

# SOUTHERN AREA HOSPICE SERVICES LTD

Northern Ireland · Charity number 101906

## Details

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**Status** Received

**Registered** 2015-04-23

**Register** [View on the Charity Commission for Northern Ireland register](#)

## Contact

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**Address** St. John's House  
Courtenay Hill  
Newry  
County Down  
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BT34 2EB

**Phone** 028 302 67711

**Email** [info@southernareahospiceservices.org](mailto:info@southernareahospiceservices.org)

**Website** [www.southernareahospiceservices.org](http://www.southernareahospiceservices.org)

## Activities

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**Purposes:** To provide comprehensive palliative care to patients with terminal illness in accordance with the Christian Ethos and the Statutory requirements. To provide high quality care to patients with extends into the Community and the Hospital services. To enhance the quality of life of patients by responding to the physical, psychological, emotional, spiritual and social needs and by supporting families and carers thereby enabling each person to live every day as fully as possible.

**What the charity does:** The advancement of education, The advancement of health or the saving of lives, The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage

**How the charity works:** Advice/advocacy/information, Counselling/support, Disability, Education/training, Medical/health/sickness, Volunteer development

**Who the charity helps:** Adult training, Carers, Children (5-13 year olds), General public, Hiv/aids, Mental health, Older people, Physical disabilities, Volunteers

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,825,836	£5,933,742	£-884,909	118

## Trustees

Name	Role	Appointed
Donna Houston		
Gregory Cox		
Katrina O'dowd		
Kelly Mcveigh		
Martin Dillon		
Michele Hutchinson		
Moira Mannion		
Monica Duffy		
Orla Mcpolin		
Patrick Loughran		
Robin Brown		
William Mcallister		

**SOUTHERN AREA HOSPICE SERVICES LTD**

Northern Ireland - Charity number 101906

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# Accounts

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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Annual Report & Financial Statements  
Year Ended 31 March 2025**

**Company No: NI038737  
Charity No: NIC101906  
HMRC Charity Number: XN47329/2**

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
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Year Ended 31 March 2025**

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**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Company Information**

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**Trustees** Patrick Loughran (Chairman)  
Donna Houston (Vice Chair)  
Robin Brown  
Greg Cox  
Martín Dillon  
Monica Duffy  
Michele Hutchinson  
Moirá Mannion  
William McAllister  
Orla McPolin  
Kelly McVeigh  
Katrina O'Dowd  
Roger Wilson

**Co-optees to Committees**

Sheila Chambers – Audit and Risk Committee  
Andrew Stevenson - Capital Development and Infrastructure Committee

**Secretary** Liz Cuddy

**Registered Office** St John's House  
Courtney Hill  
Newry  
Co. Down  
BT34 2EB

**External Auditor** AAB Group Accountants Limited  
Chartered Accountants and Statutory Auditors  
Dromalane Mill  
The Quays  
Newry  
Co. Down  
BT34 8QS

**Principal Bankers** AIB  
42-44 Hill Street  
Newry  
Co. Down

Danske Bank Limited  
58 Hill Street  
Newry  
Co. Down

AIB  
96 Clanbrassil Street  
Dundalk  
Co. Louth

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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**Investment Advisers**

Brewin Dolphin  
11th Floor East Tower  
Lanyon Plaza  
8 Lanyon Place  
Belfast, BT1 3LP

**Solicitors**

Luke Curran & Co  
6 Marcus Square  
Newry  
Co. Down

Lewis Silkin (N.I.) LLP  
8th Floor  
The Linenhall  
32-38 Linenhall Street  
Belfast  
BT2 8BG

**Registered Charity No.  
Registered Company No.**

NIC101906/XN47329/2  
NI038737

**Senior Leadership Team:**

Liz Cuddy  
Ajun Budda  
Damien Hillen  
Bridget Lynch

Chief Executive Officer  
Director of Corporate Services  
Director of Development  
Director of Care

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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The Trustees (who are also Directors of the company) submit their annual report and the audited consolidated financial statements of Southern Area Hospice Services Ltd and its subsidiary for the year ended 31 March 2025. This report constitutes the Strategic Report and the Trustees' Report required under the Companies Act 2006. The Trustees have adopted the provisions of the Companies Act 2006, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ((FRS 102 effective 1 January 2019) – (Charities SORP (FRS 102))), in preparing the annual report and financial statements of the group and charitable company.

#### Reference and administrative information

Southern Area Hospice Services Ltd was established as a voluntary independent hospice since 1989. It was incorporated in June 2000.

Southern Area Hospice Services Ltd is registered with the Charity Commission NI (Charity Number NIC101906), is a company limited by guarantee and is registered with the Companies Registrar (Company number NI038737). It is also recognised as a charity by HM Revenue and Customs, XN 47329/2. The Trustees and Secretary of the charity are listed on page 2. The principal and registered office of the charity is also listed on page 2 together with details of the professional advisers and bankers.

#### Structure, governance and management

Southern Area Hospice Services Ltd, by virtue of common Trustees and power to govern operations, controls the activities of Southern Area Hospice Services Lottery Limited, which has the objective of raising funds for the Southern Area Hospice Services Ltd. Southern Area Hospice Services Lottery Limited operates a weekly lottery to generate funds for the Hospice.

Southern Area Hospice Services Ltd is governed by a Board of Directors (who are also known as Trustees for the purposes of the Charity Law). It is governed by a Memorandum and Articles of Association.

#### Board of Directors – ensuring good governance

The Board of Directors (Trustees) are listed on page 2. The Directors are responsible for approving the strategies and policies and for ensuring that these are implemented. The Board of Directors meets regularly to comply with its statutory responsibilities. In the reporting period, the Board had 6 full Board meetings and several workshops to consider the rebranding of the Hospice and the capital project – further information on pages 13.

The Chairperson is accountable to the Board of Directors and responsible for the efficient running of Southern Area Hospice Services Ltd with the help of the Chief Executive and the Senior Leadership Team. The Directors (Trustees) are not remunerated.

The Board Committee structure is well embedded and operating effectively. It is as set out below.

**The Clinical Governance Committee** provides oversight and scrutiny of service provision (clinical governance, service quality, patient safety, and clinical standards); service performance; service development and clinical leadership. The Committee is chaired by Patrick Loughran and has 4 members including him. It met 4 times in this reporting period. In the last reporting period, the Medical Advisory Committee developed and broadened its scope. It further became a committee, under the responsibility of the Director of Care and Lead Consultant, reporting to the CEO and Clinical Governance Committee. During this reporting period this way of working has bedded in well with the Clinical Governance Committee noting continued substantial improvements in reporting on all matters to them. This Committee meets quarterly and had its 4 required meetings in this reporting period.

**The Resources Committee** provides oversight and scrutiny of Human Resources, Income Generation, Finance, IT, Support Services (facility management services, administration, health, and safety and GDPR) and Investment Management. The Committee continues to have a demanding agenda but has continued to note that the significant direction of travel in improving the robustness of reports is very positive, ensuring the

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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resources available are used and accounted for appropriately. They have also been ensuring that transformation continues to take place in the areas it has responsibility for. The Committee consists of five members of the Board of Directors and is chaired by Donna Houston. In this reporting period, the Committee met 6 times. Throughout this period the Committee agreed to schedule its meetings on a quarterly basis with additional meetings being called as necessary to deal with scheduled or emergent matters.

**The Audit and Risk Committee** provides oversight and scrutiny of strategic risk management; internal audit; external audit; and management responses identified by any audit process. All of this is to ensure the adequacy of assurance for all corporate governance matters relevant to Southern Area Hospice Services. In addition, the Committee can request any other specific work required to adequacy of governance, assurance, and probity. The Committee has 3 members, 2 of whom are Board members, and the 3<sup>rd</sup> is a co-optee. This year whistleblowing and fraud became a standing agenda item to reflect best practice. The Committee is chaired by Monica Duffy and in this reporting period it met 6 times. On 1 of these occasions, it was a joint meeting with the resources Committee to consider the budget for 2025-26.

**The Remuneration and Nominations Committee** met twice in the reporting period and is chaired by Orla McPolin. Its functions from a remuneration perspective are to set CEO and Director salaries, pay-scales for the remainder of the organisation and to ensure compliance with equality legislation. Its Nomination functions are to ensure good board governance is maintained, to recommend appointments to the Board, and to oversee the appointment of the CEO and Directors.

**The Capital Development and Infrastructure Committee** is responsible for ensuring that capital projects deliver the desired outcome, progress to plan and budget and that key risks are identified and managed. The Committee is involved in projects from concept to delivery with a focus on the capital works needed to futureproof the estate requirements for the Hospice. It has 4 members – 3 Board members and 1 co-optee - and is chaired by Roger Wilson. It met twice during this reporting period though additional regular updates were provided to the Board to update them on work that was underway to further develop the business case to consider how best to improve the infrastructure requirements of the Hospice into the future. Further details on this project are on page 13.

It should be noted that co-optees to Committees of the Board are not Trustees and therefore not Directors.

#### **Conflicts of Interest**

As a matter of good governance, actual and perceived conflicts of interest are reviewed on a regular basis. All Board members and senior managers are required to make an annual declaration regarding any conflicts of interest, and a schedule of responses is maintained. In addition, the declaration of conflicts of interest is a standing agenda item for each meeting of the Board and its Committees, with all present being asked to declare if they have any conflicts of interest regarding any agenda items. There were no significant matters managed during the reporting period.

#### **Appointment of new Trustees**

New Trustees are recruited by open recruitment by existing Directors to fulfil specific roles and skills on the Board. The potential Trustee is then interviewed by the Chairperson, Vice Chairperson and Secretary of the Board regarding their willingness to become a Trustee and their potential contribution to the Hospice is considered. Following this, any potential Trustee is presented to the Board for their consideration and approval. There were no new Trustees appointed during this reporting period.

#### **Induction and training of Trustees**

Induction and training for new Trustees is similar to those set out for all employees of the charity. They are given an overview of the aims, objectives, and achievements, introduced to the Chief Executive and Senior Leadership Team, are provided with a copy of the Memorandum and Articles of Association, the Hospice UK manual on Director responsibilities and details of the recent financial performance of the charity. All new Trustees meet with other existing Trustees, and they are encouraged to attend appropriate external training events should they facilitate the undertaking of their role.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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#### Retirement and rotation of Trustees

The term of office of a Trustee shall be for a maximum of three terms of three years each. A retiring Trustee of the board may be re-elected under these terms. The Trustees who retire in accordance with this regulation shall be those who have been longest in office since their last election but where persons who become Trustees on the same day retire (unless they otherwise agree among themselves), they are determined by lot.

#### Management

The Board is responsible for governance at a strategic level and meets regularly with the Chief Executive who is responsible for day-to-day management of the company supported by the Senior Leadership Team. The Chair of the Board meets regularly with the Chief Executive outside of formal meeting structures and processes. The Committees of the Board also meet regularly with the Chief Executive and Senior Leadership Team to review performance and address any emergent issues.

#### Senior Leadership Team

The Senior Leadership Team comprises of the Chief Executive, the Director of Corporate Services, the Director of Care, and the Director of Development. Pay and remuneration is set by appropriate benchmarking and approved by the remuneration committee. Total cost of the Senior Leadership Team salaries and wages is £353,743 in this reporting period.

#### Objectives and Activities

The Hospice supports patients with complex, life-limiting conditions to live well with their condition from the point of diagnosis right through to end-of-life. SAH provides patient-centred, wrap-around support for patients' physical, emotional, spiritual, and social needs. It also supports families and carers with their emotional and social needs.

The Hospice's services fall into 2 main categories: inpatient services and community-based services. The services in both areas are holistic in nature, comprehensively supporting the patient and their family. We have extremely professional and expert multi-disciplinary teams who ensure that our services, both in the inpatient unit and community, are of a high quality, evidenced based and safe. The Hospice has received funding from the Department of Health's Cancer Charities Support Fund to better support patients with a palliative cancer diagnosis. This funding enabled a further development of its community services to ensure a more targeted and multi-disciplinary approach that works in a collaborative way with other service providers in the Southern Trust area. This funding ended in the reporting period. The Hospice acknowledges and thanks the Cancer Charity Support Fund for its funding. However, the Hospice is disappointed that there have been no funding streams put in place by Commissioners to help sustain these services which have demonstrated they are needed and not only are of high quality but give patients and their families considerable care and support to help them to be managed better outside of more costly acute services. Following an internal review of the services developed with the Cancer Charity Funds a decision was made in this reporting period that the Hospice would sustain the services at risk whilst it grew income to mitigate the risk.

Details of the Hospice's services and the activity levels of each of these services are provided in the Strategic Report section.

Southern Area Hospice Services Ltd is a member hospice of Hospice UK and became a full member of the All-Ireland Institute of Hospice and Palliative Care in the reporting period. We continue to develop links with other hospices at both a local and a national level.

#### Public Benefit

This has been another exceptional year due to the continuing cost-of-living challenges on income generation and on our operating costs. Our focus has been on continuing to provide services in a safe and effective way. The report demonstrates that the Hospice has had a successful year in this regard.

Southern Area Hospice Services Ltd continues to meet the definition of a public benefit entity under FRS 102 and in line with its charitable objectives as detailed throughout this report.

## **Southern Area Hospice Services Ltd**

### **Report of the Trustees** Year Ended 31 March 2025

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#### **Volunteers**

The charity is involved in the community and is dependent on voluntary help. Our 250 volunteers make a huge contribution to the work of the Hospice, bringing a diversity of skills and experience. Our volunteers contribute across many areas of the charity including reception and administrative duties, helping patients at mealtimes, providing reflexology and counselling as well as transporting patients to and from Hospice appointments and working in the Hospice gardens. Volunteers contribute greatly to various fundraising activities and provide general assistance with many fundraising events. The volunteers bring an extra dimension to the atmosphere of the Hospice. Their skills and contribution enhance our service and make an impact on the lives of our patients, their families, and our staff. The Hospice could not operate without the invaluable contribution of volunteers to its various departments and events and are deeply appreciative of our volunteers. In June 2024 we held a successful event to recognise the contribution of our volunteers, this was attended by 100 volunteers.

#### **In Gratitude**

The Board wish to convey their sincere thanks to our staff and the many volunteers who have so generously given their support to the organisation. With the continued support of our staff and volunteers, we look forward to continuing to enhance the delivery of our charitable services within the community.

#### **Acknowledgements**

The Board wish to sincerely thank all individuals, communities and companies who have supported and donated to us throughout this year, including many fundraising events and many supporters have yet again overwhelmed us with their generosity. The Hospice is extremely grateful for this support and financial assistance – it could not provide its services to the community without this.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

#### Strategic Report

#### Achievements and Performance

##### Overall

The Trustees are pleased to report that significant progress was made towards achieving the Hospice's objectives (detailed on pages 6 above). The Hospice covers the Southern Health and Social Care Trust geographical area, which includes counties of Down, Armagh and parts of Tyrone.

##### Care Services

We provide both inpatient and community support. Our Hospice Team is a multi-disciplinary team working together to provide specialist palliative care and treatment to patients and their family. Our experienced team focus not only on physical care but also on emotional, social, and spiritual wellbeing. We tailor our services to individual needs and those of the family. The main aim of our Hospice services is to help patients who have received a palliative diagnosis live and die well with their condition.

Our Inpatient Clinical Team consists of consultants, doctors, nurses, health care assistants, physiotherapists, and occupational therapists. The Patient and Family Support Team consists of chaplains, social workers, and counsellors and complementary therapists.

The Hospice Community Outreach Team offer patients, and their families care in their home or at our Wellbeing centres in Newry and Dungannon. These services involve patient support, carers support, counselling, bereavement support and an Out of Hours Nursing Care at Home for those at end of Life. Our Community Team consist of nurses, social workers, chaplains, physiotherapist and complementary therapists.

##### Inpatient Services

Our 12-bed Adult Inpatient Unit continues to provide holistic care for patients with complex symptoms, those at the end of life, and those requiring respite care. A highly trained, multidisciplinary team supports both patients and their families, focusing on the whole person—addressing not only physical health but also emotional, social, and spiritual well-being.

This year, we had 226 new admissions, with a total of 239 patients receiving care. Bed occupancy reached 90%, an increase from last year's 87.3%. The average length of stay was 16.3 days, rising from 15.1 days the previous year. First-time admissions accounted for 166 patients, while 73 were readmitted. Of those cared for, 138 patients were discharged either back home with improved symptom management or to their preferred place of care.

Beyond nursing and medical support, inpatient therapy sessions totalled 7,301 this year, a significant rise from last year's 5,781. Patients and their families benefited from 6,525 face-to-face therapeutic support sessions and 776 telephone support sessions, provided by social workers, chaplains, physiotherapists, occupational therapists, and complementary therapists.

Session type	Session numbers	Session numbers	Session numbers
	2024/5	2023/4	2022/3
Social work	2,151	2,209	1,911
Chaplaincy	2,890	2,655	1,811
Physiotherapy	974	492*	1,461
Occupational Therapy	1,065	196**	Service not available
Complementary Therapy	221	229	248
Total	7,301	5,781	5,431

**Note:**

\* Staff vacancy from April – December 2023

\*\* new service introduced in January 2024

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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#### Community Services

Our Community Services model offers integrated, multidisciplinary palliative support for adults over the age of 18 and their families. This service provides physical, psychological, emotional, and spiritual care to individuals with palliative illnesses. Support is delivered either in the patient's home or at one of our Wellbeing centers in Dungannon or Newry. Depending on patient and family needs, services can be provided individually or as part of a group.

Over the past year, we received 458 new referrals to SAHS community services, with 664 individuals actively receiving support—an increase from last year's total of 614. We provided 7,360 therapeutic sessions to patients, carers, and bereaved families, marking a rise from last year's 6,854 sessions.

Of those receiving support, 562 were affected by cancer, while 102 had non-cancer-related palliative conditions.

Breakdown of sessions delivered:

- 296 Patients supported
- 136 Carers/relatives supported
- 232 Bereaved individuals supported
- 1,702 sessions delivered at home
- 2,493 sessions provided at Wellbeing Centres or community settings
- 3,165 telephone or virtual sessions conducted
- 936 one-to-one patient support sessions
- 486 one-to-one carer support sessions
- 576 one-to-one bereavement support sessions
- 729 counselling sessions
- 1,966 complementary therapy sessions
- 878 group sessions

Group work consists of

- Living Well Café for patients and Carers in our Wellbeing Centres.
- Monthly Family Night Bereavement groups for parents, teens, and younger children
- Bereavement Journey
- Bereavement Walking Group
- Bereavement Walk in Café

#### OOH Nursing Care at home.

Our Out-of-Hours Nursing Service was launched in July 2023 to provide on-call nursing care for patients at home who have a cancer diagnosis and are nearing the end of life. The service was extended to all palliative patients from November 2024. The service is available 365 nights per year and operates between 22:00 and 08:00 and is delivered in the BT35 postcode area and Newry City areas.

The service ensures timely and effective symptom management of patients referred who are in the final days of life. It supports families, helping them recognise and navigate the dying process with confidence. The service also reduces loneliness and social isolation for both patients and their loved ones. Emotional and spiritual support is provided throughout this critical time.

During the reporting period, 67 patients and their families received care, bringing the total number of supported individuals since July 2023 to 100. The service has enabled patients to remain at home, in comfort, symptom-free, and in their preferred place of death.

Key service statistics for 2024/25 include:

- 257 nights of active service
- 1,542 telephone support sessions
- 377 home visits

### **Additional achievements in Care Services**

Significant investments were made during the reporting period to enhance the Care Services team and to make sure that we continue to develop the expertise of the whole team. This included the following:

#### **Investment in people and training**

- 2 Specialty doctors recruited.
- Interim Pharmacist recruited.
- 1 staff member undertaking the Specialist Palliative Care Social Work Award is nearing completion of the programme.
- 1 staff member undertaking the MSc Advance Nurse Practitioner Course is nearing completion of the programme.
- Specialist Nursing Practice & Non-medical Prescribing programmes commenced
- Training placements provided for medical and nursing students at both under and post graduate level.

#### **Additional collaborative and partnership work by the Care Service team in the Hospice include:**

- The Reflexology service has expanded to 80 hours per week, with the addition of six volunteer reflexologists.
- Specialist Palliative Medicine Out-of-Hour's telephone advice is available to SHSC Trust medical staff, both in the community and hospital settings, through collaboration with Trust Consultant colleagues.
- The Patient and Family Support Team Manager chairs the Northern Ireland Association of Palliative Care Social Workers.
- The SAH Advance Nurse Practitioner Trainee serves as Chair of the Senior Nursing Group.
- Ongoing collaboration with Life and Time and SHSCT to co-design and deliver sessions within the Community Palliative Care Out-of-Hours Nursing Service ECHO Network.
- The Out-of-Hours Nursing Service and its impact was presented at the first-ever nursing presentation in the Palliative Care Congress Conference.
- The impact of our counselling services and advanced care planning was highlighted in a dedicated Motor Neuron Disease workshop.

### **Infection management**

The SAHS inpatient unit operates within a well-established facility, where patient rooms are compact and lack ensuite amenities. While the building's age presents operational and maintenance challenges, infection prevention and control measures remain exemplary, consistently achieving high compliance standards. A collaborative approach among staff ensures that infection control procedures are carried out efficiently and consistently, reinforcing the hospice's commitment to maintaining the highest standards of IPC practices.

### **Our Team**

The staff within all functions of the Hospice have continued to show resiliency and commitment throughout the reporting period. The Board of Directors would like to thank all staff for their ongoing dedication and commitment to the Hospice.

### **Staff Objectives and Performance**

Employees are set objectives which outline their responsibilities, and which are reviewed regularly to ensure compliance. There is an increased focus on developing staff to strengthen their performance and allow them to attain their maximum potential which in turn benefits the Hospice and our patients. Training is refreshed as required to ensure adherence to all requirements.

During the reporting period, we have further developed the training provision for our Care Services team and others to enhance our skills base, knowledge, and learning.

### **Inspection**

All care services are the subject of unannounced, annual inspections by the Regulation and Quality Improvement Authority (RQIA). The latest inspection took place in March 2025. We are pleased to report that the report from this inspection was positive, particularly in relation to the quality of care provided and infection

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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control standards. Inspectors were extremely complimentary about the knowledge, motivation, and commitment of all staff they spoke with. We were advised that the standard of care we provide is excellent and of a very high standard. We were further advised that there was excellent communication within and across teams. The inspections commended the good management of what is recognised as an aged facility. They further advised that they observed good governance, management and leadership in the Hospice.

#### Income Generation

The response from all supporters this year was incredible. Once again, their commitment to the Hospice has proven to be incredibly impactful. Despite the ongoing formidable challenges faced by our local community, support groups, and businesses they have continued to rally behind our cause with amazing generosity and support.

Thanks to the tremendous kindness of our supporters, we achieved an outstanding total income of £3.42 million for the year. This extraordinary accomplishment was made possible through the success of various campaigns and initiatives, as individuals and businesses enthusiastically took up their fundraising efforts. As we do each year, we extend our thanks to John Dalzell OBE, who completed his 33rd Annual Christmas Sit Out and made an incredible donation of £116,000.

We are very grateful for the legacy donations received this year, totalling £218,000, these donations show the extraordinary generosity of our supporters, whose thoughtful inclusion of the Hospice in their Wills ensures a sustained and meaningful impact for years to come.

Whilst operating in very challenging economic conditions our Corporate and Trust partners played a pivotal role this year by raising an amazing £495,000, exemplifying their commitment to our cause. The Hospices annual Lights Campaign held in the run up to Christmas which provides a source of hope and joy during what can be a challenging time for those who attend generated £102,000 this year. The ever-popular Car Draw raised its highest ever total of £125,000, which is a fantastic accomplishment by all involved. Local schools fund raised a fantastic £30,000 for Hospice care and our amazing Supporter Groups which are located across the Southern Trust donated a total of £158,000.

Some further information about how funds have been raised:

Community: Community fundraising, which traditionally serves as the cornerstone of our support, has delivered remarkable results raising £1.08 million. This was achieved against a backdrop of an increasingly competitive fundraising environment, an ongoing cost of living crisis, and global issues impacting people's ability to give. We extend our deepest gratitude to our generous community members for their continued support, as their contributions make a tangible difference in the lives of those we serve.

Event Income: This year we received a remarkable £951,000 of event income, reflecting a growth of individuals opting for experiential fundraising events. Participants ran marathons, jumped out of planes, and undertook challenging treks and walks, creating lifelong memories while supporting our cause. We are grateful for the enthusiasm and dedication of these supporters, whose efforts have contributed significantly to our fundraising success.

Corporate Donations: Corporates donated a fantastic £381,000 this year. This reflects the commitment of local businesses to support the Hospice's work despite a difficult economic landscape. We recognise the critical role they play in addressing societal needs and driving positive change and highlights a growing recognition among businesses of the relationship between corporate philanthropy and long-term business sustainability.

Trust Donations: Trust donations are a growing source of funding for the Hospice, and this year, we were privileged to receive donations, totalling £94,000. We were delighted and honoured to again receive a donation from the Brian Conlon Foundation.

Donor Development: Donations received in memory of a loved one totalled £168,000 whilst Regular Givers raised £53,000. Gift Aid is an important revenue stream as it allows the Hospice to claim an additional 25% of each donation amount from the government. This year Gift Aid donations generated £159,000 of income. We encourage all eligible donors to sign up for Gift Aid, helping us maximize the impact of their contributions.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

Lottery: The Hospice's lottery program generated a notable contribution of £79,628 to the Hospice after all costs and prizes. This despite having staff challenges to focus and develop lottery income. The table below illustrates the main areas of fundraising income during the year.

Income source	Amount raised £000's.
Community Fundraising	1,076
Legacies	214
Corporate	381
Events	951
Individual/regular donations	53
Gift aid	159
Trusts	94
Lottery	79

To achieve such exceptional results amidst an extremely challenging and competitive funding environment is a testament to the unwavering commitment of our staff, volunteers, community, and corporate supporters. The Hospice extends its sincere thanks to every individual who has stood by our side, demonstrating their incredible support. We are profoundly indebted to every person who has played a role in our continued success.

#### Communications

The Communications Team has been bedding down during the reporting period. There have been some challenges due to changes within the team. That said the need to improve our communications, and digital presence remains, and the Hospice is committed to delivering on this so that we can reach more patients who need our services and grow our supporters. The main initiatives in the reporting period were the development of our new brand and website which are detailed below.

During this year considerable evidence was provided to the Health Committee who are conducting an inquiry into access to palliative care in N. Ireland. For the Hospice, this included not only talking about the services we provide but also the need to improve access to services. One of the key components of improving access is to substantially change the funding model that the Department of Health has with each Hospice in N. Ireland. We have submitted a written submission, hosted a visit for members of the Health Committee to visit us and given oral evidence. The Inquiry is expected to report in 2025.

### Branding and website

We are deeply indebted to receiving funds from Dormant Assets NI delivered by the National Lottery Community Foundation to help us with this work under their improving the sustainability of charities initiative. We appointed independent expert providers to work with us on reviewing our current brand and website. This involved significant consultation with the Board and then staff within the Hospice. External stakeholders were also consulted as well. The information emerging from this confirmed we needed to significantly improve our web presence, and we needed a completely new brand to better position us across our geographical area. On the 1<sup>st</sup> April 2025 the Board approved a name change and new logo –



From the 18<sup>th</sup> June 2025 the trading name for Southern Area Hospice Services will be Evora Hospice. The Hospice plans to change its legal name in the reporting period 2025-26. Work on the embedding the new brand and website will continue into the next reporting period.

### Improving the infrastructure of the Hospice

The Capital Development Committee have developed a roadmap to deliver on the strategic imperative of the Hospice (as set out in its strategy 2023 - 2028) to improve the accommodation of the inpatient unit to meet future needs and expectations. During the reporting period work has continued on the business case to determine the best option for the Hospice going forward. Key partners (SHSCT and Department of Health) are being kept informed and being consulted as appropriate.

On the 1<sup>st</sup> April 2025 the Board considered the updated business case and decided that having considered all the information and analysis that they should accept the updated business case in its entirety recognising that much more work needed to be done on this. They agreed that we should now communicate to our internal and external stakeholders that we have the vision and ambition to build a new hospice in the Newry area. It was further agreed that an engagement period with stakeholders should now occur to ascertain views and opinions to shape and refine the Hospice's ambition.

A feasibility study was also completed to understand what the scope and capability would be for a capital fundraising campaign. This reported that whilst there should be capability an ongoing assessment of the costs to deliver the preferred option vis-à-vis the ability to raise the funds is carefully monitored as the projects developed. The Board has agreed to appoint a senior resource to develop and deliver a capital income strategy and to set up a new Committee of the Board to provide strategic direction on funding and marketing. These matters will be taken forward in 2025-26.

### Strategic Plan 2023 – 2028 Year 2

During the reporting year, the Senior Leadership Team managed the implementation of actions planned for year two in the strategic plan agreed last year. The Strategic Plan covers a 5-year period from 2023 - 2028. The Hospice does not underestimate the challenge it faces in continuing to deliver this strategy, but it is fully committed to ensuring that specialist palliative care services are delivered to meet the growing need of the local communities.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

In summary, the strategy has been designed to respond to the following key strategic drivers:

- The increasing demand for palliative care services, in terms of the number of patients requiring palliative care and the extent of palliative care required.
- The growing complexity of cases and conditions being cared for requiring more specialist input.
- The need for a service delivery model that is patient-centred with the flexibility to adjust how and where the care is delivered, according to individual patient's evolving needs and preferences.
- The need to build capacity and capability so that SAHS can provide the same level of specialist care equally across all care settings and equally across the geographic region.
- The pressures on the availability of trained palliative care staff, and the need to build resilience within staffing structures while the labour pool is being developed.
- The pressures on funding, as a result of inflation and rising operating costs, as well as squeezes on funding sources.

The Hospice's strategic aims within the strategy are:

- To develop its delivery model into a wrap-around holistic service that can respond to patient choice and seamlessly provide multi-disciplinary care in an inpatient unit, in the home or through community hubs, as required.
- To protect the unique strengths that it has in its specialist palliative care skills and inpatient facilities.
- To firmly establish its role as a leading provider of specialist palliative care services in Northern Ireland.

A summary of the objectives which have been achieved in Year 2 (2024-25) are included in the table below:

Key area	Objectives achieved
People	<ul style="list-style-type: none"> <li>- Achievement of designated body status</li> <li>- Review of recruitment &amp; selection process &amp; policy resulting in reduced time to hire</li> <li>- Introduction of succession planning process</li> <li>- Introduction of new performance appraisal process</li> <li>- New Leadership Development program</li> </ul>
Innovation and collaboration	<ul style="list-style-type: none"> <li>- Review of Out of Hours nursing service</li> <li>- Introduction of office vibe enabling measurement of employee engagement and peer to peer recognition</li> <li>- Established a program of wellness events</li> </ul>
Technology	<ul style="list-style-type: none"> <li>- Preparatory stages of EMIS project (new Medicine &amp; patient management system)</li> <li>- Improved reporting on donations and expansion of recorded donor base</li> <li>- Completion of network upgrade and renewal of IT firewall security protection</li> </ul>
Income generation	<ul style="list-style-type: none"> <li>- Review of investment strategy</li> <li>- Several new campaigns launched</li> </ul>
Communications	<ul style="list-style-type: none"> <li>- Work completed on Brand &amp; Website projects to be launched in Q1 2025/26.</li> </ul>
Capital project	<ul style="list-style-type: none"> <li>- Feasibility study completed and Business case refined</li> </ul>

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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#### Financial review

The financial statements are presented in the standard format required by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019 – (Charities SORP (FRS 102)) and cover the activities of Southern Area Hospice Services Ltd and its subsidiary Southern Area Hospice Services Lottery Limited. The statement of financial activities (SOFA) shows the gross income from all the sources and the split of activity between restricted and unrestricted funds.

#### Results

The net operational deficit for the financial year was £122,731, this was considerably lower than our expected year end position. Total income for the year was below budget which led to a reported deficit. This was mainly impacted by a substantial decrease in legacy income along with a reduction in the value of investments following a period of global economic uncertainty. Costs were also slightly above budget impacted by the Agenda for Change pay award for the year being higher than expected.

#### Reserves Policy

SAHS' policy is to continue to build reserves in order to maintain adequate cover for committed expenditure and the running costs for a period equivalent to six months' operating costs and other obligations arising from the implementation of the strategic plan. It is considered that six months is prudent in order to ensure continuity of service during any period of reduced income.

A Capital Reserve to set aside funds to carry out identified capital projects was established by the Trustees in 2015. The Capital Development and Infrastructure Committee (as referenced above) is responsible for progressing capital projects; the execution of agreed plans will require a spend in the current year and this work is underway.

The Trustees have succeeded in maintaining reserves this year to meet committed expenditure and the running costs of the charity for a period equivalent to 6 months annual expenditure. The Trustees believe that the period of 6 months is necessary in order that there is continuity of service and will continue to work in accordance with this policy.

#### Legacies

The Hospice's income from legacies decreased considerably from the previous year to £217,924. Due to its nature, legacy income is difficult to predict. This has been disappointing, but work continues to be done to improve the Hospice's capability to maximise this income stream. It is recognised that before legacy income is likely to significantly increase developments are needed to pipeline prospective donors.

#### Balance Sheet

The cash position of the group and the charity as of 31 March 2025 remained strong with £6,695,384 and £2,946,838 respectively held within investments and in the bank. (2024: £7,017,480 and £2,860,180 respectively). The Trustees are satisfied with the returns during the year given the economic environment. In accordance with the Investment Policy a proportion of available investment funds have been placed with a Discretionary Fund Manager to avail of potentially improved returns than that currently available from cash deposits. The Resources Committee continue to review the current investment strategy and policy.

#### Taxation

As a charity, the company can recover most tax deducted at source from its investment income and is not liable for corporation tax on its other income or on capital gains. Recovery is therefore made of tax credits and tax deducted from income received under deed of covenant or gift aid.

## Future Plans

### 1. Strategic Plan 2023 – 2028

At the time of reporting Year 3 – 2025/26 objectives are agreed by the Board.

- Investment in People and Training:
  - Strengthen the medical model in the Hospice to build resiliency and capacity to deliver specialist palliative care to meet the need. This year this will include appointing a new consultant and in addition having a Nurse Consultant fully trained and in post.
  - Continue to enhance talent management across all teams in the Hospice to ensure appropriate succession planning, and improved development of emerging leaders.
- Innovation and Collaboration
  - Expand community services delivery to include a hospice at home model of care. This is funding dependent and whilst we are keen to continue to explore this, we have not been able to dedicate or identify funds to do so.
  - Continue to develop closer and seamless collaborations with the SHSCT to meet the needs of our patients. This will focus on progressing appropriate contractual arrangements with the relevant Trust departments.
  - Enhance employee recognition.
  - Develop staff intranet to enhance internal communication and involvement of all staff across the Hospice.
- Technology
  - Implement an electronic patient management and prescribing systems.
  - Strengthen database utilisation to improve supporter information to optimise income from donors.
  - Report on how AI technology could be used to improve capability in fundraising and implement recommendations.
- Inpatient Unit
  - Continue to progress the capital infrastructure project to address the deficiencies and restrictions in the Inpatient Unit to meet current and future needs and provide an efficient work environment in terms of layout and running costs. This will include working with supporters and other stakeholders to further develop the vision and ambition of developing a new hospice in the Newry area.
- Funding
  - Continue to manage investments to optimise yield in a changing external context.
  - Continue to grow revenue income.
  - Launch a new approach to regular giving.
  - Recruit a resource to develop a capital income generation strategy and to begin development and start income generation.
- Communications
  - Deliver a communications plan to improve external and internal communications.
  - Embed the new Hospice brand.
  - Ensure delivery of the new and optimisation of new website.

### 2. Funding and Income Generation

Like other health and social care organisations the Hospice continues to face increasing costs from pay parity as well as in other areas, many driven by the cost-of-living crisis and inflationary pressures. Considerable analysis has gone into the establishment of the budget for the year ahead and our future anticipated costs. We continue to be challenged on an annual basis to produce a positive operating budget, particularly so in the current year due to the new costs associated with the delivery of our strategic aims. We believe that this investment however will result in a more resilient service and drive increased income in future years. Despite planned increased investment in people & technology and the continuing need to maintain our ageing facility, a budget with a small surplus has been agreed this year.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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The Hospice's reliance on receiving substantial income from the public remains unchanged. In the reporting year, we generated £1.08 million from our communities which is around 19% of our total income. The amount we will need to generate in the current and future years is expected to increase.

It is clear that the costs to run the Hospice are growing at a faster rate than our income. Substantial efforts have been made on all fronts to manage this and rapidly grow income. This work continues into 2025-26 when the impact of the continued rise in costs has considerable impact on the ambition of the Hospice to expand services.

The Hospice's comprehensive strategic plan includes a focus on reducing reliance on conventional income sources by diversifying revenue streams. This involves the development of corporate support, seeking to grow donations from charitable trusts, increasing future legacy donations and growing regular donations and continuing to maximise returns from investments.

Once again, we extend our heartfelt gratitude to everyone who supports us – we simply cannot accomplish what we do without your invaluable support.

#### **Principal risks and uncertainties**

##### **Risk management**

The Trustees and Senior Leadership Team identify and actively manage the major risks to which the charity is exposed. This involves:

- An ongoing review of the risks which the charity may face.
- The assessment of the level of exposure presented by each identified risk.
- The establishment of systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimize the impact on the charity should any of the risks materialise.

Major risks which have been identified and discussed by the Trustees include loss of reputation, perhaps due to adverse publicity, leading to a fall in public confidence in the charity and a consequent reduction in voluntary income; a short-term fall in the value of our investment portfolio; and maintaining the highest security of our information and systems to prevent loss of data or funds.

Further risks which have been heightened by the current economic climate include: a fall in income, either voluntary through donations and fundraising because the public has less capacity to give, through insufficient funding support from the Government or through declining donations from our subsidiary company; significantly increasing costs, mainly related to increased staff and related payroll costs. As reflected earlier in this report, actions being taken to mitigate risk include: developing alternative and innovative ways to generate income; having a focus on closely managing costs; a review of staffing structures to build future resilience; review of our IT service provision, security and resilience, working in conjunction with our third party providers who provide professional advice in this regard; the ongoing review of processes and procedures to create efficiencies; and the introduction of new initiatives to improve the experience of our employees. The Trustees take all appropriate steps to moderate and manage the operational risks to which volunteers, staff, and assets of Southern Area Hospice Services Ltd are exposed. The Audit & Risk Committee oversee the risk register which is regularly reviewed to ensure it reflects any potential risks related to the strategic plan. The Senior Leadership Team reviewed the format of the Risk Register and introduced a simplified less detailed format which enables risks and mitigating actions to be more clearly identified. This has been approved by the Audit & Risk Committee and Board of Directors and is in use in the year 2025/26. Having considered all the identified risks, the Trustees do not consider there to be a risk to the going concern status of the organisation. As is evidenced above, we continue to prudently adapt our ways of working and processes as required to best position the Hospice for the future. The Senior Leadership Team, in conjunction with the Board, are constantly monitoring this. The Resources Committee considers the financial position regularly.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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#### Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Southern Area Hospice Services Ltd for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice, Accounting and Reporting: Accounting and Reporting by Charities (2015);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2025

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#### Subsidiary undertakings

The charity took over control of the Southern Area Hospice Services Lottery Limited at the start of 2015.

These financial statements include Southern Area Hospice Services Lottery Limited.

#### Exemptions from disclosure

The company has taken exemption from the requirement to produce a separate statement of financial activities for the charity under section 408 and a charity cash flow statement as the results are included in the consolidated statements.

#### Funds held as custodian trustees on behalf of others

The charity holds no funds as custodian trustees on behalf of others.

#### Statement of disclosure of information to auditors

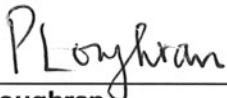
In the case of each Trustee/Director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

#### Independent auditors

The Board agreed the appointment of AAB Group Accountants Limited (previously FPM Accountants) for a further year having sought assurance from AAB that they could provide the services required and ascertained that the costs for this reflected the market. The Board have decided not to appoint an internal auditor provider and have instead set up an assurance framework. This framework will enable the Hospice to ensure expert providers are sourced for each aspect of the assurance framework.

Approval of the Trustees' Report, which constitute the Strategic Report and the Directors' Report. By order of the Board.



