Hospice

Balance Sheets

Year ended 31 March 2023

	Note	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Fixed assets					
Tangible assets	14	2,354,267	2,218,486	2,337,125	2,183,558
Investments	15	4,204,498	4,253,240	4,204,498	4,253,240
Investments in subsidiaries	16	-	-	4	4
		6,558,765	6,471,726	6,541,627	6,436,802
Current assets					
Stock	17	7,544	7,352	-	-
Debtors	18	809,525	660,448	852,932	696,694
Cash at bank and in hand		2,808,734	2,442,195	2,483,718	2,218,717
		3,625,803	3,109,995	3,336,650	2,915,411
Creditors: amounts due within 1 year	19	(549,246)	(548,424)	(309,777)	(364,168)
Net current assets		3,076,557	2,561,571	3,026,873	2,551,243
Net assets		9,635,322	9,033,297	9,568,500	8,988,045
Charity Funds					
Restricted Funds	20	29,361	19,500	29,361	19,500
Unrestricted Funds					
- General funds	20	6,355,961	6,293,797	6,289,139	6,248,545
- Designated funds	20	3,250,000	2,720,000	3,250,000	2,720,000
Total Unrestricted funds		9,605,961	9,013,797	9,539,139	8,968,545
Total funds		9,635,322	9,033,297	9,568,500	8,988,045

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

Mr M Ridley - Chairman

St Luke's (Cheshire) Hospice

Consolidated Statement of Cash flow Statement

Year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net income/(expenditure) for year		602,025	1,374,994
Investment income	5	(150,523)	(100,352)
Depreciation & impairment of tangible fixed assets	14	140,006	135,144
Revaluation of tangible fixed assets	14	179,952	-
Losses/(gains) on investments	15	302,033	(220,156)
(Profit)/loss on disposal of tangible fixed assets		36,239	(18,282)
Decrease in stock		(192)	-
(Increase)/decrease in debtors		(149,077)	596,437
Increase/(decrease) in creditors		822	(613,289)
(Decrease)/increase in provisions		-	(73,564)
Net cash provided by (used in) operating activities		961,285	1,080,932
Cash flows from investing activities:			
Income from investments	5	150,523	100,352
Payments to acquire tangible fixed assets	14	(491,978)	(142,161)
Receipts from sale of tangible fixed assets		-	18,400
Payments to acquire investments	15	(547,731)	(1,406,702)
Receipts from sales of investments	15	294,440	1,374,994
Net cash flow from investing activities		(594,746)	(55,117)
Increase/(decrease) in cash and cash equivalents		366,539	1,025,815
Cash and cash equivalents brought forward		2,442,195	1,416,380
Cash and cash equivalents carried forward		2,808,734	2,442,195
Cash and cash equivalents consist of:			
Cash at bank and in hand		2,808,734	2,442,195
		2,808,734	2,442,195

1 Summary of significant accounting policies

a General information and basis of preparation

St Luke's (Cheshire) Hospice is a charitable company registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is to care and support people with life limiting and terminal illness and the people close to them.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies.

St Luke's (Cheshire) Hospice meets the definition of a public benefit entity under FRS102.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has availed itself of Paragraph 4(1) of Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 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.

b Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

c Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity i.e. amount the charity would be willing to pay in the open market. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

1 Summary of significant accounting policies (continued)

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Legacies are included in the accounts in accordance with SORP and FRS102. Legacies are recognised in the accounts if probate has been granted and executors have identified that a payment can be made imminently. On occasion legacies will be notified to the charity but it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d Expenditure recognition

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered, and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Premises overheads have been allocated on a floor area basis. The overheads costs of the central function have been apportioned on an estimated basis of usage by each function. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes lottery prizes, the salaries of the staff who promote fund-raising, direct expenditure including costs of events and an allocation of internal overheads.
- Expenditure on charitable activities includes expenditure associated with the objects, as described in the report of the Trustees.

1 Summary of significant accounting policies (continued)

- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

e Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Hospice. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

f Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land and buildings and Long leasehold property	2%, 10% and 20% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost
Computer equipment	25% on cost
Items are capitalised when the cost exceeds £1,000	

g Pension contributions

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the SoFA in the period to which they relate.

Retirement benefits are accruing for various employees of the company through the NHS Pension Scheme. This is a defined benefit scheme, which is externally funded and contracted out of the State Earnings Related Pension Scheme. The regular pension cost is charged to the income and expenditure account and is based on the expected pension costs over the service life of the employees.

h Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

i Shares in subsidiary undertakings

These are stated at cost. The results of the trading subsidiaries are detailed in note 16 to the accounts.

1 Summary of significant accounting policies (continued)

j Stock

Items donated for resale in the shops are not included within the financial statements until they are sold.

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to its present location and condition.

Stock held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

k Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

l Judgements and key sources of estimation uncertainty

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

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

m Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

n Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The Hospice is not VAT registered but is able to recover VAT using the VAT Relief Scheme for charities.

o Going concern

The trustees are required to assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts.. At the date of approving these accounts, the trustees have a reasonable expectation that the charity will be able to manage the situation and that it has sufficient cash resources to enable it to meet its liabilities as they fall due for at least 12 months from the date of approval. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

2 Donations and legacies

	2023	2022
	£	£
Donations	1,267,890	1,177,234
Legacies	1,383,427	914,383
	<u>2,651,317</u>	<u>2,091,617</u>

Above income attributable to restricted was £nil (2022: £69,186), balance to unrestricted.

3 Income from charitable activities

	2023	2022
	£	£
Medical consultancy fees	25,007	47,245
Grants – NHS CCG	639,137	613,571
Grants – Other	228,282	257,972
Other	51,765	33,235
	<u>944,191</u>	<u>952,023</u>

Above income attributable to restricted was £229,023 (2022: £257,972), balance to unrestricted.

4 Income from other trading activities

	2023	2022
	£	£
Fundraising events	430,642	424,745
Shops and lotteries	1,929,926	1,692,335
Other	22,637	1,220
	<u>2,383,205</u>	<u>2,118,300</u>

All of the above income was attributable to unrestricted funds in the current and prior year.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

5 Income from investments

	2023	2022
	£	£
Listed UK investments - dividend Income	103,410	80,230
Rents received	22,016	19,872
Short term deposit interest	25,097	250
	<u>150,523</u>	<u>100,352</u>

All of the above income was attributable to unrestricted funds in the current and prior year.

6 Other income

	2023	2022
	£	£
Job Retention Scheme	-	31,910
Hospice UK Covid Support	-	321,705
Covid Business Rates Support	-	32,003
	<u>-</u>	<u>385,618</u>

Above income attributable to restricted was £nil (2022: £350,168), balance to unrestricted.

7 Expenditure on raising funds

	2023	2022
	£	£
Shops and lotteries	1,219,093	1,059,945
Other fundraising costs	436,206	411,315
	<u>1,655,299</u>	<u>1,471,260</u>

All of the above expenditure was attributable to unrestricted funds in the current and prior year.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

8 Expenditure on charitable activities

	2023	2022
	£	£
Staff costs	2,644,772	2,482,774
Building costs	395,306	309,519
Administration expenses	77,166	73,816
Patient care & medical services	241,595	134,158
Professional fees	31,088	21,545
	<u>3,389,927</u>	<u>3,021,812</u>

Above expenditure attributable to restricted was £219,162 (2022: £690,451), balance to unrestricted.

9 Support cost breakdown by activity

Included within total expenditure are support costs as analysed below:

		Fundraising activities	Charitable activities	Total 2023	Fundraising activities	Charitable activities	Total 2022
	Basis	£	£	£	£	£	£
Staff costs	Actual	69,389	560,436	629,825	63,349	511,658	575,007
Building costs	Space	10,495	46,838	57,333	10,517	46,947	57,464
Admin expenses	Actual	26,634	65,533	92,167	24,107	55,640	79,747
Patient care costs	Actual	1,042	4,694	5,736	790	3,560	4,350
Professional fees	Actual	15,544	15,544	31,088	10,772	10,772	21,544
		<u>123,104</u>	<u>693,045</u>	<u>816,149</u>	<u>109,535</u>	<u>628,577</u>	<u>738,112</u>

Included within professional fees and staff costs are governance costs as analysed below:

	Note	2023	2022
		£	£
Governance costs			
Auditor's remuneration	10	21,500	14,590
Senior management		20,597	19,423
Other governance charges		2,071	2,043
		<u>44,168</u>	<u>36,056</u>

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

10 Net income/(expenditure) for the year

	2023	2022
Net income/(expenditure) is stated after charging/(crediting):	£	£
Depreciation & impairment of tangible fixed assets	140,006	135,144
Revaluation of tangible fixed assets	179,952	-
Auditor's remuneration	21,500	14,590
(Profit)/loss on sale of tangible fixed assets	36,239	(18,282)
Losses/(gains) on investments	302,033	(220,156)
	<hr/>	<hr/>
Fees payable to the charity's auditor:		
Audit of the charity's annual accounts	8,500	6,250
Audit of the charity's subsidiaries	7,000	4,500
Other services	6,000	3,840
	<hr/>	<hr/>
	21,500	14,590
	<hr/> <hr/>	<hr/> <hr/>

11 Staff costs

	2023	2022
	£	£
Wages and salaries	3,074,187	2,847,149
Social security costs	240,274	202,974
Pension costs	212,913	192,986
	<hr/>	<hr/>
	3,527,374	3,243,109
	<hr/> <hr/>	<hr/> <hr/>

The Hospice belongs to two pension schemes: the NHS pension scheme and a defined contribution scheme.

The NHS scheme is a defined benefit scheme, the assets of which are held in a separate trustee-administered fund. Under the definitions set out under FRS102, the NHS scheme is a multi-employer pension scheme. The Hospice is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Employer contributions charged against income for the period were £111,712 (2022: £99,000).

The Hospice and its subsidiaries also made contributions to a defined contribution scheme during the period totalling £101,201 (2022: £93,986).

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

11 Staff costs (continued)

The average number of employees analysed by function was:

	2023	2022
	No.	No.
Administrative	13	12
Charitable activities	97	96
Fundraising	12	13
St Luke's Hospice Trading	25	24
St Luke's Hospice Promotions	4	4
	<u>151</u>	<u>149</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2023	2022
	No.	No.
£60,000 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
	<u>3</u>	<u>2</u>

12 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration or expenses during the year (2022: £nil). The total amount of employee benefits, including salaries, received by key management personnel was £411,987 (2022: £388,510). The Trustees consider key management personnel to be comprised of the Trustees, Chief Executive Officer, Medical Director, Director of Income Generation, Finance Director and the Director of Care.

	2023	2022
	£	£
Trustees' Indemnity Insurance	1,625	1,413
	<u>1,625</u>	<u>1,413</u>

13 Taxation

No liability to UK corporation tax arose on net expenditure for the year ended 31 March 2023 nor for the year ended 31 March 2022 for the company. A tax liability of £nil (2022: £2,826) arose on the subsidiary companies included within the consolidated accounts.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

14 Tangible fixed assets

Company	Freehold land & buildings	Leasehold land & buildings	Fixtures & fittings	Computer Equipment	Motor vehicles	Totals
	£	£	£	£	£	£
Cost						
At 1 April 2022	2,796,988	760,675	342,936	102,227	14,370	4,017,196
Revaluation	-	(179,952)	-	-	-	(179,952)
Additions	347,789	-	137,250	-	-	485,039
Disposals	(58,750)	-	(34,622)	-	-	(93,372)
At 31 March 2023	3,086,027	580,723	445,564	102,227	14,370	4,228,911
Depreciation						
At 1 April 2022	1,409,866	125,512	196,336	87,554	14,370	1,833,638
Charge for year	51,973	15,213	37,312	10,783	-	115,281
Eliminated on disposal	(23,206)	-	(33,927)	-	-	(57,133)
At 31 March 2023	1,438,633	140,725	199,721	98,337	14,370	1,891,786
Net book value						
At 31 March 2023	1,647,394	439,998	245,843	3,890	-	2,337,125
At 31 March 2022	1,387,122	635,163	146,600	14,673	-	2,183,558

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

14 Tangible fixed assets (continued)

Group	Freehold land & buildings	Leasehold land & buildings	Fixtures & fittings	Computer Equipment	Motor vehicles	Totals
	£	£	£	£	£	£
Cost						
At 1 April 2022	2,796,988	851,631	417,892	164,447	40,141	4,271,099
Revaluation	-	(179,952)	-	-	-	(179,952)
Additions	347,789	6,939	137,250	-	-	491,978
Disposals	(58,750)	-	(34,622)	-	-	(93,372)
At 31 March 2023	3,086,027	678,618	520,520	164,447	40,141	4,489,753
Depreciation						
At 1 April 2022	1,409,866	210,582	257,480	143,666	31,019	2,052,613
Charge for year	51,973	19,745	42,547	16,619	9,122	140,006
Eliminated on disposal	(23,206)	-	(33,927)	-	-	(57,133)
At 31 March 2023	1,438,633	230,327	266,100	160,285	40,141	2,135,486
Net book value						
At 31 March 2023	1,647,394	448,291	254,420	4,162	-	2,354,267
At 31 March 2022	1,387,122	641,049	160,412	20,781	9,122	2,218,486

15 Fixed asset investments

Company and Group	Unrestricted funds	Total 2023	Total 2022
	£	£	£
<u>UK quoted investments</u>			
At 1 April 2022	4,253,240	4,253,240	4,001,376
Less disposal proceeds	(294,440)	(294,440)	(1,374,994)
Add acquisitions at cost	547,731	547,731	1,406,702
Net (losses)/gain on revaluation	(302,033)	(302,033)	220,156
At 31 March 2023	4,204,498	4,204,498	4,253,240

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

16 Investment in subsidiaries

The parent charity owns 100% of the issued share capital of St Luke's Hospice Trading Ltd (Co.No.-03024652) and St Luke's Hospice Promotion Ltd (Co.No.-02862345) at cost of £4 (2022: £4), performance for the year was as follows:

	St Luke's Trading Limited	St Luke's Promotions Limited	Total 2023	Total 2022
	£	£	£	£
Shops and lottery income	1,002,292	927,634	1,929,926	1,692,335
Interest & other operating income	-	757	757	35,466
Total income	1,002,292	928,391	1,930,683	1,727,801
Total costs before rental costs paid to Hospice	(925,248)	(293,845)	(1,219,093)	(1,059,945)
Net income for the year	77,044	634,546	711,590	667,856
Rental costs paid to Hospice	(36,806)	(700)	(37,506)	(37,505)
Net income for the year before profits donated	40,238	633,846	674,084	630,351
Profits donated to St Luke's (Cheshire) Hospice	(18,668)	(633,846)	(652,514)	(650,283)
Net Profit/(loss) for the year after donations	21,570	-	21,570	(19,932)
Share capital & reserves brought forward	1,821	43,435	45,256	65,188
Share capital & reserves carried forward	23,391	43,435	66,826	45,256
Fixed assets	17,142	-	17,142	34,928
Current assets	230,012	200,282	430,294	310,159
Current liabilities	(223,763)	(156,847)	(384,037)	(299,831)
Net assets	23,391	43,435	66,826	45,256

During the year St Luke's Hospice Trading Limited transacted sales of donated goods in its shops of £309,765 (2022: £248,233) under the Gift Aid Retail Scheme. This enabled the Hospice to claim £72,795 (2022: £58,335) in Gift Aid credits from HMRC. Therefore, the Hospice benefitted from the sale of donated goods at the shops by £382,560 (2022: £306,568).

The Trading income includes an insurance payment of £30,130 for the closure of Winsford shop for over 4 months following fire damage and commission received for Gift Aid Sales.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

17	Stock			2023	2022
	Group			£	£
	Goods for resale			7,544	7,352
<hr/>					
18	Debtors	Company	Company	Group	Group
		2023	2022	2023	2022
		£	£	£	£
	Amounts owed by group undertakings	141,141	111,498	-	-
	Other debtors	73,956	55,967	73,956	55,967
	VAT	48,899	29,494	62,881	39,918
	Prepayments and accrued Income	543,964	480,249	555,952	543,704
	Trade debtors	44,972	19,486	52,442	20,859
		<hr/>	<hr/>	<hr/>	<hr/>
		852,932	696,694	809,525	660,448
<hr/>					
19	Creditors: amounts falling due within one year	Company	Company	Group	Group
		2023	2022	2023	2022
		£	£	£	£
	Bank overdraft	-	-	15,423	-
	Trade creditors	126,713	92,159	177,096	105,569
	Other creditors	40,363	81,058	40,453	81,386
	Social security and other taxes	59,744	51,465	59,744	51,465
	Accruals and deferred Income	82,957	139,486	256,530	310,004
		<hr/>	<hr/>	<hr/>	<hr/>
		309,777	364,168	549,246	548,424
<hr/>					

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

20 Fund reconciliation

Company	Balance at 1 April 2022	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2023
	£	£	£	£	£	£
Unrestricted funds	6,248,545	4,659,550	(3,606,971)	(530,000)	(481,985)	6,289,139
Designated funds	2,720,000	-	-	530,000	-	3,250,000
	8,968,545	4,659,550	(3,606,971)	-	(481,985)	9,539,139
Restricted funds						
Lymphoedema	-	32,623	(32,623)	-	-	-
Medical Supplies	-	90,800	(90,800)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Hospice UK	-	18,949	(18,949)	-	-	-
EOLP	-	10,010	(10,010)	-	-	-
Other restricted funds	19,500	60,676	(50,815)	-	-	29,361
	19,500	229,023	(219,162)	-	-	29,361
Group						
Group	Balance at 1 April 2022	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2023
	£	£	£	£	£	£
Unrestricted funds	6,293,797	5,900,213	(4,826,064)	(530,000)	(481,985)	6,355,961
Designated funds	2,720,000	-	-	530,000	-	3,250,000
	9,013,797	5,900,213	(4,826,064)	-	(481,985)	9,605,961
Restricted funds						
Lymphoedema	-	32,623	(32,623)	-	-	-
Medical Supplies	-	90,800	(90,800)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Hospice UK	-	18,949	(18,949)	-	-	-
EOLP	-	10,010	(10,010)	-	-	-
Other restricted funds	19,500	60,676	(50,815)	-	-	29,361
	19,500	229,023	(219,162)	-	-	29,361

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

20 Fund reconciliation (continued)

Company	Balance at 1 April 2021	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2022
	£	£	£	£	£	£
Unrestricted funds	5,735,491	3,930,572	(2,742,674)	(895,000)	220,156	6,248,545
Designated funds	1,825,000	-	-	895,000	-	2,720,000
	7,560,491	3,930,572	(2,742,674)	-	220,156	8,968,545
Restricted funds						
Medical Supplies	-	88,155	(88,155)	-	-	-
Hospice UK - NHS England Covid funding	-	321,705	(321,705)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Job Retention Scheme	-	28,463	(28,463)	-	-	-
Covid Bereavement funding	13,514	-	(13,514)	-	-	-
Other restricted funds	19,111	223,038	(222,649)	-	-	19,500
	32,625	677,326	(690,451)	-	-	19,500
Group						
Group	Balance at 1 April 2021	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2022
	£	£	£	£	£	£
Unrestricted funds	5,800,678	4,970,584	(3,802,621)	(895,000)	220,156	6,293,797
Designated funds	1,825,000	-	-	895,000	-	2,720,000
	7,625,678	4,970,584	(3,802,621)	-	220,156	9,013,797
Restricted funds						
Medical Supplies	-	88,155	(88,155)	-	-	-
Hospice UK - NHS England Covid funding	-	321,705	(321,705)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Job Retention Scheme	-	28,463	(28,463)	-	-	-
Covid Bereavement funding	13,514	-	(13,514)	-	-	-
Other restricted funds	19,111	223,038	(222,649)	-	-	19,500
	32,625	677,326	(690,451)	-	-	19,500

20 Fund reconciliation (continued)

Medical supplies

The Department of Health via Integrated Care Board, centrally fund all Hospice pharmacy and medical supplies.

Hospice UK-NHS England Covid funding

The NHSE awarded funding 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 and to provide bed capacity and community support in 2021 and 2022. This funding was not continued this financial year.

Job Retention Scheme

Is a temporary government initiative that allows employers to access financial support to cover their staff costs. The government introduced the initiative to enable employers to retain employees during the Covid-19 pandemic in 2021 and 2022. This funding was not continued this financial year.

Covid Bereavement funding

Cheshire Clinical Commissioning Group used British Government Covid Response monies to provide specific, time bound funding for St Luke's Hospice to provide specific bereavement support as a consequence of the effects of the Covid-19 pandemic. This funding was not continued this financial year.

Designated funds

As at 31 March 2023 the trustees have designated the following amounts from free reserves:

	Balance at 1 April 2022	Utilised / released	New designations	Balance at 31 March 2023
	£	£	£	£
Hospice Development Fund	1,500,000	-	1,500,000	3,000,000
Service Sustainability/Development Fund	825,000	(825,000)	-	-
Capital Projects	395,000	(395,000)	250,000	250,000
	2,720,000	(1,220,000)	1,750,000	3,250,000
	2,720,000	(1,220,000)	1,750,000	3,250,000

Hospice Development Fund

In light of the need to invest in the Hospice's infrastructure the Hospice Development Fund has been increased by £1.5m. The increase has mainly been funded from the redesignation of £1.22m of designated reserves with the remainder of the £280,000 funded from additional reserves monies. These monies will potentially be used to fund our future longer term aspirations to develop the existing site or to move to a new location

Service Sustainability/Development Fund

Service sustainability and development is considered closely each year as part of the short and long term budgeting process. Therefore prior year Service Sustainability/Development Fund designations have been re-designated to the Hospice Development Fund.

Capital Projects

Funds are designated by the Trustees for a approved Capital Projects.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

21 Analysis of net assets between funds

Company	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Tangible fixed assets	2,337,125	-	2,337,125	2,183,558
Investments	4,204,502	-	4,204,502	4,253,244
Current assets	3,307,289	29,361	3,336,650	2,915,411
Current liabilities	(309,777)	-	(309,777)	(364,168)
	9,539,139	29,361	9,568,500	8,988,045
Group	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Tangible fixed assets	2,354,267	-	2,354,267	2,218,486
Investments	4,204,498	-	4,204,498	4,253,240
Current assets	3,596,442	29,361	3,625,803	3,109,995
Current liabilities	(549,246)	-	(549,246)	(548,424)
	9,605,961	29,361	9,635,322	9,033,297

22 Free reserves

	Group 2023	Group 2022
	£	£
Total Reserves	9,635,322	9,033,297
<u>Less:</u>		
Unrestricted Tangible Fixed Assets	(2,354,267)	(2,218,486)
Restricted funds	(29,361)	(19,500)
Designated funds	(3,250,000)	(2,720,000)
Free reserves	4,001,694	4,075,311

Please refer to the Finance Report (page 14) and Reserves Policy and Position (Page 15) for further information.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2023

23 Results of the parent company

As permitted by Section 408 of the Companies Act 2006 these accounts do not include a separate SOFA for the parent charity. The results of the parent charity alone (including gift aid receipts from its subsidiaries, as detailed in note 16) are:

	2023 £	2022 £
Incoming resources	4,888,573	4,607,898
Resources expended	<u>(3,826,133)</u>	<u>(3,433,125)</u>
Net incoming resources before other recognised gains and losses	1,062,440	1,174,773
Revaluation of fixed assets	(179,952)	-
Unrealised gains on investments	(265,595)	230,619
Realised (losses)/gains on investments	<u>(36,438)</u>	<u>(10,463)</u>
Net movement in funds	<u>580,455</u>	<u>1,394,929</u>

24 Operating lease commitments

Total future minimum lease payments are as follows:

	Land & Buildings £	Other £	Total 2023 £	Total 2022 £
Within one year	101,148	11,328	112,476	94,855
Within two to five years	<u>160,753</u>	<u>14,938</u>	<u>175,691</u>	<u>80,755</u>
	<u>261,901</u>	<u>26,266</u>	<u>288,167</u>	<u>175,610</u>

25 Related party transactions

There were no related party transactions during the current or prior year.

26 Post balance sheet events

As in previous years, the Hospice has been bequeathed a share in a number of legacies during the year. It is the Hospice policy to recognise the income once the amounts can be accurately quantified. All assets quantified have been included in the accounts.

At the year end any legacies still pending and due to the uncertainty of the amounts, the income will be recognised in the year in which the donations are either received or the amounts can be determined with reasonable certainty. The approximate value of such donations in wills to which the Hospice can put a value is in the region of £70,000 (2022: £275,000).

ST LUKE'S CHESHIRE HOSPICE

England & Wales - Charity number 515595

Accounts

Registered company number: 01846186 (England and Wales)

Registered charity number: 515595

St Luke's (Cheshire) Hospice

Report of the Trustees and
Consolidated Financial Statements

For The Year Ended
31 March 2022



St Luke's
CHESHIRE HOSPICE

St Luke's (Cheshire) Hospice

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St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Introduction from Mike Ridley, Chairman

Once again I am delighted to present my Annual Report on behalf of the Trustees of St. Luke's Hospice and to recognise the support we receive in so many different ways which enables us to provide our special and much needed services to our local community.

First of all I must refer to the continuing impact that coronavirus has had on our work during the year. The restrictions have clearly influenced the services we have been able to provide, but I wanted to recognise the people who have been particularly affected. I am sure that every one of us has either personally experienced the virus or knows of someone who has. To those who have suffered (and continue to suffer), to those whose lives have been changed, and particularly to those who have lost loved ones, my heart goes out to you all. I thank all our wonderful staff and volunteers for the way you have enabled our services to continue throughout this year and I wish you all well, as hopefully we begin to see an ending to this awful virus.

However, I am pleased to report that even through a period of more limited services, we have continued to implement a number of changes. We have managed to maintain an acceptable financial position and we are carefully developing plans and options for the future. Our re-decoration programme has brightened and improved our key patient care areas and also much of our supporting accommodation. We now look forward to real progress as our committees consider where further change is needed, while continuing to ensure that the high quality care for those who need our services remains our top priority.

Once again, I would like to pay tribute to those who provide special support to the Hospice in so many different ways. We were particularly delighted when our President, Lady Alexis Redmond was appointed as Her Majesty's Lord-Lieutenant of Cheshire; we are grateful for her continuing practical support in so many ways. Our Patrons, Rosie Spiegelberg MBE and Lady Rose Cholmondeley, continue to support us, together with our valued group of Vice Presidents. I do hope that as covid becomes less restrictive, we will be able to involve you all much more and use your enthusiasm for our work to "spread the word" and develop ever more support for our services. I also want to express my appreciation to so many organisations and individuals for their contributions, sponsorship and generous giving of time and talents.

The Trustees of the Hospice continue to meet at monthly Board meetings and across our main committees, bringing their varied backgrounds and experience to the business of the hospice and the decisions that have to be made. We are delighted to welcome Dr Katie Gibbs as a new trustee and we look forward to using her particular knowledge as a local GP to assist in our discussions. I noted in my last report that we had appointed two "Associate Trustees" to further support our work. I am delighted to report that Sue Bailey and Sean Houlston have now both been formally appointed as full trustees, Sean having been appointed after the year end. In the summer we sadly had to say goodbye to Guy Rands and Helen Masson-Jones who both made a valued contribution to our work and way forward in the time that they were both with us.

During the year, we have said thank-you and goodbye to Wendy Wilson, our Director of Care who served the Hospice with such compassion and dedication for many years. She will be greatly missed, but I know that her example is being continued by her worthy successor, Kate Estcourt. We also owe a tremendous debt of gratitude to our remaining Management Team, so ably led by Neil Wright with his vision and leadership, Dr Andrea Graham with her care and commitment, Claire Langston with her imagination and dedication and Nabela Chaudhry, continuing to produce such impressive financial performances. A special thank-you to you all.

As I review the last two years, so heavily impacted by covid, I am tremendously proud of what the hospice has managed to continue to achieve. As I write, I see the enthusiasm all around me for evermore high quality services to be planned and delivered in the coming years. I am delighted that, so many will continue to benefit and I offer my heartfelt thanks to you all, who give so much and in so many ways



Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Reference and Administrative Details - for the year ended 31st March 2022

Registered Company Number (England & Wales)	St Luke's Hospice is a company limited by guarantee, number 01846186 (not having a share capital).
Registered Charity Number	The company is a Registered Charity, number 515595 and its Memorandum of Articles of Association govern its functions. 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.
Principal and Registered Office	St Luke's (Cheshire) Hospice Grosvenor House Queensway Winsford Cheshire CW7 1BH
Contacting Us	You can contact us by telephone on 01606 551246, by email on enquiries@slhospice.co.uk. If you would like to find out more about our work, please go to our website: http://www.slhospice.co.uk or follow us on Facebook and Twitter.
Auditors	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Richard House 9 Winckley Square Preston PR1 3HP
Senior Statutory Auditor	Christine Wilson
Investment Fund Manager	Rathbones Investment Management Martins Buildings 4 Water Street Liverpool L3 1NW
Bankers	National Westminster Bank Plc P O Box 6 The Bull Ring Northwich Cheshire CW9 5BN
Solicitors	Poole Alcock 238-246 Edleston Road Crewe CW2 7EH

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Members of Board

The Members of Board are Trustees of the Charity and also constitute the Board of Directors.

The Trustees (who are also directors of the charity for the purpose of the Companies Act 2006) who served during the period are set out below. Details of our Ambassadorial roles and Senior Management Team (SMT), to whom the day to day management of the Hospice is delegated, are also presented.

Trustees

Mr John Michael Ridley (Chairman)

Mrs Tina Cookson

Dr Katie Gibbs-Blythe

- Appointed 24 November 2021

Mr Anthony J Baxter

Miss Andrea J Holland

Mr Colin Norman

Mr Graham Jones

Mr Guy Rands

- Resigned 15 November 2021

Mrs Helen Masson-Jones

- Resigned 6 August 2021

Mr Lee Greenbury

Mrs Wendy Davies

Mrs Sue Bailey

- Appointed 30 March 2022

Vice Presidents

Mrs D Mather

Mrs D Parsons

Mr R Mills MBE

Mrs J Thomas

Mrs J Corfield

Mrs F Bruce

Mr J Baldwin TD DL

Mr C Winward

Mr W Crafter

Dr V Pritchard

Mr J Lea

Joint Patrons

Mrs W Spiegelberg MBE

Lady Rose Cholmondeley

President

Alexis Redmond MBE

Honorary Treasurer

Colin Norman

Company Secretary

Vacant

Senior Management Team (SMT)

Mr N Wright

Mrs W Wilson

Miss Kate Escourt

Mrs N Chaudhry

Miss C Langston

Dr A Graham

Chief Executive

Director of Care (Retired 25 June 2021)

Director of Care (Appointed 19 July 2021)

Finance Director

Director of Income Generation & Communications

Medical Director

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Governance and Management Arrangements

Governing Arrangements

St Luke's (Cheshire) Hospice is a Registered Charity and a Company Limited by Guarantee. The company was established under a Memorandum of Association (MA), which sets out the objects and powers and the essential rules for running the Charity and is governed under its Articles of Association. The Hospice is governed by statute, mainly the Charities Act 2011 and the Companies Act 2006. The services delivered by St Luke's are registered by the Care Quality Commission.

The Charity has two wholly owned subsidiaries. St Luke's Hospice Promotions Limited and St Luke's Hospice Trading Limited. Both companies exist to generate income to support the work of St Luke's (Cheshire) Hospice. All surplus income is gift aided to the parent company for this purpose. Two Trustees from the St Luke's (Cheshire) Hospice Board also sit on the Board of St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited.

Decision Making Arrangements - Role of the Trustee Board & Committees

St Luke's (Cheshire) Hospice has a Trustee Board. The Trustees are directors of the Company as well as being Trustees for the purposes of charity law. It is their role to carry out the objects as set out in the MA, to ensure the Hospice is managed as required by the MA and in line with the standards required by charity law, other statute and regulations, guidelines and good practice.

In line with the above roles, the Trustees are responsible for setting strategy, embedding good governance, maintaining oversight and ensuring the probity of policy and decision making for the effective operations of the Hospice and the achievement of agreed goals. All decisions made by the Board must be made in accordance with the MA.

Whilst our Trustee Board retains ultimate responsibility, the work of the Board is delivered through the following Sub Committees as detailed below:

- Patient Care & Clinical Governance Committee
- Finance Committee
- Income Generation Committee
- Human Resources Committee
- Estates Committee
- Strategy & Governance Committee

The Committees have delegated authority from the Trustee Board to oversee areas of particular Hospice activity and operations. Committees are chaired by a Trustee and have a Lead from the SMT (with relevant expertise). Membership of the Committees includes a second Trustee representative, SMT representatives as well as the lead operational managers. The Chairs of the Committees provide a report to the Trustee Board and make available minutes of the Meetings to all Trustees.

Each year the Board undertakes a "skill mix" audit to make sure that each of the Trustees has the experience and professional expertise to continue to make a valuable, informed contribution to the Board's collective decision making as well as oversight of the work of the Senior Management Team.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Role of Trustees at St Luke's

Arrangements for our Trustees are set out in our Articles as follows:

- Trustees are members of the Board – we will have no less than five Trustees and no more than twelve.
- Trustees become members of the organisation.
- Trustees have the power to appoint any person who is able and willing to do so to be a Trustee.
- Trustees are elected to serve for an initial period of three years.

At the expiry of three years, a Trustee may, if they so wish, seek re-election for two further three year terms. After serving three terms of office, a Trustee must stand down. We look to seek the balance of retaining the skills and organisational knowledge of Trustees counterbalanced with a fresh perspective in running the hospice. It is vital that the diversity, skills and experience of our Trustee Board reflects the needs of our Hospice and the local community.

Trustees may be attracted to St Luke's through many different routes – we believe it is important that we recruit new Trustees from the widest pool possible. We have an established process for the recruitment, selection and induction of new Trustees. Our induction process is designed to ensure that Trustees are confident in their appointment and fully understand: -

- Their legal responsibilities, obligations and expected contributions.
- The wider context of the Hospice Movement and the broader landscape in which we operate.
- The governance arrangements at St Luke's and its regulatory environment.
- The support available to them, where to go for further help and information.

New Trustees receive an induction pack which provides a range of information including the history of the Hospice Movement, the nature of our services at St Luke's, our ways of working, key contact points and an overview of our strategic direction, performance and risks.

Trustees are expected to undertake an annual review with the Chairman where continuing development needs to fulfil the Trustee role effectively are discussed and supported.

Associate Trustee

In order to widen support and guidance to the Senior Management Team, the Trustees have created a role called Associate Trustee. The role of an Associate Trustee is as a co-opted, non-voting member who sits and supports the work of one of the 6 Trustee subcommittees. Using their expertise and experience, they overview and challenge the Senior Management Team in delivering the strategic aims of the Hospice. On occasions, Associate Trustees are invited to attend Full Board meetings not only to learn more about the work across the Hospice but to offer a different perspective.

Public Benefit

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

Management Arrangements at St Luke's

The SMT, with responsibilities for Care/Clinical Services, Medical Services, Income Generation & Communications, Financial, Estates, Human Resources and IT, is led by a Chief Executive Officer (CEO) who has responsibility for the operations of St Luke's, the implementation of regulatory requirements and the strategic and other decisions made by the Trustee Board. Members of the SMT are invited to attend the Trustee Board meetings but do not have voting rights. The pay arrangements for all members of the SMT have been established following an external pay evaluation process and benchmarking against other charities of a similar size (with the exception of the Medical Director – which is in line with medical pay scales).

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Risk Management

The Trustee Board is responsible for ensuring that the Hospice has clear strategies and systems for assessing and managing risk. This is at both an operational and strategic level. As part of on-going activity and reporting, the Trustees and SMT assess, manage and monitor the major risks that the Hospice is exposed to, endeavouring to ensure that risks are avoided or mitigated to an acceptable level. Extracts of the Risk Register highlighting current Risks are reviewed by the board monthly and a full review undertaken by the Board annually.

Impact of Covid 19 – Coronavirus

Covid 19 has had a major impact on the work of the hospice since the beginning of the National Lockdown in March 2020 and has continued to have a major influence in the care that we provided and the fundraising work that we did over the two years ended March 2022.

In line with government guidance, we asked our volunteers to stay at home to minimize the risk of virus transmission and to keep them safe. Staff also worked at home when able to do so which meant that we had fewer people in the hospice reducing the risk of infection. We also introduced 'cohort' working with each 'cohort' having a separate entrance / exit with minimal contact between the cohorts in an effort to limit the impact of any outbreak. Within those different cohorts, different teams worked exclusively on different days. All these measures helped to not only keep staff and volunteers safe but enabled St Luke's to work in a safe manner to provide the best support to our patients.

Like every other organization, it was difficult to provide continuity of service owing to the stop start nature of the government guidelines, restrictions and temporary lockdowns. They all had an impact not only on our care services and the way we delivered them, but also externally on the general economy and our ability to fundraise.

Thankfully, with Government Covid Hospice Support Grants, the continued rollout of the Covid 19 vaccines and booster vaccinations meant that, throughout the year, we could start thinking, not about what we had to stop doing, but more positively about 'living with Covid' and the care we could continue to provide.

Clinical

We made sure that the IPU had enough staff to stay open at all times albeit sometimes on reduced capacity for infection control reasons. We worked closely with the local healthcare community, particularly the hospital, which always had the potential to be overwhelmed should any further outbreaks or different Covid variants occur.

In line with good practice and on the advice of the local infection control department, we reopened our day hospice services on reduced patient numbers to protect against any cross infection and further virus outbreaks. Clinical staff telephoned and video called many vulnerable patients who were shielding at home to make sure they were supported in their care. All our other clinical services, such as complementary therapies, lymphoedema, befriending, social work etc had a phased opening on reduced capacity to balance the risk of limiting the spread of the virus but providing support.

Our family support team adapted their practices right from the outset of the outbreak and by using the support of our forward-thinking IT department continued to support our patients and carers with regular telephone contacts and support. Our homeless nurse continued to work right through the pandemic.

Facilities

Inevitably, the Hospice had to learn how to deal with a number of small Covid outbreaks. Our facilities Department worked tirelessly to ensure that the hospice kept the virus at bay, but where we did have an outbreak, the premises were deep cleaned and back operational as soon as possible.

St Luke's (Cheshire) Hospice

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In line with Government guidelines, all those staff who could work from home were asked to do so to protect the frontline workers, such as our nurses, doctors, housekeepers, maintenance and catering staff who all continued to work through periods of lockdown making sure that we looked after our very vulnerable patients.

One of the positive consequences of learning how to live with the covid virus, has led the hospice to adopt a more flexible work life balance policy.

Income Generation

Our Events, Community and Corporate teams continued to face challenging times trying to encourage the general public to join mass participation events, who, ironically have all been told to stay indoors over the last two years. The challenge was not specific to St Luke's, but was faced by many charities across the country and may have more longer lasting consequences for charitably funded organisations in the future.

The success of our Trading Company is underpinned by a large group of shop volunteers. The effects of the pandemic resulted in a number of longstanding volunteers choosing to retire from their volunteer positions, which posed some operational issues when the time was right to reopen our shops. However, following a programme of phased opening, all of our shops are now open and trading well. We could always do with more volunteer support to strengthen our operational model

Throughout the year, we also faced a competitive labour market as some sectors were able to offer higher paid covid inspired opportunities in other sectors. Notwithstanding all these challenges, the government released another round of Covid retail grants which certainly helped to lessen the reduction in income from our shops. Thankfully, our shops are now making a good return at pre pandemic levels.

Our communications department became an even more effective and essential form of communication during the pandemic making sure that we stayed engaged with supporters on line via social media. As restrictions lift, and people welcome the opportunity to meet face to face, we are beginning to see general signs of Social Media Fatigue, but nevertheless remains a vital part of our communications strategy.

Over a good number of years, we have actively pursued the policy of signing up new lottery players on Direct Debit. All this past hard work has paid off as an effective 'covid free' way of playing the lottery and supporting the work that we do. As a result, our lottery subsidiary continued to make an excellent contribution towards the work of the hospice

Our lottery staff have continued to work throughout the pandemic to ensure that we had the maximum number of players in our weekly draw. Despite the robust nature of our lottery, we continued to lose some players. Eventually our third party Lottery canvassing company were able to start up face to face canvassing again which has helped to stem the decline in playing members.

Non Clinical Staff

The Finance and HR teams continued to have different challenges. Our HR teams put in a range of measures to make sure that, staff who were working flexibly at home and in work, were supported to deal with the change in working practices. Our Finance team continued to administer and account for a number of welcome government funding schemes. The support provided by the Government has given us the financial stability to support the local healthcare system and deliver the special end of life care that we provide.

The IT Manager continued to build on our Cloud based system solutions. This approach enabled our staff to work safely from home where they were able to do so. Although it has been another challenging year, we will continue to embrace technology and use it positively where and whenever we can to improve the care that we provide.

NHS England Funding

NHS England recognized the important contribution that hospices make to the healthcare economy. During the second lockdown period, we received further funding, negotiated on our behalf by Hospice UK. This funding was awarded to hospices all over the country to preserve their capacity to care for dying patients and to support those in need of bereavement care.

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Although further extra funding has been received in this financial year creating a healthy surplus, we are forecasting a downturn in charitable income. However, through careful financial management, we are able to carry forward a modest amount of funds to support and sustain the work and care that we do in the future, hopefully, until our ability to generate income returns to pre-pandemic levels.

The impact of the pandemic has had a short term impact on our ability to raise charitable funds. At this stage, it is not clear whether it will have had a material longer-term structural impact on our ability to fundraise. This is something that we will continue to reflect upon over the coming months and years.