**P Loughran**  
Trustee/Director

Date: 1<sup>st</sup> July 2025

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2025

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**Opinion**

We have audited the group and parent charitable company financial statements of Southern Area Hospice Services Ltd for the year 31 March 2025 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Southern Area Hospice Ltd's group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2025 and of the group and parent charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2025

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; 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 the knowledge and understanding of the Trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company- Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2025

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We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



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**Teresa Campbell (Senior Statutory Auditor)**  
**For and on behalf of AAB Group Accountants Limited**  
**Chartered Accountants**  
**Statutory Auditors**

Dromalane Mill  
The Quays  
Newry  
Co. Down  
BT34 8QS

**Date: 1<sup>st</sup> July 2025**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2025**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Year 2025 £	Total Year 2024 £
<b>Income from:</b>					
<b>Charitable Activities</b>					
Grant Income	3	1,821,536	208,538	2,030,074	2,104,789
<b>Donations and Legacies</b>					
Sundry Income		73,149	13,707	86,856	101,283
Gifts and Donations	4	4,808	-	4,808	6,642
Gift Aid		90,345	-	90,345	111,135
Legacies		217,924	-	217,924	713,174
Fundraising Income		2,923,881	30,200	2,954,081	2,594,468
<b>Investment Income</b>					
Bank Interest Receivable	5	287,965	-	287,965	230,154
<b>Other Trading Activities</b>					
Commercial Trading Operations		153,783	-	153,783	160,009
<b>Total Income</b>		<b>5,573,391</b>	<b>252,445</b>	<b>5,825,836</b>	<b>6,021,654</b>
<b>Expenditure on:</b>					
<b>Costs of Raising Funds</b>					
General Fundraising and Publicity Costs	7	764,308	-	764,308	681,241
Commercial Trading Operations	4	78,963	-	78,963	85,495
<b>Charitable Activities</b>					
Delivering Hospice Services	6	4,838,465	252,006	5,090,471	5,089,812
<b>Total Expenditure</b>		<b>5,681,736</b>	<b>252,006</b>	<b>5,933,742</b>	<b>5,856,548</b>
<b>Net (loss) / gain on investment</b>	5	<b>(14,825)</b>	<b>-</b>	<b>(14,825)</b>	<b>54,539</b>
<b>Net (Expenditure) / Income</b>		<b>(123,170)</b>	<b>439</b>	<b>(122,731)</b>	<b>219,645</b>
Transfers Between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>(123,170)</b>	<b>439</b>	<b>(122,731)</b>	<b>219,645</b>
<b>Reconciliation of Funds</b>					
Total Funds					
Brought Forward at 1 April		10,374,176	39,804	10,413,980	10,194,335
<b>Total Funds Carried Forward</b>	<b>18</b>	<b>10,251,006</b>	<b>40,243</b>	<b>10,291,249</b>	<b>10,413,980</b>

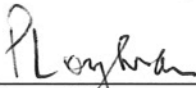
The notes on pages 27 - 41 form part of these financial statements. The results relate to continuing activities.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Consolidated Balance Sheet  
Year Ended 31 March 2025**

	Notes	2025 £	2024 £
<b>Fixed assets</b>			
Tangible Assets	11	1,311,798	1,280,488
Investments	12	1,372,027	873,317
		<u>2,683,825</u>	<u>2,153,805</u>
<b>Current assets</b>			
Stocks	13	24,226	30,674
Debtors	14	197,912	175,691
Investments	15	5,323,357	6,144,163
Cash at Bank and in Hand		2,946,838	2,860,180
		<u>8,492,333</u>	<u>9,210,708</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(884,909)	(950,533)
Net Current Assets		7,607,424	8,260,175
<b>Total Assets less Current liabilities</b>		<b>10,291,249</b>	<b>10,413,980</b>
<b>Net assets</b>		<u><b>10,291,249</b></u>	<u><b>10,413,980</b></u>
<b>Group Funds employed</b>			
Restricted Funds	18	40,243	39,804
Unrestricted Funds	18	10,251,006	10,374,176
		<u>10,291,249</u>	<u>10,413,980</u>

The financial statements were approved and authorised for issue by the Board of Trustees on the 1<sup>st</sup> July 2025 and were signed on its behalf by:



**P Loughran**  
Director



**D Houston**  
Director

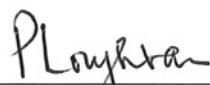
Company Registration: NI038737

The notes on pages 27 - 41 form part of these financial statements. The results relate to continuing activities.

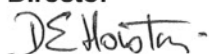
**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Charity Balance Sheet  
Year Ended 31 March 2025**

		2025 £	2024 £
<b>Fixed Assets</b>			
Tangible Assets	11	1,311,798	1,280,488
Investments	12	<u>1,372,027</u>	<u>873,317</u>
		<b>2,683,825</b>	<b>2,153,805</b>
<b>Current Assets</b>			
Stocks	13	23,561	30,499
Debtors	14	273,514	217,076
Investments	15	5,323,357	6,144,163
Cash at Bank and in Hand		<u>2,821,580</u>	<u>2,754,003</u>
		<b>8,442,012</b>	<b>9,145,741</b>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(841,974)	(892,926)
<b>Net Current Assets</b>		<b>7,600,038</b>	<b>8,252,815</b>
<b>Total Assets less Current liabilities</b>		<b>10,283,863</b>	<b>10,406,620</b>
<b>Net assets</b>		<u><b>10,283,863</b></u>	<u><b>10,406,620</b></u>
<b>Funds employed</b>			
Restricted Funds	18	40,243	39,804
Unrestricted Funds	18	<u>10,243,620</u>	<u>10,366,816</u>
		<b>10,283,863</b>	<b>10,406,620</b>

The financial statements were approved and authorised for issue by the Board of Trustees on the 1<sup>st</sup> July 2025 and were signed on its behalf by:



**P Loughran**  
**Director**



**D Houston**  
**Director**

Company Registration: NI038737

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Consolidated Statement of Cash Flow  
Year Ended 31 March 2025**

	Notes	2025 £	2024 £
<b>Cash used in Operating Activities</b>	26	(403,234)	784,216
<b>Cash flows from Investing Activities</b>			
Interest Income		287,965	230,154
Purchase of Tangible Fixed Assets		(105,344)	(114,042)
Purchase of investments		307,271	(779,142)
Cash used in Investing Activities		<b>489,892</b>	<b>(663,030)</b>
<b>Increase in Cash and Cash Equivalents in the year</b>		<b>86,658</b>	<b>121,186</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>2,860,180</b>	<b>2,738,994</b>
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,946,838</b>	<b>2,860,180</b>
<b>Cash and Cash Equivalents at the end of the reporting period</b>		<b>2,946,838</b>	<b>2,860,180</b>

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

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**1) Accounting Policies**

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

**a) Basis of preparation**

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) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southern Area Hospice Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. Taking account of the risk review undertaken by the directors they do not consider there to be a risk to the going concern status of the charity or the group. The Directors will review the financial position on a regular basis, taking any action needed to ensure that charity remains fit for purpose and on this basis the assessment of the directors is that the charity is a going concern.

**c) Group financial statements**

The financial statements consolidate the results of the charity and its subsidiary Southern Area Hospice Services Lottery Limited.

**d) Incoming Resources**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

*Government Grants*

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

*Donations*

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

*Commercial/ Trading Income*

Trading income represents the invoiced value of goods supplied during the year. Revenue is recognised upon provision of the service to the customer.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

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**1) Accounting Policies- (continued)**

*Fundraising income*

Fundraising income is included in the Statement of Financial Activities when received, unless it is for a specific event in which case it is deferred to the timing of the event.

*Legacies*

Income from legacies is recognised when there is evidence of entitlement to the legacy, receipt is probable and its amount can be measured reliably. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the group, or the group is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

*Investment income*

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

**e) Resources Expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis 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 use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

*Costs of Raising Funds*

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

*Charitable activities*

These are costs incurred in providing medical and care services and facilities within the Hospice and, as such, include primarily the cost of medical supplies and staff costs.

*Pension costs*

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

*Governance costs*

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

*Support Costs*

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. These have been allocated to charitable activities, costs of raising funds and governance costs on a basis consistent with the use of these resources.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

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**1) Accounting Policies- (continued)**

**f) Fund accounting**

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

*Restricted funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

*Unrestricted funds*

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

*Designated funds*

Designated funds comprise a capital reserve that has been allocated to meet future capital requirements.

**g) Operating leases**

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**h) Tangible fixed assets**

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

Buildings:

Fundraising Office	- 10% straight line
Additions to day-care centre	- 4% straight line
Freehold Hospice Buildings	- 1.5% straight line
Fixtures & Fittings	- 20% reducing balance
Equipment	- 20% reducing balance
Fixtures, fittings and equipment	- 20% reducing balance
Motor Vehicles	- 25% straight line

Land is not depreciated. When the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**i) Investments**

Listed investments are stated at market value, on the basis of the middle market price at the close of business. Whilst day to day management of the investment portfolio is carried on by experienced, registered investment managers (currently Brewin Dolphin) the ultimate control and responsibility rests with the Trustees.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

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**1) Accounting Policies- (continued)**

**j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**k) Cash at bank and in hand and current asset investments**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

**l) Creditors and provisions**

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

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment.

**n) Foreign currency**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are recognised in the Statement of Financial Activities.

**o) Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12. Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

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**1) Accounting Policies- (continued)**

**o) Financial Instruments ctd....**

**Basic financial assets**

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instruments is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**p) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**q) Exemptions under FRS 102**

The Charity has taken advantage of the following exemption:

- (i) from preparing a cash flow statement, on the basis that it is a qualifying entity and the consolidated statement of cash flow includes the Charity's cash flows.

**r) Exemptions under Companies Act 2006**

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities in includes the Charity's Statement of Financial Activities.

The deficit of the charity at 31 March 2025 was £122,731.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

**1) Accounting Policies- (continued)**

**s) Critical accounting estimates and judgements**

In the application of the Charity'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.

*Critical judgements in applying the entity's accounting policies*

There are no critical judgements in applying the group's accounting policies.

*Critical accounting estimates and assumptions*

Income from legacies is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Cost allocation is an accounting estimate that is recognised in line with the accounting policy Note 1e.

Depreciation is an accounting estimate that is recognised in line with the accounting policy Note 1h.

**2) Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3) Income from Charitable Activities**

	Restricted £	Unrestricted £	2025 Total £	2024 Total £
Department of Health - General Funding	-	1,821,536	1,821,536	1,747,278
Other Government Grant Income	208,538	-	208,538	357,511
	<u>208,538</u>	<u>1,821,536</u>	<u>2,030,074</u>	<u>2,104,789</u>

The 2025 income total of £2,030,074 was split between £1,821,536 unrestricted and £208,538 restricted.

Other Government Grant Income: This income is mainly income from the Cancer Charities' Support Fund. It is restricted as it can only be used for the purposes indicated in the grant application.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2025**

**4. Income from other trading activities**

The trading subsidiary of the charity, Southern Area Hospice Services Lottery Limited is incorporated in the United Kingdom (company number NI035958) and pays a large proportion of their profits to the charity under the gift aid scheme.

<b>Southern Area Hospice Services Lottery Limited</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Turnover	153,783	160,009
Donations	4,808	6,642
Other operating income	-	-
Expenditure	(78,963)	(85,495)
Donation to the Hospice	(79,628)	(81,150)
Corporation tax charge	-	-
Net Profit	<u>-</u>	<u>6</u>
Aggregate share capital and reserves	<u>7,356</u>	<u>7,356</u>

**5. Investment Income**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Interest receivable	287,965	230,154
(Loss) / Gain on Investments	(14,825)	54,539
	<u>273,140</u>	<u>284,693</u>

**6. Charitable Activities - Delivering Hospice Services**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>
	<b>2025</b>	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	225,062	3,350,013	3,575,075	360,163	3,083,664	3,443,827
Insurance	-	-	-	-	56,328	56,328
Light & Heat	-	76,866	76,866	-	98,838	98,838
Housekeeping costs	-	36,451	36,451	-	32,712	32,712
Food and Medical Supplies	6,149	111,302	117,451	-	114,632	114,632
Repairs and Maintenance	-	72,368	72,368	-	59,787	59,787
Recruitment Expenses	-	13,056	13,056	297	15,738	16,035
Other Expenses	-	12,214	12,214	9,643	3,840	13,483
Training Costs	-	12,331	12,331	-	8,325	8,325
Depreciation/Impairment	5,761	43,616	49,377	12,021	393,200	405,221
Loss on Disposal	-	1,480	1,480	-	1,149	1,149
Volunteer Costs	-	5,030	5,030	-	1,517	1,517
Governance costs	-	-	-	-	9,996	9,996
Rates	-	6,753	6,753	-	-	-
Support costs (note 8)	15,034	1,096,985	1,112,019	42,825	785,137	827,962
	<u>252,006</u>	<u>4,838,465</u>	<u>5,090,471</u>	<u>424,949</u>	<u>4,664,863</u>	<u>5,089,812</u>

Restricted Funds expenditure - see note on Restricted Funds income under note 3.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2025**

**7. Costs of Raising Funds**

	Restricted Funds 2025 £	Unrestricted Funds 2025 £	Total 2025 £	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total 2024 £
Staff Costs	-	495,620	495,620	-	428,986	428,986
Fundraising Expenses	-	252,863	252,863	-	185,610	185,610
Light & Heat	-	-	-	-	4,129	4,129
Repairs & Maintenance	-	-	-	-	6,041	6,041
Rates	-	-	-	-	1,182	1,182
Telephone	-	-	-	2,241	16,184	18,425
Stationery and Advertising	-	-	-	360	5,472	5,832
Support Costs (note 8)	-	15,825	15,825	-	31,036	31,036
	<u>-</u>	<u>764,308</u>	<u>764,308</u>	<u>2,601</u>	<u>678,640</u>	<u>681,241</u>

**8. Support Costs**

	Basis of Allocation	Generating Funds £	Delivering Hospice Services £	2025 £
Staff costs	Staff Time/Usage	-	774,485	774,485
Other Staff Costs	Staff Time/Usage	-	11,494	11,494
Repairs and Renewals	Floor Space	-	4,542	4,542
Recruitment	Staff Costs/Usage	-	32,500	32,500
Financing	Actual	15,825	7,794	23,619
Training Costs	Staff Time/Usage	-	3,316	3,316
Legal and Professional Costs	Usage	-	27,858	27,858
Depreciation	Usage	-	23,177	23,177
Rates	Usage	-	3,158	3,158
Insurance	Usage	-	55,173	55,173
Telephone	Usage	-	15,883	15,883
Advertising	Usage	-	33,309	33,309
General Administration	Usage	-	119,330	119,330
		<u>15,825</u>	<u>1,112,019</u>	<u>1,127,844</u>

	Basis of Allocation	Generating Funds £	Delivering Hospice Services £	2024 £
Staff costs	Staff Time/Usage	-	689,945	689,945
Other Staff Costs	Staff Time/Usage	-	8,130	8,130
Repairs and Renewals	Floor Space	-	3,754	3,754
Recruitment	Staff Costs/Usage	-	11,209	11,209
Financing	Actual	12,610	6,211	18,821
Training Costs	Staff Time/Usage	-	884	884
Legal and Professional Costs	Usage	-	8,018	8,018
Depreciation	Usage	-	21,800	21,800
General Administration	Usage	18,426	78,011	96,437
		<u>31,036</u>	<u>827,962</u>	<u>858,998</u>

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

**9. Results for the year**

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
<b>This is stated after charging:</b>				
Staff costs (note 10)	4,541,957	4,562,758	4,515,131	4,526,857
Audit fees - external	15,000	11,500	13,500	10,000
Accountancy Services	6,150	-	6,150	-
Depreciation / Impairment	72,554	427,021	72,554	427,021

The deficit of the charity for the year was £122,759 (FY24 Surplus £219,639).

**10. Employee information**

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Wages and salaries	3,796,072	3,908,905	3,773,006	3,873,004
Social security costs	363,282	334,535	360,915	334,535
Other pension costs	382,602	319,318	381,209	319,318
	<u>4,541,956</u>	<u>4,562,758</u>	<u>4,515,131</u>	<u>4,526,857</u>

The average number of persons employed by the company (excluding Directors) during the year, by activity, was as follows:

	Group		Charity	
	2025	2024	2025	2024
Support Staff and Fundraising	36	33	35	32
Direct Care Staff	67	58	67	58
Catering and Housekeeping	16	15	16	15
	<u>119</u>	<u>106</u>	<u>118</u>	<u>105</u>

The number of employees whose emoluments exceed £60,000 were:

	2025	2024
£60,001 - £70,000	-	2
£70,001 - £80,000	2	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
Over £100,000	1	1

For the four members of staff whose emoluments exceed £60,000, pension contributions amounting to £35,265 (2024: £51,167) were paid towards a defined contribution pension scheme.

Indemnity insurance for directors' liability was purchased by the charity for £2,293 (2024: £1,875).

The total employee payments, excluding employers pensions, of the key management personnel of the group was £271,585 (2024: £290,445).

No charity Trustee received payment for professional or other services supplied to the charity (2024: £nil).

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

**11. Tangible Fixed Assets**

Group	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2024	2,034,391	523,384	678,478	91,983	39,704	3,367,940
Additions	59,978	3,051	24,965	17,350	-	105,344
Disposals	-	-	(4,500)	-	-	(4,500)
<b>At 31 March 2025</b>	<b>2,094,369</b>	<b>526,435</b>	<b>698,943</b>	<b>109,333</b>	<b>39,704</b>	<b>3,468,784</b>
<b>Accumulated depreciation</b>						
At 1 April 2024	972,565	470,052	575,456	32,415	36,964	2,087,452
Charge for the period	26,616	10,870	20,021	12,307	2,740	72,554
Impairment	-	-	-	-	-	-
Depreciation on disposal	-	-	(3,020)	-	-	(3,020)
<b>At 31 March 2025</b>	<b>999,181</b>	<b>480,922</b>	<b>592,457</b>	<b>44,722</b>	<b>39,704</b>	<b>2,156,986</b>
<b>Net book amount</b>						
<b>At 31 March 2025</b>	<b>1,095,188</b>	<b>45,513</b>	<b>106,486</b>	<b>64,611</b>	<b>-</b>	<b>1,311,798</b>
At 31 March 2024	1,061,826	53,332	103,022	59,568	2,740	1,280,488
<b>Charity</b>						
	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2024	2,034,391	523,384	678,478	91,983	39,704	3,367,940
Additions	59,978	3,051	24,965	17,350	-	105,344
Disposals	-	-	(4,500)	-	-	(4,500)
<b>At 31 March 2025</b>	<b>2,094,369</b>	<b>526,435</b>	<b>698,943</b>	<b>109,333</b>	<b>39,704</b>	<b>3,468,784</b>
<b>Accumulated depreciation</b>						
At 1 April 2024	972,565	470,052	575,456	32,415	36,964	2,087,452
Charge for the period	26,616	10,870	20,021	12,307	2,740	72,554
Impairment	-	-	-	-	-	-
Depreciation on disposal	-	-	(3,020)	-	-	(3,020)
<b>At 31 March 2025</b>	<b>999,181</b>	<b>480,922</b>	<b>592,457</b>	<b>44,722</b>	<b>39,704</b>	<b>2,156,986</b>
<b>Net book amount</b>						
<b>At 31 March 2025</b>	<b>1,095,188</b>	<b>45,513</b>	<b>106,486</b>	<b>64,611</b>	<b>-</b>	<b>1,311,798</b>
At 31 March 2024	1,061,826	53,332	103,022	59,568	2,740	1,280,488

At 31 March 2024 the entity's land and buildings were independently revalued by CBRE resulting in an impairment loss. The company impaired its building assets from the original cost £1,972,566 to £1,000,000. The carrying amount before Impairment was £1,348,595, resulting in an impairment loss of £348,595. The board completed a review for the year ended 31 March 2025 and no material changes have arisen.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

**12. Investments  
Group and Charity**

	Cash Deposits £	Investment in Equities £	Total £
<b>Cost</b>			
At 1 April 2024	368,197	505,120	873,317
Additions	13,535	500,000	513,535
Transferred to current assets	-	-	-
Fair Value Profit/(Loss)	-	(14,825)	(14,825)
Disposals	-	-	-
<b>At 31 March 2025</b>	<b>381,732</b>	<b>990,295</b>	<b>1,372,027</b>

Long term investments, which include monies in deposit accounts of £381,732 (2024: £368,197) which are due to mature in greater than 12 months and equity investments £990,295 (2024: £505,120), are held within the United Kingdom and exist primarily to provide an investment return for the group. At the end of each investment term the monies received are expected to be reinvested in further investment opportunities for the benefit of the group.

**13. Stocks**

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Consumables	24,226	30,674	23,561	30,499
	<b>24,226</b>	<b>30,674</b>	<b>23,561</b>	<b>30,499</b>

**14. Debtors**

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade Debtors	50,922	82,573	48,879	80,355
Amounts owed by subsidiary undertakings	-	-	79,600	45,533
Other debtors	86,309	54,428	86,309	54,423
Prepayments and accrued income	60,681	38,690	58,726	36,765
	<b>197,912</b>	<b>175,691</b>	<b>273,514</b>	<b>217,076</b>

Amounts owed by subsidiary undertakings are unsecured, interest free and are repayable on demand.

**15. Current Asset Investments**

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Short Term Deposits	5,323,357	6,144,163	5,323,357	6,144,163
	<b>5,323,357</b>	<b>6,144,163</b>	<b>5,323,357</b>	<b>6,144,163</b>

Current asset investments relate to monies held in short term deposit accounts and are due to expire within one year.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

**16. Creditors: amounts falling due within one year**

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade Creditors	73,786	72,296	66,080	67,643
Other taxation and social security	85,303	111,767	85,303	111,767
Accruals and deferred income	670,333	709,585	661,606	701,405
Other creditors	55,487	56,885	28,985	12,111
	<u>884,909</u>	<u>950,533</u>	<u>841,974</u>	<u>892,926</u>

**17. Financial instruments**

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
<b>Fair value through profit or loss</b>				
Fixed asset investments	990,295	505,120	990,295	505,120
	<u>990,295</u>	<u>505,120</u>	<u>990,295</u>	<u>505,120</u>
<b>Financial assets held at amortised cost</b>				
Cash at bank and in hand	2,946,838	2,860,180	2,821,580	2,754,003
Trade debtors	50,922	82,573	48,879	80,355
Other debtors	146,990	93,118	145,035	93,115
Investment in short term deposits	5,323,357	6,144,163	5,323,357	6,144,163
Investment in long term deposits	381,732	368,197	381,317	368,197
	<u>8,849,839</u>	<u>9,548,231</u>	<u>8,720,168</u>	<u>9,439,833</u>
<b>Financial liabilities held at amortised cost</b>				
Trade creditors	73,786	72,296	66,080	67,643
Other creditors	140,790	168,652	114,288	123,878
Accruals and deferred income	670,333	709,585	661,606	701,405
	<u>884,909</u>	<u>950,533</u>	<u>841,974</u>	<u>892,926</u>

**18. Analysis of Charitable funds**

**Analysis of movements in funds**

Group	Balance 1 April 2024 £	Incoming resources £	Expended funds £	(Loss) on investments £	Transfers £	Balance 31 March 2025 £
<b>Restricted Funds</b>	39,804	252,445	(252,006)	-	-	40,243
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,812,384	5,652,991	(5,761,336)	(14,825)	-	2,689,214
<b>Total funds</b>	<u>10,413,980</u>	<u>5,905,436</u>	<u>(6,013,342)</u>	<u>(14,825)</u>	<u>-</u>	<u>10,291,249</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2025**

Charity	Balance 1 April 2024	Incoming resources	Expended funds	(Loss) / Gain on investments	Transfers	Balance 31 March 2025
	£	£	£	£	£	£
<b>Restricted Funds</b>	39,804	252,445	(252,006)	-	-	40,243
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,805,024	5,494,401	(5,602,772)	(14,825)	-	2,681,828
<b>Total funds</b>	<u>10,406,620</u>	<u>5,746,846</u>	<u>(5,854,778)</u>	<u>(14,825)</u>	<u>-</u>	<u>10,283,863</u>

Capital Reserve - The Board has decided to allocate a further £Nil to the balance of £7,561,792 with a view to continuing to build these funds to meet future capital requirements.

**19. Analysis of group net assets between funds**

	Restricted Funds £	Unrestricted		Total Funds £
		General Funds £	Designated Funds £	
<b>Fund balances at 31 March 2025 are represented by:</b>				
Tangible fixed assets	34,043	1,277,755	-	1,311,798
Fixed asset investments	-	1,372,027	-	1,372,027
Net current assets	6,200	39,432	7,561,792	7,607,424
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>40,243</u>	<u>2,689,214</u>	<u>7,561,792</u>	<u>10,291,249</u>

	Restricted Funds £	Unrestricted		Total Funds £
		General Funds £	Designated Funds £	
<b>Fund balances at 31 March 2024 are represented by:</b>				
Tangible fixed assets	39,793	1,240,695	-	1,280,488
Fixed asset investments	-	873,317	-	873,317
Net current assets	11	698,372	7,561,792	8,260,175
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>39,804</u>	<u>2,812,384</u>	<u>7,561,792</u>	<u>10,413,980</u>

**20. Taxation**

Southern Area Hospice Services Ltd is recognised as a charity by HM Inspector of Taxes, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

The Charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred. This excluded certain types of expenditure where under the terms of a new scheme which commenced on 1 April 2015, charities that are not registered for VAT are able to claim back an element of their input VAT. The charity has participated in this scheme from the commencement date.

The Lottery is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

**21. Free reserves**

Free reserves as noted in the directors report, are calculated as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Total unrestricted reserves	10,251,006	10,374,176
Tangible assets	(1,277,755)	(1,240,695)
Fixed asset investments	(1,372,027)	(873,317)
	<b>7,601,224</b>	<b>8,260,164</b>

Total unrestricted reserves include £7,561,792 of designated funds which are allocated to a Capital Reserve to continue to build these funds to meet future capital requirements.

**22. Related party transactions and ultimate controlling party.**

The Board of Trustees are considered to be the Charity's ultimate controlling party.

Included within trade debtors is £7,706 (2024: £4,673) due from Southern Area Hospice Services Lottery Limited as at 31 March 2025.

Included within trade creditors is £NIL (2024: £NIL) due to Southern Area Hospice Services Lottery Limited as at 31 March 2025.

In 2025 Southern Area Hospice Services Lottery Limited made a gift of £79,628 (2024: £81,150) to Southern Area Hospice Services Ltd.

**23. Liability of members**

Both group companies are companies limited by guarantee and do not have a share capital. The liability of each member is limited to an amount not exceeding £1.

**24. Financial commitments**

There were no financial commitments at 31 March 2025 (2024: Nil)

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2025**

**25. Subsidiaries**

The subsidiary undertaking, situated at St. John's House, Courtenay Hill, Newry, Co Down, BT34 2EB, whose results are reflected in the consolidated financial statements by virtue of control, is as follows:

	<b>Interest consolidated</b>
Southern Area Hospice Services Lottery Limited - NI035958	100%

**26. Net cash generated from operating activities**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Net incoming resources	(122,731)	219,645
Depreciation & Impairment	72,554	427,021
Interest receivable and similar income	(287,965)	(230,154)
Loss / Gain on Investments	14,825	(54,539)
Loss on sale of fixed assets	1,480	1,149
Movement in Debtors	(22,221)	36,367
Movement in Creditors	(65,624)	388,975
Movement in Stocks	6,448	(4,248)
<b>Net cash inflow from operating activities</b>	<b>(403,234)</b>	<b>784,216</b>

**SOUTHERN AREA HOSPICE SERVICES LTD**

Northern Ireland - Charity number 101906

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# Accounts

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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Annual Report & Financial Statements  
Year Ended 31 March 2024**

**Company No: NI038737  
Charity No: NIC101906  
HMRC Charity Number: XN47329/2**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
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**Year Ended 31 March 2024**

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**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Company Information**

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<b>Trustees</b>	Patrick Loughran (Chairman) Donna Houston (Vice Chair) Robin Brown Sheila Chambers (resigned August 2023) Greg Cox Martín Dillon Monica Duffy Michelle Hutchinson Moirá Mannion (appointed January 2024) William McAllister Orla McPolin Kelly McVeigh Katrina O'Dowd Roger Wilson
<b>Co-optees to Committees</b>	Sheila Chambers – Audit and Risk Committee Andrew Stevenson - Capital Development and Infrastructure Committee
<b>Secretary</b>	Liz Cuddy
<b>Registered Office</b>	St John's House Courtenay Hill Newry Co. Down BT34 2EB
<b>External Auditor</b>	AAB Group Accountants Limited Chartered Accountants and Statutory Auditors Dromalane Mill The Quays Newry Co. Down BT34 8QS
<b>Internal Auditor</b>	Cavanagh Kelly 36-38 Northland Row Dungannon BT71 6AP
<b>Principal Bankers</b>	AIB 42-44 Hill Street Newry Co. Down  Danske Bank Limited 58 Hill Street Newry Co. Down  AIB 96 Clanbrassil Street Dundalk Co. Louth

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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**Investment Advisers**

Brewin Dolphin  
11th Floor East Tower  
Lanyon Plaza  
8 Lanyon Place  
Belfast, BT1 3LP

**Solicitors**

Luke Curran & Co  
6 Marcus Square  
Newry  
Co. Down

Lewis Silkin (N.I.) LLP  
8th Floor  
The Linenhall  
32-38 Linenhall Street  
Belfast  
BT2 8BG

**Registered Charity No.  
Registered Company No.**

NIC101906/XN47329/2  
NI038737

**Senior Leadership Team:**

Liz Cuddy  
Damien Hillen  
Alexandra Mahood  
Ajun Budda

Chief Executive Officer  
Director of Development  
Director of Corporate Services (resigned in September 2023)  
Director of Corporate Services (Interim) (appointed in September 2023)  
Director of Care

Bridget Smyth

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Trustees (who are also Directors of the company) submit their annual report and the audited consolidated financial statements of Southern Area Hospice Services Ltd and its subsidiary for the year ended 31 March 2024. This report constitutes the Strategic Report and the Trustees' Report required under the Companies Act 2006. The Trustees have adopted the provisions of the Companies Act 2006, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ((FRS 102 effective 1 January 2019) – (Charities SORP (FRS 102))), in preparing the annual report and financial statements of the group and charitable company.

#### Reference and administrative information

Southern Area Hospice Services Ltd has been established as a voluntary independent hospice since 1989. It was incorporated in June 2000.

Southern Area Hospice Services Ltd is registered with the Charity Commission NI (Charity Number NIC101906), is a company limited by guarantee and is registered with the Companies Registrar (Company number NI038737). It is also recognised as a charity by HM Revenue and Customs, XN 47329/2. The Trustees and Secretary of the charity are listed on page 2. The principal and registered office of the charity is also listed on page 2 together with details of the professional advisers and bankers.

#### Structure, governance and management

Southern Area Hospice Services Ltd, by virtue of common Trustees and power to govern operations, controls the activities of Southern Area Hospice Services Lottery Limited, which has the objective of raising funds for the Southern Area Hospice Services Ltd. Southern Area Hospice Services Lottery Limited operates a weekly lottery to generate funds for the Hospice.

Southern Area Hospice Services Ltd is governed by a Board of Directors (who are also known as Trustees for the purposes of the Charity Law). It is governed by a Memorandum and Articles of Association.

#### Board of Directors – ensuring good governance

The Board of Directors (Trustees) is as listed on page 2. The Directors are responsible for approving the strategies and policies and for ensuring that these are implemented. The Board of Directors meets regularly to comply with its statutory responsibilities. In the reporting period, the Board had 5 full Board meetings and 3 workshops to consider the capital project – further information on page 12.

The Chairperson is accountable to the Board of Directors and responsible for the efficient running of Southern Area Hospice Services Ltd with the help of the Chief Executive and the Senior Leadership Team. The Directors (Trustees) are not remunerated.

The Board Committee structure is well embedded and operating effectively. It is as set out below.

**The Clinical Governance Committee** provides oversight and scrutiny of service provision (clinical governance, service quality, patient safety, and clinical standards); service performance; service development and clinical leadership. Until July 2023 the committee had 5 members – 3 Board members and 2 co-optees. Following the resignation of the 2 co-optees (due to retirement from their substantive medical work), the Committee reduced to 3 members. In January 2024 the Board agreed the appointment of Moira Mannion to join the Board and to sit on this Committee given her significant and relevant senior nursing experience. The Committee is chaired by Patrick Loughran. It met 4 times in this reporting period during which the Committee reviewed the functioning of the previously established Medical Advisory Committee (MAC) as a sub-committee of the Clinical Governance Committee. In order to ensure the continued development of medical services within the Hospice and appropriate governance and assurance, the MAC's remit was broadened. Its status was also changed to be a Committee, under the responsibility of the Director of Care and Lead Consultant which reports to the CEO and the Clinical Governance Committee (as a standing agenda item). It continues to have the remit to advise and review the granting of practising privileges for medics providing services in the Hospice. It further provides the Responsible Person (the CEO) and the Registered Manager with professional

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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medical advice and provides assurance regarding the provision of medical services. This Committee met a total of 4 times in this reporting period.

**The Resources Committee** provides oversight and scrutiny of Human Resources, Income Generation, Finance, IT, Support Services (facility management services, administration, health, and safety and GDPR) and Investment Management. The Committee continues to have a demanding agenda but has noted that the significant direction of travel in improving the robustness of reports is very positive, ensuring the resources available are used and accounted for appropriately. They have also been ensuring that transformation continues to take place in the areas it has responsibility for. The Committee consists of five members of the Board of Directors and is chaired by Donna Houston. In this reporting period, the Committee met 9 times.

**The Audit and Risk Committee** provides oversight and scrutiny of strategic risk management; internal audit; external audit; and management responses identified by any audit process. All of this is to ensure the adequacy of assurance for all corporate governance matters relevant to Southern Area Hospice Services. In addition, the Committee can request any other specific work required to adequacy of governance, assurance, and probity. The Committee has 3 members, 2 of whom are Board members, and the 3<sup>rd</sup> is a co-optee. Whilst this Committee was always advised regarding fraud and whistleblowing matters this has now been added as standing agenda items to reflect good practice. The Committee is chaired by Monica Duffy and in this reporting period it met 5 times.

**The Remuneration and Nominations Committee** met once in the reporting period and is chaired by Orla McPolin. Its functions from a remuneration perspective are to set CEO and Director salaries, pay-scales for the remainder of the organisation and to ensure compliance with equality legislation. Its Nomination functions are to ensure good board governance is maintained, to recommend appointments to the Board, and to oversee the appointment of the CEO and Directors.

**The Capital Development and Infrastructure Committee** is responsible for ensuring that capital projects deliver the desired outcome, progress to plan and budget and that key risks are identified and managed. The Committee is involved in projects from concept to delivery with a focus on the capital works needed to futureproof the estate requirements for the Hospice. It has 4 members – 3 Board members and 1 co-optee - and is chaired by Roger Wilson. It met 5 times during this reporting period. Further details on this capital project are on page 12.

It should be noted that co-optees to Committees of the Board are not Trustees and therefore not Directors.

#### **Conflicts of Interest**

As a matter of good governance, actual and perceived conflicts of interest are reviewed on a regular basis. All Board members and senior managers are required to make an annual declaration regarding any conflicts of interest and a schedule of responses is maintained. In addition, the declaration of conflicts of interest is a standing agenda item for each meeting of the Board and its Committees, with all present being asked to declare if they have any conflicts of interest regarding any agenda items. There were no significant matters during the reporting period.

#### **Appointment of new Trustees**

New Trustees are recruited by open recruitment by existing Directors to fulfil specific roles and skills on the Board. The potential Trustee is then interviewed by the Chairperson, Vice Chairperson and Secretary of the Board regarding their willingness to become a Trustee and their potential contribution to the Hospice is considered. Following this, any potential Trustee is presented to the Board for their consideration and approval. There was 1 Trustee appointed during this reporting period.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### **Induction and training of Trustees**

Induction and training for new Trustees is similar to those set out for all employees of the charity. They are given an overview of the aims, objectives, and achievements, introduced to the Chief Executive and Senior Leadership Team, are provided with a copy of the Memorandum and Articles of Association, the Hospice UK manual on Director responsibilities and details of the recent financial performance of the charity. All new Trustees meet with other existing Trustees, and they are encouraged to attend appropriate external training events should they facilitate the undertaking of their role.

#### **Retirement and rotation of Trustees**

The term of office of a Trustee shall be for a maximum of three terms of three years each. A retiring Trustee of the board may be re-elected under these terms. The Trustees who retire in accordance with this regulation shall be those who have been longest in office since their last election but where persons who become Trustees on the same day retire (unless they otherwise agree among themselves), they are determined by lot. At the Annual General Meeting in August 2023 the following Trustees were due to retire by rotation: Sheila Chambers, Kelly McVeigh and Katrina O'Dowd. Sheila Chambers, whilst eligible for re-election, stood down as a Board Member due to personal reasons, but was appointed as a co-optee to the Audit and Risk Committee. Kelly McVeigh and Katrina O'Dowd were eligible and agreed to stand for re-election and were duly elected.

In the reporting period Moira Mannion was elected as a Board Member in January 2024. Sheila Chambers was the only person who retired from the Board.

#### **Management**

The Board is responsible for governance at a strategic level and meets regularly with the Chief Executive who is responsible for day-to-day management of the company supported by the Senior Leadership Team. The Chair of the Board meets regularly with the Chief Executive outside of formal meeting structures and processes. The Committees of the Board also meet regularly with the Chief Executive and Senior Leadership Team to review performance and address any emergent issues.

#### **Senior Leadership Team**

The Senior Leadership Team comprises of the Chief Executive, the Corporate Services Director, the Director of Care, and the Director of Development. Pay and remuneration is set by appropriate benchmarking and approved by the remuneration committee. Total cost of the Senior Leadership Team salaries and wages in this reporting period is as per note 10 to the financial statements.

#### **Objectives and Activities**

The Hospice supports patients with complex, life-limiting conditions to live well with their condition from the point of diagnosis right through to end-of-life. SAH provides patient-centered, wrap-around support for patients' physical, emotional, spiritual, and social needs. It also supports families and carers with their emotional and social needs.

The Hospice's services fall into 2 main categories: inpatient services and community-based services. The services in both areas are holistic in nature, comprehensively supporting the patient and their family. We have extremely professional and expert multi-disciplinary teams who ensure that our services, both in the inpatient unit and community, are of a high quality, evidenced based and safe. The Hospice has received funding from the Department of Health's Cancer Charities Support Fund to better support patients with a palliative cancer diagnosis. This funding has enabled a further development of its community services to ensure a more targeted and multi-disciplinary approach that works in a collaborative way with other service providers in the Southern Trust area. This funding continued throughout the reporting period and is due to cease in November 2024.

Details of the Hospice's services and the activity levels of each of these services are provided in the Strategic Report section.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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Southern Area Hospice Services Ltd is a member hospice of Hospice UK and affiliated with the All-Ireland Institute of Hospice and Palliative Care. We continue to develop links with other hospices at both a local and a national level.

#### **Public Benefit**

This has been another exceptional year due to the continuing cost-of-living challenges on income generation and on our operating costs. Our focus has been on continuing to provide services in a safe and effective way. This Trustees report demonstrates that the Hospice has had a successful year in this regard.

Southern Area Hospice Services Ltd continues to meet the definition of a public benefit entity under FRS 102 and in line with its charitable objectives as detailed throughout this report.

#### **Volunteers**

The charity is involved in the community and is dependent on voluntary help. Our 250 volunteers make a huge contribution to the work of the Hospice, bringing a diversity of skills and experience. Our volunteers contribute across many areas of the charity including reception and administrative duties, helping patients at mealtimes, providing reflexology and counselling as well as transporting patients to and from Hospice appointments and working in the Hospice gardens. Volunteers contribute greatly to various fundraising activities including flag days, cheque presentations as well as providing general assistance with the many fundraising events. The volunteers bring an extra dimension to the atmosphere of the Hospice. Their skills and contribution enhance our service and make an impact on the lives of our patients, their families, and our staff. The Hospice could not operate without the invaluable contribution of volunteers to its various departments and events and are deeply appreciative of our volunteers.

#### **In Gratitude**

The Board wish to convey their sincere thanks to our staff and the many volunteers who have so generously given their support to the organisation. With the continued support of our staff and volunteers, we look forward to continuing to enhance the delivery of our charitable services within the community.

#### **Acknowledgements**

The Board wish to sincerely thank all individuals, communities and companies who have supported and donated to us throughout this year, including many fundraising events and many supporters have yet again overwhelmed us with their generosity. The Hospice is extremely grateful for this support and financial assistance – it could not provide its services to the community without this.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

#### Strategic Report

#### Achievements and Performance

##### Overall

The Trustees are pleased to report that significant progress was made towards achieving the Hospice's objectives (detailed on page 6 & 7 above). The Hospice covers the Southern Health and Social Care Trust geographical area, which includes the towns of Newry, Armagh, Dungannon, Banbridge, Lurgan, Portadown and Craigavon.

##### Care Services

The Hospice provides both inpatient and community support. The Inpatient Clinical Team consists of consultant's, doctors, nurses, auxiliaries, physiotherapists, and an occupational therapist. The Hospice Community Outreach Team offer patients and their families care in their home or at our Hospice Hubs in Newry and Dungannon. These services involve patient support, carers support, counselling, bereavement support and an Out of Hours Nursing Care at Home for those at end of life. The Community Services Team consist of nurses, social workers, chaplains, physiotherapists, and complementary therapists. The Patient and Family Support Team consists of chaplains, social workers, counsellors and complementary therapists – this team works in both the Inpatient Unit and Community Services.

##### Inpatient Services

Our 14-bed adult In-patient Unit continues to provide holistic care for patients with complex symptoms, at end of life and for respite. A highly trained specialist multi-disciplinary team support both the patient and their family. The focus is on the whole person, helping them not only with physical care but also on emotional, social, and spiritual wellbeing.

Admissions increased this year from last year with 234 new admissions to the inpatient unit and a total of 245 patients cared for (2023: 223). Total bed occupancy for the year was 87.3%. The average length of stay was 15.1 days. We had 167 patients admitted for the first time with 67 patient requiring repeat admissions. 148 patients were discharged back home with improved symptom management or to their preferred place of care.

The total amount of inpatient unit therapies sessions for the year was 5,781. A session is defined as the clinical or therapeutic delivery of care to patient, carers or bereaved. A session can be delivered individually or in a group setting and can be up to 2 hours in duration depending on the type of care given. Patients and their families received a total of 5,006 face to face therapeutic support sessions and 775 telephone support sessions from our social workers, chaplains, physiotherapist, and complementary therapist. The total number of sessions delivered by our patients and family support teams are shown below.

Session type	Session numbers 2023/4	Session numbers 2022/3
Social work	2,209	1,911
Chaplaincy	2,655	1,811
Physiotherapy	492*	1,461
Occupational Therapy	196**	Service not available
Complementary Therapy	229	248
<b>Total</b>	<b>5,781</b>	<b>5,431</b>

**Note:**

\* Staff vacancy from April – December 2023

\*\* new service introduced in January 2024

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Community Services

Our Community Services model of support is an integrated multidisciplinary community-based specialist palliative support service for adults over the age of 18 and their families. The service provides physical, psychological, emotional, and spiritual support to patients with a palliative illness and their families. The service is provided in the person's home or in one of the SAHS hubs in Dungannon or Newry. Services can be delivered individually or as a part of group and are designed in conjunction with patient and family need. The Hospice has been able to significantly develop and expand its community services thanks to the funding it received from the Cancer Charity Support Fund.