Background Information

St Luke's (Cheshire) Hospice covers an approximate population of 300,000 and sees people in St Luke's premises (Grosvenor House and Winterley Grange, Sandbach), in hospital settings within the catchment area and occasionally reaches out into people's homes.

The health service used to be organized into 4 CCG areas, comprising the former 4 CCG's, South Cheshire CCG, Vale Royal CCG, East Cheshire CCG and West Cheshire CCG, before it merged to become Cheshire CCG. ST Luke's predominantly cares for patients who live in the old South Cheshire and Vale Royal areas, perhaps better described as Mid-Cheshire.

The CCG provided us with a base grant of 13.2% of our total group wide, recurring gross annual income. Total grants including non-recurring and non-CCG grants income equate to 19.9% (2021 – 28.7%). The percentage was higher last year due to the larger amounts of NHSE Covid 19 grants received during 2020/21.

Vision, Mission and Values

Strategy 2022 – 2025

The Strategy covering the three years from 2020 to 2023, compiled by the Senior Management Team in consultation with staff, volunteers and Trustees, informed through one to one discussions with patients and carers, was due to be launched in April 2020 but the arrival of Covid meant that our strategy was put on hold to deal with the immediate operational issues presented by the virus. With the retreat of Covid infections we are now looking forward to the future more positively.

Our strategy has been refreshed to cover 2023 -2025 to describe where the hospice is now and sets out a vision and mission to 2025 taking into account current political and economic factors affecting the national and local healthcare economy. The pandemic, if anything, has reinforced our main strategic aims to reach out, care for more people, be sustainable and make our buildings even better.

The advent of the new Integrated Care Boards on the 1st July 2022 and the lessons learnt during the Pandemic will undoubtedly shape our future clinical strategy. We will find ways to support existing and new ways of working and become even more collaborative in our practice.

The strategy of the Hospice affirms our Vision, Mission, Values and Strategic aims.

Our Vision

Our Vision is for all dying people in Cheshire and those close to them to have access to the care and support they need, when and wherever they need it.

Our Mission

Our Mission is to help people in Cheshire to live the life they can, informed and supported at the end of their life

St Luke's (Cheshire) Hospice

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Our Hospice Values

Our Values reflect our fundamental beliefs. They guide the way we behave with patients, carers, volunteers, supporters, suppliers, external stakeholders and each other to achieve results. The values unite us as an organisation and together we are St Luke's.

The values of St Luke's are at the heart of everything we do and underpin our strategies, policies and ways of working. Embedding our values through our recruitment, induction, training and communications also helps to create the appropriate environment to work in partnerships with others. Our values are:

- **CARING** - We provide quality, dignified holistic palliative care and support
- **INNOVATIVE** - We promote a culture where innovation and new ideas are encouraged, whilst valuing our heritage and past.
- **COLLABORATIVE** - We work together collaboratively, share ideas and support each other to ensure that we achieve our common goals, both within the hospice and within our wider community.
- **RESPECTFUL** - We treat those we care for, volunteers, colleagues and supporters with respect, dignity & compassion. We respect ethnic, cultural and spiritual beliefs and recognize equality of access.
- **RESOURCEFUL** - we spend money wisely in all that we do to ensure we have equipment and an environment in which to deliver quality, sustainable clinical and non-clinical services
- **KNOWLEDGEABLE** - We are experienced, knowledgeable and well-trained
- **HONEST** - We communicate what we do openly and honestly with all our stakeholders and users
- **EXCELLENCE** - We strive for excellence in everything that we do, we celebrate our successes and learn from our mistakes.

We are committed to creating a culture in which diversity and equality of opportunity is actively promoted and developed. We are committed to challenging all forms of inequality in our role as a service provider and employer.

Principal Objects & Activities, supported by Staff & Volunteers, working with and in the community

Principal Objects and Activities

The principal object of the Charity is to promote the relief of illness amongst people suffering from a terminal illness. We aim to achieve this in three key ways:

One - The provision of Specialist Palliative Care with the focus of our services on complex symptom control and terminal care in:

Inpatient Care	Medical Out-Patients
Hospital Based Specialist advice	Telephone support and advice

Two - The Provision of Supportive Care

Our experience in supporting patients, their carers' and loved ones tells us that they often have a need for supportive care in many different forms, involving both our trained staff but also from our trained volunteers. The services we provide consist of:

Social Work & Benefits Adviser	Family Support and Counselling Services
Spiritual Care (Chaplaincy)	Community Befriending & Engagement Day Hospice and
Complementary Therapies	Lymphoedema Clinics
Psychosexual Clinics	Homelessness End of Life Care

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Three - The Support and Education of other Providers and our Community

St Luke's has always had a strong focus on education. The End of Life Partnership (formerly Cheshire Hospice Education), was born out of the vision, work and funding committed by St Luke's Hospice over many years.

We support the work of the End of Life Partnership and in partnership with others, through the Strategic Collaborative Cheshire we support communities, professionals and local organisations across Cheshire to improve the palliative and end of life experience and care for all.

We also train medical and clinical staff who work in different clinical professions and settings so that they too, can take the shared knowledge and skill into their own communities, in hospital, home and other care settings.

The Contribution of our Supporters, Staff and Volunteers

We truly value the commitment, contribution and achievements of all our staff, volunteers and supporters. They are the hallmark of St Luke's and allow us to deliver the best possible services to our patients, carers and their loved ones.

This year has been a frustrating stop / start year in dealing with the impact of the pandemic and we are truly grateful for everyone's commitment and belief in the work that we do.

As the grip of the pandemic loosens, we want to ensure that St Luke's is seen as a good place to work and volunteer and our aim is to continue to attract, recruit and retain our large and valued volunteer community with its wide range of skills and experience. We believe engaging, developing and motivating as best we can is key to achieving this.

Staff and volunteers are recruited in line with relevant standards, including the Disclosure and Barring Service. Induction and orientation is provided alongside a range of developmental and learning opportunities.

The Hospice has over 700 regular volunteers in a range of services fulfilling a variety of roles. Working alongside our employed staff, volunteers offer their skills, experience and expertise to many departments in the Hospice and the Trading and the Promotions companies; this may be directly with patients, on our reception desks or in our shops.

Without the commitment and support we receive from volunteers, we could not provide the services we do. This year, in view of the restrictions placed on the Hospice by the Government's Lockdown measures, we took the decision to ask the majority of our volunteers to stay at home, to, not only protect their health, but also to limit the transmission of the virus. The number of hours our volunteers donated to us is substantially down when compared to previous years, which was only to be expected.

We want to acknowledge and sincerely thank our supporters and volunteers for their generous and much needed gifts of time and money in their many varied forms, to the Hospice.

We look forward to our volunteers working alongside us as we open up all our hospice services fully. However, we recognise that, in view of the amount of time spent in Lockdown, people may now have different priorities. We therefore have a plan to recruit additional volunteers to add to the services and care that we provide.

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Working with Others and in the Community

Working with others in partnership, across the health community is key to ensuring we achieve our own and shared health objectives and outcomes. Examples of this include our relationships and roles as follows:

- Provision of services in the acute hospital
- Work in partnership with CCICP to provide a Lymphoedema service to South Cheshire and Vale Royal Patients.
- Training and education of undergraduate and postgraduate students in a range of health care professions from local university medical and health care schools.
- Developing relationships with Health and Educational organisations including the Vale Royal and South Cheshire GP Alliance.
- End of Life Partnership through mutually supportive mission and goals that will strengthen the impact and outcomes of our work.
- Membership of umbrella organisations such as Hospice UK, Hospice Lotteries Association, Hospice Quality Partnership, Lotteries Board, Charity Retail Association, Fundraising Regulator, National Association of Hospice Fundraisers, Association of palliative medicine and other local and national professional networks.
- Development of community befriending to enable compassionate communities to develop and to address social isolation and loneliness experienced by the ill, frail and elderly in our community
- Widening access through engagement with Homeless people at end of life and our local LGBTQ+ communities.
- Our developing relationship with the Christie who use the Hospice premises to deliver their service to local residents making their treatment more patient centered, easier and convenient saving them time.

Financial Report

Financial Performance and Review

As the immediate impact of the pandemic passed, there was still a strong realisation that the hospice sector, like many others, would now be facing longer term issues of recovery and uncertainty. Consequently, we entered the new financial year with a continued prudent approach to our financial management.

The financial year began with the prospect that our ability to generate income, in particular through our events and shops could be significantly impacted if Covid 19 restrictions were reintroduced, or if post pandemic, our supporters chose not to engage and interact with us in the way they had pre pandemic. It was also unclear at the beginning of the year if the sector would continue to benefit from government support and if so, what level of support would be offered.

However, our reserves provided us with the reassurance that we could continue to navigate our way through this uncertain period by managing our resources efficiently and effectively. This allowed our post pandemic response to focus on returning all services and other activities to normal with funds, prudently set aside to invest in these areas when the need arose. The needs of our patients and the continued delivery of safe, effective and high quality care services remained at the centre of all decision making throughout this period.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Despite the uncertainties and challenges faced this year, the Hospice made a healthy group surplus of £1,374,994 (2021: £1,533,301). It is imperative to highlight that this surplus was generated fundamentally following the receipt of two relatively large legacies, which along with a number of other legacies, generated income of £914,383 (2021: £603,214) and continued support from government grants secured by Hospice UK and funded by NHSE of £321,705 (2021: £782,455). Without these monies and excluding the gain on the revaluation of our investments, the Hospice would have declared an operating deficit. The Group surplus was £1,154,838 (2021: £885,175) as at the 31 March 2022 before taking into account the year end gain on the revaluation of our investments.

The impact of the pandemic will not be limited to just the last two years but will inevitably result in a considerable challenge to all our sources of income over the coming years. Consequently, the Executive team and the Board of Trustees recognise that this year's and last year's surplus, will be required to carry and support us through the potentially difficult years ahead to ensure we can continue to provide vital services for our patients.

Expenditure levels continued to be well managed throughout the year with total expenditure being lower than budget. The level of activity and expenditure in the earlier months of the financial year were impacted as we began a phased return to normality, which in turn resulted in cost savings across departments. Savings were also secured as a result of vacancies and to a lesser extent from furlough payments which although at much lower levels than the previous year still benefitted the Hospice at the beginning of the year.

This year's total expenditure is significantly lower than last year due to the depreciation charge returning to normal levels this financial year. Last year a further review was conducted on the fixed asset depreciation policy. Following the review a number of changes were made to the land and buildings depreciation policy to more accurately reflect the life of the assets. The impact of the new categories and changes in rates was that last year's land and buildings depreciation charge increased significantly resulting in a charge of £381,925. The equivalent charge this year is £50,136.

The Hospice made a gain on the revaluation of its investments of £220,156 (2021 £648,126). A further £200,000 was placed with the fund managers during 2022.

Following Board approval we have set aside some of the surplus along with an element of the reserves to make much needed improvements to our In-Care Unit, invest in service development, facilitate Hospice Development and to recognise our ongoing capital commitments as disclosed in the Reserves Policy. The timing of when these monies may well be used will be subject to ongoing review of our financial position before any designated reserves are drawn down and spent.

During the year cash levels were well managed and remained healthy following the receipt, in particular, of two relatively large legacies and additional Covid 19 government grants. However, funds were spent during the year when the need arose to maintain and develop our properties and ensure compliance to Health and Safety regulations. Following the commissioning of a local building company, work commenced on the Middlewich shop in January 2022. This significant investment in the Middlewich outlet will continue until January 2023 with the cashflow and funds being managed and designated accordingly.

St Luke's Trading Limited began to reopen its doors to customers in the shops from the second week of April 2022. The Warehouse and all of the shops apart from Northwich, Crewe and Middlewich were opened in April. The Crewe and Northwich shops reopened in July and August with the Crewe shop initially only opening three to four days a week due to a shortage of staff and volunteers. The Middlewich shop remained closed throughout the period. Ebay remained operational throughout the pandemic. The shops have performed well during this financial year and sales have been buoyant. Turnover in the year was £760,051 (2021: £276,604) which is comparable to 2020 pre pandemic levels (2020: £756,434). It is important to highlight that last year's results would have been very different without the significant government funding the Trading Company received. This year further applications were made for the government's Retail Grants with the company receiving grants of £32,003 (2021: £255,518). Furlough payments of only £2,709 (2021: £149,319) were claimed and received in the earlier months as the shops prepared to reopen from April onwards.

St Luke's (Cheshire) Hospice

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St Luke's Trading Limited delivered a statutory profit of £1,819 (2021: £24,485) whilst the Hospice received further income from the sale of donated goods at the shops of £306,568 (2021: £85,442) of which £58,335 (2021: £16,944) was claimed in Gift Aid credits from HMRC.

St Luke's Promotions Limited continues to be a significant income stream gifting the Hospice £628,625 (2021: £637,209). The Lottery remains strong, however the team are alive to the challenges it faces due to increased attrition levels and the impact of an ageing supporter base. They continue to develop solutions to mitigate and minimise the impact. This year the canvassers were able to return to almost a full year of canvassing having only been out of operation for the first two weeks in April. In contrast to last year when they were unable to perform their duties during a significant proportion of the year due to the restrictions imposed on them during the pandemic.

Legacy income remains an important income stream for the Hospice and it is gratefully received. This year we have been fortunate enough to benefit from a record level of legacy monies. In addition to a number of other legacies, two relatively large legacies contributed to our legacy income generating income of £914,383 (2021: £603,214). The Income Generation Team are continuing their review of our approach to legacies and major donors.

We continue to receive and are grateful for the statutory funding from the Clinical Commissioning Groups which accounts for 13.2% of our consolidated income. This level of statutory funding is relatively low for the sector and consequently means that 86.8% of our funds are voluntary and must be generated by the Hospice.

Financial Governance & Management

The governance arrangements and operating practices supporting the development of the Financial Regulations Policies and Procedures and Scheme of Delegation, any updates and re-training of staff to ensure they are fully integrated and embedded into day to day operations, remain under continuous quality improvement to ensure they are the best they can be.

The monthly reporting pack continually evolves. In addition to the traditional monthly accounting information explaining variances between budget and actual results and projected year end results, the board also received an extract from the Risk Register highlighting the current Opportunities and Risks, a weekly 'dashboard' of key performance indicators relating to clinical and quality matters plus HR, governance, financial and health & safety matters for the first quarter of the year to provide additional visibility during the pandemic.

The monthly Income Generation reporting pack includes the Red Amber Green traffic light system enabling reporting, review and monitoring in depth by 'exception'. Full accountability of operational expenditure is being achieved through appropriate controls managed, reviewed and monitored on a monthly basis through budget holders, to the senior managers, to the Board.

Reserves Policy and Position

Trustees are required to consider on an annual basis the level of reserves the charity needs to hold, as an important part of planning and sound financial management.

The reserves position has been carefully considered to identify the level required to manage unforeseen circumstances, and unavoidable adverse variances to budget. The reserves policy, which is in line with Charity Commission guidance and comparative charities, calls for the group free reserves to be no less than three months of operating costs, and no greater than twelve months of operating costs.

The Board have designated reserves of £1,500,000 from the reserves for the Development of the Hospice, £825,000 for Service Sustainability and Development and a further £395,000 for capital projects. The free reserves as at 31 March 2022 stood at £4,075,311 (2021: £3,589,091), see note 23, which represents approximately 11 months of operating costs.

St Luke's (Cheshire) Hospice

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Investment Policy and Position

St Luke's Investment Policy is to achieve maximum return with minimum risk, whilst protecting the capital base. Funds potentially required for working capital are invested in a more readily accessible low risk portfolio. The Investment Managers Rathbones, report to the Finance Director and Finance Committee quarterly who then present an investment performance report to the Board of Trustees annually.

Our listed investment assets are valued in the Balance Sheet at Market Value of £4,253,240 (2021: £4,001,376). The Charity made gains on investments during the year of £220,156 (2021: £648,126). These monies are invested for the medium to longer term. During the year a further £200,000 was invested with Rathbones.

Financial Risk Management

In line with good practice and recommendations of the Charity Commission, the Hospice holds funds in reserve and is therefore exposed to fluctuations in the stock market, which affect the value of its investment portfolio. This portfolio is monitored by the Finance Committee in terms of the risk profile and the decision to hold or sell the portfolio is under constant review as advised by the Hospice Fund Managers, Rathbones Investment Management Ltd.

Fundraising Standards Information

St Luke's (Cheshire) Hospice and its subsidiary companies St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited are committed to responsible fundraising practice and regular monitoring.

As a member of the Fundraising Regulator, we agree to ensure our fundraising is legal, open, honest and respectful. These standards for fundraising are set out in the Code of Fundraising Practice. Please see our website for details.

- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible

The Hospice complies with the Data Protection Act requirements and will protect members' data. St Luke's Promotions Ltd and St Luke's Trading Ltd are subsidiary companies of St Luke's (Cheshire) Hospice Ltd and are all registered under the Data Protection Act 1988.

St Luke's Hospice Promotions Ltd is also a member of the Hospice Lotteries Association - Both organisations are committed to using lotteries to fundraise responsibly and work together to encourage responsible gambling and access support if needed. The 'Responsibility in Gambling Trust', 'GamCare' and 'Gamble Aware' provides such support if required. We offer a Self-Exclusion option and a robust process for complaints and feedback. Regular monitoring of new members is completed by telephone following new sign ups to our lottery. The Gambling Act 2005 confirms that St Luke's Hospice Promotions Limited now has a statutory duty to verify that members are 16 years of age or over, the minimum age allowed for anyone to play in the lottery. It is an offence for anyone under the age of 16 years to participate in a lottery.

Review of Achievements and Performance

- Despite the prevalence of Covid, our in-patient unit remained open to care for patients in need of symptom control and end of life care. However, we did have to restrict visitors in line with Government guidelines to arrest the spread of the virus. We did have an occasion when a number of our staff tested positive and as a result, under the guidance of the local CCG infection control unit, had to close the IPU for two weeks to allow the hospice to be deep cleaned. The IPU reopened after the requisite period of closure
- Throughout the year we slowly reopened all our day hospice services. Although the configuration of the building limited the volume of patients, it was great to see all our services back up and running albeit in a reduced capacity
- Approximately two thirds of IPU admissions to St Luke's were admitted from home for specialist care confirming our role in preventing unnecessary hospital admissions. The remaining third of admissions were transferred to us from hospital helping the Hospital to create greater bed capacity to care for other patients
- Of the 314 referrals to our IPU, 84% of those patients had a cancer diagnosis. 16% a non-cancer diagnosis.
- 40% of the patients admitted to our inpatient unit were discharged back home dispelling the myth that the Hospice is only a place where people go to die.
- Our average length of stay was 13 days underlining our strong desire to support patients who want to go back home to be cared for and die in their place of choosing.
- Having to reduce the number of beds for infection control reasons, we achieved an occupancy rate of 62.2%.
- We continued to successfully recruit nursing staff and doctors when other local providers had vacancies that remain unfilled. We also provide placements for trainee GPs, trainee Doctors, nurses, counsellors and healthcare assistants.
- We continue to ask for feedback following each episode of care and overwhelmingly the majority of our patients rated our care as excellent or good. Feedback from patients, relatives, carers and service users emphasised the holistic care, kindness and compassion shown to them
- The Family Support, Chaplaincy and Counselling Team started to meet clients face to face. The team has embraced a new way of working and are now able to offer a blended approach of support either by face to face or via video technology or phone.
- The FSC and SCC teams had 290 referrals for their support. They support patients, families (including children) and carers at difficult times and delivered 2,972 different interventions.
- We continue to embed our Electronic Patient Record (EPR) system, EMIS Web. This system has allowed us to work towards local and national targets for improving palliative and end of life care using an Electronic Palliative and Care Co-ordination Systems (EPaCCS). It allows the documentation and sharing of advance care planning decisions across organisations to prevent crisis and improve care. The majority of patients attending our services now have an advance care plan documenting their wishes.
- Along with East Cheshire Hospice and the Hospice of the Good Shepherd we were successful in winning a grant to explore ways to break down any potential barriers to provide care services more appropriate to the LGBTQ+ community.
- Part way through the year we restarted our much needed befriending service re-engaging with those vulnerable people who feel isolated and in need support.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

- Our work to support people who are homeless at the end of life continued. In addition to direct support, we also helped to support the professionals who cared for homeless people in places like Hostels. The service was highlighted a number of times in interviews and documentaries on national radio and helped to inspire other hospices to adopt a similar approach to homeless people in need of end of life care.
- Our work in collaboration with Mid Cheshire Hospital Trust (MCHFT) Macclesfield District General Hospital (MDGH), Central Cheshire Integrated Care Partnership (CCICP) enabled us to continue to offer a joint Lymphoedema service.
- Care staff continue to improve palliative and end of life care by actively participating at strategic groups such as the Strategic Collaborative Cheshire, Electronic Palliative Care Co-ordination System strategy group, Hospice Learning & Development groups and Cancer Network meetings as well as Regional Hospice UK support groups.
- Our work in collaboration with the Christie continued during the Pandemic where they use the Day Hospice space on a Friday and deliver chemotherapy for up to 15 patients a day. In addition, we provide a space on Wednesday mornings between 8.30am and 2pm where patients can call in and have bloods taken in preparation for their visit on a Friday. This has proved popular with local people who no longer need to spend a long day in Manchester, with another visit for bloods tests, instead they can come here under more relaxed surroundings and nearer to home.
- We had 239 telephone calls via our Specialist palliative Care Telephone Advice Line mainly to support healthcare professionals. These calls give non-hospice staff the confidence to support patients in numerous other care settings helping to keep patients from being admitted inappropriately to Hospital. A third of the helpline calls were to support patients and their loved ones.
- The HR and Finance teams coped extremely well adapting to home working, tackling new, complex innovative government financial support schemes.
- Our Events, Community and Corporate Income Generation Teams all returned back off furlough to start the hard work of planning a range of engaging fundraising events. Although our loyal supporters are very supportive it has certainly been a challenging time for the teams to reignite the general public's enthusiasm after what can only be described as a difficult and challenging two years. The next two years to re-establish the same income generating capacity as before the pandemic will be equally challenging.
- Our Communication Team were in the ideal position to reach into people's homes via social media. Although, in the face of the virus, we were told to keep our distance, our communications department made sure that we stayed close together and kept the general public aware of the continued good work of St Luke's and the reopening of our services.
- Our Trading Company faced a stop start year with shops opening back up followed by more lockdowns. We once again, were grateful to receive financial support by way of government retail grants and the furlough scheme. Following governments guidance, we started to safely open up all our shops. Although there was some initial staff and volunteer issues, it was pleasing that when we opened our doors, our customers returned. The shops are now performing at pre pandemic levels. We chose to undertake the major refurbishment of our Middlewich shop which needed some serious structural underpinning. The extended closure of this shop will undoubtedly affect the Trading Company's contribution to the hospice but we are extremely encouraged that our customers will return.
- Our lottery proved to be a very resilient way of raising money to fund the care that we provide. As most of the playing members pay by direct debit, the lottery was less affected by the Covid restrictions. It is pleasing that our third party canvassers were able to return to canvas new members and our small loyal band of lottery cash collectors were able to continue our cash collection rounds. We are grateful to have committed lottery staff who supported the lottery process throughout the pandemic.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Plans for the future

The provision of safe, effective and high quality care services is at the centre of our Strategic and Operational Plans. In formulating our 3 year strategy we identified 4 main strategic aims and these strategic aims remain apposite to deal with the issues highlighted and experienced by the Coronavirus pandemic.

- **Care for more people** – The ‘baby boomer’ population, advances in medicine enabling people to live longer and supporting people with diseases other than cancer, mean that there are more patients dying and with greater complexities. We will deliver more quality care services validated through continuous review and improvement programmes.
- **Reach out** – there are more people being cared for in their own homes and in community settings such as care homes. Our ambition is to develop and extend our hospice care for patients outside the hospice walls. We have started by setting up a St Luke’s Night care Service and will monitor and review the success of this new service.
- **Be sustainable** – this has even greater prominence following the Covid 19 pandemic and the closing down of most of our fundraising opportunities such as mass participation events, shops and community campaigns. It is important to provide quality services that we can afford to provide. The creation of the new Integrated Care Boards offer the hope of fairer hospice funding support going forward.
- **Make our buildings better** – The recent pandemic has highlighted areas of our buildings that we need to modernise / improve to make our buildings better able to support our future patients. We will be exploring longer term solutions to ensure the enduring longevity of St Luke’s for many years to come.

Our aim is to continue working towards our vision, keeping compassionate care at the centre of all we do. We will continue to work in collaboration with others to influence the provision of end of life care, education and training so that we can improve outcomes for palliative and end of life care patients within our communities.

We remain committed to helping people to live the life they can supported, informed and cared for until they die.

St Luke's (Cheshire) Hospice

Trustees Report

For the year ended 31 March 2022

Statement of Trustee Responsibilities

The Trustees (who are also the directors of St Luke's (Cheshire) Hospice (a company limited by guarantee) for the purposes of Company Law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity 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; and
- Prepare the financial statements on a '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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to Auditors


In so far as the Trustees are aware

- There is no relevant audit information of which the charitable company's auditors are unaware,
- 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, who are also Directors of the Charity for the purposes of the Company Act 2006, present their report with the consolidated financial statements of the Charity for the period ended 31st March 2021. The Trustees adopted the provision of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in 2019.

As such, this forms the Annual Report of the Trustees for the purposes of S162 of the Charities Act 2011 and S445 (3), S414A-414D (Report of the Trustees) of the Companies Act 2006.

Report of the Trustees, approved by order of the Board of Trustees, as the Company Directors, on 02/08/2022..... and signed on the board's behalf by:



Mike Ridley, Chairman

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2022

Opinion

We have audited the financial statements of St Luke's (Cheshire) Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022, which comprise Group Statement of Financial Activities, Balance Sheets, 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 parent charitable company's affairs as at 31 March 2022, and of 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 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.

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2022

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

St Luke's (Cheshire) Hospice

Independent Auditors' Report

For the year ended 31 March 2022

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

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

We identified the following areas as those most likely to have a material impact on the financial statements: employment law, health and safety legislation, Care Quality Commission regulations and compliance with the UK Companies Act.

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

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with the 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.



.....
Christine Wilson (Senior Statutory Auditor)
For and on behalf of
MHA Moore and Smalley
Chartered Accountants & Statutory Auditor
Preston

Date: 02/08/2022
.....

St Luke's (Cheshire) Hospice

Consolidated Statement of Financial Activities

(Incorporating a Consolidated Income and Expenditure Account)

As at 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from					
Donations and legacies	2	2,022,431	69,186	2,091,617	1,745,288
Charitable activities	3	694,051	257,972	952,023	874,854
Other trading activities	4	2,118,300	-	2,118,300	1,504,071
Investment income	5	100,352	-	100,352	84,135
Coronavirus Support funding	6	35,450	350,168	385,618	1,461,627
Total income		4,970,584	677,326	5,647,910	5,669,975
Expenditure on					
Raising funds	7	1,471,260	-	1,471,260	1,281,532
Charitable activities	8	2,331,361	690,451	3,021,812	3,503,268
Total expenditure		3,802,621	690,451	4,493,072	4,784,800
Net income/(expenditure) before other gains and losses		1,167,963	(13,125)	1,154,838	885,175
Net (losses)/gains on investments	15	220,156	-	220,156	648,126
Net income /(expenditure)		1,388,119	(13,125)	1,374,994	1,533,301
Transfers between funds	21	-	-	-	-
Net movement in funds		1,388,119	(13,125)	1,374,994	1,533,301
Total funds brought forward		7,625,678	32,625	7,658,303	6,125,002
Total funds carried forward	21	9,013,797	19,500	9,033,297	7,658,303

All incoming resources and resources expended derive from continuing activities.
All gains and losses recognised in the year are included above.

St Luke's (Cheshire) Hospice

Balance Sheets

Year ended 31 March 2022

	Note	Company 2022 £	Company 2021 £	Group 2022 £	Group 2021 £
Fixed assets					
Tangible assets	14	2,183,558	2,163,789	2,218,486	2,211,587
Investments	15	4,253,240	4,001,376	4,253,240	4,001,376
Investments in subsidiaries	16	4	4	-	-
		6,436,802	6,165,169	6,471,726	6,212,963
Current assets					
Stock	17	-	-	7,352	7,352
Debtors	18	696,694	1,267,750	660,448	1,256,885
Cash at bank and in hand		2,218,717	1,200,885	2,442,195	1,416,380
		2,915,411	2,468,635	3,109,995	2,680,617
Creditors: amounts falling due within one year	19	(364,168)	(967,124)	(548,424)	(1,161,713)
Provisions for liabilities	20	-	(73,564)	-	(73,564)
Net current assets		2,551,243	1,427,947	2,561,571	1,445,340
Net assets		8,988,045	7,593,116	9,033,297	7,658,303
Charity Funds					
Restricted Funds	21	19,500	32,625	19,500	32,625
Unrestricted Funds					
- General funds	21	6,248,545	5,735,491	6,293,797	5,800,678
- Designated funds	21	2,720,000	1,825,000	2,720,000	1,825,000
Total Unrestricted funds		8,968,545	7,560,491	9,013,797	7,625,678
Total funds		8,988,045	7,593,116	9,033,297	7,658,303

The financial statements were approved by the Board of Trustees on 02/08/2022..... and signed and authorised for issue on its behalf by:



Mr M Ridley - Chairman

St Luke's (Cheshire) Hospice

Consolidated Cash flow Statement

Year ended 31 March 2022

	Notes	Total 2022 £	Total 2021 £
Cash flows from operating activities:			
Net income/(expenditure) for year		1,374,994	1,533,301
Investment income	5	(100,352)	(84,134)
Depreciation and impairment of tangible fixed assets	14	135,144	455,365
Losses/(gains) on investments	15	(220,156)	(648,126)
(Profit)/loss on disposal of tangible fixed assets		(18,282)	-
Decrease in stock		-	342
(Increase)/decrease in debtors		596,437	(741,428)
Increase/(decrease) in creditors		(613,289)	584,132
(Decrease)/increase in provisions		(73,564)	25,438
		<u>1,080,932</u>	<u>1,124,890</u>
Net cash provided by (used in) operating activities			
Cash flows from investing activities:			
Income from investments	5	100,352	84,134
Payments to acquire tangible fixed assets	14	(142,161)	(42,021)
Receipts from sale of tangible fixed assets		18,400	-
Payments to acquire investments	15	(1,406,702)	(3,420,199)
Receipts from sales of investments	15	1,374,994	2,896,576
		<u>(55,117)</u>	<u>(481,510)</u>
Net cash flow from investing activities			
		<u>1,025,815</u>	<u>643,380</u>
Increase/(decrease) in cash and cash equivalents			
		<u>1,416,380</u>	<u>773,000</u>
Cash and cash equivalents brought forward			
		<u>2,442,195</u>	<u>1,416,380</u>
Cash and cash equivalents carried forward			
		<u>2,442,195</u>	<u>1,416,380</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>2,442,195</u>	<u>1,416,380</u>
		<u>2,442,195</u>	<u>1,416,380</u>

1 Summary of significant accounting policies

a General information and basis of preparation

St Luke's (Cheshire) Hospice is a charitable company registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is to care and support people with life limiting and terminal illness and the people close to them.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies.

St Lukes (Cheshire) Hospice meets the definition of a public benefit entity under FRS102.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has availed itself of Paragraph 4(1) of Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 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.

b Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

c Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity i.e. amount the charity would be willing to pay in the open market. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

1 Summary of significant accounting policies (continued)

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Legacies are included in the accounts in accordance with SORP and FRS102. Legacies are recognised in the accounts if probate has been granted and executors have identified that a payment can be made imminently. On occasion legacies will be notified to the charity but it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

d Expenditure recognition

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered, and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Premises overheads have been allocated on a floor area basis. The overheads costs of the central function have been apportioned on an estimated basis of usage by each function. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes lottery prizes, the salaries of the staff who promote fund-raising, direct expenditure including costs of events and an allocation of internal overheads.
- Expenditure on charitable activities includes expenditure associated with the objects, as described in the report of the Trustees.

1 Summary of significant accounting policies (continued)

- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

e Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Hospice. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

f Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land and buildings and long leasehold property	2%, 10% and 20% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost
Computer equipment	25% on cost
Items are capitalised when the cost exceeds £1,000	

g Pension contributions

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the SoFA in the period to which they relate.

Retirement benefits are accruing for various employees of the company through the NHS Pension Scheme. This is a defined benefit scheme, which is externally funded and contracted out of the State Earnings Related Pension Scheme. The regular pension cost is charged to the income and expenditure account and is based on the expected pension costs over the service life of the employees.

h Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

i Shares in subsidiary undertakings

These are stated at cost. The results of the trading subsidiaries are detailed in note 16 to the accounts.

1 Summary of significant accounting policies (continued)

j Stocks

Items donated for resale in the shops are not included within the financial statements until they are sold.

k Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

l Judgements and key sources of estimation uncertainty

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

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

m Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

n Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

o Going concern

The trustees are required to assess whether the use of going concern is appropriate, i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts. The ongoing impact of Covid-19 is not considered by the trustees to be likely to create material uncertainties in relation to going concern. The trustees and management have put plans in place to manage the situation and monitor reserves levels. At the date of approving these accounts, the trustees have a reasonable expectation that the charity will be able to manage the situation and that it has sufficient cash resources to enable it to meet its liabilities as they fall due for at least 12 months from the date of approval. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

2 Donations and legacies

	2022	2021
	£	£
Donations	1,177,234	1,142,074
Legacies	914,383	603,214
	<u>2,091,617</u>	<u>1,745,288</u>

Income from donations and legacies was £2,091,617 (2021: £1,745,287) of which £69,186 (2021: £23,020) was attributable to restricted and £2,022,431 (2021: £1,722,267) was attributable to unrestricted funds.

3 Income from charitable activities

	2022	2021
	£	£
Medical consultancy fees	47,245	58,676
Grants – NHS CCG	613,571	595,711
Grants – Other	257,972	199,411
Other	33,235	21,056
	<u>952,023</u>	<u>874,854</u>

Income from charitable activities was £952,023 (2021: £874,854) of which £257,972 (2021: £148,719) was attributable to restricted and £694,051 (2021: £726,135) was attributable to unrestricted funds.

4 Income from other trading activities

	2022	2021
	£	£
Fundraising events	424,745	294,486
Shops and lotteries	1,692,335	1,209,450
Other	1,220	135
	<u>2,118,300</u>	<u>1,504,071</u>

All of the above income was attributable to unrestricted funds in the current and prior year.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

5 Income from investments

	2022	2021
	£	£
Listed UK investments - dividend Income	80,230	61,052
Rents received	19,872	19,193
Short term deposit interest	250	3,890
	<u>100,352</u>	<u>84,135</u>

All of the above income was attributable to unrestricted funds in the current and prior year.

6 Other income

	2022	2021
	£	£
Job Retention Scheme	31,910	343,321
Hospice UK Covid Support	321,705	782,455
Covid Bereavement funding	-	50,000
Covid Business Rates Support	32,003	255,518
Other Covid grants	-	30,333
	<u>385,618</u>	<u>1,461,627</u>

Other income was £385,618 (2021: £1,461,627) of which £350,168 (£1,016,339) was attributable to restricted and £35,450 (2021: £445,288) was attributable to unrestricted funds.

7 Expenditure on raising funds

	2022	2021
	£	£
Shops and lotteries	1,059,945	955,539
Other fundraising costs	411,315	325,993
	<u>1,471,260</u>	<u>1,281,532</u>

All of the above expenditure was attributable to unrestricted funds in the current and prior year.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

8 Expenditure on charitable activities

	2022	2021
	£	£
Staff costs	2,482,774	2,481,701
Building costs	309,519	754,082
Administration expenses	73,816	81,972
Patient care & medical services	134,158	133,087
Professional fees	21,545	27,426
EOLP	-	25,000
	<u>3,021,812</u>	<u>3,503,268</u>

Expenditure on charitable activities was £3,021,812 (2021: £3,503,268) of which £690,451 (2021: £1,173,149) was attributable to restricted and £2,331,361 (2021: £2,330,119) was attributable to unrestricted funds.

9 Support cost breakdown by activity

Included within total expenditure are support costs as analysed below:

		Fundraising activities	Charitable activities	Total 2022	Fundraising activities	Charitable activities	Total 2021
	Basis	£	£	£	£	£	£
Staff costs	Actual	63,349	511,658	575,007	59,806	483,038	542,844
Building costs	Space	10,517	46,947	57,464	26,811	120,056	146,867
Admin expenses	Actual	24,107	55,640	79,747	16,151	29,557	45,708
Patient care costs	Actual	790	3,560	4,350	666	3,001	3,667
Professional fees	Actual	10,772	10,772	21,544	10,632	10,633	21,265
		<u>109,535</u>	<u>628,577</u>	<u>738,112</u>	<u>114,066</u>	<u>646,285</u>	<u>760,351</u>

Included within professional fees and staff costs are governance costs as analysed below:

	Note	2022	2021
		£	£
Governance costs			
Auditor's remuneration	10	14,590	12,500
Senior management		19,423	19,768
Other governance charges		2,043	2,035
		<u>36,056</u>	<u>34,303</u>

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

10 Net income/(expenditure) for the year

	2022	2021
Net income/(expenditure) is stated after charging/(crediting):	£	£
Depreciation of tangible fixed assets	135,144	455,365
Auditor's remuneration	14,590	12,500
(Profit)/loss on sale of tangible fixed assets	(18,282)	-
Losses/(gains) on investments	(220,156)	(648,126)
	<u>14,590</u>	<u>12,500</u>
Fees payable to the charity's auditor:		
Audit of the charity's annual accounts	6,250	5,750
Audit of the charity's subsidiaries	4,500	4,250
Other services	3,840	2,500
	<u>14,590</u>	<u>12,500</u>

11 Staff costs

	2022	2021
	£	£
Wages and salaries	2,847,149	2,708,200
Social security costs	202,974	198,089
Pension costs	192,986	199,272
	<u>3,243,109</u>	<u>3,105,561</u>

The Hospice belongs to two pension schemes: the NHS pension scheme and a defined contribution scheme.

The NHS scheme is a defined benefit scheme, the assets of which are held in a separate trustee-administered fund. Under the definitions set out under FRS102, the NHS scheme is a multi-employer pension scheme. The Hospice is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Employer contributions charged against income for the period were £99,000 (2021: £102,712).

The Hospice and its subsidiaries also made contributions to a defined contribution scheme during the period totalling £93,986 (2021: £96,559).

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

12 Staff costs (continued)

The average number of employees analysed by function was:

	2022	2021
	No.	No.
Administrative	12	12
Charitable activities	96	92
Fundraising	13	15
St Luke's Hospice Trading	24	26
St Luke's Hospice Promotions	4	6
	<u>149</u>	<u>151</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2022	2021
	No.	No.
£60,000 - £70,000	-	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
£100,001 - £110,000	-	-
	<u>2</u>	<u>2</u>

12 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration or expenses during the year (2021: £nil). The total amount of employee benefits, including salaries, received by key management personnel was £388,510 (2021: £395,410). The Trustees consider key management personnel to be comprised of the Trustees, Chief Executive Officer, Medical Director, Director of Income Generation, Finance Director and the Director of Care.

	2022	2021
	£	£
Trustees' Indemnity Insurance	<u>1,413</u>	<u>1,131</u>

13 Taxation

No liability to UK corporation tax arose on net expenditure for the year ended 31 March 2022 nor for the year ended 31 March 2021 for the company. A tax liability relating to the prior year of £2,826 (2021: £nil) arose on the subsidiary companies included within the consolidated accounts.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

14 Tangible fixed assets

Company	Freehold land & buildings	Leasehold improvements	Fixtures & fittings	Computer Equipment	Motor vehicles	Totals
	£	£	£	£	£	£
Cost						
At 1 April 2021	2,772,780	760,675	308,904	103,314	21,370	3,967,043
Additions	24,208	-	113,971	1,643	-	139,822
Disposals	-	-	(79,939)	(2,730)	(7,000)	(89,669)
At 31 March 2022	2,796,988	760,675	342,936	102,227	14,370	4,017,196
Depreciation						
At 1 April 2021	1,359,730	110,299	237,264	74,685	21,276	1,803,254
Charge for year	50,136	15,213	38,893	15,599	94	119,935
Eliminated on disposal	-	-	(79,821)	(2,730)	(7,000)	(89,551)
At 31 March 2022	1,409,866	125,512	196,336	87,554	14,370	1,833,638
Net book value						
At 31 March 2022	1,387,122	635,163	146,600	14,673	-	2,183,558
At 31 March 2021	1,413,050	650,376	71,640	28,629	94	2,163,789

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

14 Tangible fixed assets (continued)

Group	Freehold land & buildings	Leasehold improvements	Fixtures & fittings	Computer Equipment	Motor vehicles	Totals
	£	£	£	£	£	£
Cost						
At 1 April 2021	2,772,780	849,292	383,860	165,534	47,141	4,218,607
Additions	24,208	2,339	113,971	1,643	-	142,161
Disposals	-	-	(79,939)	(2,730)	(7,000)	(89,669)
At 31 March 2022	2,796,988	851,631	417,892	164,447	40,141	4,271,099
Depreciation						
At 1 April 2021	1,359,730	192,140	292,992	126,514	35,644	2,007,020
Charge for year	50,136	18,442	44,309	19,882	2,375	135,144
Eliminated on disposal	-	-	(79,821)	(2,730)	(7,000)	(89,551)
At 31 March 2022	1,409,866	210,582	257,480	143,666	31,019	2,052,613
Net book value						
At 31 March 2022	1,387,122	641,049	160,412	20,781	9,122	2,218,486
At 31 March 2021	<u>1,413,050</u>	<u>657,152</u>	<u>90,868</u>	<u>39,020</u>	<u>11,497</u>	<u>2,211,587</u>

15 Fixed asset investments

Company and Group	Unrestricted funds	Total 2022	Total 2021
	£	£	£
<u>UK quoted investments</u>			
At 1 April 2021	4,001,376	4,001,376	2,829,627
Less disposal proceeds	(1,374,994)	(1,374,994)	(2,896,576)
Add acquisitions at cost	1,406,702	1,406,702	3,420,199
Net (losses)/gain on revaluation	220,156	220,156	648,126
At 31 March 2022	<u>4,253,240</u>	4,253,240	4,001,376

The investment management of the Hospice's funds moved from Castlefield Investment Partners LLP to Rathbones Investment Managers Ltd in the prior year, explaining the relatively significant investment acquisitions and disposals in that year.