We have had 469 new referrals to our Community Services over the last year and had 614 people open to our service. We delivered 6,854 therapeutic sessions to patients, carers, and bereaved families. 520 of these patients or family members were impacted by cancer and 94 were impacted by non-cancer related palliative conditions.

- 303 Patients
- 144 Carer/ Relative
- 167 Bereaved
- 1,113 Sessions were delivered at home
- 3,081 Sessions were delivered in one of the hospice hubs or a community setting.
- 2,660 Telephone or virtual sessions
- 1,118 Patient 1-2-1 Support sessions
- 448 Carers 1-2-1 support sessions
- 656 Bereavement 1-2-1 support sessions
- 938 counseling sessions were delivered
- 1,667 Complementary therapy sessions were delivered
- 1,045 sessions of group work.

This year group work services included:

- 6 weeks Living Well with a palliative illness in our 2 hubs
- 3-week Carers support group in our 2 hubs
- Monthly Family Night Bereavement groups for parents, teens, and younger children
- Bereavement Journey
- Bereavement Walking Group
- Bereavement Walk in Café.

We saw a significant increase in attendance at these groups in the reporting period and feedback from attendees has been very positive.

#### OOH Nursing Care at home

This year in our Community Services we developed a new service model, namely the Out of Hours Nursing Service. It commenced in July 2023 and is an on-call nursing service to patients at home who have a cancer diagnosis and are at the end of their life. The service is available 365 nights per year and is available between the hours of 10.00pm - 8.00am. This new service for the Hospice was piloted in postcode area of BT35 and Newry City area.

The service provides effective and timely symptom management in the last days of life. It also equips and supports families to recognise and manage the dying process of their loved one. The service reduces loneliness and social isolation for patient and family provides emotional and spiritual support during what is a very difficult time. The service to date has supported 33 people to die at home in their preferred place of death.

The Hospice has significantly transformed and developed its community services during the reporting period, successfully moving away from the traditional day therapy support model to an integrated, multi-disciplinary, community-based specialist palliative support service for adults and their families. The Hospice

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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acknowledges that this development was possible due to the funding we are receiving from the Department of Health's Cancer Charities Support Fund, managed by the Community Foundation.

#### **Additional collaborative and partnership work by the Care Service team in the Hospice include:**

- Training placements are provided for medical, nursing, social work, and physiotherapy students at both under and post graduate level.
- A Specialist Palliative Medicine out of hours telephone advice service is provided to the Southern Health & Social Care Trust medical staff community and hospitals in partnership with our Trust Consultant colleagues.
- The Patient and Family support team manager is the Chair of the Northern Ireland Association of Palliative Care Social Workers.
- The Inpatient Manager (ANP Trainee) is the Chair of the Senior Nursing Group.

#### **Other achievements in Care Services**

Significant investments were made during the reporting period to enhance the Care Services team and to make sure that we continue to develop the expertise of the whole team. This included the following:

- Clinical Fellow (Doctor) in post from October 23.
- Occupational Therapist in post from January 24 and further resource was added to the physiotherapy team to enhance the allied health practitioners' team.
- Up-skilling of Band 2 Health Care Assistants to a higher band / grade.
- Specialist Palliative Care Social Work Award commenced by 1 social worker.
- Msc Advanced Nurse Practitioner Course commenced by 1 senior nurse.
- Advanced Communication training completed by 12 staff.
- Princess Alice course (specialist palliative care qualification) completed by 6 staff.
- Shapes of Grief completed by 7 staff.

The Hospice has been working for several years with the SHSCT and Department of Health to secure pharmacy in-house services within the Hospice. We made significant progress on this during the reporting period with a pharmacist being in post on an interim basis from April 2024.

#### **Infection management**

Whilst the Covid-19 pandemic has abated significantly, the Hospice continued to face some outbreaks in the last 12 months. We had implemented Government safety measures in a timely manner and continued to adapt our ways of working to keep services operating in a safe way for our patients, their loved ones, and our staff. Infection prevention and control management to ensure we provided a safe environment within the constraints posed by our building restrictions has been and remains a priority. Staff are very competent in this way of working and have confidently managed any emergent situations throughout the reporting period.

#### **Our Team**

The staff within all functions of the Hospice have continued to show resiliency and commitment throughout the reporting period. The Board of Directors would like to thank all staff for their ongoing dedication and commitment to the Hospice.

#### **Staff Objectives and Performance**

Employees are set objectives which outline their responsibilities, and which are reviewed regularly to ensure compliance. There is an increased focus on developing staff to strengthen their performance and allow them to attain their maximum potential which in turn benefits the Hospice and our patients. Training is refreshed as required to ensure adherence to all requirements.

During the reporting period, we have further developed the training provision for our Care Services team to enhance the skills base, knowledge, and learning.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

#### Inspection

All care services are the subject of unannounced, annual inspections by the Regulation and Quality Improvement Authority (RQIA). The latest inspection took place in February 2024. We are pleased to report that the written feedback from this inspection was positive, particularly in relation to the quality of care provided and infection control standards. Inspectors were extremely complimentary about the knowledge, motivation, and commitment of all staff they spoke with. We were advised that the standard of care we provide is excellent and of a very high standard.

#### Income Generation

Yet again, the financial support we received from the Hospice community and corporate supporters in the reporting year was amazing. Despite the numerous challenges faced in a turbulent economic environment, marked by rising costs and global issues, the support and generosity of our loyal donor and supporters enabled us to generate an incredible £3.58 million, increasing from £3.2m raised last year.

This extraordinary accomplishment was made possible through the success of various campaigns and initiatives, as individuals enthusiastically participated in fundraising.

Several noteworthy campaigns deserve recognition, including the Big Bucket campaign in which 200 volunteers took part raised £28,000 this year. Furthermore, we extend our heartfelt gratitude to octogenarian John Dalzell OBE, who completed his 32<sup>nd</sup> Annual Christmas Sit Out and made an incredible donation of £125,000.

We were delighted to be able to hold our annual Lights Campaign, in the Hospice's premises once again, in the run up to Christmas. This event generated £97,000 whilst providing a source of hope and joy during what can be a challenging time for those who attend. The Car Draw was promoted across various roadshows and raised £107,000 this year – a truly fantastic accomplishment by all involved.

We are hugely grateful for the 29 legacy donations received this year, totalling £713,000, these donations show the extraordinary generosity of our supporters, whose thoughtful inclusion of the Hospice in their Wills ensures a sustained and meaningful impact for years to come.

Whilst operating in very challenging economic conditions our Corporate and Trust partners played a pivotal role this year by raising an amazing £319,000, exemplifying their commitment to our cause which is an increase of 8% on last year.

The table below illustrates the main areas of fundraising income during the year.

Income source	Amount raised £000's.
Community Fundraising	1,180
Events	908
Legacies	713
Corporate	248
Trusts	71
Individual/regular donations	184
Gift aid	111
Lottery	166

We are delighted to report that the number of donors enrolled in Gift Aid increased again in the reporting period. Gift Aid remains an important revenue stream, and we encourage all eligible donors to sign up for Gift Aid, helping us to maximise the impact of their contributions.

During the year the Income Generation Team's new business development unit became fully resourced with 2 new posts. These took some time to recruit but we are delighted the unit is now gearing up to help grow income for the Hospice.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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To achieve such exceptional results amidst an extremely challenging and competitive environment is a testament to the unwavering commitment of our staff, volunteers, community, and corporate supporters. The Hospice extends its deepest gratitude to every individual and corporate who has stood by our side, demonstrating their incredible support. We are profoundly indebted to every person who has played a role in our continued success.

#### **Communications**

Like many organisations in the charitable sector the Hospice needs to become more digitally focused and to enhance our social media presence.

Following a previous audit of internal and external communications, we successfully appointed a new Head of Communications & Marketing who took up post in October 2023. This added resource and enhanced the skills within the team. We also have increased the budget to deliver improved communication support in the current year. The new appointee has made a positive start in upgrading our Communications and social media presence and has completed preparatory work on projects to develop a new website and to improve brand image. We believe this activity and investment will raise the profile of the Hospice which will in turn increase support and income generation.

#### **Improving the infrastructure of the Hospice**

The Capital Development Committee have developed a roadmap to deliver on the strategic imperative of the Hospice (as set out in its strategy 2023 - 2028) to improve the accommodation of the inpatient unit to meet future needs and expectations. During the reporting period relevant experts were contracted via appropriate procurement processes to provide business case development support; project management support; design team expertise; and property and planning advice. The outline business case is progressing and by the end of reporting period the Board were evaluating a short list of options. This is a very significant work programme for this Committee and the Board. Great care is being taken to exercise robust analysis and consideration of best practice and emergent evidence. Workshops have taken place with staff of the Hospice to help understand the Hospice's future space requirements. Key partners (SHSCT and Department of Health) are being kept informed and being consulted as appropriate. In parallel, work is underway to understand what the Hospice can afford and how it can generate support for what is potentially a significant capital cost. This work was allocated a budget which was approved by the Board. Work in the reporting year was delivered well within this budget. Great progress has been made this year but there is still much to consider before final decisions can be made by the Board.

#### **Strategic Plan 2023 – 2028 Year 1**

During the reporting year, the Senior Leadership Team managed the implementation of actions planned for year one in the strategic plan agreed last year. The Strategic Plan covers a 5-year period from 2023 - 2028. The Hospice does not underestimate the challenge it faces in delivering this strategy, but it is fully committed to ensuring that specialist palliative care services are delivered to meet the growing need of the local communities.

In summary, the strategy has been designed to respond to the following key strategic drivers:

- The increasing demand for palliative care services, in terms of the number of patients requiring palliative care and the extent of palliative care required.
- The growing complexity of cases and conditions being cared for requiring more specialist input.
- The need for a service delivery model that is patient-centred with the flexibility to adjust how and where the care is delivered, according to individual patient's evolving needs and preferences.
- The need to build capacity and capability so that SAHS can provide the same level of specialist care equally across all care settings and equally across the geographic region.
- The pressures on availability of trained palliative care staff, and the need to build resilience within staffing structures while the labour pool is being developed.
- The pressures on funding, as a result of inflation and rising operating costs, as well as squeezes on funding sources.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Hospice's strategic aims within the strategy are:

- To develop its delivery model into a wrap-around holistic service that can respond to patient choice and seamlessly provide multi-disciplinary care in an inpatient unit, in the home or through community hubs, as required.
- To protect the unique strengths that it has in its specialist palliative care skills and inpatient facilities.
- To firmly establish its role as a leading provider of specialist palliative care services in Northern Ireland.

A summary of the objectives which have been achieved in Year 1 (2023-24) include:

- Recruitment of additional specialist staff in Care Services.
- Upskilling of some health care assistants.
- Improvement of admission and discharge processes to achieve maximum occupancy rates within Inpatient Unit.
- Continuation of the roll out of the new Community Services model which included the piloting of an Out of Hours Nursing Service.
- Continuation of work on the Hospice's infrastructure to ensure sustainability of the Inpatient Unit.
- Improvement of volunteer engagement strategies.
- Further resourced the communications team to improve internal and external communications.
- Business Development unit established in Income Generation.
- Income growth by 15% by the Income Generation Team. Our income growth was largely attributable to a growth in legacy income throughout the year.
- Donor development and legacy programmes developed but need further resourced.

#### Financial review

The financial statements are presented in the standard format required by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019 – (Charities SORP (FRS 102)) and cover the activities of Southern Area Hospice Services Ltd and its subsidiary Southern Area Hospice Services Lottery Limited. The statement of financial activities (SOFA) shows the gross income from all the sources and the split of activity between restricted and unrestricted funds.

#### Results

The net operational surplus for the financial year was £568,000, this was considerably above our expected year end position. However, as a result of a property re-valuation conducted by our retained consultants CBRE Ltd, the adjusted surplus position was £220,000. This still exceeded our budget expectations and should be noted that it was an exceptional accounting adjustment beyond our control, outside income and expenditure which we manage.

Our income was £520,000 over budget, the main drivers were fundraising income (£291,000 above) helped by additional legacy income and increased yield from our managed investments (£223,000 above budget). Expenditure continued to be well managed including providing for the full Agenda for Change pay award and making an interim pay award to help staff during a period of high inflation until the pay award was confirmed. We were also able to negotiate more favourable energy cost tariffs.

#### Reserves Policy

SAHS' policy is to continue to build reserves in order to maintain adequate cover for committed expenditure and the running costs for a period equivalent to six months' operating costs and other obligations arising from the implementation of the strategic plan. It is considered that six months is prudent in order to ensure continuity of service during any period of reduced income.

A Capital Reserve to set aside funds to carry out identified capital projects was established by the Trustees in 2015. The Capital Development and Infrastructure Committee (as referenced above) is responsible for progressing capital projects, the execution of agreed plans will require a spend in the current year and this work is underway.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Trustees have succeeded in maintaining reserves this year to meet committed expenditure and the running costs of the charity for a period equivalent to 6 months annual expenditure. The Trustees believe that the period of 6 months is necessary in order that there is continuity of service and will continue to work in accordance with this policy.

#### Legacies

The Hospice's income from legacies increased considerably from the previous year to £713,000. Due to its nature, legacy income is difficult to predict. Work continues to be done to improve the Hospice's capability to maximise this income stream.

#### Balance Sheet

The cash position of the group and the charity as of 31 March 2024 remained strong with £7,017,480 and £2,860,180 respectively held within investments and in the bank. (2023: £6,183,799 and £2,738,994 respectively). The Trustees are satisfied with the returns during the year given the economic environment. In accordance with the Investment Policy a proportion of available investment funds have been placed with a Discretionary Fund Manager to avail of potentially improved returns than that currently available from cash deposits. The Resources Committee continue to review the current investment strategy and policy.

#### Taxation

As a charity, the company can recover most tax deducted at source from its investment income and is not liable for corporation tax on its other income or on capital gains. Recovery is therefore made of tax credits and tax deducted from income received under deed of covenant or gift aid.

#### Future Plans

##### 1. Strategic Plan 2023 - 2028

At the time of reporting Year 2 - 2024/25 objectives are agreed by the Board. This year the approach has been to catalogue these in a thematic way that reads directly across to the wider overarching 5-year strategy.

- Investment in People and Training:
  - Strengthen the medical model in the Hospice to build resiliency and capacity to deliver specialist palliative care to meet the need.
  - Strengthen medical assurance and governance by becoming a designated body with Medical Director in SHSCT being the Responsible Officer.
  - Enhance talent management across all teams in the Hospice to ensure appropriate succession planning, employee recognition and improved development of emerging leaders.
- Innovation and Collaboration
  - Expand community services delivery to include a hospice at home model of care.
  - Continue to develop closer and seamless collaborations with the SHSCT to meet the needs of our patients.
  - Enhance employee recognition.
- Technology
  - Begin the introduction of electronic patient management and prescribing systems.
  - Optimise donor development system to improve information in income generation.
  - Begin to research AI technologies to improve capability in fundraising.
- Inpatient Unit
  - Continue to progress the capital infrastructure project to address the deficiencies and restrictions in the Inpatient Unit to meet current and future needs and provide an efficient work environment in terms of layout and running costs.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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- Funding
  - Review investment strategy to maintain high yields in a more challenging marketplace.
  - Continue to grow revenue income.
  - Launch a new approach to regular giving.
  - Initiate a capital funding programme to deliver the preferred affordable option which will emerge from the developing business case.
- Communications
  - Deliver a communications plan to improve external and internal communications.
  - Deliver a rebrand of the Hospice.
  - Deliver a new and much improved website.

## 2. Funding and Income Generation

Like other health and social care organisations the Hospice continues to face increasing costs from pay parity as well as in other areas, many driven by the cost-of-living crisis and inflationary pressures. Considerable analysis has gone into the establishment of the budget for the year ahead and our future anticipated costs. We continue to be challenged on an annual basis to produce a positive operating budget, particularly so in the current year due to the new costs associated with the delivery of our strategic aims. We believe that this investment however will result in a more resilient service and drive increased income in future years. Despite planned increased investment in people & technology and the continuing need to maintain our ageing facility, a budget with a small surplus has been agreed this year.

The Hospice's reliance on receiving substantial income from the public remains unchanged. In the reporting year, we generated £3.58 million from our communities which is around 65% of our total income (excluding monies received for a designated purpose, such as the Cancer Charity Support Fund (CCSF) monies). The amount we will need to generate in the current and future years is expected to increase, particularly as the current grant from CCSF will end this year.

The Hospice's comprehensive strategic plan includes a focus on reducing reliance on conventional income sources by diversifying revenue streams. This involves the development of corporate support, seeking to grow donations from charitable trusts, increasing future legacy donations and growing regular donations and continuing to maximise returns from investments.

Once again, we extend our heartfelt gratitude to everyone who supports us – we simply cannot accomplish what we do without your invaluable support.

### Principal risks and uncertainties

#### Risk management

The Trustees and Senior Leadership Team identify and actively manage the major risks to which the charity is exposed. This involves:

- An ongoing review of the risks which the charity may face.
- The assessment of the level of exposure presented by each identified risk.
- The establishment of systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimize the impact on the charity should any of the risks materialise.

Major risks which have been identified and discussed by the Trustees include loss of reputation, perhaps due to adverse publicity, leading to a fall in public confidence in the charity and a consequent reduction in voluntary income; a short-term fall in the value of our investment portfolio; and maintaining the highest security of our information and systems to prevent loss of data or funds.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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Further risks which have been heightened by the current economic climate include: a fall in income, either voluntary through donations and fundraising because the public has less capacity to give, through insufficient funding support from the Government or through declining donations from our subsidiary company; significantly increasing costs, mainly related to wages and energy; and the ability to recruit sufficiently skilled and qualified staff to deliver care to the patients of the catchment area.

As reflected earlier in this report, actions being taken to mitigate risk include: developing alternative and innovative ways to generate income; having a focus on closely managing costs; a review of staffing structures to build future resilience; third-party review of our IT service provision, security and resilience, working in conjunction with our third party providers who provide professional advice in this regard; the ongoing review of processes and procedures to create efficiencies; and the introduction of improved systems to increase efficiencies.

The Trustees take all appropriate steps to moderate and manage the operational risks to which volunteers, staff, and assets of Southern Area Hospice Services Ltd are exposed. The Audit & Risk Committee oversee the risk register which is regularly reviewed to ensure it reflects any potential risks related to the strategic plan. Throughout the reporting period specific focus on risks relating to continuing to deliver safe services in a pandemic and the uncertainty around income have been closely monitored.

Having considered all the identified risks, the Trustees do not consider there to be a risk to the going concern status of the organisation. As is evidenced above, we continue to prudently adapt our ways of working and processes as required to best position the Hospice for the future. The Senior Leadership Team, in conjunction with the Board, are constantly monitoring this. The Resources Committee considers the financial position regularly.

#### Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Southern Area Hospice Services Ltd for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice, Accounting and Reporting: Accounting and Reporting by Charities (2015);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Subsidiary undertakings

The charity took over control of the Southern Area Hospice Services Lottery Limited at the start of 2015. Southern Area Hospice Services Shop Limited ceased trading during the 2023 financial year.

These financial statements include Southern Area Hospice Services Lottery Limited.

#### Exemptions from disclosure

The company has taken exemption from the requirement to produce a separate statement of financial activities for the charity under section 408 and a charity cash flow statement as the results are included in the consolidated statements.

#### Funds held as custodian trustees on behalf of others

The charity holds no funds as custodian trustees on behalf of others.

#### Statement of disclosure of information to auditors

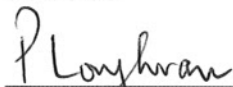
In the case of each Trustee/Director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

#### Independent auditors

The Contracts held by AAB Group Accountants Limited as the external auditors and Cavanagh Kelly as the internal auditors end with effect from the Annual General Meeting relating to this reporting period. The Board will carry out a tendering process to select and appoint auditors to a new contract during 2024.

Approval of the Trustees' Report, which constitute the Strategic Report and the Directors' Report. By order of the Board.



**P Loughran**  
Trustee/Director

**Date: 10<sup>th</sup> September 2024**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2024

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**Opinion**

We have audited the group and parent charitable company financial statements of Southern Area Hospice Services Ltd for the year 31 March 2024 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Southern Area Hospice Ltd's group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2024 and of the group and parent charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Southern Area Hospice Services Ltd**  
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Year Ended 31 March 2024

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; 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 the knowledge and understanding of the Trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company- Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Southern Area Hospice Services Ltd**  
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We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



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**Teresa Campbell (Senior Statutory Auditor)**  
**For and on behalf of AAB Group Accountants Limited**  
**Chartered Accountants and Statutory Auditors**

Dromalane Mill  
The Quays  
Newry  
Co. Down  
BT34 8QS

**Date: 10<sup>th</sup> September 2024**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Year 2024 £	Total Year 2023 £
<b>Income from:</b>					
<b>Charitable Activities</b>					
Grant Income	3	1,747,278	357,511	2,104,789	2,044,247
<b>Donations and Legacies</b>					
Sundry Income		64,700	36,583	101,283	19,720
Gifts and Donations	4	6,642	-	6,642	5,995
Gift Aid		111,135	-	111,135	111,024
Legacies		713,174	-	713,174	154,543
Fundraising Income		2,570,468	24,000	2,594,468	2,648,377
<b>Investment Income</b>					
Bank Interest Receivable	5	230,154	-	230,154	52,955
<b>Other Trading Activities</b>					
Commercial Trading Operations	4	160,009	-	160,009	252,007
<b>Total Income</b>		<b>5,603,560</b>	<b>418,094</b>	<b>6,021,654</b>	<b>5,288,868</b>
<b>Expenditure on:</b>					
<b>Costs of Raising Funds</b>					
General Fundraising and Publicity Costs	7	678,640	2,601	681,241	667,314
Commercial Trading Operations	4	85,495	-	85,495	128,001
<b>Charitable Activities</b>					
Delivering Hospice Services	6	4,664,863	424,949	5,089,812	4,042,661
<b>Total Expenditure</b>		<b>5,428,998</b>	<b>427,550</b>	<b>5,856,548</b>	<b>4,837,976</b>
<b>Net gain / (loss) on investment</b>	5	<b>54,539</b>	<b>-</b>	<b>54,539</b>	<b>(27,291)</b>
<b>Net Income/(Expenditure)</b>		<b>229,101</b>	<b>(9,456)</b>	<b>219,645</b>	<b>423,601</b>
Transfers Between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>229,101</b>	<b>(9,456)</b>	<b>219,645</b>	<b>423,601</b>
<b>Reconciliation of Funds</b>					
<b>Total Funds</b>					
Brought Forward at 1 April		10,145,075	49,260	10,194,335	9,770,734
<b>Total Funds Carried Forward</b>	<b>18</b>	<b>10,374,176</b>	<b>39,804</b>	<b>10,413,980</b>	<b>10,194,335</b>

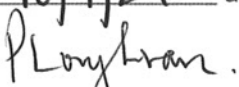
The notes on pages 25 - 40 form part of these financial statements. The results relate to continuing activities.


The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Consolidated Balance Sheet**  
**Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible Assets	11	1,280,488	1,594,616
Investments	12	873,317	805,470
		<u>2,153,805</u>	<u>2,400,086</u>
<b>Current assets</b>			
Stocks	13	30,674	26,426
Debtors	14	175,691	212,058
Investments	15	6,144,163	5,378,329
Cash at Bank and in Hand		2,860,180	2,738,994
		<u>9,210,708</u>	<u>8,355,807</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(950,533)	(561,558)
Net Current Assets		8,260,175	7,794,249
<b>Total Assets less Current liabilities</b>		<b>10,413,980</b>	<b>10,194,335</b>
<b>Net assets</b>		<u><b>10,413,980</b></u>	<u><b>10,194,335</b></u>
<b>Group Funds employed</b>			
Restricted Funds	18	39,804	49,260
Unrestricted Funds	18	10,374,176	10,145,075
		<u>10,413,980</u>	<u>10,194,335</u>

The financial statements were approved and authorised for issue by the Board of Trustees on the 10/9/24 and were signed on its behalf by:

  
 \_\_\_\_\_  
**P Loughran**  
 Director

  
 \_\_\_\_\_  
**D Houston**  
 Director

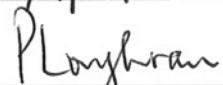
Company Registration: NI038737

The notes on pages 25 - 40 form part of these financial statements. The results relate to continuing activities.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Charity Balance Sheet**  
**Year Ended 31 March 2024**

		2024 £	2023 £
<b>Fixed Assets</b>			
Tangible Assets	11	1,280,488	1,594,616
Investments	12	873,317	805,470
		<u>2,153,805</u>	<u>2,400,086</u>
<b>Current Assets</b>			
Stocks	13	30,499	25,827
Debtors	14	217,076	331,474
Investments	15	6,144,163	5,378,329
Cash at Bank and in Hand		2,754,003	2,556,380
		<u>9,145,741</u>	<u>8,292,010</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(892,926)	(505,115)
<b>Net Current Assets</b>		<b>8,252,815</b>	<b>7,786,895</b>
<b>Total Assets less Current liabilities</b>		<b>10,406,620</b>	<b>10,186,981</b>
<b>Net assets</b>		<u><b>10,406,620</b></u>	<u><b>10,186,981</b></u>
<b>Funds employed</b>			
Restricted Funds	18	39,804	49,260
Unrestricted Funds	18	10,366,816	10,137,721
		<u>10,406,620</u>	<u>10,186,981</u>

The financial statements were approved and authorised for issue by the Board of Trustees on the 10/9/24 and were signed on its behalf by:

  
 \_\_\_\_\_  
**P Loughran**  
 Director

  
 \_\_\_\_\_  
**D Houston**  
 Director

Company Registration: NI038737

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Consolidated Statement of Cash Flow  
Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Cash used in Operating Activities</b>	26	784,216	340,963
<b>Cash flows from Investing Activities</b>			
Interest Income		230,154	52,955
Purchase of Tangible Fixed Assets		(114,042)	(33,883)
Purchase of investments		(779,142)	(3,351,923)
Cash used in Investing Activities		(663,030)	(3,332,851)
<b>Cash flows from Financing Activities:</b>			
Movement in Deposits		-	-
Cash used in Financing Activities		-	-
<b>Increase/(decrease) in Cash and Cash Equivalents in the year</b>		<b>121,186</b>	<b>(2,991,888)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>2,738,994</b>	<b>5,730,882</b>
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,860,180</b>	<b>2,738,994</b>
<b>Cash and Cash Equivalents at the end of the reporting period</b>		<b>2,860,180</b>	<b>2,738,994</b>

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

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**1) Accounting Policies**

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

**a) Basis of preparation**

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) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southern Area Hospice Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. Taking account of the risk review undertaken by the directors they do not consider there to be a risk to the going concern status of the charity or the group. The Directors will review the financial position on a regular basis, taking any action needed to ensure that charity remains fit for purpose and on this basis the assessment of the directors is that the charity is a going concern.

**c) Group financial statements**

The financial statements consolidate the results of the charity and its subsidiary Southern Area Hospice Services Lottery Limited. We note that Southern Area Hospice Services Shop Limited ceased trading in July 2022, and was wound up in October 2022. The 2023 consolidated figures included the 4 months trading up to cessation.

**d) Incoming Resources**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

*Government Grants*

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

*Donations*

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

*Commercial/ Trading Income*

Trading income represents the invoiced value of goods supplied during the year. Revenue is recognised upon provision of the service to the customer.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

*Fundraising income*

Fundraising income is included in the Statement of Financial Activities when received, unless it is for a specific event in which case it is deferred to the timing of the event.

*Legacies*

Income from legacies is recognised when there is evidence of entitlement to the legacy, receipt is probable and its amount can be measured reliably. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the group, or the group is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

*Investment income*

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

**e) Resources Expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis 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 use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

*Costs of Raising Funds*

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

*Charitable activities*

These are costs incurred in providing medical and care services and facilities within the Hospice and, as such, include primarily the cost of medical supplies and staff costs.

*Pension costs*

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

*Governance costs*

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

*Support Costs*

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. These have been allocated to charitable activities, costs of raising funds and governance costs on a basis consistent with the use of these resources.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**f) Fund accounting**

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

*Restricted funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

*Unrestricted funds*

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

*Designated funds*

Designated funds comprise a capital reserve that has been allocated to meet future capital requirements.

**g) Operating leases**

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**h) Tangible fixed assets**

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

Buildings:

Fundraising Office	- 10% straight line
Additions to day-care centre	- 4% straight line
Freehold Hospice Buildings	- 1.5% straight line
Fixtures, fittings and equipment	- 20% reducing balance
Motor Vehicles	- 25% straight line

Land is not depreciated. When the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**i) Investments**

Listed investments are stated at market value, on the basis of the middle market price at the close of business. Whilst day to day management of the investment portfolio is carried on by experienced, registered investment managers (currently Brewin Dolphin) the ultimate control and responsibility rests with the Trustees.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**k) Cash at bank and in hand and current asset investments**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

**l) Creditors and provisions**

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

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. Donated goods into the shops are valued at zero as the value is their bagged weight which is immaterial to the financial statements.

**n) Foreign currency**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are recognised in the Statement of Financial Activities.

**o) Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12. Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis of to realise the asset and settle the liability simultaneously.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**o) Financial Instruments ctd....**

**Basic financial assets**

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instruments is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**p) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**q) Exemptions under FRS 102**

The Charity has taken advantage of the following exemption:

- (i) from preparing a cash flow statement, on the basis that it is a qualifying entity and the consolidated statement of cash flow includes the Charity's cash flows.

**r) Exemptions under Companies Act 2006**

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities in includes the Charity's Statement of Financial Activities.

The surplus of the charity at 31 March 2024 was £219,639.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**1) Accounting Policies- (continued)**

**s) Critical accounting estimates and judgements**

In the application of the Charity'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.

*Critical judgements in applying the entity's accounting policies*

There are no critical judgements in applying the group's accounting policies.

*Critical accounting estimates and assumptions*

Income from legacies is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Cost allocation is an accounting estimate that is recognised in line with the accounting policy Note 1e.

Depreciation is an accounting estimate that is recognised in line with the accounting policy Note 1h.

**2) Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3. Income from Charitable Activities**

	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Department of Health - General Funding	-	1,747,278	1,747,278	1,729,095
Other Government Grant Income	357,511	-	357,511	315,152
	<u>357,511</u>	<u>1,747,278</u>	<u>2,104,789</u>	<u>2,044,247</u>

The 2023 income total of £2,044,247 was split between £1,729,095 unrestricted and £315,152 restricted.

Other Government Grant Income: This income is mainly income from the Cancer Charities' Support Fund. It is restricted as it can only be used for the purposes indicated in the grant application.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**4. Income from other trading activities**

The trading subsidiary of the charity, Southern Area Hospice Services Lottery Limited is incorporated in the United Kingdom (company number NI035958) and pays a large proportion of their profits to the charity under the gift aid scheme. Southern Area Hospice Services Shop Limited ceased trading in July 2022 and was wound up in October 2022.

**Southern Area Hospice Services Shop Limited**

	<b>2024</b>	<b>7 Months 2023</b>
	<b>£</b>	<b>£</b>
Turnover	-	41,928
Other operating income	-	10,134
Expenditure	-	(39,159)
Repayment to the Hospice	-	(30,858)
Net Profit / (Loss)	<u>-</u>	<u>(17,955)</u>
Aggregate share capital and reserves	<u>-</u>	<u>-</u>

**Southern Area Hospice Services Lottery Limited**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Turnover	160,009	199,945
Donations	6,642	5,995
Other operating income	-	-
Expenditure	(85,495)	(88,842)
Donation to the Hospice	(81,150)	(117,090)
Corporation tax charge	-	-
Net Profit	<u>6</u>	<u>8</u>
Aggregate share capital and reserves	<u>7,356</u>	<u>7,350</u>

**5. Investment Income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Interest receivable	230,154	52,955
Investment Income	<u>54,539</u>	<u>-</u>
	<u>284,693</u>	<u>52,955</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**6. Charitable Activities - Delivering Hospice Services**

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total 2024 £	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £
Staff costs	360,163	3,083,664	3,443,827	300,768	2,640,816	2,941,584
Insurance	-	56,328	56,328	-	48,618	48,618
Light & Heat	-	98,838	98,838	-	94,416	94,416
Housekeeping costs	-	32,712	32,712	-	20,954	20,954
Food and Medical Supplies	-	114,632	114,632	3,426	102,789	106,215
Repairs and Maintenance	-	59,787	59,787	-	45,078	45,078
Recruitment Expenses	297	15,738	16,035	-	8,026	8,026
Other Expenses	9,643	3,840	13,483	3,961	2,432	6,393
Training Costs	-	8,325	8,325	243	4,643	4,886
Depreciation/Impairment	12,021	393,200	405,221	11,994	44,910	56,904
Loss on Disposal	-	1,149	1,149	-	-	-
Volunteer Costs	-	1,517	1,517	-	1,162	1,162
Governance costs	-	9,996	9,996	-	9,799	9,799
Support costs (note 8)	42,825	785,137	827,962	8,734	689,892	698,626
	<u>424,949</u>	<u>4,664,863</u>	<u>5,089,812</u>	<u>329,126</u>	<u>3,713,535</u>	<u>4,042,661</u>

Restricted Funds expenditure - see note on Restricted Funds income under note 3.

**7. Costs of Raising Funds**

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total 2024 £	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £
Staff Costs	-	428,986	428,986	3,414	395,474	398,888
Fundraising Expenses	-	185,610	185,610	-	224,755	224,755
Light & Heat	-	4,129	4,129	-	5,457	5,457
Repairs & Maintenance	-	6,041	6,041	-	3,534	3,534
Rates	-	1,182	1,182	-	623	623
Telephone	2,241	16,184	18,425	504	15,080	15,584
Stationery and Advertising	360	5,472	5,832	-	254	254
Support Costs (note 8)	-	31,036	31,036	-	18,219	18,219
	<u>2,601</u>	<u>678,640</u>	<u>681,241</u>	<u>3,918</u>	<u>663,396</u>	<u>667,314</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**8. Support Costs**

	Basis of Allocation	Generating Funds	Delivering Hospice Services	2024
		£	£	£
Staff costs	Staff Time/Usage	-	689,945	689,945
Other Staff Costs	Staff Time/Usage	-	8,130	8,130
Repairs and Renewals	Floor Space	-	3,754	3,754
Recruitment	Staff Costs/Usage	-	11,209	11,209
Financing	Actual	12,610	6,211	18,821
Training Costs	Staff Time/Usage	-	884	884
Legal and Professional Costs	Usage	-	8,018	8,018
Depreciation	Usage	-	21,800	21,800
Loss on Disposal	Usage	-	-	-
General Administration	Usage	18,426	78,011	96,437
		<u>31,036</u>	<u>827,962</u>	<u>858,998</u>

	Basis of Allocation	Generating Funds	Delivering Hospice Services	2023
		£	£	£
Staff costs	Staff Time/Usage	-	531,315	531,315
Other Staff Costs	Staff Time/Usage	-	16,450	16,450
Repairs and Renewals	Floor Space	-	4,388	4,388
Recruitment	Staff Costs/Usage	60	6,078	6,138
Financing	Actual	12,889	6,277	19,166
Training Costs	Staff Time/Usage	35	325	360
Legal and Professional Costs	Usage	-	35,185	35,185
Depreciation	Usage	-	21,592	21,592
Loss on Disposal	Usage	-	712	712
General Administration	Usage	5,235	76,304	81,539
		<u>18,219</u>	<u>698,626</u>	<u>716,845</u>

**9. Results for the year**

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
<b>This is stated after charging:</b>				
Staff costs (note 10)	4,562,758	3,965,061	4,526,857	3,921,150
Audit fees - external	11,500	13,000	10,000	10,000
Audit fees - internal (assurance only)	-	4,125	-	4,125
Depreciation / Impairment	427,021	78,869	427,021	78,496
Operating lease rentals - property	-	13,975	-	-

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**10. Employee information**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Wages and salaries	3,908,905	3,404,498	3,873,004	3,361,284
Social security costs	334,535	287,702	334,535	287,497
Other pension costs	319,318	272,861	319,318	272,369
	<u>4,562,758</u>	<u>3,965,061</u>	<u>4,526,857</u>	<u>3,921,150</u>

The average number of persons employed by the company (excluding Directors) during the year, by activity, was as follows:

	Group		Charity	
	2024	2023	2024	2023
Support Staff and Fundraising	33	37	32	36
Direct Care Staff	58	54	58	54
Catering and Housekeeping	15	10	15	10
	<u>106</u>	<u>101</u>	<u>105</u>	<u>100</u>

The number of employees whose emoluments exceed £60,000 were:

	2024	2023
£60,001 - £70,000	2	-
£70,001 - £80,000	-	2
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
Over £100,000	2	1

For staff whose emoluments exceed £60,000, pension contributions amounting to £51,167 (2023: £41,365) were paid towards a defined contribution pension scheme.

Indemnity insurance for directors' liability was purchased by the charity for £1,875 (2023: £7,000).

The total employee benefits, excluding employers pensions, of the key management personnel of the group was £290,445 (2023: £322,102).

No charity Trustee received payment for professional or other services supplied to the charity (2023: £nil).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**11. Tangible Fixed Assets**

Group	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2023	1,972,566	522,176	667,514	54,787	39,704	3,256,747
Additions	61,825	1,208	13,813	37,196	-	114,042
Disposals	-	-	(2,849)	-	-	(2,849)
<b>At 31 March 2024</b>	<b>2,034,391</b>	<b>523,384</b>	<b>678,478</b>	<b>91,983</b>	<b>39,704</b>	<b>3,367,940</b>
<b>Accumulated depreciation</b>						
At 1 April 2023	595,611	456,794	552,051	23,872	33,803	1,662,131
Charge for the period	28,359	13,258	25,105	8,543	3,161	78,426
Impairment	348,595	-	-	-	-	348,595
Depreciation on disposal	-	-	(1,700)	-	-	(1,700)
<b>At 31 March 2024</b>	<b>972,565</b>	<b>470,052</b>	<b>575,456</b>	<b>32,415</b>	<b>36,964</b>	<b>2,087,452</b>
<b>Net book amount</b>						
<b>At 31 March 2024</b>	<b>1,061,826</b>	<b>53,332</b>	<b>103,022</b>	<b>59,568</b>	<b>2,740</b>	<b>1,280,488</b>
At 31 March 2023	1,376,955	65,382	115,463	30,915	5,901	1,594,616
<b>Charity</b>						
<b>Cost</b>						
At 1 April 2023	1,972,566	522,176	667,514	54,787	39,704	3,256,747
Additions	61,825	1,208	13,813	37,196	-	114,042
Disposals	-	-	(2,849)	-	-	(2,849)
<b>At 31 March 2024</b>	<b>2,034,391</b>	<b>523,384</b>	<b>678,478</b>	<b>91,983</b>	<b>39,704</b>	<b>3,367,940</b>
<b>Accumulated depreciation</b>						
At 1 April 2023	595,611	456,794	552,051	23,872	33,803	1,662,131
Charge for the period	28,359	13,258	25,105	8,543	3,161	78,426
Impairment	348,595	-	-	-	-	348,595
Depreciation on disposal	-	-	(1,700)	-	-	(1,700)
<b>At 31 March 2024</b>	<b>972,565</b>	<b>470,052</b>	<b>575,456</b>	<b>32,415</b>	<b>36,964</b>	<b>2,087,452</b>
<b>Net book amount</b>						
<b>At 31 March 2024</b>	<b>1,061,826</b>	<b>53,332</b>	<b>103,022</b>	<b>59,568</b>	<b>2,740</b>	<b>1,280,488</b>
At 31 March 2023	1,376,955	65,382	115,463	30,915	5,901	1,594,616

At 31 March 2024 the entity's land and buildings were independently revalued by CBRE resulting in an impairment loss. The company impaired its building assets from the original cost £1,972,566 to £1,000,000. The carrying amount before impairment was £1,348,595, resulting in an impairment loss of £348,595.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**12. Investments**  
**Group and Charity**

	Cash Deposits £	Investment in Equities £	Total £
<b>Cost</b>			
At 1 April 2023	354,889	450,581	805,470
Additions	13,308	-	13,308
Transferred to current assets	-	-	-
Fair Value Profit/(Loss)	-	54,539	54,539
Disposals	-	-	-
<b>At 31 March 2024</b>	<b>368,197</b>	<b>505,120</b>	<b>873,317</b>

Long term investments, which include monies in deposit accounts of £368,197 (2023: £354,889) which are due to mature in greater than 12 months and equity investments £505,120 (2023: £450,581), are held within the United Kingdom and exist primarily to provide an investment return for the group. At the end of each investment term the monies received are expected to be reinvested in further investment opportunities for the benefit of the group.

**13. Stocks**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Consumables	30,674	26,426	30,499	25,827
	<b>30,674</b>	<b>26,426</b>	<b>30,499</b>	<b>25,827</b>

**14. Debtors**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade Debtors	82,573	156,840	80,355	153,280
Amounts owed by subsidiary undertakings	-	-	45,533	124,801
Other debtors	54,428	26,463	54,423	26,463
Prepayments and accrued income	38,690	28,755	36,765	26,930
	<b>175,691</b>	<b>212,058</b>	<b>217,076</b>	<b>331,474</b>

Amounts owed by subsidiary undertakings are unsecured, interest free and are repayable on demand.