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

16 Investment in subsidiaries

The parent charity owns 100% of the issued share capital of St Luke's Hospice Trading Ltd (Co.No.-03024652) and St Luke's Hospice Promotion Ltd (Co.No.-02862345) at cost of £4 (2021: £4). and comprise the following companies:

Company	St Luke's Trading Limited	St Luke's Promotions Limited	Total 2022	Total 2021
	£	£	£	£
Shops and lottery income	772,463	919,872	1,692,335	1,205,772
Interest & other operating income	34,712	754	35,466	448,966
Total income	807,175	920,626	1,727,801	1,654,738
Total costs before rental costs paid to Hospice	(768,644)	(291,301)	(1,059,945)	(955,539)
Net income for the year	38,531	629,325	667,856	699,199
Rental costs paid to Hospice	(36,805)	(700)	(37,505)	(37,505)
Net income for the year before profits donated	1,726	628,625	630,351	661,694
Profits donated to St Luke's (Cheshire) Hospice	(24,485)	(625,798)	(650,283)	(672,547)
Net Profit/(loss) for the year after donations	(22,759)	2,827	19,932	(10,853)
Share capital & reserves brought forward	24,580	40,608	65,188	76,041
Share capital & reserves carried forward	1,821	43,435	85,120	65,188
Fixed assets	34,928	-	34,928	47,798
Current assets	134,130	176,029	310,159	293,048
Current liabilities	(167,237)	(132,594)	(299,831)	(275,658)
Net assets	1,821	43,435	45,256	65,188

During 2021/22 St Luke's Hospice Trading Limited transacted sales of donated goods in its shops of £248,233 (2021: £68,498) under the Gift Aid Retail Scheme. This enabled the Hospice to claim £58,335 (2021: £16,944) in Gift Aid credits from HMRC. Therefore, the Hospice benefitted from the sale of donated goods at the shops by £306,568 (2021: £85,442).

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

17	Stock				
	Group			2022	2021
				£	£
	Goods for resale			7,352	7,352
18	Debtors				
		Company	Company	Group	Group
		2022	2021	2022	2021
		£	£	£	£
	Amounts owed by group undertakings	111,498	78,832	-	-
	Other debtors	55,967	38,301	55,967	38,301
	VAT	29,494	22,253	39,918	29,552
	Prepayments and accrued Income	480,249	456,457	543,704	515,028
	Trade debtors	19,486	671,907	20,859	674,004
		696,694	1,267,750	660,448	1,256,885
19	Creditors: amounts falling due within one year				
		Company	Company	Group	Group
		2022	2021	2022	2021
		£	£	£	£
	Trade creditors	92,159	61,857	105,569	93,466
	Other creditors	81,058	30,770	81,386	31,317
	Social security and other taxes	51,465	48,277	51,465	48,277
	Accruals and deferred Income	139,486	826,220	310,004	988,653
	Amounts owed to group undertakings	-	-	-	-
		364,168	967,124	548,424	1,161,713
20	Provisions for liabilities				
	Company and Group			Middlewich	shop
				£	£
	At 1 April 2021			73,564	
	Added during the year			-	
	Utilised during the year			(73,564)	
	At 31 March 2022			-	

The Middlewich shop has remained closed since March 2020. In January 2022 essential structural work commenced and is due to be completed in January 2023.

At the year end there were capital commitments of £288,036 (2021: 328,718) in respect of the Middlewich Shop and a further £106,966 (2021: £nil) for other capital projects.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

21 Fund reconciliation

Company	Balance at 1 April 2021	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2022
	£	£	£	£	£	£
Unrestricted funds	5,735,491	3,930,572	(2,742,674)	(895,000)	220,156	6,248,545
Designated funds	1,825,000	-	-	895,000	-	2,720,000
	7,560,491	3,930,572	(2,742,674)	-	220,156	8,968,545
Restricted funds						
Medical Supplies	-	88,155	(88,155)	-	-	-
Hospice UK - NHS England Covid funding	-	321,705	(321,705)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Job Retention Scheme	-	28,463	(28,463)	-	-	-
Covid Bereavement funding	13,514	-	(13,514)	-	-	-
Other restricted funds	19,111	223,038	(222,649)	-	-	19,500
	32,625	677,326	(690,451)	-	-	19,500
Group						
Group	Balance at 1 April 2021	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2022
	£	£	£	£	£	£
Unrestricted funds	5,800,678	4,970,584	(3,802,621)	(895,000)	220,156	6,293,797
Designated funds	1,825,000	-	-	895,000	-	2,720,000
	7,625,678	4,970,584	(3,802,621)	-	220,156	9,013,797
Restricted funds						
Medical Supplies	-	88,155	(88,155)	-	-	-
Hospice UK - NHS England Covid funding	-	321,705	(321,705)	-	-	-
Carers Break services	-	15,965	(15,965)	-	-	-
Job Retention Scheme	-	28,463	(28,463)	-	-	-
Covid Bereavement funding	13,514	-	(13,514)	-	-	-
Other restricted funds	19,111	223,038	(222,649)	-	-	19,500
	32,625	677,326	(690,451)	-	-	19,500

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

21 Fund reconciliation (continued)

Company	Balance at 1 April 2020	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2021
	£	£	£	£	£	£
Unrestricted funds	5,213,819	3,537,210	(2,656,112)	(1,007,552)	648,126	5,735,491
Designated funds	800,000	-	-	1,025,000	-	1,825,000
	6,013,819	3,537,210	(2,656,112)	17,448	648,126	7,560,491
Restricted funds						
Medical Supplies	17,448	85,586	(85,586)	(17,448)	-	-
Hospice UK- NHS England	-	782,455	(782,455)	-	-	-
Covid funding	-	183,884	(183,884)	-	-	-
Job Retention Scheme	-	183,884	(183,884)	-	-	-
Covid Bereavement funding	-	50,000	(36,486)	-	-	13,514
Other restricted funds	17,696	86,153	(84,738)	-	-	19,111
	35,144	1,188,078	(1,173,149)	(17,448)	-	32,625
Group	Balance at 1 April 2020	Income	Expenditure	Transfers	Gains / Losses	Balance at 31 March 2021
	£	£	£	£	£	£
Unrestricted funds	5,289,858	4,481,897	(3,611,651)	(1,007,552)	648,126	5,800,678
Designated funds	800,000	-	-	1,025,000	-	1,825,000
	6,089,858	4,481,897	(3,611,651)	17,448	648,126	7,625,678
Restricted funds						
Medical Supplies	17,448	85,586	(85,586)	(17,448)	-	-
Hospice UK- NHS England	-	782,455	(782,455)	-	-	-
Covid funding	-	183,884	(183,884)	-	-	-
Job Retention Scheme	-	183,884	(183,884)	-	-	-
Covid Bereavement funding	-	50,000	(36,486)	-	-	13,514
Other restricted funds	17,696	86,153	(84,738)	-	-	19,111
	35,144	1,188,078	(1,173,149)	(17,448)	-	32,625

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

21 Fund reconciliation (continued)

Medical supplies

The Department of Health via Cheshire Clinical Commissioning Group, centrally fund all Hospice pharmacy and medical supplies.

Hospice UK-NHS England Covid funding

The NHSE awarded funding 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 and to provide bed capacity and community support.

Job Retention Scheme

Is a temporary government initiative that allows employers to access financial support to cover their staff costs. The government introduced the initiative to enable employers to retain employees during the Covid-19 pandemic.

Covid Bereavement funding

Cheshire Clinical Commissioning Group used British Government Covid Response monies to provide specific, time bound funding for St Luke's Hospice to provide specific bereavement support as a consequence of the effects of the Covid-19 pandemic.

Designated funds

As at 31 March 2022 the trustees have designated the following amounts from free reserves:

	Balance at 1 April 2021	Utilised / released	New designations	Balance at 31 March 2022
	£	£	£	£
Hospice Development Fund	1,000,000	-	500,000	1,500,000
Service Sustainability/Development Fund	825,000	-	-	825,000
Capital Projects	-	-	395,000	395,000
	1,825,000	-	895,000	2,720,000

Hospice Development Fund

The trustees recognise the need to modernise the hospice and have designated funds for a plan of work to improve what we offer and to meet current healthcare standards.

Service Sustainability/Development Fund

The trustees acknowledge the growing demand for end of life services and have designated funds to look at not only, new ways of working but also to provide sustainable funding for existing services.

Capital Projects

During the year the trustees authorised expenditure on a number of capital projects in relation to the Hospice building. Although the work was commissioned from this year's capital budget some of the work and the associated commitment is carried forward into 2022/23. An additional commitment also exists in relation to the Middlewich Shop. The shop is owned by the Hospice and has been in need of large scale investment for a number of years. The work commenced in January 2022 and is scheduled to be completed in January 2023 consequently there is a large commitment recognised in the designated funds to reflect this.

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

22 Analysis of net assets between funds

Company	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Tangible fixed assets	2,183,558	-	2,183,558	2,163,789
Investments	4,253,244	-	4,253,244	4,001,380
Current assets	2,895,911	19,500	2,915,411	2,468,635
Current liabilities	(364,168)	-	(364,168)	(967,124)
Provisions for liabilities	-	-	-	(73,564)
	8,968,545	19,500	8,988,045	7,593,116
Group	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Tangible fixed assets	2,218,486	-	2,218,486	2,211,587
Investments	4,253,240	-	4,253,240	4,001,376
Current assets	3,090,495	19,500	3,109,995	2,680,617
Current liabilities	(548,424)	-	(548,424)	(1,161,713)
Provisions for liabilities	-	-	-	(73,564)
	9,013,797	19,500	9,033,297	7,658,303

23 Free reserves

	Group 2022	Group 2021
	£	£
Total Reserves	9,033,297	7,658,303
<u>Less:</u>		
Unrestricted Tangible Fixed Assets	(2,218,486)	(2,211,587)
Restricted funds	(19,500)	(32,625)
Designated funds	(2,720,000)	(1,825,000)
Free reserves	4,075,311	3,589,091

St Luke's (Cheshire) Hospice

Notes to the Financial Statements

Year ended 31 March 2022

24 Results of the parent company

As permitted by Section 408 of the Companies Act 2006 these accounts do not include a separate SOFA for the parent charity. The results of the parent charity alone (including gift aid receipts from its subsidiaries, as detailed in Note 16) are:

	2022 £	2021 £
Incoming resources	4,607,898	4,725,288
Resources expended	<u>(3,433,125)</u>	<u>(3,829,261)</u>
Net incoming resources before other recognised gains and losses	1,174,773	896,027
Unrealised gains on investments	230,619	236,152
Realised (losses)/gains on investments	<u>(10,463)</u>	<u>411,974</u>
Net movement in funds	<u>1,394,929</u>	<u>1,544,153</u>

25 Operating lease commitments

Total future minimum lease payments are as follows:

	Land & Buildings £	Other £	Total 2022 £	Total 2021 £
Within one year	80,508	14,347	94,855	118,271
Within two to five years	73,062	7,693	80,755	180,336
Over 5 years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>153,570</u>	<u>22,040</u>	<u>175,610</u>	<u>298,607</u>

26 Related party transactions

There were no related party transactions during the current or prior year.

27 Post balance sheet events

As in previous years, the Hospice has been bequeathed a share in a number of legacies during the year. It is the Hospice policy to recognise the income once the amounts can be accurately quantified. All assets quantified have been included in the accounts.

At the year end there were a number of legacies still pending and due to the uncertainty of the amounts, the income will be recognised in the year in which the donations are either received or the amounts can be determined with reasonable certainty. The approximate value of such donations in wills to which the Hospice can put a value is in the region of £275k.

ST LUKE'S CHESHIRE HOSPICE

England & Wales - Charity number 515595

Accounts

REGISTERED COMPANY NUMBER: 01846186 (England & Wales)
REGISTERED CHARITY NUMBER: 515595

Report of the Trustees and Consolidated Financial Statements

For the year ending 31st March 2021 for

St Luke's (Cheshire) Hospice



St Luke's
CHESHIRE HOSPICE

St Luke's (Cheshire) Hospice
Report of The Trustees

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Introduction from Mike Ridley, Chairman

It is a great privilege to present my fifth Annual Report on behalf of the Trustees of St. Luke's Hospice and to acknowledge the wonderful support we receive as we continue to provide our special and much needed services to the local community.

I referred in my Report last year to the impact that the "dramatic and devastating" effect the *coronavirus* was having throughout the world and also locally. Sadly, this impact has continued and has had a very significant effect on all aspects of our work. These are reflected elsewhere in this report but I would just like to place on record my sincere thanks to all our staff, helpers and volunteers for the way they have responded to these changing times and enabled the Hospice to maintain many of its essential services.

I am also pleased to report that even through a period of more limited services, we have been able to implement a number of changes, have continued to develop plans for the future, and have managed, with significant external support, to maintain an acceptable financial position. Within the Hospice building, we have undertaken a re-decoration programme which has brightened our key patient care areas, while also refreshing and streamlining our "back office" functions. Looking forward, we have commissioned work to assess the likely future needs for our services and what options there may be to meet these needs. We will be sharing our plans to ensure that the final outcome fully reflects our aspiration to continue to provide the highest quality of end of life care to our local population.

Once again, I would like to pay tribute to those who provide special support to the Hospice in so many different ways. Our Patrons, Rosie Spiegelberg MBE and Lady Rose Cholmondeley, continue to support us and Lady Alexis Redmond MBE continues her special role as our President, in addition to her many other responsibilities. My one disappointment has been our inability to fully involve our Vice-Presidents due to the pandemic. I hope that with the gradual lifting of restrictions we will soon be able to involve them more and to continue their invaluable support into the future. I would also want to express my appreciation to so many organisations and individuals for their contributions, sponsorship and generous giving of time and talents.

During the year, we have said thank-you and goodbye to our trustee and vice-chair, Dr Tony Hoy. He provided wise counsel and support particularly in our patient care areas. Tina Cookson was appointed as our new vice-chair. I am also pleased to report that four of our trustees have agreed to extend their terms of office for a further three year term – Tony Baxter, Graham Jones, Guy Rands and Colin Norman. We were also able to welcome during the year two "Associate" trustees – Sue Bailey and Sean Houlston, whose special areas of knowledge will be helpful in particular areas of our work. I am so grateful to all our trustees for their time and commitment, which contributes so much to the smooth and effective running of the Hospice.

As always, I must end with a most sincere thank-you to our Chief Executive and Management Team. Neil has continued to lead with great wisdom and enthusiasm and I am sure that his vision will help to move the Hospice forward to ever greater services to our local community. Andrea and Wendy have perhaps had the most difficult decisions to make as they have managed the continued provision of our in-care and day-hospice services. Claire has faced the frustrations of more limited fund-raising opportunities with great fortitude and Nabela has provided a strong financial base despite the many uncertainties. Thank-you all, and your teams for your wonderful support.

As I look forward, my overwhelming feeling is one of pride and confidence that the strong base which has been built up by so many over the past years will enable us to continue to provide high quality care and services to those facing such difficult times in their lives. Thank-you.



Mike Ridley, Chairman

St Luke's (Cheshire) Hospice
Report of The Trustees

Reference and Administrative Details - for the year ended 31st March 2021

Registered Company Number (England & Wales)	St Luke's Hospice is a company limited by guarantee, number 01846186 (not having a share capital).
Registered Charity Number	The company is a Registered Charity, number 515595 and its Memorandum of Articles of Association govern its functions. 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.
Principal and Registered Office	St Luke's (Cheshire) Hospice Grosvenor House Queensway Winsford Cheshire CW7 1BH
Contacting Us	You can contact us by telephone on 01606 551246, by email on enquiries@slhospice.co.uk . If you would like to find out more about our work, please go to our website: http://www.slhospice.co.uk or follow us on Facebook and Twitter.
Auditors	Styles and Co Accountants JFC Limited Heather House 473 Warrington Road Culcheth Warrington WA3 5QU
Senior Statutory Auditor	Ian Lloyd
Investment Fund Manager	Rathbones Investment Management Martins Buildings 4 Water Street Liverpool L3 1NW
Bankers	National Westminster Bank Plc P O Box 6 The Bull Ring Northwich Cheshire CW9 5BN
Solicitors	Poole Alcock 238-246 Edleston Road Crewe CW2 7EH

St Luke's (Cheshire) Hospice
Report of The Trustees

Members of Board

The Members of Board are Trustees of the Charity and also constitute the Board of Directors.

The Trustees (who are also directors of the charity for the purpose of the Companies Act 2006) who served during the period are set out below. Details of our Ambassadorial roles and Senior Management Team (SMT), to whom the day to day management of the Hospice is delegated, are also presented.

Trustees

Mr John Michael Ridley
Dr Anthony Hoy
Mr Anthony J Baxter
Miss Andrea J Holland
Mr Colin Norman
Mr Guy Rands
Mr Graham Jones
Mr Lee Greenbury
Mrs Tina Cookson
Mrs Wendy Davies
Mrs Helen Masson-Jones

Appointed

Chairman
Retired September 2020

Appointed Vice Chair October 2020

Vice Presidents

Mrs D Mather
Mrs D Parsons
Mrs F Bruce
Mrs J Thomas

Mrs J Corfield
Dr V Pritchard
Mr R Mills MBE
Mr C Winward

Mr W Crafter
Mr J Baldwin TD DL
Mr J Lea

Joint Patrons

Mrs W Spiegelberg MBE

Lady Rose Cholmondeley

President – Alexis Redmond MBE

Honorary Treasurer – Colin Norman

Company Secretary - Vacant

Senior Management Team (SMT)

Mr N Wright
Mrs W Wilson
Mrs N Chaudhry
Miss C Langston
Dr A Graham

Chief Executive
Director of Care
Finance Director
Director of Income Generation & Communications
Medical Director

Governance and Management Arrangements

Governing Arrangements

St Luke's (Cheshire) Hospice is a Registered Charity and a Company Limited by Guarantee. The company was established under a Memorandum of Association (MA), which sets out the objects and powers and the essential rules for running the Charity and is governed under its Articles of Association. The Hospice is governed by statute, mainly the Charities Act 2011 and the Companies Act 2006. The services delivered by St Luke's are registered by the Care Quality Commission.

The Charity has two wholly owned subsidiaries. St Luke's Hospice Promotions Limited and St Luke's Hospice Trading Limited. Both companies exist to generate income to support the work of St Luke's (Cheshire) Hospice. All surplus income is gift aided to the parent company for this purpose. Two Trustees from the St Luke's (Cheshire) Hospice Board also sit on the Board of St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited.

Decision Making Arrangements - Role of the Trustee Board & Committees

St Luke's (Cheshire) Hospice has a Trustee Board. The Trustees are directors of the Company as well as being Trustees for the purposes of charity law. It is their role to carry out the objects as set out in the MA, to ensure the Hospice is managed as required by the MA and in line with the standards required by charity law, other statute and regulations, guidelines and good practice.

In line with the above roles, the Trustees are responsible for setting strategy, embedding good governance, maintaining oversight and ensuring the probity of policy and decision making for the effective operations of the Hospice and the achievement of agreed goals. All decisions made by the Board must be made in accordance with the MA.

Whilst our Trustee Board retains ultimate responsibility, the work of the Board is delivered through the following Sub Committees as detailed below:

- Patient Care & Clinical Governance Committee
- Finance Committee
- Income Generation Committee
- Human Resources Committee
- Estates Committee
- Strategy & Governance Committee

The Committees have delegated authority from the Trustee Board to oversee areas of particular Hospice activity and operations. Committees are chaired by a Trustee and have a Lead from the SMT (with relevant expertise). Membership of the Committees includes a second Trustee representative, SMT representatives as well as the lead operational managers. The Chairs of the Committees provide a report to the Trustee Board and make available minutes of the Meetings to all Trustees.

Each year the Board undertakes a "skill mix" audit to make sure that each of the Trustees has the experience and professional expertise to continue to make a valuable, informed contribution to the Board's collective decision making as well as oversight of the work of the Senior Management Team.

Role of Trustees at St Luke's

Arrangements for our Trustees are set out in our Articles as follows:

- Trustees are members of the Board – we will have no less than five Trustees and no more than twelve.
- Trustees become members of the organisation.
- Trustees have the power to appoint any person who is able and willing to do so to be a Trustee.
- Trustees are elected to serve for an initial period of three years.

At the expiry of three years, a Trustee may, if they so wish, seek re-election for two further three year terms. After serving three terms of office, a Trustee must stand down. We look to seek the balance of retaining the skills and organisational knowledge of Trustees counterbalanced with a fresh perspective in running the hospice. It is vital that the diversity, skills and experience of our Trustee Board reflects the needs of our Hospice and the local community.

Trustees may be attracted to St Luke's through many different routes – we believe it is important that we recruit new Trustees from the widest pool possible. We have an established process for the recruitment, selection and induction of new Trustees. Our induction process is designed to ensure that Trustees are confident in their appointment and fully understand:-

- Their legal responsibilities, obligations and expected contributions.
- The wider context of the Hospice Movement and the broader landscape in which we operate.
- The governance arrangements at St Luke's and its regulatory environment.
- The support available to them, where to go for further help and information.

New Trustees receive an induction pack which provides a range of information including the history of the Hospice Movement, the nature of our services at St Luke's, our ways of working, key contact points and an overview of our strategic direction, performance and risks.

Trustees are expected to undertake an annual review with the Chairman where continuing development needs to fulfil the Trustee role effectively are discussed and supported.

Associate Trustee

In order to widen support and guidance to the Senior Management Team, the Trustees have created a new role called Associate Trustee. The role of an Associate Trustee is as a co-opted, non-voting member who sits and supports the work of one of the 6 Trustee subcommittees. Using their expertise and experience, they overview and challenge the Senior Management Team in delivering the strategic aims of the Hospice. On occasions, Associate Trustees are invited to attend Full Board meetings not only to learn more about the work across the Hospice but to offer a different perspective.

Public Benefit

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

Management Arrangements at St Luke's

The SMT, with responsibilities for Care/Clinical Services, Medical Services, Income Generation & Communications, Financial, Estates, Human Resources and IT, is led by a Chief Executive Officer (CEO) who has responsibility for the operations of St Luke's, the implementation of regulatory requirements and the strategic and other decisions made by the Trustee Board.

St Luke's (Cheshire) Hospice
Report of The Trustees

Members of the SMT are invited to attend the Trustee Board meetings but do not have voting rights. The pay arrangements for all members of the SMT have been established following an external pay evaluation process and benchmarking against other charities of a similar size (with the exception of the Medical Director – which is in line with Medical pay scales).

Risk Management

The Trustee Board is responsible for ensuring that the Hospice has clear strategies and systems for assessing and managing risk. This is at both an operational and strategic level. As part of on-going activity and reporting, the Trustees and SMT assess, manage and monitor the major risks that the Hospice is exposed to, endeavoring to ensure that risks are avoided or mitigated to an acceptable level. Extracts of the Risk Register highlighting current Risks are reviewed by the board monthly and a full review undertaken by the Board annually.

Impact of Covid 19 – Coronavirus

By far the biggest risk the Hospice has ever faced has been the impact of the coronavirus on everything that we have done over the last 12 months.

Towards the end of the last financial year, the virus had started to spread rapidly across the UK seriously affecting the health of the population. The temporary Lockdown measures introduced by the British Government on the 23rd March 2020 turned out not to be temporary. They had an impact not only on our care services and the way we delivered them, but also on the general economy and our ability to fundraise.

Clinical

Ahead of the announcement by the British Government of the implementation of Lockdown, we had already started to protect our vulnerable day hospice patients by anticipating the Lockdown and asking our patients to stay safe by remaining at home. We took the decision to close our day hospice services, to not only protect our patients but also to ensure the IPU had enough staff to stay open at full capacity in support of the local hospital, which had the potential to be overrun.

We are fortunate that we have a forward thinking IT department, who had already introduced the hospice to Zoom and Microsoft Teams software packages well before news of the pandemic. This made it easier to adapt to new ways of working such as Zoom and Teams video calls.

Ever resourceful, we adapted quickly our practices and continued to support our patients with regular telephone contacts and support. We introduced St Luke's Care's, taking a hamper to our patient's homes to make the most vulnerable patients feel less isolated. Our clinical staff telephoned and video called many vulnerable patients who were shielding at home to make sure they were supported and engaged in their care. Our Family Support team were able to support their clients via a series of video calls. Our homeless nurse continued to work right through the pandemic.

Facilities

Following the Government's rules to prevent the spread of the virus, all those staff who could work from home were asked to do so to protect the frontline workers, such as our nurses, doctors, housekeepers, maintenance and catering staff who all continued to work through the lockdown looking after our very vulnerable patients.

Whilst the government insisted that staff should work from home, this meant the hospice building was free for our facilities staff to undertake some timely premises repairs

St Luke's (Cheshire) Hospice
Report of The Trustees

Income Generation

Following the Lockdown rules, we had to close all our retail shops and cancel all our fundraising events, significantly reducing the charitable income that we would have earned to support the care that we provide.

The government provided Retail Grants to support the closure of our shops and along with furloughing staff, these measures have lessened the potentially devastating impact on our retail portfolio. A lot of our income generation staff were unable to go ahead with the various events that we had planned. The majority of our Income Generation staff were placed on furlough to financially protect the hospice.

Even though we could not see our supporters face to face, our Communications department made sure that we continued to engage with supporters via social media, which became an even more effective form of communication during the pandemic

Over a number of years we have actively transferred and signed up lottery players onto Direct Debit. All this past hard work paid off as a 'covid free' way of playing the lottery and supporting the work that we do. Our lottery staff worked throughout the pandemic to ensure that we had the maximum number of players in our weekly draw.

Non Clinical Staff

It must be recognized that our Finance and HR teams had different challenges not only supporting our staff to stay well but also to deal with the innovative government financial support schemes which were all new to the hospice. Nevertheless, the extra support provided by the Government has meant that the hospice has continued to deliver the special care that we provide.

Our IT department had already installed more Cloud based systems such as Zoom and Microsoft Teams. This approach stood us in good stead enabling our workforce to work safely from home where they were able to do so. Although it has been a challenging year, we will continue to embrace technology and use it positively where it can improve the care that we provide.

NHS England Funding

NHS England recognized the important contribution that hospices make to the healthcare economy. We received extra funding negotiated on our behalf by Hospice UK to preserve our capacity to care for dying patients and to support those in need of bereavement care. Although the extra funding has been received in this financial year, by careful financial management we will have a modest amount of funds to support and sustain the work and care that we do in the future until our ability to generate income returns to pre-pandemic levels

The impact of the pandemic may have a longer-term structural impact on our ability to fundraise. This is something that we will explore and reflect upon over the coming months.

Background Information

St Luke's (Cheshire) Hospice covers an approximate population of 300,000 and sees people in St Luke's premises (Grosvenor House and Winterley Grange, Sandbach), in hospital settings within the catchment area and in their communities.

Cheshire Clinical Commissioning Group, incorporating the former 4 CCG's, South Cheshire CCG, Vale Royal CCG, East Cheshire CCG and West Cheshire CCG became a legal entity on the 1st April 2020. The CCG provided us with 12.6% of our total group wide, recurring gross annual income. Total grants including non-recurring and non-CCG grants income equate to 28.7% (2020 - 13.6%) the percentage is much higher this year due to the NHSE Covid 19 grants.

Strategy 2020 – 2023

The Strategy covering the three years from 2020 to 2023 was compiled by the Senior Management Team in consultation with staff, volunteers and Trustees and was also informed through one to one discussions with patients and carers.

The strategy describes where the hospice is and sets out a vision and mission to 2023 taking into account current political and economic factors affecting the national and local healthcare economy. The pandemic, if anything, has reinforced the strategic aims to reach out, care for more people, be sustainable and make our buildings even better.

We are still evaluating the impact of the Pandemic on our future clinical strategy as it is certainly changing the way that the NHS delivers its care and we will find a way to complement existing and new ways of working.

The strategy affirms our Vision, Mission, Values and Strategic aims

Our Vision

Our Vision is for all dying people in Cheshire and those close to them to have access to the care and support they need, when and wherever they need it.

Our Mission

Our Mission is to help people in Cheshire to live the life they can, informed and supported at the end of their life

Our Hospice Values

Our Values reflect our fundamental beliefs. They guide the way we behave with patients, carers, volunteers, supporters, suppliers, external stakeholders and each other to achieve results. The values unite us as an organisation and together we are St Luke's.

The values of St Luke's are at the heart of everything we do and underpin our strategies, policies and ways of working. Embedding our values through our recruitment, induction, training and communications also helps to create the appropriate environment to work in partnerships with others. Our values are:

- **CARING** ... we provide quality, dignified holistic palliative care and support
- **INNOVATIVE** ... we promote a culture where innovation and new ideas are encouraged, whilst valuing our heritage and past.
- **COLLABORATIVE** ... we work together collaboratively, share ideas and support each other to ensure that we achieve our common goals, both within the hospice and within our wider community.
- **RESPECTFUL** ... we treat those we care for, volunteers, colleagues and supporters with respect, dignity & compassion. We respect ethnic, cultural and spiritual beliefs and recognize equality of access.
- **RESOURCEFUL** ... we spend money wisely in all that we do to ensure we have equipment and an environment in which to deliver quality, sustainable clinical and non-clinical services
- **KNOWLEDGEABLE** ... we are experienced, knowledgeable and well-trained
- **HONEST** ... we communicate what we do openly and honestly with all our stakeholders and users
- **EXCELLENCE** ... we strive for excellence in everything that we do, we celebrate our successes and learn from our mistakes.

We are committed to creating a culture in which diversity and equality of opportunity is actively promoted and developed. We are committed to challenging all forms of inequality in our role as a service provider and employer.

Our Principal Objects and Activities

The principal object of the Charity is to promote the relief of illness amongst people suffering from a terminal illness. We aim to achieve this in three key ways:

One - The provision of Specialist Palliative Care with the focus of our services on complex symptom control and terminal care in:

Inpatient Care
Hospital Based Specialist advice

Medical Out-Patients
Telephone support and advice

Two - The Provision of Supportive Care

Our experience in supporting patients, their carers' and loved ones tells us that they often have a need for supportive care in many different forms, involving both our trained staff but also from our trained volunteers. The services we provide consist of:

Social Work & Benefits Adviser
Spiritual Care (Chaplaincy)
Day Hospice and Complementary Therapies
Psychosexual Clinics

Family Support and Counselling Services
Community Befriending & Engagement
Lymphoedema Clinics
Homelessness End of Life Care

Three - The Support and Education of other Providers and our Community

St Luke's has always had a strong focus on education. The End of Life Partnership (formerly Cheshire Hospice Education), was born out of the vision, work and funding committed by St Luke's Hospice over many years.

We support the work of the End of Life Partnership and in partnership with others, through the Strategic Collaborative Cheshire we support communities, professionals and local organisations across Cheshire to improve the palliative and end of life experience and care for all.

In addition, we train staff who work in different clinical professions and settings so that they too can take the shared knowledge and skill into their own communities, in hospital, home and other care settings.

The Contribution of our Supporters, Staff and Volunteers

We truly value the commitment, contribution and achievements of all our staff, volunteers and supporters. They are the hallmark of St Luke's and allow us to deliver the best possible services to our patients, carers and their loved ones.

This year has been a testing year in dealing with the effects of the Pandemic and we are truly grateful for everyone's commitment and belief in the work that we do. In order to comply with government guidelines and to minimize the risk of virus transmission, we asked our volunteers to stay at home to keep them safe. Staff also worked at home when able to do so which meant that we had fewer people in the hospice reducing the risk of infection.

As we emerge from the pandemic, we want to ensure that St Luke's is seen as a good place to work and volunteer and our aim is to continue to attract, recruit and retain our large and valued volunteer community with its wide range of skills and experience. We believe engaging, developing and motivating as best we can is key to achieving this.

Staff and volunteers are recruited in line with relevant standards, including the Disclosure and Barring Service. Induction and orientation is provided alongside a range of developmental and learning opportunities.

St Luke's (Cheshire) Hospice Report of The Trustees

The Hospice has over 700 regular volunteers in a range of services and fulfilling a variety of roles. Working alongside our employed staff, volunteers offer their skills, experience and expertise to many departments in the Hospice and the Trading and the Promotions companies; this may be directly with patients, on our reception desks or within our trading outlets.

Without the commitment and support we receive from volunteers, we could not provide the services we do. This year, in view of the restrictions placed on the Hospice by the Governments Lockdown measures, we took the decision to ask the majority of our volunteers to stay at home, not only to protect their health but also to limit the transmission of the virus. The number of hours our volunteers donated to us is substantially down when compared to previous years, which is only to be expected. We estimate that the total number of volunteer hours in 2020/21 was 14,071. This amounts to a contribution of £122,699 based on the minimum wage of £8.72 (as of March 2020) per hour. These figures exclude the further valuable contribution in normal times of all the event volunteers and the support groups working across our catchment area to raise funds. Our Support Group members from Holmes Chapel, Shavington and Tarporley contribute towards Hospice funds through their many successful fundraising events and are important Hospice ambassadors in our communities.

We want to acknowledge and sincerely thank our supporters and volunteers for their generous and much needed gifts, in their many varied forms, to the Hospice.

We look forward to welcoming back all our volunteers but recognise that, in view of the amount of time spent in Lockdown, people may now have different priorities. We therefore have a plan to recruit additional volunteers to add to the service and care that we provide.

Working with Others and in the Community

Working with others in partnership, across the health community is key to ensuring we achieve our own and shared health objectives and outcomes. Examples of this include our relationships and roles as follows:

- Provision of services in the acute hospital
- Work in partnership with CCICP to provide a Lymphoedema service to South Cheshire and Vale Royal Patients.
- Training and education of undergraduate and postgraduate students in a range of health care professions from local university medical and health care schools.
- Developing relationships with Health and Educational organisations including the Vale Royal and South Cheshire GP Alliance.
- End of Life Partnership through mutually supportive mission and goals that will strengthen the impact and outcomes of our work.
- Membership of umbrella organisations such as Hospice UK, Hospice Lotteries Association, Hospice Quality Partnership, Lotteries Board, Charity Retail Association, Fundraising Regulator, National Association of Hospice Fundraisers, Association of palliative medicine and other local and national professional networks.
- Development of community befriending to enable compassionate communities to develop and to address social isolation and loneliness experienced by the ill, frail and elderly in our community.

St Luke's (Cheshire) Hospice
Report of The Trustees

- Widening access through engagement with Homeless people at end of life.
- Our developing relationship with the Christie who use the Hospice to deliver their service to residents local to St Luke's making their treatment more patient centered, easier and convenient saving them time.

Financial Report

Financial Performance and Review

There continued to be prudent financial management throughout the year, this approach was essential due to the uncertainties facing the hospice sector as we entered the lockdown and the unprecedented crisis. The financial year began with all of our trading outlets closed for business, a number of key fund raising events and activities being either postponed or cancelled and there being little clarity on whether or not the hospice sector would receive any form of government support.

However, our relatively healthy level of reserves provided us with some reassurance that we could navigate our way through this difficult period if we managed our resources efficiently and effectively. This allowed our pandemic response to move swiftly from being reactive to being proactive, focusing on the needs of the Hospice and its patients with the continued safe, effective and high quality of our care services being at the centre of all decision making throughout this difficult period.

Despite the extraordinary and challenging year the Hospice made a healthy Group Surplus of £1,533,300 (2020: £111,603). It is imperative to highlight that this surplus was fundamentally generated following the receipt of significant government grants secured by Hospice UK and funded by NHSE (£782,455), the sizable Coronavirus Job Retention Scheme claims (£343,321) and the Retail Grants (£255,518). Without these monies The Hospice would be declaring a substantial operating deficit following the sudden loss of income as a result of the closure of its shops, and the reduction in fundraising activities. The Group surplus was £885,174 as at the 31 March 2021 before taking into account the year-end gain on the revaluation of our investments.

The impact of the pandemic will inevitably result in a considerable challenge to all our sources of income over the coming years and not just this year. Consequently, the Executive team and the Board of Trustees recognise that the this year's surplus will be required to carry and support us through the potentially difficult years ahead to ensure we can continue to provide vital services for our patients.

Expenditure levels continued to be well managed throughout the year with total expenditure coming in lower than budget. The pandemic and consequent reduction in activity and some services resulted in cost savings across departments. Savings were also secured as a result of vacancies and furlough.

During the year a further review was conducted on the fixed asset depreciation policy. Following the review a number of changes were made to the land and buildings depreciation policy to more accurately reflect the life of the assets. The impact of the new categories and changes in rates was that this year's land and buildings depreciation charge increased significantly resulting in a charge of £381,925 (2020: £74,051). The motor vehicles depreciation rate and method was changed from 20% reducing balance to 25% straight line depreciation to reflect the asset classes asset life.

The Hospice made a gain on the revaluation of its investments of £648,126 (2020 £393,839 loss) the majority of which reflects the recovery of losses seen in February/March 2020 when financial markets fell sharply as a result of fears surrounding the potential economic impact of Covid 19.

Following Board Approval we continue to set aside the surplus and an element of the reserves to make much needed improvements to our In-Care Unit, invest in service development and to facilitate Hospice Development as disclosed in the Reserves Policy. The timing of when these monies will be spent may well be impacted by the Pandemic. The effect of Covid 19 on the financial position of the Hospice will be given due consideration before designated reserves are drawn

down.

During the year cash levels were well managed and remained healthy following the receipt of Covid 19 government grants, retail grants and furlough reclaims. However, funds were spent during the year when the need arose to invest to maintain our properties and ensure compliance to Health and Safety regulations. Provisions for essential property repairs were increased following a detailed review of the work required on the Middlewich retail outlet. The pandemic however has inevitably delayed the process and consequently the shop has remained closed.

St Luke's Trading Limited like most retail outlets faced unprecedented challenges in the year. All our retail outlets were forced to close their doors to their customers as we moved into a National Lockdown on the 23 March 2020. Three outlets remained closed throughout the whole of the financial year with the remainder opening for a few months during the year when restrictions were eased. Inevitably Trading Limited's results reflect this but it is important to note that the results would have been very different without the significant government funding the Trading Company received in these twelve months. Throughout this period applications were successfully made for the government's Retail Grants with the company receiving grants of £255,518. Also whilst the shops were closed the majority of the Trading Limited Staff were furloughed which allowed the company to claim £149,319 of furlough payments to contribute to the salary costs.

St Luke's Trading Limited delivered profits of £24,485 (2020: £36,241) whilst the Hospice received further income from the sale of donated goods at the shops of £85,442 (2020: £463,548).

St Luke's Promotions Limited continues to be a significant income stream gifting the Hospice £637,209 (2020: £603,100). However, the Lottery over the last few years has faced challenges due to increased attrition levels, resulting in a decline of members as well the impact of an ageing supporter base. The team have been alive to these risks for a number of years and continue to develop solutions to mitigate and minimise the impact. This year the pandemic added another challenge with canvassers and cash collectors unable to perform their duties during a significant proportion of the year.

Legacy income remains an important income stream for the Hospice and it is gratefully received. We have continued to benefit from a healthy level of legacies this year which generated income of £603,214 (2020: £634,140). A review of our approach to legacies and major donors is being undertaken by the Income Generation team.

We continue to receive and are grateful for the statutory funding from the Clinical Commissioning Groups which accounts for 12.6% of our consolidated income. This level of statutory funding is relatively low for the sector and consequently means that 87.4% of our funds are voluntary and must be generated by the Hospice.

Financial Governance & Management

The continuous review of the governance arrangements and operating practices supports the development of the Financial Regulations Policies and Procedures and Scheme of Delegation, any updates and re-training of staff to ensure they are fully integrated and embedded into day to day operations, is ongoing.

The monthly reporting pack continually evolves, in addition to the traditional monthly accounting information explaining variances between budget and actual results and projected year end results. The board receives an extract from the Risk Register highlighting the current Opportunities and Risks, and received a weekly 'dashboard' of key performance indicators relating to clinical and quality matters plus HR, governance, financial and health & safety matters.

The monthly Income Generation reporting pack includes the Red Amber Green traffic light system enabling reporting, review and monitoring in depth by 'exception'. Full accountability of operational expenditure is being achieved through appropriate controls managed, reviewed and monitored on a monthly basis through budget holders, to the senior managers, to the Board.

Reserves Policy and Position

Trustees are required to consider on an annual basis the level of reserves the charity needs to hold, as an important part of planning and sound financial management.

The reserves position has been carefully considered to identify the level required to manage unforeseen circumstances, and unavoidable adverse variances to budget. The reserves policy, which is in line with Charity Commission guidance and comparative charities, calls for the group free reserves to be no less than three months of operating costs, and no greater than twelve months of operating costs.

The Board have designated reserves of £1,000,000 from the free reserves for the Development of the Hospice and a further £825,000 for Service Sustainability and Development. The free reserves as at 31 March 2021 stood at £3,589,088 (2020: £2,664,925) which represents approximately eight months of operating costs.