**15. Current Asset Investments**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Short Term Deposits	6,144,163	5,378,329	6,144,163	5,378,329
	<b>6,144,163</b>	<b>5,378,329</b>	<b>6,144,163</b>	<b>5,378,329</b>

Current asset investments relate to monies held in short term deposit accounts and are due to expire within one year.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**16. Creditors: amounts falling due within one year**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade Creditors	72,296	74,127	67,643	69,771
Other taxation and social security	111,767	114,885	111,767	114,885
Accruals and deferred income	709,585	317,007	701,405	307,830
Other creditors	56,885	55,539	12,111	12,629
	<u>950,533</u>	<u>561,558</u>	<u>892,926</u>	<u>505,115</u>

**17. Financial instruments**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
<b>Fair value through profit or loss</b>				
Fixed asset investments	505,120	450,581	505,120	450,581
	<u>505,120</u>	<u>450,581</u>	<u>505,120</u>	<u>450,581</u>
<b>Financial assets held at amortised cost</b>				
Cash at bank and in hand	2,860,180	2,738,994	2,754,003	2,556,380
Trade debtors	82,573	156,840	80,355	153,280
Other debtors	93,118	55,218	93,115	53,393
Investment in short term deposits	6,144,163	5,378,329	6,144,163	5,378,329
Investment in long term deposits	368,197	354,889	368,197	354,889
	<u>9,548,231</u>	<u>8,684,270</u>	<u>9,439,833</u>	<u>8,496,271</u>
<b>Financial liabilities held at amortised cost</b>				
Trade creditors	72,296	74,127	67,643	69,771
Other creditors	168,652	170,424	123,878	127,514
Accruals and deferred income	709,585	317,007	701,405	307,830
	<u>950,533</u>	<u>561,558</u>	<u>892,926</u>	<u>505,115</u>

**18. Analysis of Charitable funds**

**Analysis of movements in funds**

Group	Balance 1 April 2023 £	Incoming resources £	Expended funds £	Gain on investments £	Transfers £	Balance 31 March 2024 £
<b>Restricted Funds</b>	49,260	418,094	(427,550)	-	-	39,804
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,583,283	5,603,560	(5,428,998)	54,539	-	2,812,384
<b>Total funds</b>	<u>10,194,335</u>	<u>6,021,654</u>	<u>(5,856,548)</u>	<u>54,539</u>	<u>-</u>	<u>10,413,980</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

Charity	Balance 1 April 2023	Incoming resources	Expended funds	Gain on investments	Transfers	Balance 31 March 2024
	£	£	£	£	£	£
<b>Restricted Funds</b>	49,260	418,094	(427,550)	-	-	39,804
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,575,929	5,518,054	(5,343,498)	54,539	-	2,805,024
<b>Total funds</b>	<u>10,186,981</u>	<u>5,936,148</u>	<u>(5,771,048)</u>	<u>54,539</u>	<u>-</u>	<u>10,406,620</u>

Capital Reserve - The Board has decided to allocate a further £Nil to the balance of £7,561,792 with a view to continuing to build these funds to meet future capital requirements.

**19. Analysis of group net assets between funds**

	Restricted Funds £	General Funds £	Unrestricted Designated Funds £	Total Funds £
<b>Fund balances at 31 March 2024 are represented by:</b>				
Tangible fixed assets	39,793	1,240,695	-	1,280,488
Fixed asset investments	-	873,317	-	873,317
Net current assets	11	698,372	7,561,792	8,260,175
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>39,804</u>	<u>2,812,384</u>	<u>7,561,792</u>	<u>10,413,980</u>

	Restricted Funds £	General Funds £	Unrestricted Designated Funds £	Total Funds £
<b>Fund balances at 31 March 2023 are represented by:</b>				
Tangible fixed assets	49,249	1,545,367	-	1,594,616
Fixed asset investments	-	805,470	-	805,470
Net current assets	11	232,446	7,561,792	7,794,249
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>49,260</u>	<u>2,583,283</u>	<u>7,561,792</u>	<u>10,194,335</u>

**20. Taxation**

Southern Area Hospice Services Ltd is recognised as a charity by HM Inspector of Taxes, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

The Charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred. This excluded certain types of expenditure where under the terms of a new scheme which commenced on 1 April 2015, charities that are not registered for VAT are able to claim back an element of their input VAT. The charity has participated in this scheme from the commencement date.

The Lottery is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

**21. Free reserves**

Free reserves as noted in the directors report, are calculated as follows:

	2024 £	2023 £
Total unrestricted reserves	10,374,176	10,145,075
Tangible assets	(1,240,695)	(1,545,367)
Fixed asset investments	(873,317)	(805,470)
	<b>8,260,164</b>	<b>7,794,238</b>

Total unrestricted reserves include £7,561,792 of designated funds which are allocated to a Capital Reserve to continue to build these funds to meet future capital requirements.

**22. Related party transactions and ultimate controlling party.**

The Board of Trustees are considered to be the Charity's ultimate controlling party.

Included within trade debtors is £4,673 (2023: £4,350) due from Southern Area Hospice Services Lottery Limited as at 31 March 2024.

Included within trade creditors is £NIL (2023: £NIL) due to Southern Area Hospice Services Lottery Limited as at 31 March 2024.

In 2024 Southern Area Hospice Services Lottery Limited made a gift of £81,150 (2023: £117,090) to Southern Area Hospice Services Ltd.

**23. Liability of members**

Both group companies are companies limited by guarantee and do not have a share capital. The liability of each member is limited to an amount not exceeding £1.

**24. Financial commitments**

There were no financial commitments at 31 March 2024 (2023: Nil)

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**25. Subsidiaries**

The subsidiary undertaking whose results are reflected in the consolidated financial statements by virtue of control, is as follows:

	<b>Interest consolidated</b>
Southern Area Hospice Services Lottery Limited - NI035958	100%

**26. Net cash generated from operating activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net incoming resources	219,645	423,601
Depreciation & Impairment	427,021	78,869
Interest receivable and similar income	(230,154)	(52,955)
Gain on Investments	(54,539)	27,291
Loss on sale of fixed assets	1,149	10,268
Movement in Debtors	36,367	117,321
Movement in Creditors	388,975	(262,711)
Movement in Stocks	(4,248)	(721)
<b>Net cash inflow from operating activities</b>	<b>784,216</b>	<b>340,963</b>

**SOUTHERN AREA HOSPICE SERVICES LTD**

Northern Ireland - Charity number 101906

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# Annual report

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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Annual Report & Financial Statements  
Year Ended 31 March 2024**

**Company No: NI038737  
Charity No: NIC101906  
HMRC Charity Number: XN47329/2**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
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**Year Ended 31 March 2024**

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**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Company Information**

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<b>Trustees</b>	Patrick Loughran (Chairman) Donna Houston (Vice Chair) Robin Brown Sheila Chambers (resigned August 2023) Greg Cox Martín Dillon Monica Duffy Michelle Hutchinson Maira Mannion (appointed January 2024) William McAllister Orla McPolin Kelly McVeigh Katrina O'Dowd Roger Wilson
<b>Co-optees to Committees</b>	Sheila Chambers – Audit and Risk Committee Andrew Stevenson - Capital Development and Infrastructure Committee
<b>Secretary</b>	Liz Cuddy
<b>Registered Office</b>	St John's House Courtenay Hill Newry Co. Down BT34 2EB
<b>External Auditor</b>	AAB Group Accountants Limited Chartered Accountants and Statutory Auditors Dromalane Mill The Quays Newry Co. Down BT34 8QS
<b>Internal Auditor</b>	Cavanagh Kelly 36-38 Northland Row Dungannon BT71 6AP
<b>Principal Bankers</b>	AIB 42-44 Hill Street Newry Co. Down  Danske Bank Limited 58 Hill Street Newry Co. Down  AIB 96 Clanbrassil Street Dundalk Co. Louth

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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**Investment Advisers**

Brewin Dolphin  
11th Floor East Tower  
Lanyon Plaza  
8 Lanyon Place  
Belfast, BT1 3LP

**Solicitors**

Luke Curran & Co  
6 Marcus Square  
Newry  
Co. Down

Lewis Silkin (N.I.) LLP  
8th Floor  
The Linenhall  
32-38 Linenhall Street  
Belfast  
BT2 8BG

**Registered Charity No.  
Registered Company No.**

NIC101906/XN47329/2  
NI038737

**Senior Leadership Team:**

Liz Cuddy  
Damien Hillen  
Alexandra Mahood  
Ajun Budda

Chief Executive Officer  
Director of Development  
Director of Corporate Services (resigned in September 2023)  
Director of Corporate Services (Interim) (appointed in September 2023)  
Director of Care

Bridget Smyth

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Trustees (who are also Directors of the company) submit their annual report and the audited consolidated financial statements of Southern Area Hospice Services Ltd and its subsidiary for the year ended 31 March 2024. This report constitutes the Strategic Report and the Trustees' Report required under the Companies Act 2006. The Trustees have adopted the provisions of the Companies Act 2006, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ((FRS 102 effective 1 January 2019) – (Charities SORP (FRS 102))), in preparing the annual report and financial statements of the group and charitable company.

#### Reference and administrative information

Southern Area Hospice Services Ltd has been established as a voluntary independent hospice since 1989. It was incorporated in June 2000.

Southern Area Hospice Services Ltd is registered with the Charity Commission NI (Charity Number NIC101906), is a company limited by guarantee and is registered with the Companies Registrar (Company number NI038737). It is also recognised as a charity by HM Revenue and Customs, XN 47329/2. The Trustees and Secretary of the charity are listed on page 2. The principal and registered office of the charity is also listed on page 2 together with details of the professional advisers and bankers.

#### Structure, governance and management

Southern Area Hospice Services Ltd, by virtue of common Trustees and power to govern operations, controls the activities of Southern Area Hospice Services Lottery Limited, which has the objective of raising funds for the Southern Area Hospice Services Ltd. Southern Area Hospice Services Lottery Limited operates a weekly lottery to generate funds for the Hospice.

Southern Area Hospice Services Ltd is governed by a Board of Directors (who are also known as Trustees for the purposes of the Charity Law). It is governed by a Memorandum and Articles of Association.

#### Board of Directors – ensuring good governance

The Board of Directors (Trustees) is as listed on page 2. The Directors are responsible for approving the strategies and policies and for ensuring that these are implemented. The Board of Directors meets regularly to comply with its statutory responsibilities. In the reporting period, the Board had 5 full Board meetings and 3 workshops to consider the capital project – further information on page 12.

The Chairperson is accountable to the Board of Directors and responsible for the efficient running of Southern Area Hospice Services Ltd with the help of the Chief Executive and the Senior Leadership Team. The Directors (Trustees) are not remunerated.

The Board Committee structure is well embedded and operating effectively. It is as set out below.

**The Clinical Governance Committee** provides oversight and scrutiny of service provision (clinical governance, service quality, patient safety, and clinical standards); service performance; service development and clinical leadership. Until July 2023 the committee had 5 members – 3 Board members and 2 co-optees. Following the resignation of the 2 co-optees (due to retirement from their substantive medical work), the Committee reduced to 3 members. In January 2024 the Board agreed the appointment of Moira Mannion to join the Board and to sit on this Committee given her significant and relevant senior nursing experience. The Committee is chaired by Patrick Loughran. It met 4 times in this reporting period during which the Committee reviewed the functioning of the previously established Medical Advisory Committee (MAC) as a sub-committee of the Clinical Governance Committee. In order to ensure the continued development of medical services within the Hospice and appropriate governance and assurance, the MAC's remit was broadened. Its status was also changed to be a Committee, under the responsibility of the Director of Care and Lead Consultant which reports to the CEO and the Clinical Governance Committee (as a standing agenda item). It continues to have the remit to advise and review the granting of practising privileges for medics providing services in the Hospice. It further provides the Responsible Person (the CEO) and the Registered Manager with professional

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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medical advice and provides assurance regarding the provision of medical services. This Committee met a total of 4 times in this reporting period.

**The Resources Committee** provides oversight and scrutiny of Human Resources, Income Generation, Finance, IT, Support Services (facility management services, administration, health, and safety and GDPR) and Investment Management. The Committee continues to have a demanding agenda but has noted that the significant direction of travel in improving the robustness of reports is very positive, ensuring the resources available are used and accounted for appropriately. They have also been ensuring that transformation continues to take place in the areas it has responsibility for. The Committee consists of five members of the Board of Directors and is chaired by Donna Houston. In this reporting period, the Committee met 9 times.

**The Audit and Risk Committee** provides oversight and scrutiny of strategic risk management; internal audit; external audit; and management responses identified by any audit process. All of this is to ensure the adequacy of assurance for all corporate governance matters relevant to Southern Area Hospice Services. In addition, the Committee can request any other specific work required to adequacy of governance, assurance, and probity. The Committee has 3 members, 2 of whom are Board members, and the 3<sup>rd</sup> is a co-optee. Whilst this Committee was always advised regarding fraud and whistleblowing matters this has now been added as standing agenda items to reflect good practice. The Committee is chaired by Monica Duffy and in this reporting period it met 5 times.

**The Remuneration and Nominations Committee** met once in the reporting period and is chaired by Orla McPolin. Its functions from a remuneration perspective are to set CEO and Director salaries, pay-scales for the remainder of the organisation and to ensure compliance with equality legislation. Its Nomination functions are to ensure good board governance is maintained, to recommend appointments to the Board, and to oversee the appointment of the CEO and Directors.

**The Capital Development and Infrastructure Committee** is responsible for ensuring that capital projects deliver the desired outcome, progress to plan and budget and that key risks are identified and managed. The Committee is involved in projects from concept to delivery with a focus on the capital works needed to futureproof the estate requirements for the Hospice. It has 4 members – 3 Board members and 1 co-optee - and is chaired by Roger Wilson. It met 5 times during this reporting period. Further details on this capital project are on page 12.

It should be noted that co-optees to Committees of the Board are not Trustees and therefore not Directors.

#### **Conflicts of Interest**

As a matter of good governance, actual and perceived conflicts of interest are reviewed on a regular basis. All Board members and senior managers are required to make an annual declaration regarding any conflicts of interest and a schedule of responses is maintained. In addition, the declaration of conflicts of interest is a standing agenda item for each meeting of the Board and its Committees, with all present being asked to declare if they have any conflicts of interest regarding any agenda items. There were no significant matters during the reporting period.

#### **Appointment of new Trustees**

New Trustees are recruited by open recruitment by existing Directors to fulfil specific roles and skills on the Board. The potential Trustee is then interviewed by the Chairperson, Vice Chairperson and Secretary of the Board regarding their willingness to become a Trustee and their potential contribution to the Hospice is considered. Following this, any potential Trustee is presented to the Board for their consideration and approval. There was 1 Trustee appointed during this reporting period.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Induction and training of Trustees

Induction and training for new Trustees is similar to those set out for all employees of the charity. They are given an overview of the aims, objectives, and achievements, introduced to the Chief Executive and Senior Leadership Team, are provided with a copy of the Memorandum and Articles of Association, the Hospice UK manual on Director responsibilities and details of the recent financial performance of the charity. All new Trustees meet with other existing Trustees, and they are encouraged to attend appropriate external training events should they facilitate the undertaking of their role.

#### Retirement and rotation of Trustees

The term of office of a Trustee shall be for a maximum of three terms of three years each. A retiring Trustee of the board may be re-elected under these terms. The Trustees who retire in accordance with this regulation shall be those who have been longest in office since their last election but where persons who become Trustees on the same day retire (unless they otherwise agree among themselves), they are determined by lot. At the Annual General Meeting in August 2023 the following Trustees were due to retire by rotation: Sheila Chambers, Kelly McVeigh and Katrina O'Dowd. Sheila Chambers, whilst eligible for re-election, stood down as a Board Member due to personal reasons, but was appointed as a co-optee to the Audit and Risk Committee. Kelly McVeigh and Katrina O'Dowd were eligible and agreed to stand for re-election and were duly elected.

In the reporting period Moira Mannion was elected as a Board Member in January 2024. Sheila Chambers was the only person who retired from the Board.

#### Management

The Board is responsible for governance at a strategic level and meets regularly with the Chief Executive who is responsible for day-to-day management of the company supported by the Senior Leadership Team. The Chair of the Board meets regularly with the Chief Executive outside of formal meeting structures and processes. The Committees of the Board also meet regularly with the Chief Executive and Senior Leadership Team to review performance and address any emergent issues.

#### Senior Leadership Team

The Senior Leadership Team comprises of the Chief Executive, the Corporate Services Director, the Director of Care, and the Director of Development. Pay and remuneration is set by appropriate benchmarking and approved by the remuneration committee. Total cost of the Senior Leadership Team salaries and wages in this reporting period is as per note 10 to the financial statements.

#### Objectives and Activities

The Hospice supports patients with complex, life-limiting conditions to live well with their condition from the point of diagnosis right through to end-of-life. SAH provides patient-centered, wrap-around support for patients' physical, emotional, spiritual, and social needs. It also supports families and carers with their emotional and social needs.

The Hospice's services fall into 2 main categories: inpatient services and community-based services. The services in both areas are holistic in nature, comprehensively supporting the patient and their family. We have extremely professional and expert multi-disciplinary teams who ensure that our services, both in the inpatient unit and community, are of a high quality, evidenced based and safe. The Hospice has received funding from the Department of Health's Cancer Charities Support Fund to better support patients with a palliative cancer diagnosis. This funding has enabled a further development of its community services to ensure a more targeted and multi-disciplinary approach that works in a collaborative way with other service providers in the Southern Trust area. This funding continued throughout the reporting period and is due to cease in November 2024.

Details of the Hospice's services and the activity levels of each of these services are provided in the Strategic Report section.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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Southern Area Hospice Services Ltd is a member hospice of Hospice UK and affiliated with the All-Ireland Institute of Hospice and Palliative Care. We continue to develop links with other hospices at both a local and a national level.

#### **Public Benefit**

This has been another exceptional year due to the continuing cost-of-living challenges on income generation and on our operating costs. Our focus has been on continuing to provide services in a safe and effective way. This Trustees report demonstrates that the Hospice has had a successful year in this regard.

Southern Area Hospice Services Ltd continues to meet the definition of a public benefit entity under FRS 102 and in line with its charitable objectives as detailed throughout this report.

#### **Volunteers**

The charity is involved in the community and is dependent on voluntary help. Our 250 volunteers make a huge contribution to the work of the Hospice, bringing a diversity of skills and experience. Our volunteers contribute across many areas of the charity including reception and administrative duties, helping patients at mealtimes, providing reflexology and counselling as well as transporting patients to and from Hospice appointments and working in the Hospice gardens. Volunteers contribute greatly to various fundraising activities including flag days, cheque presentations as well as providing general assistance with the many fundraising events. The volunteers bring an extra dimension to the atmosphere of the Hospice. Their skills and contribution enhance our service and make an impact on the lives of our patients, their families, and our staff. The Hospice could not operate without the invaluable contribution of volunteers to its various departments and events and are deeply appreciative of our volunteers.

#### **In Gratitude**

The Board wish to convey their sincere thanks to our staff and the many volunteers who have so generously given their support to the organisation. With the continued support of our staff and volunteers, we look forward to continuing to enhance the delivery of our charitable services within the community.

#### **Acknowledgements**

The Board wish to sincerely thank all individuals, communities and companies who have supported and donated to us throughout this year, including many fundraising events and many supporters have yet again overwhelmed us with their generosity. The Hospice is extremely grateful for this support and financial assistance – it could not provide its services to the community without this.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

#### Strategic Report

#### Achievements and Performance

##### Overall

The Trustees are pleased to report that significant progress was made towards achieving the Hospice's objectives (detailed on page 6 & 7 above). The Hospice covers the Southern Health and Social Care Trust geographical area, which includes the towns of Newry, Armagh, Dungannon, Banbridge, Lurgan, Portadown and Craigavon.

##### Care Services

The Hospice provides both inpatient and community support. The Inpatient Clinical Team consists of consultant's, doctors, nurses, auxiliaries, physiotherapists, and an occupational therapist. The Hospice Community Outreach Team offer patients and their families care in their home or at our Hospice Hubs in Newry and Dungannon. These services involve patient support, carers support, counselling, bereavement support and an Out of Hours Nursing Care at Home for those at end of life. The Community Services Team consist of nurses, social workers, chaplains, physiotherapists, and complementary therapists. The Patient and Family Support Team consists of chaplains, social workers, counsellors and complementary therapists – this team works in both the Inpatient Unit and Community Services.

##### Inpatient Services

Our 14-bed adult In-patient Unit continues to provide holistic care for patients with complex symptoms, at end of life and for respite. A highly trained specialist multi-disciplinary team support both the patient and their family. The focus is on the whole person, helping them not only with physical care but also on emotional, social, and spiritual wellbeing.

Admissions increased this year from last year with 234 new admissions to the inpatient unit and a total of 245 patients cared for (2023: 223). Total bed occupancy for the year was 87.3%. The average length of stay was 15.1 days. We had 167 patients admitted for the first time with 67 patient requiring repeat admissions. 148 patients were discharged back home with improved symptom management or to their preferred place of care.

The total amount of inpatient unit therapies sessions for the year was 5,781. A session is defined as the clinical or therapeutic delivery of care to patient, carers or bereaved. A session can be delivered individually or in a group setting and can be up to 2 hours in duration depending on the type of care given. Patients and their families received a total of 5,006 face to face therapeutic support sessions and 775 telephone support sessions from our social workers, chaplains, physiotherapist, and complementary therapist. The total number of sessions delivered by our patients and family support teams are shown below.

Session type	Session numbers 2023/4	Session numbers 2022/3
Social work	2,209	1,911
Chaplaincy	2,655	1,811
Physiotherapy	492*	1,461
Occupational Therapy	196**	Service not available
Complementary Therapy	229	248
<b>Total</b>	<b>5,781</b>	<b>5,431</b>

**Note:**

\* Staff vacancy from April – December 2023

\*\* new service introduced in January 2024

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Community Services

Our Community Services model of support is an integrated multidisciplinary community-based specialist palliative support service for adults over the age of 18 and their families. The service provides physical, psychological, emotional, and spiritual support to patients with a palliative illness and their families. The service is provided in the person's home or in one of the SAHS hubs in Dungannon or Newry. Services can be delivered individually or as a part of group and are designed in conjunction with patient and family need. The Hospice has been able to significantly develop and expand its community services thanks to the funding it received from the Cancer Charity Support Fund.

We have had 469 new referrals to our Community Services over the last year and had 614 people open to our service. We delivered 6,854 therapeutic sessions to patients, carers, and bereaved families. 520 of these patients or family members were impacted by cancer and 94 were impacted by non-cancer related palliative conditions.

- 303 Patients
- 144 Carer/ Relative
- 167 Bereaved
- 1,113 Sessions were delivered at home
- 3,081 Sessions were delivered in one of the hospice hubs or a community setting.
- 2,660 Telephone or virtual sessions
- 1,118 Patient 1-2-1 Support sessions
- 448 Carers 1-2-1 support sessions
- 656 Bereavement 1-2-1 support sessions
- 938 counseling sessions were delivered
- 1,667 Complementary therapy sessions were delivered
- 1,045 sessions of group work.

This year group work services included:

- 6 weeks Living Well with a palliative illness in our 2 hubs
- 3-week Carers support group in our 2 hubs
- Monthly Family Night Bereavement groups for parents, teens, and younger children
- Bereavement Journey
- Bereavement Walking Group
- Bereavement Walk in Café.

We saw a significant increase in attendance at these groups in the reporting period and feedback from attendees has been very positive.

#### OOH Nursing Care at home

This year in our Community Services we developed a new service model, namely the Out of Hours Nursing Service. It commenced in July 2023 and is an on-call nursing service to patients at home who have a cancer diagnosis and are at the end of their life. The service is available 365 nights per year and is available between the hours of 10.00pm - 8.00am. This new service for the Hospice was piloted in postcode area of BT35 and Newry City area.

The service provides effective and timely symptom management in the last days of life. It also equips and supports families to recognise and manage the dying process of their loved one. The service reduces loneliness and social isolation for patient and family provides emotional and spiritual support during what is a very difficult time. The service to date has supported 33 people to die at home in their preferred place of death.

The Hospice has significantly transformed and developed its community services during the reporting period, successfully moving away from the traditional day therapy support model to an integrated, multi-disciplinary, community-based specialist palliative support service for adults and their families. The Hospice

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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acknowledges that this development was possible due to the funding we are receiving from the Department of Health's Cancer Charities Support Fund, managed by the Community Foundation.

#### **Additional collaborative and partnership work by the Care Service team in the Hospice include:**

- Training placements are provided for medical, nursing, social work, and physiotherapy students at both under and post graduate level.
- A Specialist Palliative Medicine out of hours telephone advice service is provided to the Southern Health & Social Care Trust medical staff community and hospitals in partnership with our Trust Consultant colleagues.
- The Patient and Family support team manager is the Chair of the Northern Ireland Association of Palliative Care Social Workers.
- The Inpatient Manager (ANP Trainee) is the Chair of the Senior Nursing Group.

#### **Other achievements in Care Services**

Significant investments were made during the reporting period to enhance the Care Services team and to make sure that we continue to develop the expertise of the whole team. This included the following:

- Clinical Fellow (Doctor) in post from October 23.
- Occupational Therapist in post from January 24 and further resource was added to the physiotherapy team to enhance the allied health practitioners' team.
- Up-skilling of Band 2 Health Care Assistants to a higher band / grade.
- Specialist Palliative Care Social Work Award commenced by 1 social worker.
- Msc Advanced Nurse Practitioner Course commenced by 1 senior nurse.
- Advanced Communication training completed by 12 staff.
- Princess Alice course (specialist palliative care qualification) completed by 6 staff.
- Shapes of Grief completed by 7 staff.

The Hospice has been working for several years with the SHSCT and Department of Health to secure pharmacy in-house services within the Hospice. We made significant progress on this during the reporting period with a pharmacist being in post on an interim basis from April 2024.

#### **Infection management**

Whilst the Covid-19 pandemic has abated significantly, the Hospice continued to face some outbreaks in the last 12 months. We had implemented Government safety measures in a timely manner and continued to adapt our ways of working to keep services operating in a safe way for our patients, their loved ones, and our staff. Infection prevention and control management to ensure we provided a safe environment within the constraints posed by our building restrictions has been and remains a priority. Staff are very competent in this way of working and have confidently managed any emergent situations throughout the reporting period.

#### **Our Team**

The staff within all functions of the Hospice have continued to show resiliency and commitment throughout the reporting period. The Board of Directors would like to thank all staff for their ongoing dedication and commitment to the Hospice.

#### **Staff Objectives and Performance**

Employees are set objectives which outline their responsibilities, and which are reviewed regularly to ensure compliance. There is an increased focus on developing staff to strengthen their performance and allow them to attain their maximum potential which in turn benefits the Hospice and our patients. Training is refreshed as required to ensure adherence to all requirements.

During the reporting period, we have further developed the training provision for our Care Services team to enhance the skills base, knowledge, and learning.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

#### Inspection

All care services are the subject of unannounced, annual inspections by the Regulation and Quality Improvement Authority (RQIA). The latest inspection took place in February 2024. We are pleased to report that the written feedback from this inspection was positive, particularly in relation to the quality of care provided and infection control standards. Inspectors were extremely complimentary about the knowledge, motivation, and commitment of all staff they spoke with. We were advised that the standard of care we provide is excellent and of a very high standard.

#### Income Generation

Yet again, the financial support we received from the Hospice community and corporate supporters in the reporting year was amazing. Despite the numerous challenges faced in a turbulent economic environment, marked by rising costs and global issues, the support and generosity of our loyal donor and supporters enabled us to generate an incredible £3.58 million, increasing from £3.2m raised last year.

This extraordinary accomplishment was made possible through the success of various campaigns and initiatives, as individuals enthusiastically participated in fundraising.

Several noteworthy campaigns deserve recognition, including the Big Bucket campaign in which 200 volunteers took part raised £28,000 this year. Furthermore, we extend our heartfelt gratitude to octogenarian John Dalzell OBE, who completed his 32<sup>nd</sup> Annual Christmas Sit Out and made an incredible donation of £125,000.

We were delighted to be able to hold our annual Lights Campaign, in the Hospice's premises once again, in the run up to Christmas. This event generated £97,000 whilst providing a source of hope and joy during what can be a challenging time for those who attend. The Car Draw was promoted across various roadshows and raised £107,000 this year – a truly fantastic accomplishment by all involved.

We are hugely grateful for the 29 legacy donations received this year, totalling £713,000, these donations show the extraordinary generosity of our supporters, whose thoughtful inclusion of the Hospice in their Wills ensures a sustained and meaningful impact for years to come.

Whilst operating in very challenging economic conditions our Corporate and Trust partners played a pivotal role this year by raising an amazing £319,000, exemplifying their commitment to our cause which is an increase of 8% on last year.

The table below illustrates the main areas of fundraising income during the year.

Income source	Amount raised £000's.
Community Fundraising	1,180
Events	908
Legacies	713
Corporate	248
Trusts	71
Individual/regular donations	184
Gift aid	111
Lottery	166

We are delighted to report that the number of donors enrolled in Gift Aid increased again in the reporting period. Gift Aid remains an important revenue stream, and we encourage all eligible donors to sign up for Gift Aid, helping us to maximise the impact of their contributions.

During the year the Income Generation Team's new business development unit became fully resourced with 2 new posts. These took some time to recruit but we are delighted the unit is now gearing up to help grow income for the Hospice.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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To achieve such exceptional results amidst an extremely challenging and competitive environment is a testament to the unwavering commitment of our staff, volunteers, community, and corporate supporters. The Hospice extends its deepest gratitude to every individual and corporate who has stood by our side, demonstrating their incredible support. We are profoundly indebted to every person who has played a role in our continued success.

#### **Communications**

Like many organisations in the charitable sector the Hospice needs to become more digitally focused and to enhance our social media presence.

Following a previous audit of internal and external communications, we successfully appointed a new Head of Communications & Marketing who took up post in October 2023. This added resource and enhanced the skills within the team. We also have increased the budget to deliver improved communication support in the current year. The new appointee has made a positive start in upgrading our Communications and social media presence and has completed preparatory work on projects to develop a new website and to improve brand image. We believe this activity and investment will raise the profile of the Hospice which will in turn increase support and income generation.

#### **Improving the infrastructure of the Hospice**

The Capital Development Committee have developed a roadmap to deliver on the strategic imperative of the Hospice (as set out in its strategy 2023 - 2028) to improve the accommodation of the inpatient unit to meet future needs and expectations. During the reporting period relevant experts were contracted via appropriate procurement processes to provide business case development support; project management support; design team expertise; and property and planning advice. The outline business case is progressing and by the end of reporting period the Board were evaluating a short list of options. This is a very significant work programme for this Committee and the Board. Great care is being taken to exercise robust analysis and consideration of best practice and emergent evidence. Workshops have taken place with staff of the Hospice to help understand the Hospice's future space requirements. Key partners (SHSCT and Department of Health) are being kept informed and being consulted as appropriate. In parallel, work is underway to understand what the Hospice can afford and how it can generate support for what is potentially a significant capital cost. This work was allocated a budget which was approved by the Board. Work in the reporting year was delivered well within this budget. Great progress has been made this year but there is still much to consider before final decisions can be made by the Board.

#### **Strategic Plan 2023 – 2028 Year 1**

During the reporting year, the Senior Leadership Team managed the implementation of actions planned for year one in the strategic plan agreed last year. The Strategic Plan covers a 5-year period from 2023 - 2028. The Hospice does not underestimate the challenge it faces in delivering this strategy, but it is fully committed to ensuring that specialist palliative care services are delivered to meet the growing need of the local communities.

In summary, the strategy has been designed to respond to the following key strategic drivers:

- The increasing demand for palliative care services, in terms of the number of patients requiring palliative care and the extent of palliative care required.
- The growing complexity of cases and conditions being cared for requiring more specialist input.
- The need for a service delivery model that is patient-centred with the flexibility to adjust how and where the care is delivered, according to individual patient's evolving needs and preferences.
- The need to build capacity and capability so that SAHS can provide the same level of specialist care equally across all care settings and equally across the geographic region.
- The pressures on availability of trained palliative care staff, and the need to build resilience within staffing structures while the labour pool is being developed.
- The pressures on funding, as a result of inflation and rising operating costs, as well as squeezes on funding sources.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Hospice's strategic aims within the strategy are:

- To develop its delivery model into a wrap-around holistic service that can respond to patient choice and seamlessly provide multi-disciplinary care in an inpatient unit, in the home or through community hubs, as required.
- To protect the unique strengths that it has in its specialist palliative care skills and inpatient facilities.
- To firmly establish its role as a leading provider of specialist palliative care services in Northern Ireland.

A summary of the objectives which have been achieved in Year 1 (2023-24) include:

- Recruitment of additional specialist staff in Care Services.
- Upskilling of some health care assistants.
- Improvement of admission and discharge processes to achieve maximum occupancy rates within Inpatient Unit.
- Continuation of the roll out of the new Community Services model which included the piloting of an Out of Hours Nursing Service.
- Continuation of work on the Hospice's infrastructure to ensure sustainability of the Inpatient Unit.
- Improvement of volunteer engagement strategies.
- Further resourced the communications team to improve internal and external communications.
- Business Development unit established in Income Generation.
- Income growth by 15% by the Income Generation Team. Our income growth was largely attributable to a growth in legacy income throughout the year.
- Donor development and legacy programmes developed but need further resourced.

#### Financial review

The financial statements are presented in the standard format required by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019 – (Charities SORP (FRS 102)) and cover the activities of Southern Area Hospice Services Ltd and its subsidiary Southern Area Hospice Services Lottery Limited. The statement of financial activities (SOFA) shows the gross income from all the sources and the split of activity between restricted and unrestricted funds.

#### Results

The net operational surplus for the financial year was £568,000, this was considerably above our expected year end position. However, as a result of a property re-valuation conducted by our retained consultants CBRE Ltd, the adjusted surplus position was £220,000. This still exceeded our budget expectations and should be noted that it was an exceptional accounting adjustment beyond our control, outside income and expenditure which we manage.

Our income was £520,000 over budget, the main drivers were fundraising income (£291,000 above) helped by additional legacy income and increased yield from our managed investments (£223,000 above budget). Expenditure continued to be well managed including providing for the full Agenda for Change pay award and making an interim pay award to help staff during a period of high inflation until the pay award was confirmed. We were also able to negotiate more favourable energy cost tariffs.

#### Reserves Policy

SAHS' policy is to continue to build reserves in order to maintain adequate cover for committed expenditure and the running costs for a period equivalent to six months' operating costs and other obligations arising from the implementation of the strategic plan. It is considered that six months is prudent in order to ensure continuity of service during any period of reduced income.

A Capital Reserve to set aside funds to carry out identified capital projects was established by the Trustees in 2015. The Capital Development and Infrastructure Committee (as referenced above) is responsible for progressing capital projects, the execution of agreed plans will require a spend in the current year and this work is underway.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Trustees have succeeded in maintaining reserves this year to meet committed expenditure and the running costs of the charity for a period equivalent to 6 months annual expenditure. The Trustees believe that the period of 6 months is necessary in order that there is continuity of service and will continue to work in accordance with this policy.

#### Legacies

The Hospice's income from legacies increased considerably from the previous year to £713,000. Due to its nature, legacy income is difficult to predict. Work continues to be done to improve the Hospice's capability to maximise this income stream.

#### Balance Sheet

The cash position of the group and the charity as of 31 March 2024 remained strong with £7,017,480 and £2,860,180 respectively held within investments and in the bank. (2023: £6,183,799 and £2,738,994 respectively). The Trustees are satisfied with the returns during the year given the economic environment. In accordance with the Investment Policy a proportion of available investment funds have been placed with a Discretionary Fund Manager to avail of potentially improved returns than that currently available from cash deposits. The Resources Committee continue to review the current investment strategy and policy.

#### Taxation

As a charity, the company can recover most tax deducted at source from its investment income and is not liable for corporation tax on its other income or on capital gains. Recovery is therefore made of tax credits and tax deducted from income received under deed of covenant or gift aid.

#### Future Plans

##### 1. Strategic Plan 2023 - 2028

At the time of reporting Year 2 - 2024/25 objectives are agreed by the Board. This year the approach has been to catalogue these in a thematic way that reads directly across to the wider overarching 5-year strategy.

- Investment in People and Training:
  - Strengthen the medical model in the Hospice to build resiliency and capacity to deliver specialist palliative care to meet the need.
  - Strengthen medical assurance and governance by becoming a designated body with Medical Director in SHSCT being the Responsible Officer.
  - Enhance talent management across all teams in the Hospice to ensure appropriate succession planning, employee recognition and improved development of emerging leaders.
- Innovation and Collaboration
  - Expand community services delivery to include a hospice at home model of care.
  - Continue to develop closer and seamless collaborations with the SHSCT to meet the needs of our patients.
  - Enhance employee recognition.
- Technology
  - Begin the introduction of electronic patient management and prescribing systems.
  - Optimise donor development system to improve information in income generation.
  - Begin to research AI technologies to improve capability in fundraising.
- Inpatient Unit
  - Continue to progress the capital infrastructure project to address the deficiencies and restrictions in the Inpatient Unit to meet current and future needs and provide an efficient work environment in terms of layout and running costs.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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- Funding
  - Review investment strategy to maintain high yields in a more challenging marketplace.
  - Continue to grow revenue income.
  - Launch a new approach to regular giving.
  - Initiate a capital funding programme to deliver the preferred affordable option which will emerge from the developing business case.
- Communications
  - Deliver a communications plan to improve external and internal communications.
  - Deliver a rebrand of the Hospice.
  - Deliver a new and much improved website.

## 2. Funding and Income Generation

Like other health and social care organisations the Hospice continues to face increasing costs from pay parity as well as in other areas, many driven by the cost-of-living crisis and inflationary pressures. Considerable analysis has gone into the establishment of the budget for the year ahead and our future anticipated costs. We continue to be challenged on an annual basis to produce a positive operating budget, particularly so in the current year due to the new costs associated with the delivery of our strategic aims. We believe that this investment however will result in a more resilient service and drive increased income in future years. Despite planned increased investment in people & technology and the continuing need to maintain our ageing facility, a budget with a small surplus has been agreed this year.

The Hospice's reliance on receiving substantial income from the public remains unchanged. In the reporting year, we generated £3.58 million from our communities which is around 65% of our total income (excluding monies received for a designated purpose, such as the Cancer Charity Support Fund (CCSF) monies). The amount we will need to generate in the current and future years is expected to increase, particularly as the current grant from CCSF will end this year.

The Hospice's comprehensive strategic plan includes a focus on reducing reliance on conventional income sources by diversifying revenue streams. This involves the development of corporate support, seeking to grow donations from charitable trusts, increasing future legacy donations and growing regular donations and continuing to maximise returns from investments.

Once again, we extend our heartfelt gratitude to everyone who supports us – we simply cannot accomplish what we do without your invaluable support.

### Principal risks and uncertainties

#### Risk management

The Trustees and Senior Leadership Team identify and actively manage the major risks to which the charity is exposed. This involves:

- An ongoing review of the risks which the charity may face.
- The assessment of the level of exposure presented by each identified risk.
- The establishment of systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimize the impact on the charity should any of the risks materialise.

Major risks which have been identified and discussed by the Trustees include loss of reputation, perhaps due to adverse publicity, leading to a fall in public confidence in the charity and a consequent reduction in voluntary income; a short-term fall in the value of our investment portfolio; and maintaining the highest security of our information and systems to prevent loss of data or funds.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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Further risks which have been heightened by the current economic climate include: a fall in income, either voluntary through donations and fundraising because the public has less capacity to give, through insufficient funding support from the Government or through declining donations from our subsidiary company; significantly increasing costs, mainly related to wages and energy; and the ability to recruit sufficiently skilled and qualified staff to deliver care to the patients of the catchment area.

As reflected earlier in this report, actions being taken to mitigate risk include: developing alternative and innovative ways to generate income; having a focus on closely managing costs; a review of staffing structures to build future resilience; third-party review of our IT service provision, security and resilience, working in conjunction with our third party providers who provide professional advice in this regard; the ongoing review of processes and procedures to create efficiencies; and the introduction of improved systems to increase efficiencies.

The Trustees take all appropriate steps to moderate and manage the operational risks to which volunteers, staff, and assets of Southern Area Hospice Services Ltd are exposed. The Audit & Risk Committee oversee the risk register which is regularly reviewed to ensure it reflects any potential risks related to the strategic plan. Throughout the reporting period specific focus on risks relating to continuing to deliver safe services in a pandemic and the uncertainty around income have been closely monitored.

Having considered all the identified risks, the Trustees do not consider there to be a risk to the going concern status of the organisation. As is evidenced above, we continue to prudently adapt our ways of working and processes as required to best position the Hospice for the future. The Senior Leadership Team, in conjunction with the Board, are constantly monitoring this. The Resources Committee considers the financial position regularly.

#### Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Southern Area Hospice Services Ltd for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice, Accounting and Reporting: Accounting and Reporting by Charities (2015);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Subsidiary undertakings

The charity took over control of the Southern Area Hospice Services Lottery Limited at the start of 2015. Southern Area Hospice Services Shop Limited ceased trading during the 2023 financial year.

These financial statements include Southern Area Hospice Services Lottery Limited.

#### Exemptions from disclosure

The company has taken exemption from the requirement to produce a separate statement of financial activities for the charity under section 408 and a charity cash flow statement as the results are included in the consolidated statements.

#### Funds held as custodian trustees on behalf of others

The charity holds no funds as custodian trustees on behalf of others.

#### Statement of disclosure of information to auditors

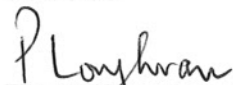
In the case of each Trustee/Director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

#### Independent auditors

The Contracts held by AAB Group Accountants Limited as the external auditors and Cavanagh Kelly as the internal auditors end with effect from the Annual General Meeting relating to this reporting period. The Board will carry out a tendering process to select and appoint auditors to a new contract during 2024.

Approval of the Trustees' Report, which constitute the Strategic Report and the Directors' Report. By order of the Board.