Investment Policy and Position

St Luke's Investment Policy is to achieve maximum return with minimum risk, whilst protecting the capital base. Funds potentially required for working capital are invested in a more readily accessible low risk portfolio. The investment portfolios during this financial year were until August 2020 managed by Castlefield Investment Partners LLP. The Hospice performs a regular review of all external advisors, and following a review of Investment Management Advisors, Rathbones Investment Management Ltd took over the investment management of the Hospices funds in September 2020. Rathbones report to the Finance Director and Finance Committee quarterly who then present an investment performance report to the Board of Trustees annually.

Our Listed investment assets are valued in the Balance Sheet at Market Value of £4,001,376 (2020: £2,829,627). The Charity made gains on investments during the year of £648,126 (2020: £393,839 loss). These monies are invested for the medium to longer term.

Financial Risk Management

In line with good practice and recommendations of the Charity Commission, the Hospice holds funds in reserve and is therefore exposed to fluctuations in the stock market, which affect the value of its investment portfolio. This portfolio is monitored by the Finance Committee in terms of the risk profile and the decision to hold or sell the portfolio is under constant review as advised by the Hospice Fund Managers, Rathbones Investment Management Ltd.

Fundraising Standards Information

St Luke's (Cheshire) Hospice and its subsidiary companies St Luke's Hospice Trading Limited and St Luke's Hospice Promotions Limited are committed to responsible fundraising practice and regular monitoring.

As a member of the Fundraising Regulator, we agree to ensure our fundraising is legal, open, honest and respectful. These standards for fundraising are set out in the Code of Fundraising Practice. Please see our website for details.

- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible

The Hospice complies with the Data Protection Act requirements and will protect members' data. St Luke's Promotions Ltd and St Luke's Trading Ltd are subsidiary companies of St Luke's (Cheshire) Hospice Ltd and are all registered under

St Luke's (Cheshire) Hospice
Report of The Trustees

the Data Protection Act 1988.

St Luke's Hospice Promotions Ltd is also a member of the Hospice Lotteries Association - Both organisations are committed to using lotteries to fundraise responsibly and work together to encourage responsible gambling and access support if needed. The 'Responsibility in Gambling Trust', 'GamCare' and 'Gamble Aware' provides such support if required. We offer a Self-Exclusion option and a robust process for complaints and feedback. Regular monitoring of new members is completed by telephone following new sign ups to our lottery. The Gambling Act 2005 confirms that St Luke's Hospice Promotions Limited now has a statutory duty to verify that members are 16 years of age or over, the minimum age allowed for anyone to play in the lottery. It is an offence for anyone under the age of 16 years to participate in a lottery.

Review of Achievements and Performance in 2020/21

- We maintained our hospice in patient unit throughout the pandemic despite staffing and operational difficulties,
- In order to protect our vulnerable day hospice patients we changed our practice supporting patients in their homes in different ways.
- Approximately three quarters of IPU admissions to St Luke's were admitted from home confirming our role in preventing unnecessary hospital admissions by providing more specialist care in a more appropriate setting. The remaining quarter of admissions were transferred to us from hospital helping the Hospital to create greater bed capacity allowing them to look after the growing number of Covid patients
- Of the 173 admissions to our IPU, 90% of those patients had a cancer diagnosis. 10% a non-cancer diagnosis.
- 40% of the patients admitted to our inpatient unit were discharged back home dispelling the myth that the Hospice is only a place where people go to die.
- Our average length of stay was 12 days underlining our strong desire to support patients who want to go back home to die in their place of choosing.
- Having to reduce the number of beds for infection control reasons, we achieved an occupancy rate of 55.75%.
- We continued to meet minimum staffing levels 99% of the time and to successfully recruit nursing staff and doctors when other local providers had vacancies that remain unfilled. We also provide placements for trainee GPs, trainee Doctors, nurses, counsellors and healthcare assistants.
- We continue to ask for feedback following each episode of care and overwhelmingly the majority of our patients rated our care as excellent or good. Feedback from patients, relatives, carers and service users emphasised the holistic care, kindness and compassion shown to them
- The Family Support, Chaplaincy and Counselling Team were not able to meet their clients face to face and had to change their practice. They embraced a new way of communicating and supported a large number of people via digital means.
- The FSC and SCC teams had 287 referrals for their support. They support patients, families (including children) and carers at difficult times and delivered 3,290 different interventions.
- Our day hospice staff worked flexibly to make sure that our IPU remained open.
- We continue to embed our Electronic Patient Record (EPR) system, EMIS Web. This system has allowed us to work towards local and national targets for improving palliative and end of care life using an Electronic Palliative and Care Co-ordination System (EPaCCS). It allows the documentation and sharing of advance care planning decisions across organisations to prevent crisis and improve care. The majority of patients attending our services now have an advance care plan documenting their wishes.

St Luke's (Cheshire) Hospice
Report of The Trustees

- In order to avoid the risk of spreading the virus we stopped face to face befriending and switched to contacting people by phone
- Our work to support people who are homeless at the end of life continued. In addition to direct support, we also helped to support the professionals who cared for homeless people in places like Hostels.
- Our work in collaboration with Mid Cheshire Hospital Trust (MCHFT) Macclesfield District General Hospital (MDGH), Central Cheshire Integrated Care Partnership (CCICP) enabled us to offer a reduced joint Lymphoedema service initially by telephone and then opening up when restrictions lifted.
- Care staff continue to improve palliative and end of life care by actively participating at strategic groups such as the Strategic Collaborative Cheshire, Electronic Palliative Care Co-ordination System strategy group, Hospice Learning & Development groups, Palliative Care in Partnership steering group and Cancer Network meetings as well as Regional Hospice UK support groups.
- Our work in collaboration with the Christie continued during the Pandemic where they use the Day Hospice space on a Friday and deliver chemotherapy for up to 15 patients a day. In addition, we provide a space on Wednesday mornings between 8.30am and 2pm where patients can call in and have bloods taken in preparation for their visit on a Friday. This has proved popular with local people who no longer need to spend a long day in Manchester, with another visit for bloods tests, instead they can come here under more relaxed surroundings and nearer to home.
- We had an increased number of 299 telephone calls via our Specialist palliative Care Telephone Advice Line mainly to support healthcare professionals. During lockdown the helpline was used more to support patients who struggled to access timely services. These calls give non-hospice staff the confidence to support patients in numerous other care settings helping to keep patients from being admitted inappropriately to Hospital.
- The HR and Finance teams coped extremely well with new, complex innovative government financial support schemes. The teams also adapted seamlessly to home working and the year end audit was successfully performed remotely.
- Our Events, Community and Corporate Income Generation Teams all had to put on hold all their well thought out fundraising plans. After a number of zoom events, we took the opportunity to furlough IG staff until the situation improved.
- Our Communication Team worked throughout the pandemic to make sure that we maintained contact with our supporters. We reminded them how well they supported us in the past and that it was now our turn to support them.
- For the majority of the year, we had to close all our shops furloughing all our Trading Company staff. It was a welcome relief to have received Government Retail grants, which have been a good help. It has been really pleasing that on those occasions when we were able to open the shops back up, our customers returned with good support through sales and donations.
- Our lottery proved to be a very resilient way of raising money to fund the care that we provide. As most of the playing members pay by direct debit, the lottery was less affected by the Covid restrictions other than being unable to canvas and collect our cash collection rounds. We are grateful to have committed lottery staff who supported the lottery process throughout the pandemic.

Our Plans for 2021/22 and beyond

The provision of safe, effective and high quality care services is at the centre of our Strategic and Operational Plans. In formulating our 3 year strategy we identified 4 main strategic aims and these strategic aims remain apposite to deal with the issues highlighted and experienced by the Coronavirus pandemic.

- **Care for more people** – The 'baby boomer' population, advances in medicine enabling people to live longer and supporting people with diseases other than cancer, mean that there are more patients dying and with greater complexities. We will deliver more quality care services validated through continuous review and improvement programmes.
- **Reach out** – there are more people being cared for in their own homes and in community settings such as care homes. Our ambition is to develop and extend our hospice care for patients outside the hospice walls.
- **Be sustainable** – this has even greater prominence following the Covid 19 pandemic and the closing down of most of our fundraising opportunities such as mass participation events, shops and community campaigns. It is important to provide quality services that we can afford to provide.
- **Make our buildings better** – The recent pandemic has highlighted areas of our buildings that we need to modernise / improve to make our buildings better able to support our future patients.

Our aim is to continue working towards our vision, keeping compassionate care at the centre of all we do. We will continue to work in collaboration with others to influence the provision of end of life care, education and training so that we can improve outcomes for palliative and end of life care patients within our communities.

St Luke's (Cheshire) Hospice
Report of The Trustees

Statement of Trustee Responsibilities

The Trustees (who are also the directors of St Luke's (Cheshire) Hospice (a company limited by guarantee) for the purposes of Company Law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity SORP
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on a '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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to Auditors

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.

The Trustees, who are also Directors of the Charity for the purposes of the Company Act 2006, present their report with the consolidated financial statements of the Charity for the period ended 31st March 2021. The Trustees adopted the provision of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in March 2015.

As such, this forms the Annual Report of the Trustees for the purposes of S162 of the Charities Act 2011 and S445 (3), S414A-414D (Report of the Trustees) of the Companies Act 2006.

Report of the Trustees, approved by order of the Board of Trustees, as the Company Directors, on 28 July 2021 and signed on the board's behalf by:



**Mike Ridley,
Chairman**

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Consolidated Statement of Financial Activities
(Incorporating a Consolidated Income and Expenditure Account)
For the year ended 31 March 2021

	Note	Unrestricted Funds £	2021 Restricted Funds £	Total £	2020 Total £
Income and endowments from:					
Donations and legacies	2	1,722,267	23,020	1,745,287	2,145,195
Charitable activities	3	726,135	981,174	1,707,309	745,282
Other trading activities	4	1,504,071	-	1,504,071	2,220,211
Investments	5	84,134	-	84,134	91,940
Other	6	445,288	183,884	629,172	-
Total income and endowments		4,481,896	1,188,078	5,669,974	5,202,628
Expenditure on:					
Raising funds	7	(1,122,095)	-	(1,122,095)	(1,535,384)
Charitable activities	9	(2,330,119)	(989,265)	(3,319,384)	(3,161,802)
Other	10	(159,437)	(183,884)	(343,321)	-
Total expenditure		(3,611,651)	(1,173,149)	(4,784,800)	(4,697,186)
Net (losses)/ gains on investments		648,126	-	648,126	(393,839)
Net income / (expenditure)		1,518,371	14,929	1,533,300	111,603
Transfers between funds		17,448	(17,448)	-	-
Total funds brought forward	21	6,089,858	35,144	6,125,002	6,013,399
Total funds carried forward	21	7,625,677	32,625	7,658,302	6,125,002

All incoming resources and resources expended derive from continuing activities.

All gains and losses recognised in the year are included above.

The Funds comprise Unrestricted and Restricted Funds.

St Luke's (Cheshire) Hospice (Registered number – 01846186)

Balance Sheet

As at 31 March 2021

	Note	Company 2021	Company 2020	Group 2021	Group 2020
		£	£	£	£
Fixed assets					
Tangible assets	15	2,163,789	2,561,434	2,211,589	2,624,933
Investments	16	4,001,376	2,829,627	4,001,376	2,829,627
Investments in subsidiaries	25	4	4	-	-
		<u>6,165,169</u>	<u>5,391,065</u>	<u>6,212,965</u>	<u>5,454,560</u>
Current assets					
Stock	17	-	-	7,352	7,694
Debtors	18	1,267,750	670,120	1,256,885	515,457
Cash at bank and in hand		1,200,885	567,883	1,416,380	773,000
		<u>2,468,635</u>	<u>1,238,003</u>	<u>2,680,617</u>	<u>1,296,151</u>
Creditors: amounts falling due within one year	19	(967,124)	(531,979)	(1,161,715)	(577,583)
Provisions for liabilities	20	(73,564)	(48,126)	(73,564)	(48,126)
Net current assets		<u>1,427,947</u>	<u>657,898</u>	<u>1,445,338</u>	<u>670,442</u>
Total net assets		<u><u>7,593,116</u></u>	<u><u>6,048,963</u></u>	<u><u>7,658,303</u></u>	<u><u>6,125,002</u></u>
Charity Funds					
Restricted Funds	21	32,626	35,144	32,626	35,144
Unrestricted Funds					
General Funds	21	5,735,490	5,213,819	5,800,677	5,289,858
Designated Funds	21	1,825,000	800,000	1,825,000	800,000
Total Unrestricted Funds		<u>7,560,490</u>	<u>6,013,819</u>	<u>7,625,677</u>	<u>6,089,858</u>
Total Charity Funds		<u><u>7,593,116</u></u>	<u><u>6,048,963</u></u>	<u><u>7,658,303</u></u>	<u><u>6,125,002</u></u>

The financial statements were approved by the Board of Trustees on 28 July 2021 and signed and authorised for issue on its behalf by:



Mr M Ridley - Chairman

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Consolidated Cash Flow Statement
For the year ended 31 March 2021

	Note	2021	2020
		£	£
Cash flow from operating activities	24	1,124,889	743,467
Net cash flow from operating activities		<u>1,124,889</u>	<u>743,467</u>
Cash flow from investing activities			
Income from investments	5	84,134	91,940
Payments to acquire tangible fixed assets	15	(42,021)	(196,012)
Receipts from sale of tangible fixed assets		-	-
Payments to acquire investments	16	(3,420,199)	(996,274)
Receipts from sales of investments	16	2,896,576	409,233
Net cash flow from investing activities		<u>(481,510)</u>	<u>(691,113)</u>
Net increase/ (decrease) in cash and cash equivalents		643,379	52,354
Cash and cash equivalents at 31/3/2020		773,000	720,646
Cash and cash equivalents at 31/3/2021		<u>1,416,379</u>	<u>773,000</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,416,379	773,000
Cash and cash equivalents at 31/3/2021		<u>1,416,379</u>	<u>773,000</u>

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

1. Summary of significant accounting policies

(a) General information and basis of preparation

St Luke's (Cheshire) Hospice is a charitable company registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is to care and support people with life limiting and terminal illness and the people close to them.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

(c) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Legacies are included in the accounts in accordance with SORP and FRS102. Legacies are recognised in the accounts if probate has been granted and executors have identified that a payment can be made imminently. On occasion legacies will be notified to the charity but it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered, and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Premises overheads have been allocated on a floor area basis. The overheads costs of the central function have been apportioned on an estimated basis of usage by each function. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes lottery prizes, the salaries of the staff who promote fund-raising, direct expenditure including costs of events and an allocation of internal overheads.
- Expenditure on charitable activities includes expenditure associated with the objects, as described in the report of the Trustees.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Hospice. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land and buildings and long leasehold property	2%, 10% and 20% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost
Computer equipment	25% on cost
Items are capitalised when the cost exceeds £1,000	

The depreciation policy has been updated following a further detailed review of the fixed assets register in 2020/21. Following the review a number of changes were made to the land and buildings depreciation policy to more accurately reflect the life of the assets. The impact of the new categories and changes in rates was that this year's land and buildings depreciation charge increased significantly resulting in a charge of £381,925 (2020: £74,051). The motor vehicles depreciation rate and method was changed from 20% reducing balance to 25% straight line to more accurately reflect the life of the assets.

St Luke's (Cheshire) Hospice (Registered number – 01846186)

Notes to the Financial Statements

For the year ended 31 March 2021

(g) Pension contributions

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the SoFA in the period to which they relate.

Retirement benefits are accruing for various employees of the company through the NHS Pension Scheme. This is a defined benefit scheme, which is externally funded and contracted out of the State Earnings Related Pension Scheme. The regular pension cost is charged to the income and expenditure account and is based on the expected pension costs over the service life of the employees.

(h) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(i) Shares in subsidiary undertakings

These are stated at cost. The results of the trading subsidiaries are detailed in note 7 to the accounts.

(j) Stocks

Items donated for resale in the shops are not included within the financial statements until they are sold.

(k) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(l) Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(m) Judgements and key sources of estimation uncertainty

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.

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

(n) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(o) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(p) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to continue as a going concern.

2. Income from donations and legacies
Company and Group

	Total 2021	Total 2020
	£	£
Donations	1,142,073	1,511,055
Legacies	603,214	634,140
	<hr/>	<hr/>
Total	<u>1,745,287</u>	<u>2,145,195</u>

Income from donations and legacies was £1,745,287 (2020: £2,145,195) of which £23,020 (2020: £32,934) was attributable to restricted and £1,722,267(2020: £2,112,261) was attributable to unrestricted funds.

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

3. Income from charitable activities

Company and Group	Total 2021 £	Total 2020 £
Medical Consultancy fees	58,676	25,264
Grants	1,627,567	707,421
Other	21,066	12,597
Total	1,707,309	745,282

Income from charitable activities was £1,707,309 (2020: £745,282) of which £981,174 (2020: £125,367) was attributable to restricted and £726,135 (2020: £619,915) was attributable to unrestricted funds.

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. The grant income in 2021 includes £782,455 of NHSE awarded funding.

4. Income from other trading activities

a) Company	Total 2021 £	Total 2020 £
Fundraising Events	294,486	485,154
Other	135	9,753
Total	294,621	494,907

Income from other trading activities was £294,621 (2020: £494,907) of which £294,621 (2020: £494,907) was attributable to unrestricted funds.

b) Group	Total 2021 £	Total 2020 £
Fundraising Events	294,486	485,154
Shops and Lotteries	1,209,450	1,725,304
Other	135	9,753
Total	1,504,071	2,220,211

Income from other trading activities was £1,504,071 (2020: £2,220,211) of which £1,504,071 (2020: £2,220,211) was attributable to unrestricted funds.

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

5. Income from investments

a) Company

	Note	Unrestricted Funds £	Total 2021 £
Listed UK Investments			
Dividend Income		61,052	61,052
Rents received		56,698	56,698
Short Term Deposit Interest		3,890	3,890
		<u>121,640</u>	<u>121,640</u>
Gift Aid			
St Luke's Hospice Promotions Limited	8	636,305	636,305
St Luke's Hospice Trading Limited	8	36,241	36,241
		<u>794,185</u>	<u>794,185</u>

b) Group

	Note	Unrestricted Funds £	Total 2021 £
Listed UK Investments			
Dividend Income		61,052	61,052
Rents received		19,192	19,192
Short Term Deposit Interest		3,890	3,890
		<u>84,134</u>	<u>84,134</u>

a) Company

	Note	Unrestricted Funds £	Total 2020 £
Listed UK Investments			
Dividend Income		59,880	59,880
Rents received		68,118	68,118
Short Term Deposit Interest		1,448	1,448
		<u>129,446</u>	<u>129,446</u>
Gift Aid			
St Luke's Hospice Promotions Limited	8	614,373	614,373
St Luke's Hospice Trading Limited	8	-	-
		<u>743,819</u>	<u>743,819</u>

b) Group

	Note	Unrestricted Funds £	Total 2020 £
Listed UK Investments			
Dividend Income		59,880	59,880
Rents received		30,612	30,612
Short Term Deposit Interest		1,448	1,448
		<u>91,940</u>	<u>91,940</u>

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

6. Other income

a) Company

	Total 2021 £	Total 2020 £
Job Retention Scheme	183,884	-

Other income was £183,884 (2020: £nil) of which £183,884 was attributable to restricted and £nil (2020:£nil) was attributable to unrestricted funds.

b) Group

	Total 2021 £	Total 2020 £
Job Retention Scheme	343,321	-
Covid Business Rates Support	255,518	-
Other grants	30,333	-
	<u>629,172</u>	<u>-</u>

Other income was £629,172 (2020:£nil) of which £183,884 was attributable to restricted and £445,288 (2020: £nil) was attributable to unrestricted funds.

7. Expenditure on raising funds

a) Company

	Total 2021 £	Total 2020 £
Fundraising Costs	325,993	486,932

b) Group

	Total 2021 £	Total 2020 £
Shops and Lotteries	796,102	1,048,452
Fundraising Costs	325,993	486,932
Total	<u>1,122,095</u>	<u>1,535,384</u>

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

8. Results from trading activities of subsidiaries

	St Luke's Trading Limited	St Luke's Promotions Limited	Total 2021	Total 2020
	£	£	£	£
Shops and lottery income	276,604	929,240	1,205,844	1,705,739
Interest/ Other operating income/ Gift Aid	438,776	10,118	448,894	19,559
Total Income	715,380	939,358	1,654,738	1,725,298
Total Costs before rental costs paid to Hospice	(654,089)	(301,449)	(955,538)	(1,048,451)
Net Income for the Year	61,291	637,909	699,200	676,847
Rental costs paid to Hospice	(36,806)	(700)	(37,506)	(37,506)
Net Income for the Year Before Gift Aid	24,485	637,209	661,694	639,341
Gift Aid paid to St Luke's (Cheshire) Hospice	(36,241)	(636,306)	(672,547)	(614,373)
Net Profit/(loss) for the year after Gift Aid	(11,756)	903	(10,853)	24,968
Funds brought forward at 31 March 2020	36,336	39,705	76,041	51,072
Funds carried forward at 31 March 2021	24,580	40,608	65,188	76,040
Total Assets	172,015	168,831	340,846	342,903
Total Liabilities	(147,435)	(128,223)	(275,658)	(266,863)

During 2020/21 St Luke's Hospice Trading Limited transacted sales of donated goods in its shops of £68,498 (2020: £371,621) under the Gift Aid Retail Scheme. This enabled the Hospice to claim £16,944 (2020: £91,927) in Gift Aid credits. Therefore, the Hospice benefitted from the sale of donated goods at the shops by £85,442 (2020: £463,548).