**P Loughran**  
Trustee/Director

**Date: 10<sup>th</sup> September 2024**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2024

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**Opinion**

We have audited the group and parent charitable company financial statements of Southern Area Hospice Services Ltd for the year 31 March 2024 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Southern Area Hospice Ltd's group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2024 and of the group and parent charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2024

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; 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 the knowledge and understanding of the Trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company- Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2024

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We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



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**Teresa Campbell (Senior Statutory Auditor)**  
**For and on behalf of AAB Group Accountants Limited**  
**Chartered Accountants and Statutory Auditors**

Dromalane Mill  
The Quays  
Newry  
Co. Down  
BT34 8QS

**Date: 10<sup>th</sup> September 2024**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Year 2024 £	Total Year 2023 £
<b>Income from:</b>					
<b>Charitable Activities</b>					
Grant Income	3	1,747,278	357,511	2,104,789	2,044,247
<b>Donations and Legacies</b>					
Sundry Income		64,700	36,583	101,283	19,720
Gifts and Donations	4	6,642	-	6,642	5,995
Gift Aid		111,135	-	111,135	111,024
Legacies		713,174	-	713,174	154,543
Fundraising Income		2,570,468	24,000	2,594,468	2,648,377
<b>Investment Income</b>					
Bank Interest Receivable	5	230,154	-	230,154	52,955
<b>Other Trading Activities</b>					
Commercial Trading Operations	4	160,009	-	160,009	252,007
<b>Total Income</b>		<b>5,603,560</b>	<b>418,094</b>	<b>6,021,654</b>	<b>5,288,868</b>
<b>Expenditure on:</b>					
<b>Costs of Raising Funds</b>					
General Fundraising and Publicity Costs	7	678,640	2,601	681,241	667,314
Commercial Trading Operations	4	85,495	-	85,495	128,001
<b>Charitable Activities</b>					
Delivering Hospice Services	6	4,664,863	424,949	5,089,812	4,042,661
<b>Total Expenditure</b>		<b>5,428,998</b>	<b>427,550</b>	<b>5,856,548</b>	<b>4,837,976</b>
<b>Net gain / (loss) on investment</b>	5	<b>54,539</b>	<b>-</b>	<b>54,539</b>	<b>(27,291)</b>
<b>Net Income/(Expenditure)</b>		<b>229,101</b>	<b>(9,456)</b>	<b>219,645</b>	<b>423,601</b>
Transfers Between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>229,101</b>	<b>(9,456)</b>	<b>219,645</b>	<b>423,601</b>
<b>Reconciliation of Funds</b>					
<b>Total Funds</b>					
Brought Forward at 1 April		10,145,075	49,260	10,194,335	9,770,734
<b>Total Funds Carried Forward</b>	<b>18</b>	<b>10,374,176</b>	<b>39,804</b>	<b>10,413,980</b>	<b>10,194,335</b>

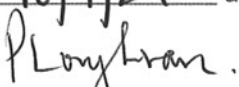
The notes on pages 25 - 40 form part of these financial statements. The results relate to continuing activities.


The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Consolidated Balance Sheet**  
**Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible Assets	11	1,280,488	1,594,616
Investments	12	873,317	805,470
		<u>2,153,805</u>	<u>2,400,086</u>
<b>Current assets</b>			
Stocks	13	30,674	26,426
Debtors	14	175,691	212,058
Investments	15	6,144,163	5,378,329
Cash at Bank and in Hand		2,860,180	2,738,994
		<u>9,210,708</u>	<u>8,355,807</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(950,533)	(561,558)
Net Current Assets		8,260,175	7,794,249
<b>Total Assets less Current liabilities</b>		<b>10,413,980</b>	<b>10,194,335</b>
<b>Net assets</b>		<u><b>10,413,980</b></u>	<u><b>10,194,335</b></u>
<b>Group Funds employed</b>			
Restricted Funds	18	39,804	49,260
Unrestricted Funds	18	10,374,176	10,145,075
		<u>10,413,980</u>	<u>10,194,335</u>

The financial statements were approved and authorised for issue by the Board of Trustees on the 10/9/24 and were signed on its behalf by:

  
 \_\_\_\_\_  
**P Loughran**  
 Director

  
 \_\_\_\_\_  
**D Houston**  
 Director

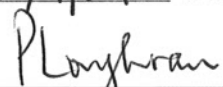
Company Registration: NI038737


The notes on pages 25 - 40 form part of these financial statements. The results relate to continuing activities.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Charity Balance Sheet**  
**Year Ended 31 March 2024**

		2024 £	2023 £
<b>Fixed Assets</b>			
Tangible Assets	11	1,280,488	1,594,616
Investments	12	873,317	805,470
		2,153,805	2,400,086
<b>Current Assets</b>			
Stocks	13	30,499	25,827
Debtors	14	217,076	331,474
Investments	15	6,144,163	5,378,329
Cash at Bank and in Hand		2,754,003	2,556,380
		9,145,741	8,292,010
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(892,926)	(505,115)
<b>Net Current Assets</b>		8,252,815	7,786,895
<b>Total Assets less Current liabilities</b>		10,406,620	10,186,981
<b>Net assets</b>		10,406,620	10,186,981
<b>Funds employed</b>			
Restricted Funds	18	39,804	49,260
Unrestricted Funds	18	10,366,816	10,137,721
		10,406,620	10,186,981

The financial statements were approved and authorised for issue by the Board of Trustees on the 10/9/24 and were signed on its behalf by:

  
 \_\_\_\_\_  
**P Loughran**  
 Director

  
 \_\_\_\_\_  
**D Houston**  
 Director

Company Registration: NI038737

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Consolidated Statement of Cash Flow  
Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Cash used in Operating Activities</b>	26	784,216	340,963
<b>Cash flows from Investing Activities</b>			
Interest Income		230,154	52,955
Purchase of Tangible Fixed Assets		(114,042)	(33,883)
Purchase of investments		(779,142)	(3,351,923)
Cash used in Investing Activities		(663,030)	(3,332,851)
<b>Cash flows from Financing Activities:</b>			
Movement in Deposits		-	-
Cash used in Financing Activities		-	-
<b>Increase/(decrease) in Cash and Cash Equivalents in the year</b>		<b>121,186</b>	<b>(2,991,888)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>2,738,994</b>	<b>5,730,882</b>
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,860,180</b>	<b>2,738,994</b>
<b>Cash and Cash Equivalents at the end of the reporting period</b>		<b>2,860,180</b>	<b>2,738,994</b>

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

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**1) Accounting Policies**

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

**a) Basis of preparation**

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) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southern Area Hospice Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. Taking account of the risk review undertaken by the directors they do not consider there to be a risk to the going concern status of the charity or the group. The Directors will review the financial position on a regular basis, taking any action needed to ensure that charity remains fit for purpose and on this basis the assessment of the directors is that the charity is a going concern.

**c) Group financial statements**

The financial statements consolidate the results of the charity and its subsidiary Southern Area Hospice Services Lottery Limited. We note that Southern Area Hospice Services Shop Limited ceased trading in July 2022, and was wound up in October 2022. The 2023 consolidated figures included the 4 months trading up to cessation.

**d) Incoming Resources**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

*Government Grants*

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

*Donations*

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

*Commercial/ Trading Income*

Trading income represents the invoiced value of goods supplied during the year. Revenue is recognised upon provision of the service to the customer.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

*Fundraising income*

Fundraising income is included in the Statement of Financial Activities when received, unless it is for a specific event in which case it is deferred to the timing of the event.

*Legacies*

Income from legacies is recognised when there is evidence of entitlement to the legacy, receipt is probable and its amount can be measured reliably. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the group, or the group is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

*Investment income*

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

**e) Resources Expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis 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 use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

*Costs of Raising Funds*

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

*Charitable activities*

These are costs incurred in providing medical and care services and facilities within the Hospice and, as such, include primarily the cost of medical supplies and staff costs.

*Pension costs*

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

*Governance costs*

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

*Support Costs*

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. These have been allocated to charitable activities, costs of raising funds and governance costs on a basis consistent with the use of these resources.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**f) Fund accounting**

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

*Restricted funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

*Unrestricted funds*

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

*Designated funds*

Designated funds comprise a capital reserve that has been allocated to meet future capital requirements.

**g) Operating leases**

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**h) Tangible fixed assets**

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

Buildings:

Fundraising Office	- 10% straight line
Additions to day-care centre	- 4% straight line
Freehold Hospice Buildings	- 1.5% straight line
Fixtures, fittings and equipment	- 20% reducing balance
Motor Vehicles	- 25% straight line

Land is not depreciated. When the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**i) Investments**

Listed investments are stated at market value, on the basis of the middle market price at the close of business. Whilst day to day management of the investment portfolio is carried on by experienced, registered investment managers (currently Brewin Dolphin) the ultimate control and responsibility rests with the Trustees.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**k) Cash at bank and in hand and current asset investments**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

**l) Creditors and provisions**

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

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. Donated goods into the shops are valued at zero as the value is their bagged weight which is immaterial to the financial statements.

**n) Foreign currency**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are recognised in the Statement of Financial Activities.

**o) Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12. Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis of to realise the asset and settle the liability simultaneously.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**o) Financial Instruments ctd....**

**Basic financial assets**

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instruments is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**p) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**q) Exemptions under FRS 102**

The Charity has taken advantage of the following exemption:

- (i) from preparing a cash flow statement, on the basis that it is a qualifying entity and the consolidated statement of cash flow includes the Charity's cash flows.

**r) Exemptions under Companies Act 2006**

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities in includes the Charity's Statement of Financial Activities.

The surplus of the charity at 31 March 2024 was £219,639.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**1) Accounting Policies- (continued)**

**s) Critical accounting estimates and judgements**

In the application of the Charity'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.

*Critical judgements in applying the entity's accounting policies*

There are no critical judgements in applying the group's accounting policies.

*Critical accounting estimates and assumptions*

Income from legacies is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Cost allocation is an accounting estimate that is recognised in line with the accounting policy Note 1e.

Depreciation is an accounting estimate that is recognised in line with the accounting policy Note 1h.

**2) Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3. Income from Charitable Activities**

	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Department of Health - General Funding	-	1,747,278	1,747,278	1,729,095
Other Government Grant Income	357,511	-	357,511	315,152
	<u>357,511</u>	<u>1,747,278</u>	<u>2,104,789</u>	<u>2,044,247</u>

The 2023 income total of £2,044,247 was split between £1,729,095 unrestricted and £315,152 restricted.

Other Government Grant Income: This income is mainly income from the Cancer Charities' Support Fund. It is restricted as it can only be used for the purposes indicated in the grant application.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**4. Income from other trading activities**

The trading subsidiary of the charity, Southern Area Hospice Services Lottery Limited is incorporated in the United Kingdom (company number NI035958) and pays a large proportion of their profits to the charity under the gift aid scheme. Southern Area Hospice Services Shop Limited ceased trading in July 2022 and was wound up in October 2022.

**Southern Area Hospice Services Shop Limited**

	<b>2024</b>	<b>7 Months 2023</b>
	<b>£</b>	<b>£</b>
Turnover	-	41,928
Other operating income	-	10,134
Expenditure	-	(39,159)
Repayment to the Hospice	-	(30,858)
Net Profit / (Loss)	<u>-</u>	<u>(17,955)</u>
Aggregate share capital and reserves	<u>-</u>	<u>-</u>

**Southern Area Hospice Services Lottery Limited**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Turnover	160,009	199,945
Donations	6,642	5,995
Other operating income	-	-
Expenditure	(85,495)	(88,842)
Donation to the Hospice	(81,150)	(117,090)
Corporation tax charge	-	-
Net Profit	<u>6</u>	<u>8</u>
Aggregate share capital and reserves	<u>7,356</u>	<u>7,350</u>

**5. Investment Income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Interest receivable	230,154	52,955
Investment Income	54,539	-
	<u>284,693</u>	<u>52,955</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**6. Charitable Activities - Delivering Hospice Services**

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total 2024 £	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £
Staff costs	360,163	3,083,664	3,443,827	300,768	2,640,816	2,941,584
Insurance	-	56,328	56,328	-	48,618	48,618
Light & Heat	-	98,838	98,838	-	94,416	94,416
Housekeeping costs	-	32,712	32,712	-	20,954	20,954
Food and Medical Supplies	-	114,632	114,632	3,426	102,789	106,215
Repairs and Maintenance	-	59,787	59,787	-	45,078	45,078
Recruitment Expenses	297	15,738	16,035	-	8,026	8,026
Other Expenses	9,643	3,840	13,483	3,961	2,432	6,393
Training Costs	-	8,325	8,325	243	4,643	4,886
Depreciation/Impairment	12,021	393,200	405,221	11,994	44,910	56,904
Loss on Disposal	-	1,149	1,149	-	-	-
Volunteer Costs	-	1,517	1,517	-	1,162	1,162
Governance costs	-	9,996	9,996	-	9,799	9,799
Support costs (note 8)	42,825	785,137	827,962	8,734	689,892	698,626
	<u>424,949</u>	<u>4,664,863</u>	<u>5,089,812</u>	<u>329,126</u>	<u>3,713,535</u>	<u>4,042,661</u>

Restricted Funds expenditure - see note on Restricted Funds income under note 3.

**7. Costs of Raising Funds**

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total 2024 £	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £
Staff Costs	-	428,986	428,986	3,414	395,474	398,888
Fundraising Expenses	-	185,610	185,610	-	224,755	224,755
Light & Heat	-	4,129	4,129	-	5,457	5,457
Repairs & Maintenance	-	6,041	6,041	-	3,534	3,534
Rates	-	1,182	1,182	-	623	623
Telephone	2,241	16,184	18,425	504	15,080	15,584
Stationery and Advertising	360	5,472	5,832	-	254	254
Support Costs (note 8)	-	31,036	31,036	-	18,219	18,219
	<u>2,601</u>	<u>678,640</u>	<u>681,241</u>	<u>3,918</u>	<u>663,396</u>	<u>667,314</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**8. Support Costs**

	Basis of Allocation	Generating Funds	Delivering Hospice Services	2024
		£	£	£
Staff costs	Staff Time/Usage	-	689,945	689,945
Other Staff Costs	Staff Time/Usage	-	8,130	8,130
Repairs and Renewals	Floor Space	-	3,754	3,754
Recruitment	Staff Costs/Usage	-	11,209	11,209
Financing	Actual	12,610	6,211	18,821
Training Costs	Staff Time/Usage	-	884	884
Legal and Professional Costs	Usage	-	8,018	8,018
Depreciation	Usage	-	21,800	21,800
Loss on Disposal	Usage	-	-	-
General Administration	Usage	18,426	78,011	96,437
		<u>31,036</u>	<u>827,962</u>	<u>858,998</u>

	Basis of Allocation	Generating Funds	Delivering Hospice Services	2023
		£	£	£
Staff costs	Staff Time/Usage	-	531,315	531,315
Other Staff Costs	Staff Time/Usage	-	16,450	16,450
Repairs and Renewals	Floor Space	-	4,388	4,388
Recruitment	Staff Costs/Usage	60	6,078	6,138
Financing	Actual	12,889	6,277	19,166
Training Costs	Staff Time/Usage	35	325	360
Legal and Professional Costs	Usage	-	35,185	35,185
Depreciation	Usage	-	21,592	21,592
Loss on Disposal	Usage	-	712	712
General Administration	Usage	5,235	76,304	81,539
		<u>18,219</u>	<u>698,626</u>	<u>716,845</u>

**9. Results for the year**

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
<b>This is stated after charging:</b>				
Staff costs (note 10)	4,562,758	3,965,061	4,526,857	3,921,150
Audit fees - external	11,500	13,000	10,000	10,000
Audit fees - internal (assurance only)	-	4,125	-	4,125
Depreciation / Impairment	427,021	78,869	427,021	78,496
Operating lease rentals - property	-	13,975	-	-

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**10. Employee information**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Wages and salaries	3,908,905	3,404,498	3,873,004	3,361,284
Social security costs	334,535	287,702	334,535	287,497
Other pension costs	319,318	272,861	319,318	272,369
	<u>4,562,758</u>	<u>3,965,061</u>	<u>4,526,857</u>	<u>3,921,150</u>

The average number of persons employed by the company (excluding Directors) during the year, by activity, was as follows:

	Group		Charity	
	2024	2023	2024	2023
Support Staff and Fundraising	33	37	32	36
Direct Care Staff	58	54	58	54
Catering and Housekeeping	15	10	15	10
	<u>106</u>	<u>101</u>	<u>105</u>	<u>100</u>

The number of employees whose emoluments exceed £60,000 were:

	2024	2023
£60,001 - £70,000	2	-
£70,001 - £80,000	-	2
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
Over £100,000	2	1

For staff whose emoluments exceed £60,000, pension contributions amounting to £51,167 (2023: £41,365) were paid towards a defined contribution pension scheme.

Indemnity insurance for directors' liability was purchased by the charity for £1,875 (2023: £7,000).

The total employee benefits, excluding employers pensions, of the key management personnel of the group was £290,445 (2023: £322,102).

No charity Trustee received payment for professional or other services supplied to the charity (2023: £nil).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**11. Tangible Fixed Assets**

Group	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2023	1,972,566	522,176	667,514	54,787	39,704	3,256,747
Additions	61,825	1,208	13,813	37,196	-	114,042
Disposals	-	-	(2,849)	-	-	(2,849)
<b>At 31 March 2024</b>	<b>2,034,391</b>	<b>523,384</b>	<b>678,478</b>	<b>91,983</b>	<b>39,704</b>	<b>3,367,940</b>
<b>Accumulated depreciation</b>						
At 1 April 2023	595,611	456,794	552,051	23,872	33,803	1,662,131
Charge for the period	28,359	13,258	25,105	8,543	3,161	78,426
Impairment	348,595	-	-	-	-	348,595
Depreciation on disposal	-	-	(1,700)	-	-	(1,700)
<b>At 31 March 2024</b>	<b>972,565</b>	<b>470,052</b>	<b>575,456</b>	<b>32,415</b>	<b>36,964</b>	<b>2,087,452</b>
<b>Net book amount</b>						
<b>At 31 March 2024</b>	<b>1,061,826</b>	<b>53,332</b>	<b>103,022</b>	<b>59,568</b>	<b>2,740</b>	<b>1,280,488</b>
At 31 March 2023	1,376,955	65,382	115,463	30,915	5,901	1,594,616
<b>Charity</b>						
	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2023	1,972,566	522,176	667,514	54,787	39,704	3,256,747
Additions	61,825	1,208	13,813	37,196	-	114,042
Disposals	-	-	(2,849)	-	-	(2,849)
<b>At 31 March 2024</b>	<b>2,034,391</b>	<b>523,384</b>	<b>678,478</b>	<b>91,983</b>	<b>39,704</b>	<b>3,367,940</b>
<b>Accumulated depreciation</b>						
At 1 April 2023	595,611	456,794	552,051	23,872	33,803	1,662,131
Charge for the period	28,359	13,258	25,105	8,543	3,161	78,426
Impairment	348,595	-	-	-	-	348,595
Depreciation on disposal	-	-	(1,700)	-	-	(1,700)
<b>At 31 March 2024</b>	<b>972,565</b>	<b>470,052</b>	<b>575,456</b>	<b>32,415</b>	<b>36,964</b>	<b>2,087,452</b>
<b>Net book amount</b>						
<b>At 31 March 2024</b>	<b>1,061,826</b>	<b>53,332</b>	<b>103,022</b>	<b>59,568</b>	<b>2,740</b>	<b>1,280,488</b>
At 31 March 2023	1,376,955	65,382	115,463	30,915	5,901	1,594,616

At 31 March 2024 the entity's land and buildings were independently revalued by CBRE resulting in an impairment loss. The company impaired its building assets from the original cost £1,972,566 to £1,000,000. The carrying amount before impairment was £1,348,595, resulting in an impairment loss of £348,595.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**12. Investments**  
**Group and Charity**

	Cash Deposits £	Investment in Equities £	Total £
<b>Cost</b>			
At 1 April 2023	354,889	450,581	805,470
Additions	13,308	-	13,308
Transferred to current assets	-	-	-
Fair Value Profit/(Loss)	-	54,539	54,539
Disposals	-	-	-
<b>At 31 March 2024</b>	<b>368,197</b>	<b>505,120</b>	<b>873,317</b>

Long term investments, which include monies in deposit accounts of £368,197 (2023: £354,889) which are due to mature in greater than 12 months and equity investments £505,120 (2023: £450,581), are held within the United Kingdom and exist primarily to provide an investment return for the group. At the end of each investment term the monies received are expected to be reinvested in further investment opportunities for the benefit of the group.

**13. Stocks**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Consumables	30,674	26,426	30,499	25,827
	<b>30,674</b>	<b>26,426</b>	<b>30,499</b>	<b>25,827</b>

**14. Debtors**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade Debtors	82,573	156,840	80,355	153,280
Amounts owed by subsidiary undertakings	-	-	45,533	124,801
Other debtors	54,428	26,463	54,423	26,463
Prepayments and accrued income	38,690	28,755	36,765	26,930
	<b>175,691</b>	<b>212,058</b>	<b>217,076</b>	<b>331,474</b>

Amounts owed by subsidiary undertakings are unsecured, interest free and are repayable on demand.

**15. Current Asset Investments**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Short Term Deposits	6,144,163	5,378,329	6,144,163	5,378,329
	<b>6,144,163</b>	<b>5,378,329</b>	<b>6,144,163</b>	<b>5,378,329</b>

Current asset investments relate to monies held in short term deposit accounts and are due to expire within one year.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**16. Creditors: amounts falling due within one year**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade Creditors	72,296	74,127	67,643	69,771
Other taxation and social security	111,767	114,885	111,767	114,885
Accruals and deferred income	709,585	317,007	701,405	307,830
Other creditors	56,885	55,539	12,111	12,629
	<u>950,533</u>	<u>561,558</u>	<u>892,926</u>	<u>505,115</u>

**17. Financial instruments**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
<b>Fair value through profit or loss</b>				
Fixed asset investments	505,120	450,581	505,120	450,581
	<u>505,120</u>	<u>450,581</u>	<u>505,120</u>	<u>450,581</u>
<b>Financial assets held at amortised cost</b>				
Cash at bank and in hand	2,860,180	2,738,994	2,754,003	2,556,380
Trade debtors	82,573	156,840	80,355	153,280
Other debtors	93,118	55,218	93,115	53,393
Investment in short term deposits	6,144,163	5,378,329	6,144,163	5,378,329
Investment in long term deposits	368,197	354,889	368,197	354,889
	<u>9,548,231</u>	<u>8,684,270</u>	<u>9,439,833</u>	<u>8,496,271</u>
<b>Financial liabilities held at amortised cost</b>				
Trade creditors	72,296	74,127	67,643	69,771
Other creditors	168,652	170,424	123,878	127,514
Accruals and deferred income	709,585	317,007	701,405	307,830
	<u>950,533</u>	<u>561,558</u>	<u>892,926</u>	<u>505,115</u>

**18. Analysis of Charitable funds**

**Analysis of movements in funds**

Group	Balance 1 April 2023 £	Incoming resources £	Expended funds £	Gain on investments £	Transfers £	Balance 31 March 2024 £
<b>Restricted Funds</b>	49,260	418,094	(427,550)	-	-	39,804
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,583,283	5,603,560	(5,428,998)	54,539	-	2,812,384
<b>Total funds</b>	<u>10,194,335</u>	<u>6,021,654</u>	<u>(5,856,548)</u>	<u>54,539</u>	<u>-</u>	<u>10,413,980</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

Charity	Balance 1 April 2023	Incoming resources	Expended funds	Gain on investments	Transfers	Balance 31 March 2024
	£	£	£	£	£	£
<b>Restricted Funds</b>	49,260	418,094	(427,550)	-	-	39,804
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,575,929	5,518,054	(5,343,498)	54,539	-	2,805,024
<b>Total funds</b>	<u>10,186,981</u>	<u>5,936,148</u>	<u>(5,771,048)</u>	<u>54,539</u>	<u>-</u>	<u>10,406,620</u>

Capital Reserve - The Board has decided to allocate a further £Nil to the balance of £7,561,792 with a view to continuing to build these funds to meet future capital requirements.

**19. Analysis of group net assets between funds**

	Restricted Funds £	General Funds £	Unrestricted Designated Funds £	Total Funds £
<b>Fund balances at 31 March 2024 are represented by:</b>				
Tangible fixed assets	39,793	1,240,695	-	1,280,488
Fixed asset investments	-	873,317	-	873,317
Net current assets	11	698,372	7,561,792	8,260,175
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>39,804</u>	<u>2,812,384</u>	<u>7,561,792</u>	<u>10,413,980</u>

	Restricted Funds £	General Funds £	Unrestricted Designated Funds £	Total Funds £
<b>Fund balances at 31 March 2023 are represented by:</b>				
Tangible fixed assets	49,249	1,545,367	-	1,594,616
Fixed asset investments	-	805,470	-	805,470
Net current assets	11	232,446	7,561,792	7,794,249
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>49,260</u>	<u>2,583,283</u>	<u>7,561,792</u>	<u>10,194,335</u>

**20. Taxation**

Southern Area Hospice Services Ltd is recognised as a charity by HM Inspector of Taxes, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

The Charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred. This excluded certain types of expenditure where under the terms of a new scheme which commenced on 1 April 2015, charities that are not registered for VAT are able to claim back an element of their input VAT. The charity has participated in this scheme from the commencement date.

The Lottery is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

**21. Free reserves**

Free reserves as noted in the directors report, are calculated as follows:

	2024 £	2023 £
Total unrestricted reserves	10,374,176	10,145,075
Tangible assets	(1,240,695)	(1,545,367)
Fixed asset investments	(873,317)	(805,470)
	<b>8,260,164</b>	<b>7,794,238</b>

Total unrestricted reserves include £7,561,792 of designated funds which are allocated to a Capital Reserve to continue to build these funds to meet future capital requirements.

**22. Related party transactions and ultimate controlling party.**

The Board of Trustees are considered to be the Charity's ultimate controlling party.

Included within trade debtors is £4,673 (2023: £4,350) due from Southern Area Hospice Services Lottery Limited as at 31 March 2024.

Included within trade creditors is £NIL (2023: £NIL) due to Southern Area Hospice Services Lottery Limited as at 31 March 2024.

In 2024 Southern Area Hospice Services Lottery Limited made a gift of £81,150 (2023: £117,090) to Southern Area Hospice Services Ltd.

**23. Liability of members**

Both group companies are companies limited by guarantee and do not have a share capital. The liability of each member is limited to an amount not exceeding £1.

**24. Financial commitments**

There were no financial commitments at 31 March 2024 (2023: Nil)

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**25. Subsidiaries**

The subsidiary undertaking whose results are reflected in the consolidated financial statements by virtue of control, is as follows:

	<b>Interest consolidated</b>
Southern Area Hospice Services Lottery Limited - NI035958	100%

**26. Net cash generated from operating activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net incoming resources	219,645	423,601
Depreciation & Impairment	427,021	78,869
Interest receivable and similar income	(230,154)	(52,955)
Gain on Investments	(54,539)	27,291
Loss on sale of fixed assets	1,149	10,268
Movement in Debtors	36,367	117,321
Movement in Creditors	388,975	(262,711)
Movement in Stocks	(4,248)	(721)
<b>Net cash inflow from operating activities</b>	<b>784,216</b>	<b>340,963</b>

**SOUTHERN AREA HOSPICE SERVICES LTD**

Northern Ireland - Charity number 101906

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# Annual return

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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Annual Report & Financial Statements  
Year Ended 31 March 2024**

**Company No: NI038737  
Charity No: NIC101906  
HMRC Charity Number: XN47329/2**

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
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Year Ended 31 March 2024**

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**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Company Information**

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<b>Trustees</b>	Patrick Loughran (Chairman) Donna Houston (Vice Chair) Robin Brown Sheila Chambers (resigned August 2023) Greg Cox Martín Dillon Monica Duffy Michelle Hutchinson Maira Mannion (appointed January 2024) William McAllister Orla McPolin Kelly McVeigh Katrina O'Dowd Roger Wilson
<b>Co-optees to Committees</b>	Sheila Chambers – Audit and Risk Committee Andrew Stevenson - Capital Development and Infrastructure Committee
<b>Secretary</b>	Liz Cuddy
<b>Registered Office</b>	St John's House Courtenay Hill Newry Co. Down BT34 2EB
<b>External Auditor</b>	AAB Group Accountants Limited Chartered Accountants and Statutory Auditors Dromalane Mill The Quays Newry Co. Down BT34 8QS
<b>Internal Auditor</b>	Cavanagh Kelly 36-38 Northland Row Dungannon BT71 6AP
<b>Principal Bankers</b>	AIB 42-44 Hill Street Newry Co. Down  Danske Bank Limited 58 Hill Street Newry Co. Down  AIB 96 Clanbrassil Street Dundalk Co. Louth

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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**Investment Advisers**

Brewin Dolphin  
11th Floor East Tower  
Lanyon Plaza  
8 Lanyon Place  
Belfast, BT1 3LP

**Solicitors**

Luke Curran & Co  
6 Marcus Square  
Newry  
Co. Down

Lewis Silkin (N.I.) LLP  
8th Floor  
The Linenhall  
32-38 Linenhall Street  
Belfast  
BT2 8BG

**Registered Charity No.  
Registered Company No.**

NIC101906/XN47329/2  
NI038737

**Senior Leadership Team:**

Liz Cuddy  
Damien Hillen  
Alexandra Mahood  
Ajun Budda

Chief Executive Officer  
Director of Development  
Director of Corporate Services (resigned in September 2023)  
Director of Corporate Services (Interim) (appointed in September 2023)  
Director of Care

Bridget Smyth

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Trustees (who are also Directors of the company) submit their annual report and the audited consolidated financial statements of Southern Area Hospice Services Ltd and its subsidiary for the year ended 31 March 2024. This report constitutes the Strategic Report and the Trustees' Report required under the Companies Act 2006. The Trustees have adopted the provisions of the Companies Act 2006, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ((FRS 102 effective 1 January 2019) – (Charities SORP (FRS 102))), in preparing the annual report and financial statements of the group and charitable company.

#### Reference and administrative information

Southern Area Hospice Services Ltd has been established as a voluntary independent hospice since 1989. It was incorporated in June 2000.

Southern Area Hospice Services Ltd is registered with the Charity Commission NI (Charity Number NIC101906), is a company limited by guarantee and is registered with the Companies Registrar (Company number NI038737). It is also recognised as a charity by HM Revenue and Customs, XN 47329/2. The Trustees and Secretary of the charity are listed on page 2. The principal and registered office of the charity is also listed on page 2 together with details of the professional advisers and bankers.

#### Structure, governance and management

Southern Area Hospice Services Ltd, by virtue of common Trustees and power to govern operations, controls the activities of Southern Area Hospice Services Lottery Limited, which has the objective of raising funds for the Southern Area Hospice Services Ltd. Southern Area Hospice Services Lottery Limited operates a weekly lottery to generate funds for the Hospice.

Southern Area Hospice Services Ltd is governed by a Board of Directors (who are also known as Trustees for the purposes of the Charity Law). It is governed by a Memorandum and Articles of Association.

#### Board of Directors – ensuring good governance

The Board of Directors (Trustees) is as listed on page 2. The Directors are responsible for approving the strategies and policies and for ensuring that these are implemented. The Board of Directors meets regularly to comply with its statutory responsibilities. In the reporting period, the Board had 5 full Board meetings and 3 workshops to consider the capital project – further information on page 12.

The Chairperson is accountable to the Board of Directors and responsible for the efficient running of Southern Area Hospice Services Ltd with the help of the Chief Executive and the Senior Leadership Team. The Directors (Trustees) are not remunerated.

The Board Committee structure is well embedded and operating effectively. It is as set out below.

**The Clinical Governance Committee** provides oversight and scrutiny of service provision (clinical governance, service quality, patient safety, and clinical standards); service performance; service development and clinical leadership. Until July 2023 the committee had 5 members – 3 Board members and 2 co-optees. Following the resignation of the 2 co-optees (due to retirement from their substantive medical work), the Committee reduced to 3 members. In January 2024 the Board agreed the appointment of Moira Mannion to join the Board and to sit on this Committee given her significant and relevant senior nursing experience. The Committee is chaired by Patrick Loughran. It met 4 times in this reporting period during which the Committee reviewed the functioning of the previously established Medical Advisory Committee (MAC) as a sub-committee of the Clinical Governance Committee. In order to ensure the continued development of medical services within the Hospice and appropriate governance and assurance, the MAC's remit was broadened. Its status was also changed to be a Committee, under the responsibility of the Director of Care and Lead Consultant which reports to the CEO and the Clinical Governance Committee (as a standing agenda item). It continues to have the remit to advise and review the granting of practising privileges for medics providing services in the Hospice. It further provides the Responsible Person (the CEO) and the Registered Manager with professional

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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medical advice and provides assurance regarding the provision of medical services. This Committee met a total of 4 times in this reporting period.

**The Resources Committee** provides oversight and scrutiny of Human Resources, Income Generation, Finance, IT, Support Services (facility management services, administration, health, and safety and GDPR) and Investment Management. The Committee continues to have a demanding agenda but has noted that the significant direction of travel in improving the robustness of reports is very positive, ensuring the resources available are used and accounted for appropriately. They have also been ensuring that transformation continues to take place in the areas it has responsibility for. The Committee consists of five members of the Board of Directors and is chaired by Donna Houston. In this reporting period, the Committee met 9 times.

**The Audit and Risk Committee** provides oversight and scrutiny of strategic risk management; internal audit; external audit; and management responses identified by any audit process. All of this is to ensure the adequacy of assurance for all corporate governance matters relevant to Southern Area Hospice Services. In addition, the Committee can request any other specific work required to adequacy of governance, assurance, and probity. The Committee has 3 members, 2 of whom are Board members, and the 3<sup>rd</sup> is a co-optee. Whilst this Committee was always advised regarding fraud and whistleblowing matters this has now been added as standing agenda items to reflect good practice. The Committee is chaired by Monica Duffy and in this reporting period it met 5 times.

**The Remuneration and Nominations Committee** met once in the reporting period and is chaired by Orla McPolin. Its functions from a remuneration perspective are to set CEO and Director salaries, pay-scales for the remainder of the organisation and to ensure compliance with equality legislation. Its Nomination functions are to ensure good board governance is maintained, to recommend appointments to the Board, and to oversee the appointment of the CEO and Directors.

**The Capital Development and Infrastructure Committee** is responsible for ensuring that capital projects deliver the desired outcome, progress to plan and budget and that key risks are identified and managed. The Committee is involved in projects from concept to delivery with a focus on the capital works needed to futureproof the estate requirements for the Hospice. It has 4 members – 3 Board members and 1 co-optee - and is chaired by Roger Wilson. It met 5 times during this reporting period. Further details on this capital project are on page 12.

It should be noted that co-optees to Committees of the Board are not Trustees and therefore not Directors.

#### **Conflicts of Interest**

As a matter of good governance, actual and perceived conflicts of interest are reviewed on a regular basis. All Board members and senior managers are required to make an annual declaration regarding any conflicts of interest and a schedule of responses is maintained. In addition, the declaration of conflicts of interest is a standing agenda item for each meeting of the Board and its Committees, with all present being asked to declare if they have any conflicts of interest regarding any agenda items. There were no significant matters during the reporting period.

#### **Appointment of new Trustees**

New Trustees are recruited by open recruitment by existing Directors to fulfil specific roles and skills on the Board. The potential Trustee is then interviewed by the Chairperson, Vice Chairperson and Secretary of the Board regarding their willingness to become a Trustee and their potential contribution to the Hospice is considered. Following this, any potential Trustee is presented to the Board for their consideration and approval. There was 1 Trustee appointed during this reporting period.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Induction and training of Trustees

Induction and training for new Trustees is similar to those set out for all employees of the charity. They are given an overview of the aims, objectives, and achievements, introduced to the Chief Executive and Senior Leadership Team, are provided with a copy of the Memorandum and Articles of Association, the Hospice UK manual on Director responsibilities and details of the recent financial performance of the charity. All new Trustees meet with other existing Trustees, and they are encouraged to attend appropriate external training events should they facilitate the undertaking of their role.

#### Retirement and rotation of Trustees

The term of office of a Trustee shall be for a maximum of three terms of three years each. A retiring Trustee of the board may be re-elected under these terms. The Trustees who retire in accordance with this regulation shall be those who have been longest in office since their last election but where persons who become Trustees on the same day retire (unless they otherwise agree among themselves), they are determined by lot. At the Annual General Meeting in August 2023 the following Trustees were due to retire by rotation: Sheila Chambers, Kelly McVeigh and Katrina O'Dowd. Sheila Chambers, whilst eligible for re-election, stood down as a Board Member due to personal reasons, but was appointed as a co-optee to the Audit and Risk Committee. Kelly McVeigh and Katrina O'Dowd were eligible and agreed to stand for re-election and were duly elected.

In the reporting period Moira Mannion was elected as a Board Member in January 2024. Sheila Chambers was the only person who retired from the Board.

#### Management

The Board is responsible for governance at a strategic level and meets regularly with the Chief Executive who is responsible for day-to-day management of the company supported by the Senior Leadership Team. The Chair of the Board meets regularly with the Chief Executive outside of formal meeting structures and processes. The Committees of the Board also meet regularly with the Chief Executive and Senior Leadership Team to review performance and address any emergent issues.

#### Senior Leadership Team

The Senior Leadership Team comprises of the Chief Executive, the Corporate Services Director, the Director of Care, and the Director of Development. Pay and remuneration is set by appropriate benchmarking and approved by the remuneration committee. Total cost of the Senior Leadership Team salaries and wages in this reporting period is as per note 10 to the financial statements.

#### Objectives and Activities

The Hospice supports patients with complex, life-limiting conditions to live well with their condition from the point of diagnosis right through to end-of-life. SAH provides patient-centered, wrap-around support for patients' physical, emotional, spiritual, and social needs. It also supports families and carers with their emotional and social needs.

The Hospice's services fall into 2 main categories: inpatient services and community-based services. The services in both areas are holistic in nature, comprehensively supporting the patient and their family. We have extremely professional and expert multi-disciplinary teams who ensure that our services, both in the inpatient unit and community, are of a high quality, evidenced based and safe. The Hospice has received funding from the Department of Health's Cancer Charities Support Fund to better support patients with a palliative cancer diagnosis. This funding has enabled a further development of its community services to ensure a more targeted and multi-disciplinary approach that works in a collaborative way with other service providers in the Southern Trust area. This funding continued throughout the reporting period and is due to cease in November 2024.

Details of the Hospice's services and the activity levels of each of these services are provided in the Strategic Report section.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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Southern Area Hospice Services Ltd is a member hospice of Hospice UK and affiliated with the All-Ireland Institute of Hospice and Palliative Care. We continue to develop links with other hospices at both a local and a national level.

#### **Public Benefit**

This has been another exceptional year due to the continuing cost-of-living challenges on income generation and on our operating costs. Our focus has been on continuing to provide services in a safe and effective way. This Trustees report demonstrates that the Hospice has had a successful year in this regard.

Southern Area Hospice Services Ltd continues to meet the definition of a public benefit entity under FRS 102 and in line with its charitable objectives as detailed throughout this report.

#### **Volunteers**

The charity is involved in the community and is dependent on voluntary help. Our 250 volunteers make a huge contribution to the work of the Hospice, bringing a diversity of skills and experience. Our volunteers contribute across many areas of the charity including reception and administrative duties, helping patients at mealtimes, providing reflexology and counselling as well as transporting patients to and from Hospice appointments and working in the Hospice gardens. Volunteers contribute greatly to various fundraising activities including flag days, cheque presentations as well as providing general assistance with the many fundraising events. The volunteers bring an extra dimension to the atmosphere of the Hospice. Their skills and contribution enhance our service and make an impact on the lives of our patients, their families, and our staff. The Hospice could not operate without the invaluable contribution of volunteers to its various departments and events and are deeply appreciative of our volunteers.

#### **In Gratitude**

The Board wish to convey their sincere thanks to our staff and the many volunteers who have so generously given their support to the organisation. With the continued support of our staff and volunteers, we look forward to continuing to enhance the delivery of our charitable services within the community.

#### **Acknowledgements**

The Board wish to sincerely thank all individuals, communities and companies who have supported and donated to us throughout this year, including many fundraising events and many supporters have yet again overwhelmed us with their generosity. The Hospice is extremely grateful for this support and financial assistance – it could not provide its services to the community without this.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

#### Strategic Report

#### Achievements and Performance

##### Overall

The Trustees are pleased to report that significant progress was made towards achieving the Hospice's objectives (detailed on page 6 & 7 above). The Hospice covers the Southern Health and Social Care Trust geographical area, which includes the towns of Newry, Armagh, Dungannon, Banbridge, Lurgan, Portadown and Craigavon.

##### Care Services

The Hospice provides both inpatient and community support. The Inpatient Clinical Team consists of consultant's, doctors, nurses, auxiliaries, physiotherapists, and an occupational therapist. The Hospice Community Outreach Team offer patients and their families care in their home or at our Hospice Hubs in Newry and Dungannon. These services involve patient support, carers support, counselling, bereavement support and an Out of Hours Nursing Care at Home for those at end of life. The Community Services Team consist of nurses, social workers, chaplains, physiotherapists, and complementary therapists. The Patient and Family Support Team consists of chaplains, social workers, counsellors and complementary therapists – this team works in both the Inpatient Unit and Community Services.

##### Inpatient Services

Our 14-bed adult In-patient Unit continues to provide holistic care for patients with complex symptoms, at end of life and for respite. A highly trained specialist multi-disciplinary team support both the patient and their family. The focus is on the whole person, helping them not only with physical care but also on emotional, social, and spiritual wellbeing.

Admissions increased this year from last year with 234 new admissions to the inpatient unit and a total of 245 patients cared for (2023: 223). Total bed occupancy for the year was 87.3%. The average length of stay was 15.1 days. We had 167 patients admitted for the first time with 67 patient requiring repeat admissions. 148 patients were discharged back home with improved symptom management or to their preferred place of care.

The total amount of inpatient unit therapies sessions for the year was 5,781. A session is defined as the clinical or therapeutic delivery of care to patient, carers or bereaved. A session can be delivered individually or in a group setting and can be up to 2 hours in duration depending on the type of care given. Patients and their families received a total of 5,006 face to face therapeutic support sessions and 775 telephone support sessions from our social workers, chaplains, physiotherapist, and complementary therapist. The total number of sessions delivered by our patients and family support teams are shown below.

Session type	Session numbers 2023/4	Session numbers 2022/3
Social work	2,209	1,911
Chaplaincy	2,655	1,811
Physiotherapy	492*	1,461
Occupational Therapy	196**	Service not available
Complementary Therapy	229	248
<b>Total</b>	<b>5,781</b>	<b>5,431</b>

**Note:**

\* Staff vacancy from April – December 2023

\*\* new service introduced in January 2024

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Community Services

Our Community Services model of support is an integrated multidisciplinary community-based specialist palliative support service for adults over the age of 18 and their families. The service provides physical, psychological, emotional, and spiritual support to patients with a palliative illness and their families. The service is provided in the person's home or in one of the SAHS hubs in Dungannon or Newry. Services can be delivered individually or as a part of group and are designed in conjunction with patient and family need. The Hospice has been able to significantly develop and expand its community services thanks to the funding it received from the Cancer Charity Support Fund.

We have had 469 new referrals to our Community Services over the last year and had 614 people open to our service. We delivered 6,854 therapeutic sessions to patients, carers, and bereaved families. 520 of these patients or family members were impacted by cancer and 94 were impacted by non-cancer related palliative conditions.

- 303 Patients
- 144 Carer/ Relative
- 167 Bereaved
- 1,113 Sessions were delivered at home
- 3,081 Sessions were delivered in one of the hospice hubs or a community setting.
- 2,660 Telephone or virtual sessions
- 1,118 Patient 1-2-1 Support sessions
- 448 Carers 1-2-1 support sessions
- 656 Bereavement 1-2-1 support sessions
- 938 counseling sessions were delivered
- 1,667 Complementary therapy sessions were delivered
- 1,045 sessions of group work.

This year group work services included:

- 6 weeks Living Well with a palliative illness in our 2 hubs
- 3-week Carers support group in our 2 hubs
- Monthly Family Night Bereavement groups for parents, teens, and younger children
- Bereavement Journey
- Bereavement Walking Group
- Bereavement Walk in Café.

We saw a significant increase in attendance at these groups in the reporting period and feedback from attendees has been very positive.

#### OOH Nursing Care at home

This year in our Community Services we developed a new service model, namely the Out of Hours Nursing Service. It commenced in July 2023 and is an on-call nursing service to patients at home who have a cancer diagnosis and are at the end of their life. The service is available 365 nights per year and is available between the hours of 10.00pm - 8.00am. This new service for the Hospice was piloted in postcode area of BT35 and Newry City area.

The service provides effective and timely symptom management in the last days of life. It also equips and supports families to recognise and manage the dying process of their loved one. The service reduces loneliness and social isolation for patient and family provides emotional and spiritual support during what is a very difficult time. The service to date has supported 33 people to die at home in their preferred place of death.

The Hospice has significantly transformed and developed its community services during the reporting period, successfully moving away from the traditional day therapy support model to an integrated, multi-disciplinary, community-based specialist palliative support service for adults and their families. The Hospice

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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acknowledges that this development was possible due to the funding we are receiving from the Department of Health's Cancer Charities Support Fund, managed by the Community Foundation.

#### **Additional collaborative and partnership work by the Care Service team in the Hospice include:**

- Training placements are provided for medical, nursing, social work, and physiotherapy students at both under and post graduate level.
- A Specialist Palliative Medicine out of hours telephone advice service is provided to the Southern Health & Social Care Trust medical staff community and hospitals in partnership with our Trust Consultant colleagues.
- The Patient and Family support team manager is the Chair of the Northern Ireland Association of Palliative Care Social Workers.
- The Inpatient Manager (ANP Trainee) is the Chair of the Senior Nursing Group.

#### **Other achievements in Care Services**

Significant investments were made during the reporting period to enhance the Care Services team and to make sure that we continue to develop the expertise of the whole team. This included the following:

- Clinical Fellow (Doctor) in post from October 23.
- Occupational Therapist in post from January 24 and further resource was added to the physiotherapy team to enhance the allied health practitioners' team.
- Up-skilling of Band 2 Health Care Assistants to a higher band / grade.
- Specialist Palliative Care Social Work Award commenced by 1 social worker.
- Msc Advanced Nurse Practitioner Course commenced by 1 senior nurse.
- Advanced Communication training completed by 12 staff.
- Princess Alice course (specialist palliative care qualification) completed by 6 staff.
- Shapes of Grief completed by 7 staff.

The Hospice has been working for several years with the SHSCT and Department of Health to secure pharmacy in-house services within the Hospice. We made significant progress on this during the reporting period with a pharmacist being in post on an interim basis from April 2024.

#### **Infection management**

Whilst the Covid-19 pandemic has abated significantly, the Hospice continued to face some outbreaks in the last 12 months. We had implemented Government safety measures in a timely manner and continued to adapt our ways of working to keep services operating in a safe way for our patients, their loved ones, and our staff. Infection prevention and control management to ensure we provided a safe environment within the constraints posed by our building restrictions has been and remains a priority. Staff are very competent in this way of working and have confidently managed any emergent situations throughout the reporting period.

#### **Our Team**

The staff within all functions of the Hospice have continued to show resiliency and commitment throughout the reporting period. The Board of Directors would like to thank all staff for their ongoing dedication and commitment to the Hospice.

#### **Staff Objectives and Performance**

Employees are set objectives which outline their responsibilities, and which are reviewed regularly to ensure compliance. There is an increased focus on developing staff to strengthen their performance and allow them to attain their maximum potential which in turn benefits the Hospice and our patients. Training is refreshed as required to ensure adherence to all requirements.

During the reporting period, we have further developed the training provision for our Care Services team to enhance the skills base, knowledge, and learning.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

#### Inspection

All care services are the subject of unannounced, annual inspections by the Regulation and Quality Improvement Authority (RQIA). The latest inspection took place in February 2024. We are pleased to report that the written feedback from this inspection was positive, particularly in relation to the quality of care provided and infection control standards. Inspectors were extremely complimentary about the knowledge, motivation, and commitment of all staff they spoke with. We were advised that the standard of care we provide is excellent and of a very high standard.

#### Income Generation

Yet again, the financial support we received from the Hospice community and corporate supporters in the reporting year was amazing. Despite the numerous challenges faced in a turbulent economic environment, marked by rising costs and global issues, the support and generosity of our loyal donor and supporters enabled us to generate an incredible £3.58 million, increasing from £3.2m raised last year.

This extraordinary accomplishment was made possible through the success of various campaigns and initiatives, as individuals enthusiastically participated in fundraising.

Several noteworthy campaigns deserve recognition, including the Big Bucket campaign in which 200 volunteers took part raised £28,000 this year. Furthermore, we extend our heartfelt gratitude to octogenarian John Dalzell OBE, who completed his 32<sup>nd</sup> Annual Christmas Sit Out and made an incredible donation of £125,000.

We were delighted to be able to hold our annual Lights Campaign, in the Hospice's premises once again, in the run up to Christmas. This event generated £97,000 whilst providing a source of hope and joy during what can be a challenging time for those who attend. The Car Draw was promoted across various roadshows and raised £107,000 this year – a truly fantastic accomplishment by all involved.

We are hugely grateful for the 29 legacy donations received this year, totalling £713,000, these donations show the extraordinary generosity of our supporters, whose thoughtful inclusion of the Hospice in their Wills ensures a sustained and meaningful impact for years to come.

Whilst operating in very challenging economic conditions our Corporate and Trust partners played a pivotal role this year by raising an amazing £319,000, exemplifying their commitment to our cause which is an increase of 8% on last year.

The table below illustrates the main areas of fundraising income during the year.

Income source	Amount raised £000's.
Community Fundraising	1,180
Events	908
Legacies	713
Corporate	248
Trusts	71
Individual/regular donations	184
Gift aid	111
Lottery	166

We are delighted to report that the number of donors enrolled in Gift Aid increased again in the reporting period. Gift Aid remains an important revenue stream, and we encourage all eligible donors to sign up for Gift Aid, helping us to maximise the impact of their contributions.

During the year the Income Generation Team's new business development unit became fully resourced with 2 new posts. These took some time to recruit but we are delighted the unit is now gearing up to help grow income for the Hospice.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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To achieve such exceptional results amidst an extremely challenging and competitive environment is a testament to the unwavering commitment of our staff, volunteers, community, and corporate supporters. The Hospice extends its deepest gratitude to every individual and corporate who has stood by our side, demonstrating their incredible support. We are profoundly indebted to every person who has played a role in our continued success.

#### **Communications**

Like many organisations in the charitable sector the Hospice needs to become more digitally focused and to enhance our social media presence.

Following a previous audit of internal and external communications, we successfully appointed a new Head of Communications & Marketing who took up post in October 2023. This added resource and enhanced the skills within the team. We also have increased the budget to deliver improved communication support in the current year. The new appointee has made a positive start in upgrading our Communications and social media presence and has completed preparatory work on projects to develop a new website and to improve brand image. We believe this activity and investment will raise the profile of the Hospice which will in turn increase support and income generation.

#### **Improving the infrastructure of the Hospice**

The Capital Development Committee have developed a roadmap to deliver on the strategic imperative of the Hospice (as set out in its strategy 2023 - 2028) to improve the accommodation of the inpatient unit to meet future needs and expectations. During the reporting period relevant experts were contracted via appropriate procurement processes to provide business case development support; project management support; design team expertise; and property and planning advice. The outline business case is progressing and by the end of reporting period the Board were evaluating a short list of options. This is a very significant work programme for this Committee and the Board. Great care is being taken to exercise robust analysis and consideration of best practice and emergent evidence. Workshops have taken place with staff of the Hospice to help understand the Hospice's future space requirements. Key partners (SHSCT and Department of Health) are being kept informed and being consulted as appropriate. In parallel, work is underway to understand what the Hospice can afford and how it can generate support for what is potentially a significant capital cost. This work was allocated a budget which was approved by the Board. Work in the reporting year was delivered well within this budget. Great progress has been made this year but there is still much to consider before final decisions can be made by the Board.

#### **Strategic Plan 2023 – 2028 Year 1**

During the reporting year, the Senior Leadership Team managed the implementation of actions planned for year one in the strategic plan agreed last year. The Strategic Plan covers a 5-year period from 2023 - 2028. The Hospice does not underestimate the challenge it faces in delivering this strategy, but it is fully committed to ensuring that specialist palliative care services are delivered to meet the growing need of the local communities.

In summary, the strategy has been designed to respond to the following key strategic drivers:

- The increasing demand for palliative care services, in terms of the number of patients requiring palliative care and the extent of palliative care required.
- The growing complexity of cases and conditions being cared for requiring more specialist input.
- The need for a service delivery model that is patient-centred with the flexibility to adjust how and where the care is delivered, according to individual patient's evolving needs and preferences.
- The need to build capacity and capability so that SAHS can provide the same level of specialist care equally across all care settings and equally across the geographic region.
- The pressures on availability of trained palliative care staff, and the need to build resilience within staffing structures while the labour pool is being developed.
- The pressures on funding, as a result of inflation and rising operating costs, as well as squeezes on funding sources.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Hospice's strategic aims within the strategy are:

- To develop its delivery model into a wrap-around holistic service that can respond to patient choice and seamlessly provide multi-disciplinary care in an inpatient unit, in the home or through community hubs, as required.
- To protect the unique strengths that it has in its specialist palliative care skills and inpatient facilities.
- To firmly establish its role as a leading provider of specialist palliative care services in Northern Ireland.

A summary of the objectives which have been achieved in Year 1 (2023-24) include:

- Recruitment of additional specialist staff in Care Services.
- Upskilling of some health care assistants.
- Improvement of admission and discharge processes to achieve maximum occupancy rates within Inpatient Unit.
- Continuation of the roll out of the new Community Services model which included the piloting of an Out of Hours Nursing Service.
- Continuation of work on the Hospice's infrastructure to ensure sustainability of the Inpatient Unit.
- Improvement of volunteer engagement strategies.
- Further resourced the communications team to improve internal and external communications.
- Business Development unit established in Income Generation.
- Income growth by 15% by the Income Generation Team. Our income growth was largely attributable to a growth in legacy income throughout the year.
- Donor development and legacy programmes developed but need further resourced.

#### Financial review

The financial statements are presented in the standard format required by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019 – (Charities SORP (FRS 102)) and cover the activities of Southern Area Hospice Services Ltd and its subsidiary Southern Area Hospice Services Lottery Limited. The statement of financial activities (SOFA) shows the gross income from all the sources and the split of activity between restricted and unrestricted funds.

#### Results

The net operational surplus for the financial year was £568,000, this was considerably above our expected year end position. However, as a result of a property re-valuation conducted by our retained consultants CBRE Ltd, the adjusted surplus position was £220,000. This still exceeded our budget expectations and should be noted that it was an exceptional accounting adjustment beyond our control, outside income and expenditure which we manage.

Our income was £520,000 over budget, the main drivers were fundraising income (£291,000 above) helped by additional legacy income and increased yield from our managed investments (£223,000 above budget). Expenditure continued to be well managed including providing for the full Agenda for Change pay award and making an interim pay award to help staff during a period of high inflation until the pay award was confirmed. We were also able to negotiate more favourable energy cost tariffs.

#### Reserves Policy

SAHS' policy is to continue to build reserves in order to maintain adequate cover for committed expenditure and the running costs for a period equivalent to six months' operating costs and other obligations arising from the implementation of the strategic plan. It is considered that six months is prudent in order to ensure continuity of service during any period of reduced income.

A Capital Reserve to set aside funds to carry out identified capital projects was established by the Trustees in 2015. The Capital Development and Infrastructure Committee (as referenced above) is responsible for progressing capital projects, the execution of agreed plans will require a spend in the current year and this work is underway.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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The Trustees have succeeded in maintaining reserves this year to meet committed expenditure and the running costs of the charity for a period equivalent to 6 months annual expenditure. The Trustees believe that the period of 6 months is necessary in order that there is continuity of service and will continue to work in accordance with this policy.

#### Legacies

The Hospice's income from legacies increased considerably from the previous year to £713,000. Due to its nature, legacy income is difficult to predict. Work continues to be done to improve the Hospice's capability to maximise this income stream.

#### Balance Sheet

The cash position of the group and the charity as of 31 March 2024 remained strong with £7,017,480 and £2,860,180 respectively held within investments and in the bank. (2023: £6,183,799 and £2,738,994 respectively). The Trustees are satisfied with the returns during the year given the economic environment. In accordance with the Investment Policy a proportion of available investment funds have been placed with a Discretionary Fund Manager to avail of potentially improved returns than that currently available from cash deposits. The Resources Committee continue to review the current investment strategy and policy.

#### Taxation

As a charity, the company can recover most tax deducted at source from its investment income and is not liable for corporation tax on its other income or on capital gains. Recovery is therefore made of tax credits and tax deducted from income received under deed of covenant or gift aid.

#### Future Plans

##### 1. Strategic Plan 2023 - 2028

At the time of reporting Year 2 - 2024/25 objectives are agreed by the Board. This year the approach has been to catalogue these in a thematic way that reads directly across to the wider overarching 5-year strategy.

- Investment in People and Training:
  - Strengthen the medical model in the Hospice to build resiliency and capacity to deliver specialist palliative care to meet the need.
  - Strengthen medical assurance and governance by becoming a designated body with Medical Director in SHSCT being the Responsible Officer.
  - Enhance talent management across all teams in the Hospice to ensure appropriate succession planning, employee recognition and improved development of emerging leaders.
- Innovation and Collaboration
  - Expand community services delivery to include a hospice at home model of care.
  - Continue to develop closer and seamless collaborations with the SHSCT to meet the needs of our patients.
  - Enhance employee recognition.
- Technology
  - Begin the introduction of electronic patient management and prescribing systems.
  - Optimise donor development system to improve information in income generation.
  - Begin to research AI technologies to improve capability in fundraising.
- Inpatient Unit
  - Continue to progress the capital infrastructure project to address the deficiencies and restrictions in the Inpatient Unit to meet current and future needs and provide an efficient work environment in terms of layout and running costs.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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- Funding
  - Review investment strategy to maintain high yields in a more challenging marketplace.
  - Continue to grow revenue income.
  - Launch a new approach to regular giving.
  - Initiate a capital funding programme to deliver the preferred affordable option which will emerge from the developing business case.
- Communications
  - Deliver a communications plan to improve external and internal communications.
  - Deliver a rebrand of the Hospice.
  - Deliver a new and much improved website.

## 2. Funding and Income Generation

Like other health and social care organisations the Hospice continues to face increasing costs from pay parity as well as in other areas, many driven by the cost-of-living crisis and inflationary pressures. Considerable analysis has gone into the establishment of the budget for the year ahead and our future anticipated costs. We continue to be challenged on an annual basis to produce a positive operating budget, particularly so in the current year due to the new costs associated with the delivery of our strategic aims. We believe that this investment however will result in a more resilient service and drive increased income in future years. Despite planned increased investment in people & technology and the continuing need to maintain our ageing facility, a budget with a small surplus has been agreed this year.

The Hospice's reliance on receiving substantial income from the public remains unchanged. In the reporting year, we generated £3.58 million from our communities which is around 65% of our total income (excluding monies received for a designated purpose, such as the Cancer Charity Support Fund (CCSF) monies). The amount we will need to generate in the current and future years is expected to increase, particularly as the current grant from CCSF will end this year.

The Hospice's comprehensive strategic plan includes a focus on reducing reliance on conventional income sources by diversifying revenue streams. This involves the development of corporate support, seeking to grow donations from charitable trusts, increasing future legacy donations and growing regular donations and continuing to maximise returns from investments.

Once again, we extend our heartfelt gratitude to everyone who supports us – we simply cannot accomplish what we do without your invaluable support.

### Principal risks and uncertainties

#### Risk management

The Trustees and Senior Leadership Team identify and actively manage the major risks to which the charity is exposed. This involves:

- An ongoing review of the risks which the charity may face.
- The assessment of the level of exposure presented by each identified risk.
- The establishment of systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimize the impact on the charity should any of the risks materialise.

Major risks which have been identified and discussed by the Trustees include loss of reputation, perhaps due to adverse publicity, leading to a fall in public confidence in the charity and a consequent reduction in voluntary income; a short-term fall in the value of our investment portfolio; and maintaining the highest security of our information and systems to prevent loss of data or funds.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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Further risks which have been heightened by the current economic climate include: a fall in income, either voluntary through donations and fundraising because the public has less capacity to give, through insufficient funding support from the Government or through declining donations from our subsidiary company; significantly increasing costs, mainly related to wages and energy; and the ability to recruit sufficiently skilled and qualified staff to deliver care to the patients of the catchment area.

As reflected earlier in this report, actions being taken to mitigate risk include: developing alternative and innovative ways to generate income; having a focus on closely managing costs; a review of staffing structures to build future resilience; third-party review of our IT service provision, security and resilience, working in conjunction with our third party providers who provide professional advice in this regard; the ongoing review of processes and procedures to create efficiencies; and the introduction of improved systems to increase efficiencies.

The Trustees take all appropriate steps to moderate and manage the operational risks to which volunteers, staff, and assets of Southern Area Hospice Services Ltd are exposed. The Audit & Risk Committee oversee the risk register which is regularly reviewed to ensure it reflects any potential risks related to the strategic plan. Throughout the reporting period specific focus on risks relating to continuing to deliver safe services in a pandemic and the uncertainty around income have been closely monitored.

Having considered all the identified risks, the Trustees do not consider there to be a risk to the going concern status of the organisation. As is evidenced above, we continue to prudently adapt our ways of working and processes as required to best position the Hospice for the future. The Senior Leadership Team, in conjunction with the Board, are constantly monitoring this. The Resources Committee considers the financial position regularly.

#### **Statement of Trustees' Responsibilities**

The Trustees (who are also Directors of Southern Area Hospice Services Ltd for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice, Accounting and Reporting: Accounting and Reporting by Charities (2015);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2024

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#### Subsidiary undertakings

The charity took over control of the Southern Area Hospice Services Lottery Limited at the start of 2015. Southern Area Hospice Services Shop Limited ceased trading during the 2023 financial year.

These financial statements include Southern Area Hospice Services Lottery Limited.

#### Exemptions from disclosure

The company has taken exemption from the requirement to produce a separate statement of financial activities for the charity under section 408 and a charity cash flow statement as the results are included in the consolidated statements.

#### Funds held as custodian trustees on behalf of others

The charity holds no funds as custodian trustees on behalf of others.

#### Statement of disclosure of information to auditors

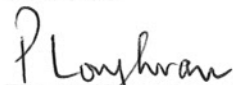
In the case of each Trustee/Director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

#### Independent auditors

The Contracts held by AAB Group Accountants Limited as the external auditors and Cavanagh Kelly as the internal auditors end with effect from the Annual General Meeting relating to this reporting period. The Board will carry out a tendering process to select and appoint auditors to a new contract during 2024.

Approval of the Trustees' Report, which constitute the Strategic Report and the Directors' Report. By order of the Board.



**P Loughran**  
Trustee/Director

**Date: 10<sup>th</sup> September 2024**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2024

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**Opinion**

We have audited the group and parent charitable company financial statements of Southern Area Hospice Services Ltd for the year 31 March 2024 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Southern Area Hospice Ltd's group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2024 and of the group and parent charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2024

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; 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 the knowledge and understanding of the Trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company- Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year Ended 31 March 2024

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We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



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**Teresa Campbell (Senior Statutory Auditor)**  
**For and on behalf of AAB Group Accountants Limited**  
**Chartered Accountants and Statutory Auditors**

Dromalane Mill  
The Quays  
Newry  
Co. Down  
BT34 8QS

**Date: 10<sup>th</sup> September 2024**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Year 2024 £	Total Year 2023 £
<b>Income from:</b>					
<b>Charitable Activities</b>					
Grant Income	3	1,747,278	357,511	2,104,789	2,044,247
<b>Donations and Legacies</b>					
Sundry Income		64,700	36,583	101,283	19,720
Gifts and Donations	4	6,642	-	6,642	5,995
Gift Aid		111,135	-	111,135	111,024
Legacies		713,174	-	713,174	154,543
Fundraising Income		2,570,468	24,000	2,594,468	2,648,377
<b>Investment Income</b>					
Bank Interest Receivable	5	230,154	-	230,154	52,955
<b>Other Trading Activities</b>					
Commercial Trading Operations	4	160,009	-	160,009	252,007
<b>Total Income</b>		<b>5,603,560</b>	<b>418,094</b>	<b>6,021,654</b>	<b>5,288,868</b>
<b>Expenditure on:</b>					
<b>Costs of Raising Funds</b>					
General Fundraising and Publicity Costs	7	678,640	2,601	681,241	667,314
Commercial Trading Operations	4	85,495	-	85,495	128,001
<b>Charitable Activities</b>					
Delivering Hospice Services	6	4,664,863	424,949	5,089,812	4,042,661
<b>Total Expenditure</b>		<b>5,428,998</b>	<b>427,550</b>	<b>5,856,548</b>	<b>4,837,976</b>
<b>Net gain / (loss) on investment</b>	5	<b>54,539</b>	<b>-</b>	<b>54,539</b>	<b>(27,291)</b>
<b>Net Income/(Expenditure)</b>		<b>229,101</b>	<b>(9,456)</b>	<b>219,645</b>	<b>423,601</b>
Transfers Between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>229,101</b>	<b>(9,456)</b>	<b>219,645</b>	<b>423,601</b>
<b>Reconciliation of Funds</b>					
<b>Total Funds</b>					
Brought Forward at 1 April		10,145,075	49,260	10,194,335	9,770,734
<b>Total Funds Carried Forward</b>	<b>18</b>	<b>10,374,176</b>	<b>39,804</b>	<b>10,413,980</b>	<b>10,194,335</b>

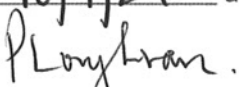
The notes on pages 25 - 40 form part of these financial statements. The results relate to continuing activities.


The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Consolidated Balance Sheet**  
**Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible Assets	11	1,280,488	1,594,616
Investments	12	873,317	805,470
		<u>2,153,805</u>	<u>2,400,086</u>
<b>Current assets</b>			
Stocks	13	30,674	26,426
Debtors	14	175,691	212,058
Investments	15	6,144,163	5,378,329
Cash at Bank and in Hand		2,860,180	2,738,994
		<u>9,210,708</u>	<u>8,355,807</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(950,533)	(561,558)
Net Current Assets		8,260,175	7,794,249
<b>Total Assets less Current liabilities</b>		<b>10,413,980</b>	<b>10,194,335</b>
<b>Net assets</b>		<u><b>10,413,980</b></u>	<u><b>10,194,335</b></u>
<b>Group Funds employed</b>			
Restricted Funds	18	39,804	49,260
Unrestricted Funds	18	10,374,176	10,145,075
		<u>10,413,980</u>	<u>10,194,335</u>

The financial statements were approved and authorised for issue by the Board of Trustees on the 10/9/24 and were signed on its behalf by:

  
 \_\_\_\_\_  
**P Loughran**  
 Director

  
 \_\_\_\_\_  
**D Houston**  
 Director

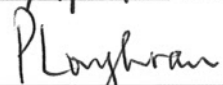
Company Registration: NI038737

The notes on pages 25 - 40 form part of these financial statements. The results relate to continuing activities.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Charity Balance Sheet**  
**Year Ended 31 March 2024**

		2024 £	2023 £
<b>Fixed Assets</b>			
Tangible Assets	11	1,280,488	1,594,616
Investments	12	873,317	805,470
		2,153,805	2,400,086
<b>Current Assets</b>			
Stocks	13	30,499	25,827
Debtors	14	217,076	331,474
Investments	15	6,144,163	5,378,329
Cash at Bank and in Hand		2,754,003	2,556,380
		9,145,741	8,292,010
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(892,926)	(505,115)
<b>Net Current Assets</b>		8,252,815	7,786,895
<b>Total Assets less Current liabilities</b>		10,406,620	10,186,981
<b>Net assets</b>		10,406,620	10,186,981
<b>Funds employed</b>			
Restricted Funds	18	39,804	49,260
Unrestricted Funds	18	10,366,816	10,137,721
		10,406,620	10,186,981

The financial statements were approved and authorised for issue by the Board of Trustees on the 10/9/24 and were signed on its behalf by:

  
 \_\_\_\_\_  
**P Loughran**  
 Director

  
 \_\_\_\_\_  
**D Houston**  
 Director

Company Registration: NI038737

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Consolidated Statement of Cash Flow  
Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Cash used in Operating Activities</b>	26	784,216	340,963
<b>Cash flows from Investing Activities</b>			
Interest Income		230,154	52,955
Purchase of Tangible Fixed Assets		(114,042)	(33,883)
Purchase of investments		(779,142)	(3,351,923)
Cash used in Investing Activities		(663,030)	(3,332,851)
<b>Cash flows from Financing Activities:</b>			
Movement in Deposits		-	-
Cash used in Financing Activities		-	-
<b>Increase/(decrease) in Cash and Cash Equivalents in the year</b>		<b>121,186</b>	<b>(2,991,888)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>2,738,994</b>	<b>5,730,882</b>
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,860,180</b>	<b>2,738,994</b>
<b>Cash and Cash Equivalents at the end of the reporting period</b>		<b>2,860,180</b>	<b>2,738,994</b>

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

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**1) Accounting Policies**

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

**a) Basis of preparation**

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) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southern Area Hospice Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. Taking account of the risk review undertaken by the directors they do not consider there to be a risk to the going concern status of the charity or the group. The Directors will review the financial position on a regular basis, taking any action needed to ensure that charity remains fit for purpose and on this basis the assessment of the directors is that the charity is a going concern.

**c) Group financial statements**

The financial statements consolidate the results of the charity and its subsidiary Southern Area Hospice Services Lottery Limited. We note that Southern Area Hospice Services Shop Limited ceased trading in July 2022, and was wound up in October 2022. The 2023 consolidated figures included the 4 months trading up to cessation.

**d) Incoming Resources**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

*Government Grants*

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

*Donations*

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

*Commercial/ Trading Income*

Trading income represents the invoiced value of goods supplied during the year. Revenue is recognised upon provision of the service to the customer.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

*Fundraising income*

Fundraising income is included in the Statement of Financial Activities when received, unless it is for a specific event in which case it is deferred to the timing of the event.

*Legacies*

Income from legacies is recognised when there is evidence of entitlement to the legacy, receipt is probable and its amount can be measured reliably. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the group, or the group is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

*Investment income*

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

**e) Resources Expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis 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 use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

*Costs of Raising Funds*

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

*Charitable activities*

These are costs incurred in providing medical and care services and facilities within the Hospice and, as such, include primarily the cost of medical supplies and staff costs.

*Pension costs*

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

*Governance costs*

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

*Support Costs*

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. These have been allocated to charitable activities, costs of raising funds and governance costs on a basis consistent with the use of these resources.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**f) Fund accounting**

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

*Restricted funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

*Unrestricted funds*

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

*Designated funds*

Designated funds comprise a capital reserve that has been allocated to meet future capital requirements.

**g) Operating leases**

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**h) Tangible fixed assets**

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

Buildings:

Fundraising Office	- 10% straight line
Additions to day-care centre	- 4% straight line
Freehold Hospice Buildings	- 1.5% straight line
Fixtures, fittings and equipment	- 20% reducing balance
Motor Vehicles	- 25% straight line

Land is not depreciated. When the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**i) Investments**

Listed investments are stated at market value, on the basis of the middle market price at the close of business. Whilst day to day management of the investment portfolio is carried on by experienced, registered investment managers (currently Brewin Dolphin) the ultimate control and responsibility rests with the Trustees.

**Southern Area Hospice Services Ltd  
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Notes to the Financial Statements  
Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**k) Cash at bank and in hand and current asset investments**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

**l) Creditors and provisions**

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

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. Donated goods into the shops are valued at zero as the value is their bagged weight which is immaterial to the financial statements.

**n) Foreign currency**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are recognised in the Statement of Financial Activities.

**o) Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12. Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis of to realise the asset and settle the liability simultaneously.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

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**1) Accounting Policies- (continued)**

**o) Financial Instruments ctd....**

**Basic financial assets**

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instruments is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**p) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**q) Exemptions under FRS 102**

The Charity has taken advantage of the following exemption:

- (i) from preparing a cash flow statement, on the basis that it is a qualifying entity and the consolidated statement of cash flow includes the Charity's cash flows.

**r) Exemptions under Companies Act 2006**

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities in includes the Charity's Statement of Financial Activities.

The surplus of the charity at 31 March 2024 was £219,639.

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**1) Accounting Policies- (continued)**

**s) Critical accounting estimates and judgements**

In the application of the Charity'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.

*Critical judgements in applying the entity's accounting policies*

There are no critical judgements in applying the group's accounting policies.

*Critical accounting estimates and assumptions*

Income from legacies is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Cost allocation is an accounting estimate that is recognised in line with the accounting policy Note 1e.

Depreciation is an accounting estimate that is recognised in line with the accounting policy Note 1h.

**2) Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3. Income from Charitable Activities**

	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Department of Health - General Funding	-	1,747,278	1,747,278	1,729,095
Other Government Grant Income	357,511	-	357,511	315,152
	<u>357,511</u>	<u>1,747,278</u>	<u>2,104,789</u>	<u>2,044,247</u>

The 2023 income total of £2,044,247 was split between £1,729,095 unrestricted and £315,152 restricted.

Other Government Grant Income: This income is mainly income from the Cancer Charities' Support Fund. It is restricted as it can only be used for the purposes indicated in the grant application.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**4. Income from other trading activities**

The trading subsidiary of the charity, Southern Area Hospice Services Lottery Limited is incorporated in the United Kingdom (company number NI035958) and pays a large proportion of their profits to the charity under the gift aid scheme. Southern Area Hospice Services Shop Limited ceased trading in July 2022 and was wound up in October 2022.

**Southern Area Hospice Services Shop Limited**

	<b>2024</b>	<b>7 Months 2023</b>
	<b>£</b>	<b>£</b>
Turnover	-	41,928
Other operating income	-	10,134
Expenditure	-	(39,159)
Repayment to the Hospice	-	(30,858)
Net Profit / (Loss)	<u>-</u>	<u>(17,955)</u>
Aggregate share capital and reserves	<u>-</u>	<u>-</u>

**Southern Area Hospice Services Lottery Limited**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Turnover	160,009	199,945
Donations	6,642	5,995
Other operating income	-	-
Expenditure	(85,495)	(88,842)
Donation to the Hospice	(81,150)	(117,090)
Corporation tax charge	-	-
Net Profit	<u>6</u>	<u>8</u>
Aggregate share capital and reserves	<u>7,356</u>	<u>7,350</u>

**5. Investment Income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Interest receivable	230,154	52,955
Investment Income	54,539	-
	<u>284,693</u>	<u>52,955</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**6. Charitable Activities - Delivering Hospice Services**

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total 2024 £	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £
Staff costs	360,163	3,083,664	3,443,827	300,768	2,640,816	2,941,584
Insurance	-	56,328	56,328	-	48,618	48,618
Light & Heat	-	98,838	98,838	-	94,416	94,416
Housekeeping costs	-	32,712	32,712	-	20,954	20,954
Food and Medical Supplies	-	114,632	114,632	3,426	102,789	106,215
Repairs and Maintenance	-	59,787	59,787	-	45,078	45,078
Recruitment Expenses	297	15,738	16,035	-	8,026	8,026
Other Expenses	9,643	3,840	13,483	3,961	2,432	6,393
Training Costs	-	8,325	8,325	243	4,643	4,886
Depreciation/Impairment	12,021	393,200	405,221	11,994	44,910	56,904
Loss on Disposal	-	1,149	1,149	-	-	-
Volunteer Costs	-	1,517	1,517	-	1,162	1,162
Governance costs	-	9,996	9,996	-	9,799	9,799
Support costs (note 8)	42,825	785,137	827,962	8,734	689,892	698,626
	<u>424,949</u>	<u>4,664,863</u>	<u>5,089,812</u>	<u>329,126</u>	<u>3,713,535</u>	<u>4,042,661</u>

Restricted Funds expenditure - see note on Restricted Funds income under note 3.

**7. Costs of Raising Funds**

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total 2024 £	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £
Staff Costs	-	428,986	428,986	3,414	395,474	398,888
Fundraising Expenses	-	185,610	185,610	-	224,755	224,755
Light & Heat	-	4,129	4,129	-	5,457	5,457
Repairs & Maintenance	-	6,041	6,041	-	3,534	3,534
Rates	-	1,182	1,182	-	623	623
Telephone	2,241	16,184	18,425	504	15,080	15,584
Stationery and Advertising	360	5,472	5,832	-	254	254
Support Costs (note 8)	-	31,036	31,036	-	18,219	18,219
	<u>2,601</u>	<u>678,640</u>	<u>681,241</u>	<u>3,918</u>	<u>663,396</u>	<u>667,314</u>

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**8. Support Costs**

	Basis of Allocation	Generating Funds	Delivering Hospice Services	2024
		£	£	£
Staff costs	Staff Time/Usage	-	689,945	689,945
Other Staff Costs	Staff Time/Usage	-	8,130	8,130
Repairs and Renewals	Floor Space	-	3,754	3,754
Recruitment	Staff Costs/Usage	-	11,209	11,209
Financing	Actual	12,610	6,211	18,821
Training Costs	Staff Time/Usage	-	884	884
Legal and Professional Costs	Usage	-	8,018	8,018
Depreciation	Usage	-	21,800	21,800
Loss on Disposal	Usage	-	-	-
General Administration	Usage	18,426	78,011	96,437
		<u>31,036</u>	<u>827,962</u>	<u>858,998</u>

	Basis of Allocation	Generating Funds	Delivering Hospice Services	2023
		£	£	£
Staff costs	Staff Time/Usage	-	531,315	531,315
Other Staff Costs	Staff Time/Usage	-	16,450	16,450
Repairs and Renewals	Floor Space	-	4,388	4,388
Recruitment	Staff Costs/Usage	60	6,078	6,138
Financing	Actual	12,889	6,277	19,166
Training Costs	Staff Time/Usage	35	325	360
Legal and Professional Costs	Usage	-	35,185	35,185
Depreciation	Usage	-	21,592	21,592
Loss on Disposal	Usage	-	712	712
General Administration	Usage	5,235	76,304	81,539
		<u>18,219</u>	<u>698,626</u>	<u>716,845</u>

**9. Results for the year**

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
<b>This is stated after charging:</b>				
Staff costs (note 10)	4,562,758	3,965,061	4,526,857	3,921,150
Audit fees - external	11,500	13,000	10,000	10,000
Audit fees - internal (assurance only)	-	4,125	-	4,125
Depreciation / Impairment	427,021	78,869	427,021	78,496
Operating lease rentals - property	-	13,975	-	-

**Southern Area Hospice Services Ltd  
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Notes to the Financial Statements  
Year Ended 31 March 2024**

**10. Employee information**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Wages and salaries	3,908,905	3,404,498	3,873,004	3,361,284
Social security costs	334,535	287,702	334,535	287,497
Other pension costs	319,318	272,861	319,318	272,369
	<u>4,562,758</u>	<u>3,965,061</u>	<u>4,526,857</u>	<u>3,921,150</u>

The average number of persons employed by the company (excluding Directors) during the year, by activity, was as follows:

	Group		Charity	
	2024	2023	2024	2023
Support Staff and Fundraising	33	37	32	36
Direct Care Staff	58	54	58	54
Catering and Housekeeping	15	10	15	10
	<u>106</u>	<u>101</u>	<u>105</u>	<u>100</u>

The number of employees whose emoluments exceed £60,000 were:

	2024	2023
£60,001 - £70,000	2	-
£70,001 - £80,000	-	2
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
Over £100,000	2	1

For staff whose emoluments exceed £60,000, pension contributions amounting to £51,167 (2023: £41,365) were paid towards a defined contribution pension scheme.

Indemnity insurance for directors' liability was purchased by the charity for £1,875 (2023: £7,000).

The total employee benefits, excluding employers pensions, of the key management personnel of the group was £290,445 (2023: £322,102).

No charity Trustee received payment for professional or other services supplied to the charity (2023: £nil).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**11. Tangible Fixed Assets**

Group	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2023	1,972,566	522,176	667,514	54,787	39,704	3,256,747
Additions	61,825	1,208	13,813	37,196	-	114,042
Disposals	-	-	(2,849)	-	-	(2,849)
<b>At 31 March 2024</b>	<b>2,034,391</b>	<b>523,384</b>	<b>678,478</b>	<b>91,983</b>	<b>39,704</b>	<b>3,367,940</b>
<b>Accumulated depreciation</b>						
At 1 April 2023	595,611	456,794	552,051	23,872	33,803	1,662,131
Charge for the period	28,359	13,258	25,105	8,543	3,161	78,426
Impairment	348,595	-	-	-	-	348,595
Depreciation on disposal	-	-	(1,700)	-	-	(1,700)
<b>At 31 March 2024</b>	<b>972,565</b>	<b>470,052</b>	<b>575,456</b>	<b>32,415</b>	<b>36,964</b>	<b>2,087,452</b>
<b>Net book amount</b>						
<b>At 31 March 2024</b>	<b>1,061,826</b>	<b>53,332</b>	<b>103,022</b>	<b>59,568</b>	<b>2,740</b>	<b>1,280,488</b>
At 31 March 2023	1,376,955	65,382	115,463	30,915	5,901	1,594,616
<b>Charity</b>						
	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2023	1,972,566	522,176	667,514	54,787	39,704	3,256,747
Additions	61,825	1,208	13,813	37,196	-	114,042
Disposals	-	-	(2,849)	-	-	(2,849)
<b>At 31 March 2024</b>	<b>2,034,391</b>	<b>523,384</b>	<b>678,478</b>	<b>91,983</b>	<b>39,704</b>	<b>3,367,940</b>
<b>Accumulated depreciation</b>						
At 1 April 2023	595,611	456,794	552,051	23,872	33,803	1,662,131
Charge for the period	28,359	13,258	25,105	8,543	3,161	78,426
Impairment	348,595	-	-	-	-	348,595
Depreciation on disposal	-	-	(1,700)	-	-	(1,700)
<b>At 31 March 2024</b>	<b>972,565</b>	<b>470,052</b>	<b>575,456</b>	<b>32,415</b>	<b>36,964</b>	<b>2,087,452</b>
<b>Net book amount</b>						
<b>At 31 March 2024</b>	<b>1,061,826</b>	<b>53,332</b>	<b>103,022</b>	<b>59,568</b>	<b>2,740</b>	<b>1,280,488</b>
At 31 March 2023	1,376,955	65,382	115,463	30,915	5,901	1,594,616

At 31 March 2024 the entity's land and buildings were independently revalued by CBRE resulting in an impairment loss. The company impaired its building assets from the original cost £1,972,566 to £1,000,000. The carrying amount before impairment was £1,348,595, resulting in an impairment loss of £348,595.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**12. Investments**  
**Group and Charity**

	Cash Deposits £	Investment in Equities £	Total £
<b>Cost</b>			
At 1 April 2023	354,889	450,581	805,470
Additions	13,308	-	13,308
Transferred to current assets	-	-	-
Fair Value Profit/(Loss)	-	54,539	54,539
Disposals	-	-	-
<b>At 31 March 2024</b>	<b>368,197</b>	<b>505,120</b>	<b>873,317</b>

Long term investments, which include monies in deposit accounts of £368,197 (2023: £354,889) which are due to mature in greater than 12 months and equity investments £505,120 (2023: £450,581), are held within the United Kingdom and exist primarily to provide an investment return for the group. At the end of each investment term the monies received are expected to be reinvested in further investment opportunities for the benefit of the group.

**13. Stocks**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Consumables	30,674	26,426	30,499	25,827
	<b>30,674</b>	<b>26,426</b>	<b>30,499</b>	<b>25,827</b>

**14. Debtors**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade Debtors	82,573	156,840	80,355	153,280
Amounts owed by subsidiary undertakings	-	-	45,533	124,801
Other debtors	54,428	26,463	54,423	26,463
Prepayments and accrued income	38,690	28,755	36,765	26,930
	<b>175,691</b>	<b>212,058</b>	<b>217,076</b>	<b>331,474</b>

Amounts owed by subsidiary undertakings are unsecured, interest free and are repayable on demand.