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

9. Expenditure on charitable activities

Company and Group

	Unrestricted	Restricted	Total
	£	£	2021
			£
Staff costs	1,427,808	870,009	2,297,817
Building costs	731,019	23,063	754,082
Administration expenses	71,366	10,606	81,972
Patient care & medical services	47,500	85,587	133,087
Professional fees	20,426	-	20,426
Auditor's remuneration	7,000	-	7,000
EOLP	25,000	-	25,000
	2,330,119	989,265	3,319,384

	Unrestricted	Restricted	Total
	£	£	2020
			£
Staff costs	2,406,550	33,264	2,439,814
Building costs	388,051	-	388,051
Administration expenses	95,788	4,505	100,293
Patient care & medical services	20,188	115,372	135,560
Professional fees	40,499	-	40,499
Auditor's remuneration	7,000	-	7,000
EOLP	50,585	-	50,585
	3,008,661	153,141	3,161,802

10. Other expenditure

a) Company

	Total	Total
	2021	2020
Staff costs	183,884	-

£183,884 (2020: £nil) of the above costs were attributable to restricted funds and £nil (£nil) were attributable to unrestricted funds.

b) Group

	Total	Total
	2021	2020
Staff costs	343,321	-

£183,884 (2020:£nil) of the above costs were attributable to restricted funds and £159,437 (2020:£nil) were attributable to unrestricted funds.

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

11. Support cost breakdown by activity

		2021			2020		
	Basis	Fundraising	Charitable	Total	Fundraising	Charitable	Total
	£	£	£	£	£	£	£
Staff costs	Actual	59,806	483,038	542,844	61,661	498,017	559,678
Building costs	Space	26,811	120,056	146,867	12,597	55,165	67,762
Admin expenses	Actual	16,151	29,557	45,708	22,137	38,534	60,671
Patient care costs	Actual	666	3,001	3,667	640	2,883	3,523
Professional fees	Actual	10,632	10,633	21,265	19,230	19,231	38,461
		<u>114,066</u>	<u>646,285</u>	<u>760,351</u>	<u>116,265</u>	<u>613,830</u>	<u>730,095</u>

Governance costs

	Note	Total 2021 £	Total 2020 £
Auditor's remuneration	12	12,500	12,500
Senior management		19,768	20,372
Other governance charges		2,035	2,080
Total governance costs		<u>34,303</u>	<u>34,952</u>

Governance costs are included within professional fees and staff costs above.

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

12. Net income / (expenditure) for the year

Net income / (expenditure) is stated after charging / (crediting):

	Total 2021 £	Total 2020 £
Depreciation of tangible fixed assets	455,365	141,580
Auditor's remuneration	12,500	12,500
(Profit)/loss on sale of tangible fixed assets	-	-
Losses/(Gains) on investments	(648,126)	393,839

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	7,000	7,000

Fees payable to the charity's auditor for other services:

Audit of the charity's subsidiaries	5,500	5,500
	12,500	12,500

13. Staff costs and employee benefits

	Company		Group	
	Total	Total	Total	Total
	2021 £	2020 £	2021 £	2020 £
Wages and salaries	2,221,511	2,289,808	2,708,200	2,796,340
Social security costs	170,317	172,100	198,089	205,173
Pension costs	177,247	169,839	199,272	200,204
	2,569,075	2,631,747	3,105,561	3,201,717

The average number of employees analysed by function was:

	Company		Group	
	Total	Total	Total	Total
	2021 No.	2020 No.	2021 No.	2020 No.
Administrative	12	12	12	12
Charitable activities	92	97	92	97
Fundraising	15	15	15	15
St Luke's Hospice Trading	-	-	26	28
St Luke's Hospice Promotions	-	-	6	7
	119	124	151	159

St Luke's (Cheshire) Hospice (Registered number – 01846186)
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For the year ended 31 March 2021

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2021	2020
£60,001 - £70,000	-	-
£70,001- £80,000	1	1
£80,001- £90,000	-	-
£90,001-£100,000	1	-
£100,001- £110,000	-	1
	<u>2</u>	<u>2</u>

14. Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration or expenses during the year (2020: £nil). The total amount of employee benefits, including salaries, received by key management personnel was £395,410 (2020: £407,491). The Trustees consider key management personnel to be comprised of the Trustees, Chief Executive Officer, Medical Director, Director of Income Generation, Finance Director and the Director of Care.

	Total 2021 £	Total 2020 £
Trustees' Indemnity Insurance	<u>1,131</u>	<u>942</u>

St Luke's (Cheshire) Hospice(Registered number – 01846186)

Notes to the Financial Statements

For the year ended 31 March 2021

15. Tangible fixed assets

a) Company	Freehold & leasehold property £	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1/4/2020	3,533,455	275,357	94,840	21,370	3,925,022
Additions	-	33,547	8,474	-	42,021
Disposals	-	-	-	-	-
At 31/3/2021	<u>3,533,455</u>	<u>308,904</u>	<u>103,314</u>	<u>21,370</u>	<u>3,967,043</u>
Depreciation					
At 1/4/2020	1,091,129	199,823	56,656	15,980	1,363,588
Charge for year	378,900	37,441	18,029	5,296	439,666
Eliminated on disposal	-	-	-	-	-
At 31/3/2021	<u>1,470,029</u>	<u>237,264</u>	<u>74,685</u>	<u>21,276</u>	<u>1,803,254</u>
Net Book Value at 31/3/2021	<u>2,063,426</u>	<u>71,640</u>	<u>28,629</u>	<u>94</u>	<u>2,163,789</u>
Net Book Value at 31/3/2020	<u>2,372,797</u>	<u>95,896</u>	<u>45,878</u>	<u>6,737</u>	<u>2,561,434</u>
b) Group	Freehold & leasehold property £	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1/4/2020	3,622,073	383,226	124,147	47,141	4,176,587
Additions	-	33,547	8,474	-	42,021
Disposals	-	-	-	-	-
At 31/3/2021	<u>3,622,073</u>	<u>416,773</u>	<u>132,621</u>	<u>47,141</u>	<u>4,218,608</u>
Depreciation					
At 1/4/2020	1,169,945	278,608	75,604	27,497	1,551,654
Charge for year	381,925	46,808	18,485	8,147	455,365
Eliminated on disposal	-	-	-	-	-
At 31/3/2021	<u>1,551,870</u>	<u>325,416</u>	<u>94,089</u>	<u>35,644</u>	<u>2,007,019</u>
Net Book Value at 31/3/2021	<u>2,070,203</u>	<u>91,357</u>	<u>38,532</u>	<u>11,497</u>	<u>2,211,589</u>
Net Book Value at 31/3/2020	<u>2,385,031</u>	<u>104,216</u>	<u>56,699</u>	<u>24,555</u>	<u>2,624,933</u>

St Luke's (Cheshire) Hospice (Registered number – 01846186)

Notes to the Financial Statements

For the year ended 31 March 2021

16. Fixed Asset Investments

	Unrestricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
Company and Group UK quoted investments				
At 1/4/2020	2,829,627	-	2,829,627	2,636,425
Less disposals at opening market value	(2,484,602)	-	(2,484,602)	(382,718)
Add acquisitions at cost	3,420,199	-	3,420,199	996,274
Net (losses)/gain on revaluation	236,152	-	236,152	(420,354)
At 31/3/2021	4,001,376	-	4,001,376	2,829,627
Historic cost carried forward	3,773,648	-	3,773,648	2,920,940

The investment management of the Hospice's funds moved from Castlefield Investment Partners LLP to Rathbones Investment Managers Ltd during the year, explaining the relatively significant investment acquisitions and disposals this year.

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

17. Stock

	Group	
	Total 2021 £	Total 2020 £
Goods for resale	7,352	7,694
Total	7,352	7,694

Stocks included in the group balance sheet comprise goods held for resale.

18. Debtors

	Company		Group	
	2021	2020	2021	2020
	£	£	£	£
Amounts owed by group undertakings	78,832	221,249	-	-
Other Debtors	38,301	10,092	38,301	10,092
VAT	22,253	21,082	29,552	26,126
Prepayments and Accrued Income	456,457	307,168	515,028	368,426
Trade Debtors	671,907	110,529	674,004	110,813
	1,267,750	670,120	1,256,885	515,457

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

19. Creditors: amounts falling due within one year

	Company		Group	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	61,857	71,458	93,466	98,563
Other creditors	30,770	33,234	31,317	33,944
Social security and other taxes	48,277	49,385	48,277	49,385
Accruals and deferred Income	826,220	236,167	988,655	395,691
Amounts owed to group undertakings	-	141,735	-	-
	<u>967,124</u>	<u>531,979</u>	<u>1,161,715</u>	<u>577,583</u>

20. Provisions for liabilities

	Middlewich Shop £
At 1/4/2020	48,126
Added during the year	33,000
Utilised during the year	(7,562)
At 31/3/2021	<u>73,564</u>

The Middlewich Shop has remained closed since 23rd March 2020 and cannot reopen until essential structural repair work has been completed. This work has inevitably been delayed due to the pandemic. The provision has been increased further to reflect the more realistic cost of the repair work required to bring the building into an acceptable state of repair.

21. Fund reconciliation

a) Company

	Balance at 01/04/2020	Income	Expenditure	Transfers	Gains / Losses	Balance at 31/03/2021
	£	£	£	£	£	£
Unrestricted funds	5,213,819	3,537,210	(2,656,113)	(1,007,552)	648,126	5,735,490
Designated funds	800,000	-	-	1,025,000	-	1,825,000
	<u>6,013,819</u>	<u>3,537,210</u>	<u>(2,656,113)</u>	<u>17,448</u>	<u>648,126</u>	<u>7,560,490</u>

	Balance at 01/04/2020	Income	Expenditure	Transfers	Gains / Losses	Balance at 31/03/2021
	£	£	£	£	£	£

Restricted funds

Medical Supplies	17,448	85,586	(85,586)	(17,448)	-	-
Hospice UK- NHS England Covid funding	-	782,455	(782,455)	-	-	-
Job Retention Scheme	-	183,884	(183,884)	-	-	-
Covid Bereavement funding	-	50,000	(36,486)	-	-	13,514
Other restricted funds	17,696	86,153	(84,737)	-	-	19,112
	<u>35,144</u>	<u>1,188,078</u>	<u>(1,173,148)</u>	<u>(17,448)</u>	<u>-</u>	<u>32,626</u>

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

21. Fund reconciliation (continued)

b) Group	Balance at 01/04/2020	Income	Expenditure	Transfers	Gains / Losses	Balance at 31/03/2021
	£	£	£	£	£	£
Unrestricted funds	5,289,858	4,481,896	(3,611,651)	(1,007,552)	648,126	5,800,677
Designated funds	800,000	-		1,025,000	-	1,825,000
	6,089,858	4,481,896	(3,611,651)	17,448	648,126	7,625,677
	Balance at 01/04/2020	Income	Expenditure	Transfers	Gains / Losses	Balance at 31/03/2021
	£	£	£	£	£	£
Restricted funds						
Medical Supplies	17,448	85,586	(85,586)	(17,448)	-	-
Hospice UK-NHS England Covid funding	-	782,455	(782,455)	-	-	-
Job Retention Scheme	-	183,884	(183,884)	-	-	-
Covid Bereavement funding	-	50,000	(36,486)	-	-	13,514
Other restricted funds	17,696	86,153	(84,737)		-	19,112
	35,144	1,188,078	(1,173,148)	(17,448)	-	32,626

Medical supplies

The Department of Health centrally fund all Hospice Pharmacy and Medical supplies.

Hospice UK-NHS England Covid funding

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.

Job Retention Scheme

Is a temporary government initiative that allows employers to access financial support to pay of their employees' wages. The government introduced the initiative to enable employers to retain employees during the Covid-19 Pandemic.

Covid Bereavement funding

Cheshire Clinical Commissioning Group used British Government Covid Response monies to provide specific, time bound funding for St Luke's Hospice to provide specific bereavement support as a consequence of the effects of the Covid-19 Pandemic.

St Luke's (Cheshire) Hospice (Registered number – 01846186)

Notes to the Financial Statements

For the year ended 31 March 2021

Designated funds:

As at 31 March 2021 the trustees have designated the following amounts from free reserves:

	Balance at 01/04/2020	Utilised/ released	New designations	Balance at 31/03/2021
	£	£	£	£
Hospice Development Fund	500,000	-	500,000	1,000,000
Service Sustainability/Development Fund	300,000	-	525,000	825,000
	<u>800,000</u>	<u>-</u>	<u>1,025,000</u>	<u>1,825,000</u>

Hospice Development Fund

The trustees recognise the need to modernise the hospice and have designated funds for a plan of work to improve what we offer and to meet current healthcare standards.

Service Sustainability/Development Fund

The trustees acknowledge the growing demand for end of life services and have designated funds to look at not only, new ways of working but also to provide sustainable funding for existing services.

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

22. Analysis of net assets between funds

a) Company

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	2,163,789	-	2,163,789
Investments	4,001,376	-	4,001,376
Investments in subsidiaries	4	-	4
Current assets	2,436,009	32,626	2,468,635
Current liabilities	(967,124)	-	(967,124)
Provisions for liabilities	(73,564)	-	(73,564)
Total	7,560,490	32,626	7,593,116

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	2,561,434	-	2,561,434
Investments	2,829,627	-	2,829,627
Investments in subsidiaries	4	-	4
Current assets	1,202,859	35,144	1,238,003
Current liabilities	(531,979)	-	(531,979)
Provisions for liabilities	(48,126)	-	(48,126)
Total	6,013,819	35,144	6,048,963

b) Group

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	2,211,589	-	2,211,589
Investments	4,001,376	-	4,001,376
Current assets	2,647,991	32,626	2,680,617
Current liabilities	(1,161,715)	-	(1,161,715)
Provisions for liabilities	(73,564)	-	(73,564)
Total	7,625,677	32,626	7,658,303

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	2,624,933	-	2,624,933
Investments	2,829,627	-	2,829,627
Net current assets	1,261,007	35,144	1,296,151
Provisions for liabilities	(577,583)	-	(577,583)
Current liabilities	(48,126)	-	(48,126)
Total	6,089,858	35,144	6,125,002

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

23. Share Capital

The company is limited by guarantee and has no share capital. The liability of members is limited to the sum of £1 per member.

24. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	Group 2021	Group 2020
	£	£
Net income/ (expenditure) for year	1,533,300	111,603
Dividends received	(61,052)	(59,880)
Short term deposit Interest	(3,890)	(1,448)
Rents received from investment properties	(19,192)	(30,612)
Depreciation and impairment of tangible fixed assets	455,365	141,580
Losses/(Gains) on investments	(648,126)	393,839
Loss on disposal of tangible fixed assets	-	-
Decrease in stock	342	5,580
(Increase)/Decrease in debtors	(741,428)	34,474
Increase / (decrease) in creditors	584,132	150,205
(Decrease)/increase in provisions	25,438	(1,874)
Net cash flow from operating activities	1,124,889	743,467

25. Shares in subsidiary companies

The shares in subsidiary companies are stated at cost of £4 (2020 - £4) and comprise the following companies:

	Class of Share	2021	2020
St Luke's Hospice Trading Limited			
Company number: 03024652			
Number of shares held		2	2
% Shareholding	Ordinary	100%	100%
Net assets/ (liabilities)		£24,580	£36,336
Operation of charity shops			
St Luke's Hospice Promotions Limited			
Company number: 02862345			
Number of shares held		2	2
% Shareholding	Ordinary	100%	100%
Net assets		£40,608	£39,705
Operation of a charity lottery scheme			

St Luke's (Cheshire) Hospice (Registered number – 01846186)

Notes to the Financial Statements

For the year ended 31 March 2021

26. Operating lease commitments

Total future minimum lease payments are as follows:

	Land and buildings 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Within one year	99,549	18,722	118,271	120,334
Within two to five years	156,042	24,294	180,336	289,195
Over 5 years	-	-	-	-
	<u>255,591</u>	<u>43,016</u>	<u>298,607</u>	<u>409,529</u>

27. Pension costs

The Hospice belongs to two pension schemes; the NHS pension scheme and a defined contribution scheme.

The NHS scheme is a defined benefit scheme, the assets of which are held in a separate trustee-administered fund. Under the definitions set out under FRS102, the NHS scheme is a multi-employer pension scheme. The Hospice is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Employer contributions charged against income for the period were £102,712 (2020: £101,333).

The Hospice and its subsidiaries also made contributions to a defined contribution scheme during the period totalling £96,559 (2020: £91,858).

St Luke's (Cheshire) Hospice (Registered number – 01846186)
Notes to the Financial Statements
For the year ended 31 March 2021

28. Financial Instruments

	Company 2021 £	Company 2020 £	Group 2021 £	Group 2020 £
Financial assets at fair value through statement of financial activities				
Investments	4,001,376	2,829,627	4,001,376	2,829,627
Investments in subsidiaries	4	4	-	-
	<u>4,001,380</u>	<u>2,829,631</u>	<u>4,001,376</u>	<u>2,829,627</u>
Financial assets that are debt instruments measured at amortised cost				
Amounts owed by group undertakings	78,832	221,249	-	-
Other debtors	38,301	284,459	38,301	284,459
VAT	22,253	21,082	29,552	26,126
Trade debtors	671,907	110,529	674,004	110,813
Cash at bank and in hand	1,200,885	567,883	1,416,379	773,000
	<u>2,012,178</u>	<u>1,205,202</u>	<u>2,158,236</u>	<u>1,194,398</u>
Financial liabilities that are debt instruments measured at amortised cost				
Trade creditors	61,857	71,458	93,466	98,563
Other creditors	30,770	33,234	31,317	33,944
Social security and other taxes	48,277	49,385	48,277	49,385
Amounts owed to group undertakings	-	141,735	-	-
	<u>140,904</u>	<u>295,812</u>	<u>173,060</u>	<u>181,892</u>

St Luke's (Cheshire) Hospice (Registered number – 01846186)

Notes to the Financial Statements

For the year ended 31 March 2021

29. Related party transactions

St Luke's Hospice Promotions Limited

Related by virtue of being a wholly-owned subsidiary of St Luke's (Cheshire) Hospice.

During the year St Luke's Hospice Promotions Limited gift-aided £636,305 (2020: £614,373) to the Hospice.

During the year the Hospice recharged expenses totalling £109,005 (2020: £112,347) to St Luke's Hospice Promotions Limited.

As at 31 March 2021 an amount of £11,710 (2020: £89) was due to the Hospice from St Luke's Hospice Promotions Limited.

St Luke's Hospice Trading Limited

Related by virtue of being a wholly-owned subsidiary of St Luke's (Cheshire) Hospice.

During the year St Luke's Hospice Trading Limited gift-aided £36,241 (2020:£nil) to the Hospice.

During the year the Hospice recharged expenses totalling £341,141 (2020: £243,582) to St Luke's Hospice Trading Limited.

As at 31 March 2021 an amount of £30,881 (2020: £79,425) was due to the Hospice from St Luke's Hospice Trading Limited.

30. Taxation

No liability to UK corporation tax arose on net expenditure for the year ended 31 March 2021 nor for the year ended 31 March 2020 for the company. A tax liability of £nil(2020: £nil) arose on the subsidiary companies included within the consolidated accounts.

31. Analysis of reserves

	Group	
	2021	2020
	£	£
Total Reserves	7,658,303	6,125,002
Less:		
Unrestricted Tangible Fixed Assets	(2,211,589)	(2,624,933)
Designated funds	(1,825,000)	(800,000)
Restricted funds	(32,626)	(35,144)
Free reserves	<u>3,589,088</u>	<u>2,664,925</u>

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ST LUKES'S (CHESHIRE) HOSPICE
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of St Luke's (Cheshire) Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to

continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

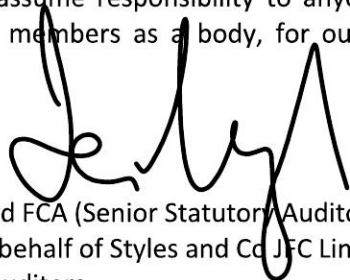
Auditor's responsibilities for the audit of the financial statements

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

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

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.



Mr Ian Lloyd FCA (Senior Statutory Auditor)
for and on behalf of Styles and Co JFC Limited
Statutory Auditors
Heather House
473 Warrington Road
Culcheth
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WA3 5QU

4/8/2021