**15. Current Asset Investments**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Short Term Deposits	6,144,163	5,378,329	6,144,163	5,378,329
	<b>6,144,163</b>	<b>5,378,329</b>	<b>6,144,163</b>	<b>5,378,329</b>

Current asset investments relate to monies held in short term deposit accounts and are due to expire within one year.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

**16. Creditors: amounts falling due within one year**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade Creditors	72,296	74,127	67,643	69,771
Other taxation and social security	111,767	114,885	111,767	114,885
Accruals and deferred income	709,585	317,007	701,405	307,830
Other creditors	56,885	55,539	12,111	12,629
	<u>950,533</u>	<u>561,558</u>	<u>892,926</u>	<u>505,115</u>

**17. Financial instruments**

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
<b>Fair value through profit or loss</b>				
Fixed asset investments	505,120	450,581	505,120	450,581
	<u>505,120</u>	<u>450,581</u>	<u>505,120</u>	<u>450,581</u>
<b>Financial assets held at amortised cost</b>				
Cash at bank and in hand	2,860,180	2,738,994	2,754,003	2,556,380
Trade debtors	82,573	156,840	80,355	153,280
Other debtors	93,118	55,218	93,115	53,393
Investment in short term deposits	6,144,163	5,378,329	6,144,163	5,378,329
Investment in long term deposits	368,197	354,889	368,197	354,889
	<u>9,548,231</u>	<u>8,684,270</u>	<u>9,439,833</u>	<u>8,496,271</u>
<b>Financial liabilities held at amortised cost</b>				
Trade creditors	72,296	74,127	67,643	69,771
Other creditors	168,652	170,424	123,878	127,514
Accruals and deferred income	709,585	317,007	701,405	307,830
	<u>950,533</u>	<u>561,558</u>	<u>892,926</u>	<u>505,115</u>

**18. Analysis of Charitable funds**

**Analysis of movements in funds**

Group	Balance 1 April 2023 £	Incoming resources £	Expended funds £	Gain on investments £	Transfers £	Balance 31 March 2024 £
<b>Restricted Funds</b>	49,260	418,094	(427,550)	-	-	39,804
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,583,283	5,603,560	(5,428,998)	54,539	-	2,812,384
<b>Total funds</b>	<u>10,194,335</u>	<u>6,021,654</u>	<u>(5,856,548)</u>	<u>54,539</u>	<u>-</u>	<u>10,413,980</u>

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

Charity	Balance 1 April 2023	Incoming resources	Expended funds	Gain on investments	Transfers	Balance 31 March 2024
	£	£	£	£	£	£
<b>Restricted Funds</b>	49,260	418,094	(427,550)	-	-	39,804
<b>Designated funds</b>						
Capital reserve	7,561,792	-	-	-	-	7,561,792
<b>General funds</b>	2,575,929	5,518,054	(5,343,498)	54,539	-	2,805,024
<b>Total funds</b>	<u>10,186,981</u>	<u>5,936,148</u>	<u>(5,771,048)</u>	<u>54,539</u>	<u>-</u>	<u>10,406,620</u>

Capital Reserve - The Board has decided to allocate a further £Nil to the balance of £7,561,792 with a view to continuing to build these funds to meet future capital requirements.

**19. Analysis of group net assets between funds**

	Restricted Funds £	General Funds £	Unrestricted Designated Funds £	Total Funds £
<b>Fund balances at 31 March 2024 are represented by:</b>				
Tangible fixed assets	39,793	1,240,695	-	1,280,488
Fixed asset investments	-	873,317	-	873,317
Net current assets	11	698,372	7,561,792	8,260,175
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>39,804</u>	<u>2,812,384</u>	<u>7,561,792</u>	<u>10,413,980</u>

	Restricted Funds £	General Funds £	Unrestricted Designated Funds £	Total Funds £
<b>Fund balances at 31 March 2023 are represented by:</b>				
Tangible fixed assets	49,249	1,545,367	-	1,594,616
Fixed asset investments	-	805,470	-	805,470
Net current assets	11	232,446	7,561,792	7,794,249
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<u>49,260</u>	<u>2,583,283</u>	<u>7,561,792</u>	<u>10,194,335</u>

**20. Taxation**

Southern Area Hospice Services Ltd is recognised as a charity by HM Inspector of Taxes, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2024**

The Charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred. This excluded certain types of expenditure where under the terms of a new scheme which commenced on 1 April 2015, charities that are not registered for VAT are able to claim back an element of their input VAT. The charity has participated in this scheme from the commencement date.

The Lottery is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

**21. Free reserves**

Free reserves as noted in the directors report, are calculated as follows:

	2024 £	2023 £
Total unrestricted reserves	10,374,176	10,145,075
Tangible assets	(1,240,695)	(1,545,367)
Fixed asset investments	(873,317)	(805,470)
	<b>8,260,164</b>	<b>7,794,238</b>

Total unrestricted reserves include £7,561,792 of designated funds which are allocated to a Capital Reserve to continue to build these funds to meet future capital requirements.

**22. Related party transactions and ultimate controlling party.**

The Board of Trustees are considered to be the Charity's ultimate controlling party.

Included within trade debtors is £4,673 (2023: £4,350) due from Southern Area Hospice Services Lottery Limited as at 31 March 2024.

Included within trade creditors is £NIL (2023: £NIL) due to Southern Area Hospice Services Lottery Limited as at 31 March 2024.

In 2024 Southern Area Hospice Services Lottery Limited made a gift of £81,150 (2023: £117,090) to Southern Area Hospice Services Ltd.

**23. Liability of members**

Both group companies are companies limited by guarantee and do not have a share capital. The liability of each member is limited to an amount not exceeding £1.

**24. Financial commitments**

There were no financial commitments at 31 March 2024 (2023: Nil)

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Notes to the Financial Statements  
Year Ended 31 March 2024**

**25. Subsidiaries**

The subsidiary undertaking whose results are reflected in the consolidated financial statements by virtue of control, is as follows:

	<b>Interest consolidated</b>
Southern Area Hospice Services Lottery Limited - NI035958	100%

**26. Net cash generated from operating activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net incoming resources	219,645	423,601
Depreciation & Impairment	427,021	78,869
Interest receivable and similar income	(230,154)	(52,955)
Gain on Investments	(54,539)	27,291
Loss on sale of fixed assets	1,149	10,268
Movement in Debtors	36,367	117,321
Movement in Creditors	388,975	(262,711)
Movement in Stocks	(4,248)	(721)
<b>Net cash inflow from operating activities</b>	<b>784,216</b>	<b>340,963</b>

**SOUTHERN AREA HOSPICE SERVICES LTD**

Northern Ireland - Charity number 101906

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# Accounts

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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Annual Report & Financial Statements  
Year Ended 31 March 2023**

**Company No: NI038737  
Charity No: NIC101906  
HMRC Charity Number: XN47329/2**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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**Trustees** Patrick Loughran (Chairman)  
Donna Houston (Vice Chair)  
Robin Brown  
Sheila Chambers  
Greg Cox  
Martin Dillon (appointed March 2023)  
Monica Duffy  
Michelle Hutchinson  
Willie McAllister  
Orla McPolin  
Kelly McVeigh  
Katrina O'Dowd  
Clayre Scott (resigned May 2022)  
Roger Wilson

**Co-optees to Committees**

John Harty – Clinical Governance Committee and Medical Advisory Group  
David Gilpin - Clinical Governance Committee and Medical Advisory Group  
Andrew Stevenson – Capital Development and Infrastructure Committee

**Secretary** Liz Cuddy

**Registered Office** St John's House  
Courtenay Hill  
Newry  
Co. Down  
BT34 3EB

**External Auditor** FPM Accountants Ltd  
Chartered Accountants  
1-3 Arthur Street  
Belfast  
BT1 4GA

**Internal Auditor** CavanaghKelly  
36-38 Northland Row  
Dungannon  
BT71 6AP

**Principal Bankers** AIB  
42-44 Hill Street  
Newry  
Co. Down

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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<b>Principal Bankers ctd...</b>	Danske Bank Limited 58 Hill street Newry Co. Down  AIB 96 Clanbrassil Street Dundalk Co. Louth
<b>Investment Advisers</b>	Brewin Dolphin 11th Floor East Tower Lanyon Plaza 8 Lanyon Place Belfast, BT1 3LP
<b>Solicitors</b>	Luke Curran & Co 6 Marcus Square Newry Co. Down  Lewis Silkin (N.I.) LLP 8th Floor The Linenhall 32-38 Linenhall Street Belfast BT2 8BG
<b>Registered Charity No.</b> <b>Registered Company No.</b>	NIC101906/XN47329/2 NI038737
<b>Senior Leadership Team:</b> Liz Cuddy Damien Hillen Sandra Mahood Bridget Smyth	Chief Executive Officer Director of Development Director of Corporate Services Director of Care

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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The Trustees (who are also Directors of the company) submit their annual report and the audited consolidated financial statements of Southern Area Hospice Services Ltd and its subsidiaries for the year ended 31 March 2023. This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006. The Trustees have adopted the provisions of the Companies Act 2006, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 – (Charities SORP (FRS 102)), in preparing the annual report and financial statements of the group and charitable company.

#### **Reference and administrative information**

Southern Area Hospice Services Ltd has been established as a voluntary independent hospice since 1989. It was incorporated in June 2000.

Southern Area Hospice Services Ltd is registered with the Charity Commission NI (Charity Number NIC101906), is a company limited by guarantee and is registered with the Companies Registrar (Company number NI038737). It is also recognised as a charity by HM Revenue and Customs, XN 47329/2. The Trustees and Secretary of the charity are listed on page 2. The principal and registered office of the charity is also listed on page 2 together with details of the professional advisers and bankers.

#### **Structure, governance and management**

Southern Area Hospice Services Ltd, by virtue of common Trustees and power to govern operations, controls the activities of two other companies, Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited, both of which have the objective of raising funds for the Southern Area Hospice Services Ltd. Southern Area Hospice Services Lottery Limited operates a weekly lottery to generate funds for the Hospice. Southern Area Hospice Services Shop Limited operates as a general merchandise shop. As reported last year, the trading levels and profits generated by the 3 shops were seriously detrimentally impacted during the Covid-19 pandemic. The company has ceased trading in the reporting period. There is further detail later in the report regarding this.

Southern Area Hospice Services Ltd is governed by a Board of Directors (who are also known as Trustees for the purposes of the Charity Law). It is governed by a Memorandum and Articles of Association.

#### **Board of Directors - ensuring good governance**

The Board of Directors (Trustees) is as listed on page 2. The Directors are responsible for setting strategies and policies and for ensuring that these are implemented. The Board of Directors meets regularly to comply with its statutory responsibilities. In the reporting period, the Board met 5 times.

The Chairperson is accountable to the Board of Directors and responsible for the efficient running of Southern Area Hospice Services Ltd with the help of the Chief Executive and the Senior Leadership Team. The Directors (Trustees) are not remunerated.

The Board Committee structure is well embedded and operating effectively. It is as set out below.

The Clinical Governance Committee provides oversight and scrutiny of service provision (clinical governance, service quality, patient safety and clinical standards); service performance; service development and clinical leadership. The Committee has 5 members – 3 Board members and 2 co-optees and is chaired by Patrick Loughran. It met 4 times in the reporting period. The Board established a Medical Advisory Committee (MAC) as a sub-committee of the Clinical Governance Committee. The remit of the MAC is to advise and review the granting of practising privileges for medics providing services in the Hospice. They further provide the Responsible Person (the CEO) and the Registered Manager with professional medical advice and provide assurance regarding the provision of medical services. It is

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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chaired by Robin Brown and has 2 other members. All members are medics. It met a total of 4 times in the reporting period. Towards the end of the reporting period, the MAC agreed it should review how it functions to ensure it is appropriately equipped to provide assurance and overview of all matters related to medical service provision. This review will conclude in the current year.

The Resources Committee provides oversight and scrutiny of Human Resources, Income Generation, Finance, IT, Support Services (facility management services, administration, health and safety and GDPR) and investment management. The Committee continues to have a very demanding agenda ensuring that reports are robust, and the resources available used and accounted for appropriately. They have also been ensuring that transformation continues to take place in the areas it has responsibility for. The Committee consists of five members of the Board of Directors and is chaired by Donna Houston. In the reporting period, the Committee met 7 times.

The Audit and Risk Committee provides oversight and scrutiny of strategic risk management; internal audit; external audit; and management responses identified by any audit process. All of this is to ensure the adequacy of assurance for all corporate governance matters relevant to Southern Area Hospice Services. In addition, the Committee can request any other specific work required to assure adequacy of governance, assurance and probity. The Committee has 3 Board members (and 1 vacancy) and is chaired by Monica Duffy. In the reporting period, it met 3 times.

The Remuneration and Nominations Committee met once in the reporting period and is chaired by Orla McPolin. Its functions from a remuneration perspective are to set CEO and Director salaries, pay-scales for the remainder of the organisation and to ensure compliance with equality legislation. Its Nomination functions are to ensure good board governance is maintained, to recommend appointments to the Board and to oversee the appointment of the CEO and Directors.

The Capital Development and Infrastructure Committee is responsible for ensuring that capital projects deliver the desired outcome, progress to plan and budget and that key risks are identified and managed. The Committee will be involved in projects from concept to delivery. In line with the Board's direction, this Committee's initial focus is on the capital works needed to futureproof the estate requirements for the Hospice. It has 4 members – 3 Board members and 1 co-optee - and is chaired by Roger Wilson. It met 4 times during the reporting period.

It should be noted that co-optees to Committees of the Board are not Trustees and therefore not Directors.

#### **Conflicts of Interest**

As a matter of good governance, actual and perceived conflicts of interest are reviewed on a regular basis. All Board members and senior managers are required to make an annual declaration regarding any conflicts of interest and a schedule of responses is maintained. In addition, the declaration of conflicts of interest is a standing agenda item for each meeting of the Board and its Committees, with all present being asked to declare if they have any conflicts of interest regarding any agenda items.

#### **Appointment of new Trustees**

New Trustees are recruited by open recruitment by existing Directors to fulfil specific roles and skills on the Board. The potential Trustee is then interviewed by the Chairperson, Vice Chairperson and Secretary of the Board regarding their willingness to become a Trustee and their potential contribution to the Hospice is considered. Following this any potential Trustee is presented to the Board for their consideration and approval.

#### **Induction and training of Trustees**

Induction and training for new Trustees is similar to those set out for all employees of the charity. They are given an overview of the aims, objectives and achievements, introduced to the Chief Executive and Senior Leadership Team, are provided with a copy of the Memorandum and Articles of Association, the Hospice UK manual on Director responsibilities and details of the recent financial performance of the charity. All new Trustees meet with other existing

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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Trustees, and they are encouraged to attend appropriate external training events should they facilitate the undertaking of their role.

#### **Retirement and rotation of Trustees**

The term of office of a Trustee shall be for a maximum of three terms of three years each. A retiring Trustee of the board may be re-elected under these terms. The Trustees who retire in accordance with this regulation shall be those who have been longest in office since their last election but where persons who become Trustees on the same day retire (unless they otherwise agree among themselves), they are determined by lot.

At the Annual General Meeting in September 2022, the following Trustees were due to retire by rotation: Monica Duffy, Donna Houston, Michele Hutchinson, Orla McPolin and Roger Wilson. All were eligible and agreed to stand for re-election and were duly elected.

In the reporting period, Clayre Scott resigned (May 2022) and Martin Dillon was appointed as a Trustee (March 2023).

#### **Management**

The Board is responsible for governance at a strategic level and meets regularly with the Chief Executive who carries out the day-to-day management of the company supported by the Senior Leadership Team. The Committees of the Board also meet regularly with the Chief Executive and Senior Leadership Team (as relevant) to review performance and address any emergent issues.

#### **Senior Leadership Team**

The Senior Leadership Team comprises of the Chief Executive, the Corporate Services Director, the Director of Care and the Director of Development. Pay and remuneration is set by appropriate benchmarking. Total cost of the Senior Leadership Team salaries and wages is as per note 10.

#### **Objectives and activities**

The objectives of Southern Area Hospice Services Ltd are the provision of a specialist palliative care service to patients with terminal illness, including cancer, motor neurone disease and multiple sclerosis.

The Hospice's services fall into 2 main categories, namely inpatient services and community-based services. The services in both areas are holistic in nature, comprehensively supporting the patient and their family. We have extremely professional and expert multi-disciplinary teams who ensure that our services, both in the inpatient unit and community, are of a high quality, evidenced based and safe. The Hospice has received funding from the Department of Health's Cancer Charities Support Fund to better support patients with a palliative cancer diagnosis. This funding has enabled a development of its community services to ensure a more targeted and multi-disciplinary approach that works in a collaborative way with other service providers in the Southern Trust area.

Details of the Hospice's services and the activity levels of each of these services are provided in the Strategic Report section.

Southern Area Hospice Services Ltd is a member hospice of Hospice UK and affiliated with the All-Ireland Institute of Hospice and Palliative Care. We continue to develop links with other hospices at both a local and a national level.

#### **Public benefit**

This again has been another exceptional year due to the ongoing impacts of the Covid-19 pandemic as well as the cost-of-living challenges. Our focus has been on continuing to provide services in a safe and effective way.

Southern Area Hospice Services Ltd continues to meet the definition of a public benefit entity under FRS 102 and in line

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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with its charitable objectives as detailed throughout this report.

#### Volunteers

The charity is involved in the community and is dependent on voluntary help. Our 300 volunteers make a huge contribution to the work of the Hospice, bringing a diversity of skills and experience. Our volunteers contribute across many areas of the charity including reception and administrative duties, helping patients at mealtimes, providing reflexology and counselling as well as transporting patients to and from Hospice appointments and working in the Hospice garden. Volunteers contribute greatly to various fundraising activities including flag days, cheque presentations as well as providing general assistance with the many fundraising events. The volunteers bring an extra dimension to the atmosphere of the Hospice. Their skills and contribution enhance our service and make an impact on the lives of our patients, their families and our staff. The Hospice could not operate without the invaluable contribution of volunteers to its various departments and events.

#### In gratitude

The Board wish to convey their sincere thanks to our staff and the many volunteers who have so generously given their support to the organisation. With the continued support of our staff and volunteers we look forward to continuing to enhance the delivery of our charitable services within the community.

#### Acknowledgements

The Board wish to sincerely thank all individuals, communities and companies who have supported and donated to us throughout this year. The easing of Covid-19 restrictions throughout the year has allowed supporters to re-introduce many fundraising events and many supporters have yet again overwhelmed us with their generosity. SAHS is extremely grateful for this support and financial assistance – it could not provide its services to the community without this.

#### Strategic report

##### Achievements and performance

###### Overall

The Trustees are pleased to report that significant progress was made towards achieving the Hospice's objectives despite continuing to manage the ongoing impact of Covid-19 throughout much of the reporting period. The Hospice covers the Southern Health and Social Care Trust geographical area, which includes the towns of Newry, Armagh, Dungannon, Banbridge, Lurgan, Portadown and Craigavon.

Key activity levels for services offered during the reporting period were as follows:

- The Hospice's **Inpatient Unit** is a 14-bed unit which provides specialist palliative care to patients and their carers; patients are admitted for various reasons including symptom or pain control, respite, or end of life care. It remained fully operational throughout the reporting period despite the pandemic. Staff continued to successfully adopt new ways of working to ensure the service continued in a safe way. Numbers within the unit did fluctuate on occasions during the reporting period as a result of Covid-19 outbreaks – high levels of community transmission were reflected amongst patients and staff meaning restrictions had to be imposed to protect patients and staff as best possible. At times during the reporting period, we had to work with a reduced staff complement. Patient safety always remained paramount. Despite these challenges, admissions increased from the previous period, with 223 new admissions, with an average stay of 14.5 days. We had 164 patients admitted for the first time and 59 repeat admissions. 141 patients were discharged with improved symptom management.

A total of 5,431 therapy sessions were delivered:

- |                              |                                      |
|------------------------------|--------------------------------------|
| - 1,911 Social Work sessions | - 1,461 Physiotherapy sessions       |
| - 1,811 Chaplaincy sessions  | - 248 Complementary Therapy sessions |

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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- Bed occupancy in our Inpatient Unit was 79% for the reporting year, slightly behind the targeted 85%. Given the challenges of the Covid-19 pandemic and the impact this had on the operation of the unit for several periods across the year (as referenced above), we are pleased that this level of occupancy was achieved and that the operation of the unit was maintained throughout the entire reporting period. We are also delighted that we were able to grow and develop our overall service provision during this period.
- The Southern Health & Social Care Trust provides some consultancy services to the Hospice. These services were significantly detrimentally impacted in the reporting period because of crisis management due to the ongoing pandemic and Trust Consultants being unavailable for work. An additional Consultant's post was successfully recruited by the Trust in year however the Community Palliative Care Consultant also resigned in year so therefore the team remains under resourced. We are concerned about the resiliency of the consultancy model and its potential detrimental impact on the Hospice's ability to provide services to patients with very complex needs.
- Over the reporting period, we continued to develop our **Community Services** model of support, moving away from the traditional day therapy support model to an integrated, multi-disciplinary, community-based specialist palliative support service for adults and their families. This development was possible due to the funding we are receiving from the Department of Health's Cancer Charities Support Fund, managed by the Community Foundation.

The service provides management of symptoms, including pain, as well as providing psychological, emotional and spiritual support. It is provided in the person's home or in one of the Hospice hubs. Services can be delivered on an individual or group basis and are based on patient and family need. There were 620 referrals in the reporting period, 526 of these were cancer related, with 94 being non-cancer related palliative conditions.

A total of 5,099 therapeutic sessions were delivered to patients, carers and bereaved families:

- 361 sessions took place at home and 4,738 in a Hospice hub or other community setting
- 565 counselling sessions
- 590 complementary therapy sessions
- 455 one to one sessions to those bereaved
- 488 group work sessions

Group work programmes have been significantly developed over the period and now include the following: Living Well with a Palliative Illness; Carers' Support Group; Family Night Bereavement Groups for parents, teens and young children; Art Therapy Group for the bereaved; Bereavement Walking Group; and a Bereavement Walk in Café. We saw a significant increase in attendance at these groups in the last quarter of the reporting period and feedback from attendees has been very positive.

- Throughout the reporting period, we continued to develop and grow Community Services. Recruitment difficulties for new roles and the impact of Covid-19 delayed the implementation of some aspects of the service and forced us to reconfigure other aspects. Substantial progress has been made nevertheless and the number of support sessions provided has increased significantly from the previous year. We are pleased with the level of progress.
- Throughout the year the Hospice continued to provide some financial support to the Southern Health and Social Care Trust's Community Palliative Care Team to help them respond to the need in the community. Work is ongoing with the Trust to ensure the benefits to both organisations continue.
- The Specialist Palliative Care Team in Daisy Hill Hospital was impacted by changes in the team throughout the year. The one remaining team member retired in year, and it was mutually agreed that the Hospice would no longer provide financial support to this team.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### **Additional services provided by the Hospice include:**

- Training placements are provided for medical, nursing, social work and physiotherapy students at both under and post graduate level. The opportunity to provide these services was limited due to Covid-19 but where it was possible and safe, training placements continued this year.
- A Specialist Palliative Medicine out of hours telephone advice service is provided to the Southern Health & Social Care Trust medical staff, community and hospitals in partnership with our Trust Consultant colleagues.

#### **Covid-19 Management**

Whilst the Covid-19 pandemic has abated significantly, the Hospice continued to face many challenges in the last 12 months. We implemented Government safety measures in a timely manner and continued to adapt our ways of working to keep services operating in a safe way for our patients, their loved ones, and our staff. Infection prevention and control management to ensure we provided a Covid-safe environment within the restrictions posed by our building restrictions has been and remains a priority. Staff are competent in this way of working and confidently managed any patients with a Covid-19 diagnosis. We were gradually able to relax restrictions on visiting. All remains under review.

#### **Our Team**

The staff within all functions of the Hospice have continued to show resiliency and commitment throughout the reporting period. We were delighted to receive the Overall Team of the Year Award at Newry Chamber's Employee & Team Awards which took place in September 2022. The Chamber said, "the award recognises an outstanding team that made an exceptional contribution to meet the challenges and demands of their organisation over the past two years". This is fantastic recognition of the great work done by all in the Hospice during the pandemic. The Board of Directors would like to thank all staff for their ongoing dedication and commitment to the Hospice.

#### **Staff objectives and performance**

Employees are set objectives which outline their responsibilities, and which are reviewed regularly to ensure compliance. There is an increased focus on developing staff to strengthen their performance and allow them to attain their maximum potential which in turn benefits the Hospice and our patients. Training is refreshed as required in order to ensure adherence to all requirements.

During the reporting period, we have significantly developed the training provision for our Care Services team to enhance our skills base, knowledge and learning. For example, 8 Nurses completed the Princess Alice European Certificate in Essential Palliative Care and our Inpatient Services Manager completed Non-Medical Prescriber training.

#### **Inspection**

All care services are the subject of unannounced, annual inspections by the Regulation and Quality Improvement Authority (RQIA). The latest inspection took place on 28th February 2023. We are pleased to report that the feedback from this inspection was positive, particularly in relation to the quality of care provided and infection control standards. Inspectors were extremely complimentary about the knowledge, motivation and commitment of all staff they spoke with. We were advised that the standard of care we provide is excellent and of a very high standard.

#### **Internal Audit**

Cavanagh Kelly carried out an internal audit programme in the reporting period. The agreed areas of focus were procurement, fraud risk and payroll. Whilst there were some minor recommendations arising, we received assurance that our processes and controls are appropriate in these areas. All audit outcomes were rated as satisfactory.

#### **Income Generation**

Yet again, the financial support we received from the Hospice community and corporate supporters in the reporting year was amazing. Despite the numerous challenges faced in a turbulent economic environment marked by rising costs and

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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global issues, the support and generosity of our loyal donors and supporters enabled us to generate an incredible £3.2 million.

This extraordinary accomplishment was made possible through the success of various campaigns and initiatives, as individuals enthusiastically resumed their fundraising efforts which had been stymied throughout the worst of the pandemic.

Several noteworthy campaigns deserve recognition, including the Big Bucket campaign, which raised an impressive £30,000 this year. Furthermore, we extend our heartfelt gratitude to 81-year-old John Dalzell OBE, who completed his 31st Annual Christmas Sit Out and made an incredible donation of £138,000. Additionally, after a forced hiatus, we were delighted with the return of the annual dinner dance in March, which raised a remarkable £44,000. This success of this event was due to the support of its main sponsors - Tinnelly Group and Ashtree Financial Services - and the Dance Committee who organised a fantastic evening.

The Hospice received an extraordinary total of £206,000 from a group of 39 dedicated trekkers who embarked on a challenging journey through the Alps in September. This unforgettable experience saw them walk in three countries in three days. Their inspirational fundraising efforts have helped make a significant difference to the patients we care for.

Our Community and Support Groups raised a combined total of £623,476.

We were delighted to be able to hold our annual Lights Campaign, in the Hospice's premises once again, in the run up to Christmas. This event generated £89,000 whilst providing a source of hope and joy during what can be a challenging time for those who attend. The Car Draw was promoted across various roadshows and raised £85,000 this year – a truly fantastic accomplishment by all involved.

We are immensely grateful for the 16 legacy donations received this year, totalling £154,543, showcasing the immense generosity of our supporters. Our corporate partners played a pivotal role by raising an amazing £295,000, exemplifying their commitment to our cause.

We are delighted to report that the number of donors enrolled in Gift Aid increased by 7% in the reporting period. This growth contributed to a remarkable 34% increase in Gift Aid donations, generating £111,023 of income. Gift Aid is an important revenue stream, and we encourage all eligible donors to sign up for Gift Aid, helping us to maximise the impact of their contributions.

To achieve such exceptional results amidst an extremely challenging and competitive environment is a testament to the unwavering commitment of our staff, volunteers, community, and corporate supporters. The Hospice extends its deepest gratitude to every individual who has stood by our side, demonstrating their incredible support. We are profoundly indebted to every person who has played a role in our continued success.

As referenced in the last report, given the declining income and rising costs in the 3 Hospice shops, the decision regrettably was taken to close the shops to protect the resources of the Hospice. The shops ceased trading during the current reporting period (July 2022). The winding up of Southern Area Hospice Services Shop Ltd is now complete. The company was dissolved on the 11th July 2023.

#### **Communications**

The pandemic highlighted the need for the Hospice to become more digital and diverse in its stakeholder engagement approach. Like many other organisations we know we must improve how we communicate externally and internally. As a result of the findings of a 3rd party audit of internal and external communications which was completed in the reporting year, we are adding additional resource and skills to the Communications team and have increased the budget to deliver this in the current year. The Hospice is grateful to The National Lottery Community Fund (Dormant

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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Accounts Fund NI) for providing funding to enable it to develop a new website and to improve its brand image. We believe this activity and investment will raise the profile of the Hospice which will in turn increase support and income generation.

#### Financial review

The financial statements are presented in the standard format required by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019) – (Charities SORP (FRS 102)) and cover the activities of Southern Area Hospice Services Ltd and its subsidiaries Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited. The statement of financial activities (SOFA) shows the gross income from all the sources and the split of activity between restricted and unrestricted funds.

#### Results

The net surplus for the financial year is £423,601 (2022: Surplus £1,156,693) after accounting for legacies of £154,543 (2022: £589,202).

Income in the year was broadly in line with budget. The surplus year end position is mainly due to an underspend in various areas, particularly in salary costs, which is due to the challenges faced in relation to recruitment meaning that positions were either not recruited at all or much later than planned.

The underlying position remains however that recurring funding from the government and voluntary sources remains a challenge in supporting the ongoing work of the Hospice.

#### Reserves policy

The Charity's policy is to retain a level of free reserves which matches the needs of the charity, both at the current time and in the foreseeable future. Free reserves are those unrestricted reserves not invested in fixed assets, which are available for general use, and include funds set aside for designated purposes.

A Capital Reserve to set aside funds to carry out identified capital projects was established by the Trustees in 2015. The Capital Development and Infrastructure Committee (as referenced above) is responsible for progressing capital projects and whilst there was no spend from this reserve in the reporting year, the execution of agreed plans will require a spend in the current year and this work is underway. The Board has decided to allocate a further £1 million to the balance of £6,180,100 to increase these funds to meet future capital requirements.

A Research and Development Fund ("R&D") was designated in 2017 to drive a transformational change. The strategic plan was agreed at the end of the reporting year (further details are later in the report) and has costs built in to deliver the required transformation and these will be budgeted annually as required across the life of the plan. There is therefore no longer a need for a separate R&D designated reserve. The Board has decided to transfer the full fund (£381,692) to the Capital Reserve to meet future capital requirements.

The Trustees have succeeded in maintaining reserves this year to meet committed expenditure and the running costs of the charity for a period equivalent to 6 months expenditure, which equates to £2,418,988. The Trustees believe that the period of 6 months is necessary in order that there is continuity of service and will continue to work towards the implementation of this policy.

#### Legacies

The Hospice's income from legacies significantly decreased from the previous year to £154,543. Due to its nature, legacy income is difficult to predict. Work is underway to improve the Hospice's capability to grow this.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### Balance Sheet

The cash position of the group and the charity as of 31 March 2023 remained strong with £6,183,799 and £2,738,994 respectively held within investments and in the bank (2022: £2,859,166 and £5,730,882). The Trustees are satisfied with the returns during the year given the economic environment. In accordance with the Investment Policy a proportion of available investment funds have been placed with a Discretionary Fund Manager to avail of potentially improved returns than that currently available from cash deposits. The Resources Committee continue to review the current investment strategy and policy.

#### Taxation

As a charity, the company is able to recover most tax deducted at source from its investment income and is not liable for corporation tax on its other income or on capital gains. Recovery is therefore made of tax credits and tax deducted from income received under deed of covenant or gift aid.

#### Future Plans

##### 1. Strategic Plan 2023 - 2028

During the reporting year, with input from all stakeholders, the Board and Senior Leadership Team finalised the strategy for Southern Area Hospice Services for the next 5 years from 2023/24 - 2027/28. The Hospice does not underestimate the challenge it faces in delivering this strategy, but it is fully committed to ensuring that specialist palliative care services are delivered to meet the growing need of the local communities.

The strategy has been designed to respond to the following key strategic drivers:

- The increasing demand for palliative care services, in terms of the number of patients requiring palliative care and the extent of palliative care required.
- The growing complexity of cases and conditions being cared for, requiring more specialist input.
- The need for a service delivery model that is patient-centred with the flexibility to adjust how and where the care is delivered, according to individual patient's evolving needs and preferences.
- The need to build capacity and capability so that SAHS can provide the same level of specialist care equally across all care settings and equally across the geographic region.
- The pressures on availability of trained palliative care staff, and the need to build resilience within staffing structures while the labour pool is being developed.
- The pressures on funding, as a result of inflation and rising operating costs, as well as squeezes on funding sources.

The Hospice's strategic aims over the next 5 years are:

- To develop its delivery model into a wrap-around holistic service that can respond to patient choice and seamlessly provide multi-disciplinary care in an inpatient unit, in the home or through community hubs, as required.
- To protect the unique strengths that it has in its specialist palliative care skills and inpatient facilities.
- To firmly establish its role as a leading provider of specialist palliative care services in Northern Ireland.

The delivery model will be developed to provide a full patient-centred service, including a 'hospice at home' service, an inpatient unit designed and equipped to the standards required and integrated working partnerships with other healthcare providers:

- The service that will be provided:
  - Holistic multi-disciplinary specialist palliative care in an inpatient setting and in the community.
  - Ensuring that the high standards of care are maintained, by developing robust staffing structures, efficient operations and continuing to enhance the breadth and depth of multidisciplinary care.
- Where the service will be provided:
  - The Hospice will provide its wrap-around service of care through both an inpatient setting and in the community, in individuals' homes as well as through community hubs.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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- A capital project process will be adopted to determine how to further develop the Hospice's inpatient unit, to meet the current and future needs and expectations from a hospice in-patient facility, with the possibility of introducing additional services such as 'rapid access' short-term symptom management procedures, which could leverage additional funding.
- Community Services will be developed to increase the capacity to deliver a 'hospice at home' model. According to availability of funding and staff, the 'hospice at home' service will be incrementally expanded in terms of the regions covered, the hours covered, the conditions covered and the level of care (Medical as well as Nursing and Allied Health Professions). The ultimate goal will be to expand the offering to a full care service available in the home 24/7, so that patients can seamlessly receive support in both the inpatient unit and in the home, as appropriate.
- Who the service will be provided to:
  - There will be a continued focus on providing care to adults within the Southern Trust area. The possibility of providing care services to the border counties in Ireland where the Hospice is the closest provider will also be explored.

To achieve these aims, the Hospice needs to focus on the following key areas:

- Investment in Care Services Staff and Training:
  - The staffing structure in the inpatient care services structure is already vulnerable to skills shortages within the sector. The Hospice needs to upskill and build capacity within care services, to ensure that it has a robust and firm foundation for maintaining its high quality of services, to meet the anticipated increase in demand, to optimise operating efficiencies and to protect against any future skills shortages.
- Inpatient Unit
  - The deficiencies and restrictions in the Inpatient Unit need to be addressed to meet current and future needs and provide an efficient work environment in terms of layout and running costs.
- Funding
  - The Hospice will require an increase in funding, to support investment in staff, communications, technology, a possible capital project, the expansion of community services and ongoing impacts of inflation.
  - The Income Generation team has been reconfigured to include a small business development function which will add additional skills to this team.
- Communications
  - The Hospice will improve the understanding of its range of services across the Southern Trust area to ensure more people benefit from them as well as increasing the number of supporters - which in turn will improve income generation.
  - The Hospice will review internal and external communications with all stakeholders to maximise its effectiveness.
- Technology
  - Ensure that where possible technology streamlines processes and removes unnecessary administration, enabling expansion of service delivery without a direct and proportionate increase in back-office staffing.
- Innovation and Collaboration
  - Innovative thinking will be embedded across the organisation, with everyone encouraged to continually consider if there are new and more effective ways to operate and deliver services.
  - Collaborative working with external partners and suppliers will be part of this innovative thinking, regularly considering if service delivery could be enhanced through collaboration.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### 2. Funding and Income Generation

Like other health and social care organisations the Hospice continues to face increasing costs from pay parity as well as in other areas, many driven by the cost-of-living crisis and inflationary pressures. Considerable analysis has gone into the establishment of the budget for the year ahead and our future anticipated costs. We continue to be challenged on an annual basis to produce a breakeven operating budget, particularly so in the current year due to the new costs associated with the delivery of our strategic aims. We believe that this investment however will result in a more resilient service and drive increased income in future years.

The Hospice's reliance on receiving substantial income from the public remains unchanged. In the reporting year, we generated £3.2 million from our communities which is 65% of our total income (excluding monies received for a designated purpose, such as the Cancer Charity Support Fund monies). The amount we will need to generate in the current and future years is expected to increase.

The Hospice's comprehensive strategic plan includes a focus on reducing reliance on conventional income sources by diversifying revenue streams. This involves the development of corporate support, seeking to grow donations from charitable trusts, increasing future legacy donations and growing the Hospice Lottery.

Whilst we welcome the commitment from the Department of Health to look at the funding model of Hospices, this again has not gained traction in this reporting period, and we have been advised that it will not be progressed in the current year due to their financial restrictions.

Once again, we extend our heartfelt gratitude to everyone who supports us – we simply cannot accomplish what we do without your invaluable support.

#### Principal risks and uncertainties

##### Risk management

The Trustees and Senior Leadership Team identify and actively manage the major risks to which the charity is exposed.

This involves:

- An ongoing review of the risks which the charity may face
- The assessment of the level of exposure presented by each identified risk
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise the impact on the charity should any of the risks materialise.

Major risks which have been identified and discussed by the Trustees include loss of reputation, perhaps due to adverse publicity, leading to a fall in public confidence in the charity and a consequent reduction in voluntary income; a short-term fall in the value of our investment portfolio; and maintaining the highest security of our information to prevent loss of data.

Further risks which have been heightened by the current economic climate include: a fall in income, either voluntary through donations and fundraising because the public has less capacity to give, through insufficient funding support from the Government or through declining donations from our subsidiary company; significantly increasing costs, mainly related to wages and energy; the inability to recruit sufficiently skilled and qualified staff to deliver care to the patients of the catchment area.

As reflected earlier in this report, actions being taken to mitigate risk include: developing alternative and innovative ways to generate income; having a focus on closely managing and controlling costs; a review of staffing structures

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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to build future resilience; the ongoing review of our IT service provision, security and resilience, working in conjunction with our third party providers who provide professional advice in this regard; continuation of an internal audit process carried out by an external provider which focuses on areas of potential risk; the ongoing review of processes and procedures to create efficiencies; and the introduction of improved systems to increase efficiencies.

The Trustees take all appropriate steps to moderate and manage the operational risks to which volunteers, staff and assets of Southern Area Hospice Services Ltd are exposed. The Audit & Risk Committee oversee the risk register. This will be reviewed to ensure it reflects any potential risks related to the strategic plan.

Throughout the reporting period specific focus on risks relating to continuing to deliver safe services in a pandemic and the uncertainty around income have been closely monitored.

Having considered all the identified risks, the Trustees do not consider there to be a risk to the going concern status of the organisation. As is evidenced above, we continue to prudently adapt our ways of working and processes as required to best position the Hospice for the future. The Senior Leadership Team, in conjunction with the Board, are constantly monitoring this. The Resources Committee considers the financial position on a monthly basis.

#### Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Southern Area Hospice Services Ltd for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice, Accounting and Reporting: Accounting and Reporting by Charities (2015);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Southern Area Hospice Services Ltd**

### **Report of the Trustees Year Ended 31 March 2023**

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#### **Subsidiary undertakings**

The charity took over control of the Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited at the start of 2015 and thus has consolidated the two entities into these financial statements. As noted earlier, Southern Area Hospice Services Shop Limited ceased trading during the reporting period and the company was dissolved in July 2023.

#### **Exemptions from disclosure**

The company has taken exemption from the requirement to produce a separate statement of financial activities for the charity under section 408 and a charity cash flow statement as the results are included in the consolidated statements.

#### **Funds held as custodian trustees on behalf of others**

The charity holds no funds as custodian trustees on behalf of others.

#### **Statement of disclosure of information to auditors**

In the case of each Trustee/Director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

#### **Independent auditors**

FPM were appointed in November 2019. This appointment was for three financial years 2019 - 2022 with the possibility of an extension for a further 2 years. The contract will be renewed each year at the AGM subject to satisfactory performance.

Approval of the Trustees' Report, which constitute the Strategic Report and the Directors' Report.

By order of the Board



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**P Loughran**  
Trustee/Director

**Date: 8th August 2023**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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**Opinion**

We have audited the group and parent charitable company financial statements of Southern Area Hospice Services Limited for the year ended 31 March 2023 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Southern Area Hospice Limited's group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2023 and of the group and parent charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; 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 the knowledge and understanding of the Trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company – Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.  
This description forms part of our auditor's 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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

JL Grant

**JL Grant (Senior Statutory Auditor)**  
for and on behalf of  
**FPM ACCOUNTANTS LTD**  
Chartered Accountants & Statutory Auditor  
1-3 Arthur Street, Belfast, BT1 4GA

5<sup>th</sup> September 2023

Date

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Year 2023 £	Total Year 2022 £
<b>Income from:</b>					
<b>Charitable Activities</b>					
Grant Income	3	1,729,095	315,152	2,044,247	1,880,847
<b>Donations and Legacies</b>					
Sundry Income		19,624	96	19,720	38,626
Gifts and Donations	4	5,995	-	5,995	3,463
Gift Aid		111,024	-	111,024	82,794
Legacies		154,543	-	154,543	589,202
Fundraising Income		2,648,377	-	2,648,377	2,344,020
<b>Investment Income</b>					
Bank Interest Receivable	5	52,955	-	52,955	26,336
<b>Other Trading Activities</b>					
Commercial Trading Operations	4	252,007	-	252,007	377,654
<b>Total Income</b>		<b>4,973,620</b>	<b>315,248</b>	<b>5,288,868</b>	<b>5,342,942</b>
<b>Expenditure on:</b>					
<b>Costs of Raising Funds</b>					
General Fundraising and Publicity Costs	7	663,396	3,918	667,314	446,723
Commercial Trading Operations	4	128,001	-	128,001	279,149
<b>Charitable Activities</b>					
Delivering Hospice Services	6	3,713,535	329,126	4,042,661	3,563,402
<b>Total Expenditure</b>		<b>4,504,932</b>	<b>333,044</b>	<b>4,837,976</b>	<b>4,289,274</b>
<b>Net (loss)/gain on investment</b>		(27,291)	-	(27,291)	103,025
<b>Net Income/(Expenditure)</b>		441,397	(17,796)	423,601	1,156,693
Transfers Between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>441,397</b>	<b>(17,796)</b>	<b>423,601</b>	<b>1,156,693</b>
<b>Reconciliation of Funds</b>					
Total Funds					
Brought Forward at 1 April		9,703,678	67,056	9,770,734	8,614,041
<b>Total Funds Carried Forward</b>	<b>18</b>	<b>10,145,075</b>	<b>49,260</b>	<b>10,194,335</b>	<b>9,770,734</b>

The notes on pages 24 - 41 form part of these financial statements. The results relates to continuing activities.

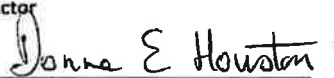
The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Consolidated Balance Sheet**  
**Year Ended 31 March 2023**

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible Assets	11	1,594,616	1,649,870
Investments	12	805,470	830,659
		<u>2,400,086</u>	<u>2,480,529</u>
<b>Current assets</b>			
Stocks	13	26,426	25,705
Debtors	14	212,058	329,379
Investments	15	5,378,329	2,028,507
Cash at Bank and in Hand		2,738,994	5,730,882
		<u>8,355,807</u>	<u>8,114,473</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(561,558)	(824,268)
Net Current Assets		7,794,249	7,290,205
<b>Total Assets less Current Liabilities</b>		10,194,335	9,770,734
<b>Net assets</b>		<u>10,194,335</u>	<u>9,770,734</u>
<b>Group Funds employed</b>			
Restricted Funds	18	49,260	67,056
Unrestricted Funds	18	10,145,075	9,703,678
		<u>10,194,335</u>	<u>9,770,734</u>

The financial statements were approved and authorised for issue by the Board of Directors on the 8th August 2023 and were signed on its behalf by:

  
P Loughran  
Director

  
D Houston  
Director

Company Registration: NI038737

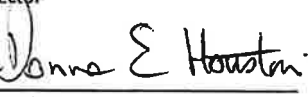
The notes on pages 24 - 41 form part of these financial statements. The results relates to continuing activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Balance Sheet**  
**Year Ended 31 March 2023**

		2023	2022
		£	£
<b>Fixed assets</b>			
Tangible Assets	11	1,594,616	1,639,941
Investments	12	805,470	830,659
		<u>2,400,086</u>	<u>2,470,600</u>
<b>Current assets</b>			
Stocks	13	25,827	24,448
Debtors	14	331,474	417,639
Investments	15	5,378,329	2,028,507
Cash at Bank and in Hand		2,556,380	5,535,297
		<u>8,292,010</u>	<u>8,005,891</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(505,115)	(731,056)
<b>Net Current Assets</b>		7,786,895	7,274,835
<b>Total Assets less Current Liabilities</b>		10,186,981	9,745,435
<b>Net assets</b>		<u>10,186,981</u>	<u>9,745,435</u>
<b>Funds employed</b>			
Restricted Funds	18	49,260	67,056
Unrestricted Funds	18	10,137,721	9,678,379
		<u>10,186,981</u>	<u>9,745,435</u>

The financial statements were approved and authorised for issue by the Board of Directors on the 8th August 2023 and were signed on its behalf by:

  
Patrick Loughran  
P Loughran  
Director

  
Donna E Houston  
D Houston  
Director

Company Registration: NI038737

Southern Area Hospice Services Ltd  
Limited By Guarantee  
Consolidated statement of cash flows  
Year Ended 31 March 2023

	Notes	2023 £	2022 £
<b>Cash used in Operating Activities</b>	<b>26</b>	340,963	1,707,668
<b>Cash flows from Investing Activities</b>			
Interest Income		52,955	16,304
Purchase of Tangible Fixed Assets		(33,883)	(36,078)
Purchase of investments		(3,351,923)	(13,482)
Cash provided by (used in) Investing Activities		<b>(3,332,851)</b>	<b>(33,256)</b>
<b>Cash flows from Financing Activities:</b>			
Movement in Deposits		-	-
Cash used in Financing Activities		-	-
<b>Increase/(decrease) in Cash and Cash Equivalents in the year</b>		<b>(2,991,888)</b>	<b>1,674,412</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<b>5,730,882</b>	<b>4,056,470</b>
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,738,994</b>	<b>5,730,882</b>
<b>Cash and Cash Equivalents at the end of the reporting period</b>		<b>2,738,994</b>	<b>5,730,882</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies**

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

**a) Basis of preparation**

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) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southern Area Hospice Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. Taking account of the risk review undertaken by the directors they do not consider there to be a risk to the going concern status of the charity or the group. As referenced in the Report of Trustees a decision had been made to wind up subsidiary company Southern Area Hospice Services Shop Limited in October 2022. The Directors will review the financial position on a regular basis, taking any action needed to ensure that charity remains fit for purpose and on this basis the assessment of the directors is that the charity is a going concern.

**c) Group financial statements**

The financial statements consolidate the results of the charity and its subsidiaries Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited. We note that Southern Area Hospice Services Shop Limited ceased trading in July 2022, and was wound up in October 2022. These consolidated figures include the 4 months trading.

**d) Incoming Resources**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

*Government Grants*

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

*Donations*

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

*Commercial Trading Income*

Trading income represents the invoiced value of goods supplied during the year excluding value added tax. Revenue is recognised upon provision of the service to the customer.

**Southern Area Hospice Services Ltd**  
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**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

*Fundraising income*

Fundraising income is included in the Statement of Financial Activities when received, unless it is for a specific event in which case it is deferred to the timing of the event.

*Legacies*

Income from legacies is recognised when there is evidence of entitlement to the legacy, receipt is probable and its amount can be measured reliably. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the group, or the group is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

*Investment income*

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

**e) Resources Expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis 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 use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

*Costs of Raising Funds*

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

*Charitable activities*

These are costs incurred in providing medical and care services and facilities within the Hospice and, as such, include primarily the cost of medical supplies and staff costs.

*Pension costs*

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

*Governance costs*

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

*Support Costs*

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. These have been

**Southern Area Hospice Services Ltd**  
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**1) Accounting Policies- (continued)**

*Support Costs ctd...*

allocated to charitable activities, costs of raising funds and governance costs on a basis consistent with the use of these resources.

**f) Fund accounting**

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

*Restricted funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

*Unrestricted funds*

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

*Designated funds*

Designated funds comprise capital reserve that has been allocated to meet future capital requirements and a Research and Development reserve (R&D) that is set aside to drive transformational change initiatives.

**g) Operating leases**

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**h) Tangible fixed assets**

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

*Buildings:*

Fundraising Office	- 10% straight line
Additions to day-care centre	- 4% straight line
Freehold Hospice Buildings	- 1.5% straight line

Fixtures, fittings and equipment - 20% reducing balance

Motor Vehicles - 25% straight line

Land is not depreciated. When the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

**Southern Area Hospice Services Ltd**  
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**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**h) Tangible fixed assets ctd...**

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**i) Investments**

Listed investments are stated at market value, on the basis of the middle market price at the close of business. Whilst day to day management of the investment portfolio is carried on by experienced, registered investment managers (currently Brewin Dolphin) the ultimate control and responsibility rests with the Trustees.

**j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**k) Cash at bank and in hand and current asset investments**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

**l) Creditors and provisions**

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

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. Donated goods into the shops are valued at zero as the value is their bagged weight which is immaterial to the financial statements.

**n) Foreign currency**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
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**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**n) Foreign currency ctd...**

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are presented in the Statement of Financial Activities.

**o) Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instruments is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**p) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**Southern Area Hospice Services Ltd**  
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**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**p) Employee Benefits ctd...**

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**q) Exemptions under FRS 102**

The Charity has taken advantage of the following exemption:

- (i) from preparing a cash flow statement, on the basis that it is a qualifying entity and the consolidated statement of cash flow includes the Charity's cash flows.

**r) Exemptions under Companies Act 2006**

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities includes the Charity's statement.

**s) Critical accounting estimates and judgements**

In the application of the Charity'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.

*Critical judgements in applying the entity's accounting policies*

There are no critical judgements in applying the group's accounting policies.

*Critical accounting estimates and assumptions*

Income from legacies is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Cost allocation is an accounting estimate that is recognised in line with the accounting policy Note 1e.

Depreciation is an accounting estimate that is recognised in line with the accounting policy Note 1h.

**2) Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
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**Year Ended 31 March 2023**

**3. Income from Charitable Activities**

	Restricted	Unrestricted	2023 Total	2022 Total
	£	£	£	£
Department of Health - General Funding	-	1,729,095	<b>1,729,095</b>	1,756,625
Other Government Grant Income	315,152	-	<b>315,152</b>	124,222
	<b>315,152</b>	<b>1,729,095</b>	<b>2,044,247</b>	<b>1,880,847</b>

The 2022 income total of £1,880,847 was split between £1,820,588 unrestricted and £60,259 restricted.  
Other Government Grant Income: This income is mainly income from the Cancer Charities' Support Fund. It is restricted as it can only be used for the purposes indicated in the grant application.

**4. Income from other trading activities**

The trading subsidiaries of the charity, Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited are incorporated in the United Kingdom (company numbers NI035977 and NI035958 respectively) and pay a large proportion of their profits to the charity under the gift aid scheme. Southern Area Hospice Services Shop Limited ceased trading in July 2022 and was wound up in October 2022.

**Southern Area Hospice Services Shop Limited**

	7 Months 2023	12 Months 2022
	£	£
Turnover	<b>41,928</b>	166,189
Other operating income	<b>10,134</b>	31,341
Expenditure	<b>(39,159)</b>	(166,295)
Repayment to the Hospice	<b>(30,858)</b>	(31,300)
Corporation tax charge	-	(80)
Net Profit / (Loss)	<b>(17,955)</b>	<b>(65)</b>
Aggregate share capital and reserves	-	17,955

**Southern Area Hospice Services Lottery Limited**

	2023	2022
	£	£
Turnover	<b>199,945</b>	179,304
Donations	<b>5,995</b>	3,463
Other operating income	-	820
Expenditure	<b>(88,842)</b>	(112,854)
Donation to the Hospice	<b>(117,090)</b>	(70,700)
Corporation tax charge	-	(7)
Net Profit	<b>8</b>	<b>33</b>
Aggregate share capital and reserves	<b>7,350</b>	7,342

**5. Investment Income**

	2023	2022
	£	£
Interest receivable	52,955	16,304
Investment Income	-	10,032
	<b>52,955</b>	<b>26,336</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**6. Charitable Activities - Delivering Hospice Services**

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £
Staff costs	300,768	2,640,816	<b>2,941,584</b>	55,648	2,507,032	2,562,680
Insurance	-	48,618	<b>48,618</b>	-	46,917	46,917
Light & Heat	-	94,416	<b>94,416</b>	-	58,158	58,158
Housekeeping costs	-	20,954	<b>20,954</b>	-	27,998	27,998
Food and Medical Supplies	3,426	102,789	<b>106,215</b>	7,292	69,811	77,103
Repairs and Maintenance	-	45,078	<b>45,078</b>	154	28,481	28,635
Recruitment Expenses	-	8,026	<b>8,026</b>	99	26,847	26,946
Other Expenses	3,961	2,432	<b>6,393</b>	-	4,650	4,650
Training Costs	243	4,643	<b>4,886</b>	1,669	3,066	4,735
Depreciation	11,994	44,910	<b>56,904</b>	10,225	49,939	60,164
Volunteer Costs	-	1,162	<b>1,162</b>	-	-	-
Governance costs	-	9,799	<b>9,799</b>	-	7,501	7,501
Support costs (note 8)	8,734	689,892	<b>698,626</b>	655	657,260	657,915
	<b>329,126</b>	<b>3,713,535</b>	<b>4,042,661</b>	<b>75,742</b>	<b>3,487,660</b>	<b>3,563,402</b>

Restricted Funds expenditure - see note on Restricted Funds income under note 3.

**7. Costs of Raising Funds**

	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £	Restricted 2022 £	Unrestricted 2022 £	Total 2022 £
Staff Costs	3,414	395,474	<b>398,888</b>	-	293,357	293,357
Fundraising Expenses	-	224,755	<b>224,755</b>	-	111,007	111,007
Light & Heat	-	5,457	<b>5,457</b>	-	4,350	4,350
Repairs & Maintenance	-	3,534	<b>3,534</b>	-	4,718	4,718
Rates	-	623	<b>623</b>	-	3,451	3,451
Telephone	504	15,080	<b>15,584</b>	32	14,965	14,997
Stationery and Advertising	-	254	<b>254</b>	-	544	544
Support Costs (note 8)	-	18,219	<b>18,219</b>	-	14,299	14,299
	<b>3,918</b>	<b>663,396</b>	<b>667,314</b>	<b>32</b>	<b>446,691</b>	<b>446,723</b>

**Southern Area Hospice Services Ltd**  
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**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**8. Support Costs**

	<b>Basis of Allocation</b>	<b>Generating Funds</b>	<b>Delivering Hospice Services</b>	<b>2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	Staff Time/Usage	-	531,315	531,315
Other Staff Costs	Staff Time/Usage	-	16,450	16,450
Repairs and Renewals	Floor Space	-	4,388	4,388
Recruitment	Staff Costs/Usage	60	6,078	6,138
Financing	Actual	12,889	6,277	19,166
Training Costs	Staff Time/Usage	35	325	360
Legal and Professional Costs	Usage	-	35,185	35,185
Depreciation	Usage	-	21,592	21,592
Loss on Disposal	Usage	-	712	712
General Administration	Usage	5,235	76,304	81,539
		<b>18,219</b>	<b>698,626</b>	<b>716,845</b>

	<b>Basis of Allocation</b>	<b>Generating Funds</b>	<b>Delivering Hospice Services</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	Staff Time/Usage	-	499,763	499,763
Other Staff Costs	Staff Time/Usage	-	15,244	15,244
Repairs and Renewals	Floor Space	300	3,160	3,460
Recruitment	Staff Costs/Usage	25	21,107	21,132
Financing	Actual	12,394	4,994	17,388
Training Costs	Staff Time/Usage	353	-	353
Legal and Professional Costs	Usage	-	15,397	15,397
Depreciation	Usage	-	25,255	25,255
General Administration	Usage	1,227	72,995	74,222
		<b>14,299</b>	<b>657,915</b>	<b>672,214</b>

**Southern Area Hospice Services Ltd**  
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9. Results for the year	Group		Charity	
	2023	2022	2023	2022
This is stated after charging:	£	£	£	£
Staff costs (note 10)	3,965,061	3,614,906	3,921,150	3,139,850
Audit fees - external	13,000	13,000	10,000	10,000
Audit fees - internal (assurance only)	4,125	5,625	4,125	5,625
Depreciation	78,869	87,193	78,496	85,419
Operating lease rentals - property	13,975	34,650	-	-

10. Employee information	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Wages and salaries	3,404,498	3,134,390	3,361,284	2,674,283
Social security costs	287,702	251,265	287,497	242,537
Other pension costs	272,861	229,251	272,369	223,030
	<b>3,965,061</b>	<b>3,614,906</b>	<b>3,921,150</b>	<b>3,139,850</b>

The average number of persons employed by the company (excluding Directors) during the year, by activity, was as follows:

	Group		Charity	
	2023	2022	2023	2022
Support Staff and Fundraising	37	36	36	31
Direct Care Staff	54	48	54	48
Catering and Housekeeping	10	13	10	13
	<b>101</b>	<b>97</b>	<b>100</b>	<b>92</b>

The number of employees whose emoluments exceed £60,000 were:

	2023	2022
£60,001 - £70,000	-	-
£70,001-£80,000	2	1
£80,001-£90,000	1	-
£90,001-100,000	1	1
Over £100,000	1	1

For staff whose emoluments exceed £60,000, pension contributions amounting to £41,365 (2022: £31,939) were paid towards a defined contribution pension scheme.

Indemnity insurance for directors' liability was purchased by the charity for £7,000 (2022: £5,610).

The total employee benefits, excluding employers pensions, of the key management personnel of the Group was £322,102.60 (2022: £247,370)

No charity trustee received payment for professional or other services supplied to the charity. (2022: £nil)

**Southern Area Hospice Services Ltd**  
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**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**11. Tangible Fixed Assets**

Group

	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2022	1,972,566	510,648	700,687	55,855	44,154	3,283,910
Additions	-	11,528	22,355	-	-	33,883
Disposals	-	-	(55,528)	(1,068)	-	(56,596)
<b>At 31 March 2023</b>	<b>1,972,566</b>	<b>522,176</b>	<b>667,514</b>	<b>54,787</b>	<b>44,154</b>	<b>3,261,197</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	567,253	442,913	572,443	16,339	35,092	1,634,040
Charge for the period	28,358	13,881	25,580	7,889	3,161	78,869
Depreciation on disposal	-	-	(45,972)	(356)	-	(46,328)
<b>At 31 March 2023</b>	<b>595,611</b>	<b>456,794</b>	<b>552,051</b>	<b>23,872</b>	<b>38,253</b>	<b>1,666,581</b>
<b>Net book amount</b>						
<b>At 31 March 2023</b>	<b>1,376,955</b>	<b>65,382</b>	<b>115,463</b>	<b>30,915</b>	<b>5,901</b>	<b>1,594,616</b>
At 31 March 2022	1,405,313	67,735	128,244	39,516	9,062	1,649,870

Charity

	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2022	1,972,566	510,648	645,159	55,855	39,704	3,223,932
Additions	-	11,528	22,355	-	-	33,883
Disposals	-	-	-	(1,068)	-	(1,068)
<b>At 31 March 2023</b>	<b>1,972,566</b>	<b>522,176</b>	<b>667,514</b>	<b>54,787</b>	<b>39,704</b>	<b>3,256,747</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	567,253	443,091	526,666	16,339	30,642	1,583,991
Charge for the period	28,358	13,703	25,385	7,889	3,161	78,496
Depreciation on disposal	-	-	-	(356)	-	(356)
<b>At 31 March 2023</b>	<b>595,611</b>	<b>456,794</b>	<b>552,051</b>	<b>23,872</b>	<b>33,803</b>	<b>1,662,131</b>
<b>Net book amount</b>						
<b>At 31 March 2023</b>	<b>1,376,955</b>	<b>65,382</b>	<b>115,463</b>	<b>30,915</b>	<b>5,901</b>	<b>1,594,616</b>
At 31 March 2022	1,405,313	67,557	118,493	39,516	9,062	1,639,941

**Southern Area Hospice Services Ltd**  
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**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**12. Investments**

**Group and Charity**

	<b>Cash Deposits £</b>	<b>Investment in Equities £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2022	352,787	477,872	830,659
Additions	2,102	-	2,102
Transferred to current assets	-	-	-
Fair Value Profit/(Loss )	-	(27,291)	(27,291)
Disposals	-	-	-
<b>At 31 March 2023</b>	<b>354,889</b>	<b>450,581</b>	<b>805,470</b>

Long term investments, which include monies in deposit accounts of £354,889 (2022: £352,787) which are due to mature in greater than 12 months and equity investments £450,581 (2022: £477,872), are held within the United Kingdom and exist primarily to provide an investment return for the group. At the end of each investment term the monies received are expected to be reinvested in further investment opportunities for the benefit of the group.

**13. Stocks**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Consumables	<b>26,426</b>	25,705	<b>25,827</b>	24,448
	<b>26,426</b>	25,705	<b>25,827</b>	24,448

**14. Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Debtors	<b>156,840</b>	239,375	<b>153,280</b>	232,542
Amounts owed by subsidiary undertakings	-	-	<b>124,801</b>	101,355
Other debtors	<b>26,463</b>	60,409	<b>26,463</b>	57,924
Prepayments and accrued income	<b>28,755</b>	29,595	<b>26,930</b>	25,818
	<b>212,058</b>	329,379	<b>331,474</b>	417,639

Amounts owed by subsidiary undertakings are unsecured, interest free and are repayable on demand.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**15. Current Asset Investments**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	£	£	£	£
Short Term Deposits	<b>5,378,329</b>	2,028,507	<b>5,378,329</b>	2,028,507
<b>Total</b>	<b>5,378,329</b>	2,028,507	<b>5,378,329</b>	2,028,507

Current asset investments relate to monies held in short term deposit accounts and are due to expire within one year.

**16. Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	£	£	£	£
Trade Creditors	<b>74,127</b>	107,209	<b>69,771</b>	67,029
Other taxation and social security	<b>114,885</b>	99,196	<b>114,885</b>	99,109
Accruals and deferred income	<b>317,007</b>	564,647	<b>307,830</b>	554,779
Other creditors	<b>55,539</b>	53,216	<b>12,629</b>	10,139
	<b>561,558</b>	824,268	<b>505,115</b>	731,056

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**17. Financial instruments**

	<b>Group 2023</b>	<b>Group 2022</b>	<b>Charity 2023</b>	<b>Charity 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fair value through profit or loss</b>				
Fixed asset investments	450,581	477,872	450,581	477,872
	<b>450,581</b>	<b>477,872</b>	<b>450,581</b>	<b>477,872</b>
<b>Financial assets held at amortised cost</b>				
Cash at bank and in hand	2,738,994	5,730,882	2,556,380	5,535,297
Trade debtors	156,840	239,375	153,280	232,542
Other debtors	55,218	90,004	53,393	83,742
Investment in short term deposits	5,378,329	2,028,507	5,378,329	2,028,507
Investment in long term deposits	354,889	352,787	354,889	352,787
	<b>8,684,270</b>	<b>8,441,555</b>	<b>8,496,271</b>	<b>8,232,875</b>
<b>Financial liabilities held at amortised cost</b>				
Trade creditors	74,127	107,209	69,771	67,029
Other creditors	170,424	152,412	127,514	109,248
Accruals and deferred income	317,007	564,647	307,830	554,779
	<b>561,558</b>	<b>824,268</b>	<b>505,115</b>	<b>731,056</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**18. Analysis of charitable funds**

**Analysis of movements in funds**

<b>Group</b>	<b>Balance 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Expended funds £</b>	<b>Gain on Investments £</b>	<b>Transfers £</b>	<b>Balance 31 March 2023 £</b>
<b>Restricted Funds</b>	67,056	315,248	(333,044)	-	-	49,260
<b>Designated funds</b>						
Capital reserve	6,180,100	-	-	-	1,381,692	7,561,792
Research and development reserve	381,692	-	-	-	(381,692)	-
<b>General funds</b>	3,141,886	4,973,620	(4,504,932)	(27,291)	(1,000,000)	2,583,283
<b>Total funds</b>	<b>9,770,734</b>	<b>5,288,868</b>	<b>(4,837,976)</b>	<b>(27,291)</b>	<b>-</b>	<b>10,194,335</b>

<b>Charity</b>	<b>Balance 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Expended funds £</b>	<b>Gain on Investments £</b>	<b>Transfers £</b>	<b>Balance 31 March 2023 £</b>
<b>Restricted Funds</b>	67,056	315,248	(333,044)	-	-	49,260
<b>Designated funds</b>						
Capital reserve	6,180,100	-	-	-	1,381,692	7,561,792
Research and development reserve	381,692	-	-	-	(381,692)	-
<b>General funds</b>	3,116,587	4,912,928	(4,426,295)	(27,291)	(1,000,000)	2,575,929
<b>Total funds</b>	<b>9,745,435</b>	<b>5,228,176</b>	<b>(4,759,339)</b>	<b>(27,291)</b>	<b>-</b>	<b>10,186,981</b>

Capital Reserve - The Board has decided to allocate a further £1,381,692 to the balance of £6,180,100 with a view to continuing to build these funds to meet future capital requirements.

R&D Reserve - The Board has decided to transfer the £381,692 of R&D funds to the Capital Reserve as following completion of the strategic plan, it is no longer deemed that there is a need for this separate fund. See note in Reserves section of the Strategic Report.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**19. Analysis of group net assets between funds**

	Unrestricted			Total funds £
	Restricted funds £	General funds £	Designated funds £	
	<b>Fund balances at 31 March 2023 are represented by:</b>			
Tangible fixed assets	49,249	1,545,367	-	1,594,616
Fixed asset investments	-	805,470	-	805,470
Net current assets	11	232,446	7,561,792	7,794,249
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<b>49,260</b>	<b>2,583,283</b>	<b>7,561,792</b>	<b>10,194,335</b>

	Unrestricted			Total funds £
	Restricted funds £	General funds £	Designated funds £	
	<b>Fund balances at 31 March 2022 were represented by:</b>			
Tangible fixed assets	42,375	1,607,495	-	1,649,870
Fixed asset investments	-	830,659	-	830,659
Net current assets	24,681	703,732	6,561,792	7,290,205
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<b>67,056</b>	<b>3,141,886</b>	<b>6,561,792</b>	<b>9,770,734</b>

**20. Taxation**

Southern Area Hospice Services Ltd is recognised as a charity by HM Inspector of Taxes, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred. This excluded certain types of expenditure where under the terms of a new scheme which commenced on 1 April 2015, charities that are not registered for VAT are able to claim back an element of their input VAT. The charity has participated in this scheme from the commencement date.

The Lottery is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

The Shop is registered for VAT and its expenditure is recorded net of VAT.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**21. Free reserves**

Free reserves as noted in the directors report, are calculated as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total unrestricted reserves	<b>10,145,075</b>	9,703,678
Tangible assets	<b>(1,545,367)</b>	(1,607,495)
Fixed asset investments	<b>(805,470)</b>	(830,659)
	<b>7,794,238</b>	7,265,524

Total unrestricted reserves include £7,561,792 of designated funds which are allocated to a Capital Reserve to continue to build these funds to meet future capital requirements.

**22. Related party transactions and ultimate controlling party.**

The Board of Trustees are considered to be the Charity's ultimate controlling party.

Included within trade debtors is £NIL (2022: £28,085) due from Southern Area Hospice Shop Limited and £4,350 (2022: £3,920) due from Southern Area Hospice Services Lottery Limited as at 31 March 2023.

Included within trade creditors is £NIL (2022: £NIL) due to Southern Area Hospice Shop Limited and £NIL (2022: £NIL) due to Southern Area Hospice Services Lottery Limited as at 31 March 2022.

In 2023 Southern Area Hospice Services Lottery Limited made a gift of £117,090 to Southern Area Hospice Services Ltd and Southern Area Hospice Services Shop Limited made a gift of £NIL to Southern Area Hospice Services Ltd.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**23. Liability of members**

All three group companies are companies limited by guarantee and do not have a share capital. The liability of each member is limited to an amount not exceeding £1.

**24. Financial commitments**

The group had the following future minimum lease payment under non-cancellable operating leases for each of the following periods:

	<b>2023</b>	2022
	£	£
Less than one year	-	12,300
Later than one year and not later than five years	-	-

**25. Subsidiaries**

The subsidiary undertakings whose results are reflected in the consolidated financial statements by virtue of control, are as follows:

	<b>Interest consolidated</b>
Southern Area Hospice Services Shop Limited - NI035977	100%
Southern Area Hospice Services Lottery Limited - NI035958	100%

**26. Net cash generated from operating activities**

	<b>2023</b>	2022
	£	£
Net incoming resources	<b>423,601</b>	1,156,693
Depreciation	<b>78,869</b>	87,193
Interest receivable and similar income	<b>(52,955)</b>	(26,336)
Gain on Investments	<b>27,291</b>	(103,025)
Loss on sale of fixed assets	<b>10,268</b>	206
Movement in Debtors	<b>117,321</b>	295,149
Movement in Creditors	<b>(262,711)</b>	294,313
Movement in Stocks	<b>(721)</b>	3,475
Net cash inflow from operating activities	<b>340,963</b>	1,707,668

**SOUTHERN AREA HOSPICE SERVICES LTD**

Northern Ireland - Charity number 101906

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# Annual report

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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Annual Report & Financial Statements  
Year Ended 31 March 2023**

**Company No: NI038737  
Charity No: NIC101906  
HMRC Charity Number: XN47329/2**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
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**Year Ended 31 March 2023**

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**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Company Information**

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**Trustees**

Patrick Loughran (Chairman)  
Donna Houston (Vice Chair)  
Robin Brown  
Sheila Chambers  
Greg Cox  
Martin Dillon (appointed March 2023)  
Monica Duffy  
Michelle Hutchinson  
Willie McAllister  
Orla McPolin  
Kelly McVeigh  
Katrina O'Dowd  
Clayre Scott (resigned May 2022)  
Roger Wilson

**Co-optees to Committees**

John Harty – Clinical Governance Committee and Medical Advisory Group  
David Gilpin - Clinical Governance Committee and Medical Advisory Group  
Andrew Stevenson – Capital Development and Infrastructure Committee

**Secretary** Liz Cuddy

**Registered Office** St John's House  
Courtenay Hill  
Newry  
Co. Down  
BT34 3EB

**External Auditor** FPM Accountants Ltd  
Chartered Accountants  
1-3 Arthur Street  
Belfast  
BT1 4GA

**Internal Auditor** CavanaghKelly  
36-38 Northland Row  
Dungannon  
BT71 6AP

**Principal Bankers** AIB  
42-44 Hill Street  
Newry  
Co. Down

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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<b>Principal Bankers ctd...</b>	Danske Bank Limited 58 Hill street Newry Co. Down  AIB 96 Clanbrassil Street Dundalk Co. Louth
<b>Investment Advisers</b>	Brewin Dolphin 11th Floor East Tower Lanyon Plaza 8 Lanyon Place Belfast, BT1 3LP
<b>Solicitors</b>	Luke Curran & Co 6 Marcus Square Newry Co. Down  Lewis Silkin (N.I.) LLP 8th Floor The Linenhall 32-38 Linenhall Street Belfast BT2 8BG
<b>Registered Charity No.</b> <b>Registered Company No.</b>	NIC101906/XN47329/2 NI038737
<b>Senior Leadership Team:</b> Liz Cuddy Damien Hillen Sandra Mahood Bridget Smyth	Chief Executive Officer Director of Development Director of Corporate Services Director of Care

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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The Trustees (who are also Directors of the company) submit their annual report and the audited consolidated financial statements of Southern Area Hospice Services Ltd and its subsidiaries for the year ended 31 March 2023. This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006. The Trustees have adopted the provisions of the Companies Act 2006, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 – (Charities SORP (FRS 102)), in preparing the annual report and financial statements of the group and charitable company.

#### **Reference and administrative information**

Southern Area Hospice Services Ltd has been established as a voluntary independent hospice since 1989. It was incorporated in June 2000.

Southern Area Hospice Services Ltd is registered with the Charity Commission NI (Charity Number NIC101906), is a company limited by guarantee and is registered with the Companies Registrar (Company number NI038737). It is also recognised as a charity by HM Revenue and Customs, XN 47329/2. The Trustees and Secretary of the charity are listed on page 2. The principal and registered office of the charity is also listed on page 2 together with details of the professional advisers and bankers.

#### **Structure, governance and management**

Southern Area Hospice Services Ltd, by virtue of common Trustees and power to govern operations, controls the activities of two other companies, Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited, both of which have the objective of raising funds for the Southern Area Hospice Services Ltd. Southern Area Hospice Services Lottery Limited operates a weekly lottery to generate funds for the Hospice. Southern Area Hospice Services Shop Limited operates as a general merchandise shop. As reported last year, the trading levels and profits generated by the 3 shops were seriously detrimentally impacted during the Covid-19 pandemic. The company has ceased trading in the reporting period. There is further detail later in the report regarding this.

Southern Area Hospice Services Ltd is governed by a Board of Directors (who are also known as Trustees for the purposes of the Charity Law). It is governed by a Memorandum and Articles of Association.

#### **Board of Directors - ensuring good governance**

The Board of Directors (Trustees) is as listed on page 2. The Directors are responsible for setting strategies and policies and for ensuring that these are implemented. The Board of Directors meets regularly to comply with its statutory responsibilities. In the reporting period, the Board met 5 times.

The Chairperson is accountable to the Board of Directors and responsible for the efficient running of Southern Area Hospice Services Ltd with the help of the Chief Executive and the Senior Leadership Team. The Directors (Trustees) are not remunerated.

The Board Committee structure is well embedded and operating effectively. It is as set out below.

The Clinical Governance Committee provides oversight and scrutiny of service provision (clinical governance, service quality, patient safety and clinical standards); service performance; service development and clinical leadership. The Committee has 5 members – 3 Board members and 2 co-optees and is chaired by Patrick Loughran. It met 4 times in the reporting period. The Board established a Medical Advisory Committee (MAC) as a sub-committee of the Clinical Governance Committee. The remit of the MAC is to advise and review the granting of practising privileges for medics providing services in the Hospice. They further provide the Responsible Person (the CEO) and the Registered Manager with professional medical advice and provide assurance regarding the provision of medical services. It is

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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chaired by Robin Brown and has 2 other members. All members are medics. It met a total of 4 times in the reporting period. Towards the end of the reporting period, the MAC agreed it should review how it functions to ensure it is appropriately equipped to provide assurance and overview of all matters related to medical service provision. This review will conclude in the current year.

The Resources Committee provides oversight and scrutiny of Human Resources, Income Generation, Finance, IT, Support Services (facility management services, administration, health and safety and GDPR) and investment management. The Committee continues to have a very demanding agenda ensuring that reports are robust, and the resources available used and accounted for appropriately. They have also been ensuring that transformation continues to take place in the areas it has responsibility for. The Committee consists of five members of the Board of Directors and is chaired by Donna Houston. In the reporting period, the Committee met 7 times.

The Audit and Risk Committee provides oversight and scrutiny of strategic risk management; internal audit; external audit; and management responses identified by any audit process. All of this is to ensure the adequacy of assurance for all corporate governance matters relevant to Southern Area Hospice Services. In addition, the Committee can request any other specific work required to assure adequacy of governance, assurance and probity. The Committee has 3 Board members (and 1 vacancy) and is chaired by Monica Duffy. In the reporting period, it met 3 times.

The Remuneration and Nominations Committee met once in the reporting period and is chaired by Orla McPolin. Its functions from a remuneration perspective are to set CEO and Director salaries, pay-scales for the remainder of the organisation and to ensure compliance with equality legislation. Its Nomination functions are to ensure good board governance is maintained, to recommend appointments to the Board and to oversee the appointment of the CEO and Directors.

The Capital Development and Infrastructure Committee is responsible for ensuring that capital projects deliver the desired outcome, progress to plan and budget and that key risks are identified and managed. The Committee will be involved in projects from concept to delivery. In line with the Board's direction, this Committee's initial focus is on the capital works needed to futureproof the estate requirements for the Hospice. It has 4 members – 3 Board members and 1 co-optee - and is chaired by Roger Wilson. It met 4 times during the reporting period.

It should be noted that co-optees to Committees of the Board are not Trustees and therefore not Directors.

#### **Conflicts of Interest**

As a matter of good governance, actual and perceived conflicts of interest are reviewed on a regular basis. All Board members and senior managers are required to make an annual declaration regarding any conflicts of interest and a schedule of responses is maintained. In addition, the declaration of conflicts of interest is a standing agenda item for each meeting of the Board and its Committees, with all present being asked to declare if they have any conflicts of interest regarding any agenda items.

#### **Appointment of new Trustees**

New Trustees are recruited by open recruitment by existing Directors to fulfil specific roles and skills on the Board. The potential Trustee is then interviewed by the Chairperson, Vice Chairperson and Secretary of the Board regarding their willingness to become a Trustee and their potential contribution to the Hospice is considered. Following this any potential Trustee is presented to the Board for their consideration and approval.

#### **Induction and training of Trustees**

Induction and training for new Trustees is similar to those set out for all employees of the charity. They are given an overview of the aims, objectives and achievements, introduced to the Chief Executive and Senior Leadership Team, are provided with a copy of the Memorandum and Articles of Association, the Hospice UK manual on Director responsibilities and details of the recent financial performance of the charity. All new Trustees meet with other existing

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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Trustees, and they are encouraged to attend appropriate external training events should they facilitate the undertaking of their role.

#### **Retirement and rotation of Trustees**

The term of office of a Trustee shall be for a maximum of three terms of three years each. A retiring Trustee of the board may be re-elected under these terms. The Trustees who retire in accordance with this regulation shall be those who have been longest in office since their last election but where persons who become Trustees on the same day retire (unless they otherwise agree among themselves), they are determined by lot.

At the Annual General Meeting in September 2022, the following Trustees were due to retire by rotation: Monica Duffy, Donna Houston, Michele Hutchinson, Orla McPolin and Roger Wilson. All were eligible and agreed to stand for re-election and were duly elected.

In the reporting period, Clayre Scott resigned (May 2022) and Martin Dillon was appointed as a Trustee (March 2023).

#### **Management**

The Board is responsible for governance at a strategic level and meets regularly with the Chief Executive who carries out the day-to-day management of the company supported by the Senior Leadership Team. The Committees of the Board also meet regularly with the Chief Executive and Senior Leadership Team (as relevant) to review performance and address any emergent issues.

#### **Senior Leadership Team**

The Senior Leadership Team comprises of the Chief Executive, the Corporate Services Director, the Director of Care and the Director of Development. Pay and remuneration is set by appropriate benchmarking. Total cost of the Senior Leadership Team salaries and wages is as per note 10.

#### **Objectives and activities**

The objectives of Southern Area Hospice Services Ltd are the provision of a specialist palliative care service to patients with terminal illness, including cancer, motor neurone disease and multiple sclerosis.

The Hospice's services fall into 2 main categories, namely inpatient services and community-based services. The services in both areas are holistic in nature, comprehensively supporting the patient and their family. We have extremely professional and expert multi-disciplinary teams who ensure that our services, both in the inpatient unit and community, are of a high quality, evidenced based and safe. The Hospice has received funding from the Department of Health's Cancer Charities Support Fund to better support patients with a palliative cancer diagnosis. This funding has enabled a development of its community services to ensure a more targeted and multi-disciplinary approach that works in a collaborative way with other service providers in the Southern Trust area.

Details of the Hospice's services and the activity levels of each of these services are provided in the Strategic Report section.

Southern Area Hospice Services Ltd is a member hospice of Hospice UK and affiliated with the All-Ireland Institute of Hospice and Palliative Care. We continue to develop links with other hospices at both a local and a national level.

#### **Public benefit**

This again has been another exceptional year due to the ongoing impacts of the Covid-19 pandemic as well as the cost-of-living challenges. Our focus has been on continuing to provide services in a safe and effective way.

Southern Area Hospice Services Ltd continues to meet the definition of a public benefit entity under FRS 102 and in line

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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with its charitable objectives as detailed throughout this report.

#### Volunteers

The charity is involved in the community and is dependent on voluntary help. Our 300 volunteers make a huge contribution to the work of the Hospice, bringing a diversity of skills and experience. Our volunteers contribute across many areas of the charity including reception and administrative duties, helping patients at mealtimes, providing reflexology and counselling as well as transporting patients to and from Hospice appointments and working in the Hospice garden. Volunteers contribute greatly to various fundraising activities including flag days, cheque presentations as well as providing general assistance with the many fundraising events. The volunteers bring an extra dimension to the atmosphere of the Hospice. Their skills and contribution enhance our service and make an impact on the lives of our patients, their families and our staff. The Hospice could not operate without the invaluable contribution of volunteers to its various departments and events.

#### In gratitude

The Board wish to convey their sincere thanks to our staff and the many volunteers who have so generously given their support to the organisation. With the continued support of our staff and volunteers we look forward to continuing to enhance the delivery of our charitable services within the community.

#### Acknowledgements

The Board wish to sincerely thank all individuals, communities and companies who have supported and donated to us throughout this year. The easing of Covid-19 restrictions throughout the year has allowed supporters to re-introduce many fundraising events and many supporters have yet again overwhelmed us with their generosity. SAHS is extremely grateful for this support and financial assistance – it could not provide its services to the community without this.

#### Strategic report

##### Achievements and performance

###### Overall

The Trustees are pleased to report that significant progress was made towards achieving the Hospice's objectives despite continuing to manage the ongoing impact of Covid-19 throughout much of the reporting period. The Hospice covers the Southern Health and Social Care Trust geographical area, which includes the towns of Newry, Armagh, Dungannon, Banbridge, Lurgan, Portadown and Craigavon.

Key activity levels for services offered during the reporting period were as follows:

- The Hospice's **Inpatient Unit** is a 14-bed unit which provides specialist palliative care to patients and their carers; patients are admitted for various reasons including symptom or pain control, respite, or end of life care. It remained fully operational throughout the reporting period despite the pandemic. Staff continued to successfully adopt new ways of working to ensure the service continued in a safe way. Numbers within the unit did fluctuate on occasions during the reporting period as a result of Covid-19 outbreaks – high levels of community transmission were reflected amongst patients and staff meaning restrictions had to be imposed to protect patients and staff as best possible. At times during the reporting period, we had to work with a reduced staff complement. Patient safety always remained paramount. Despite these challenges, admissions increased from the previous period, with 223 new admissions, with an average stay of 14.5 days. We had 164 patients admitted for the first time and 59 repeat admissions. 141 patients were discharged with improved symptom management.

A total of 5,431 therapy sessions were delivered:

- |                              |                                      |
|------------------------------|--------------------------------------|
| - 1,911 Social Work sessions | - 1,461 Physiotherapy sessions       |
| - 1,811 Chaplaincy sessions  | - 248 Complementary Therapy sessions |

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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- Bed occupancy in our Inpatient Unit was 79% for the reporting year, slightly behind the targeted 85%. Given the challenges of the Covid-19 pandemic and the impact this had on the operation of the unit for several periods across the year (as referenced above), we are pleased that this level of occupancy was achieved and that the operation of the unit was maintained throughout the entire reporting period. We are also delighted that we were able to grow and develop our overall service provision during this period.
- The Southern Health & Social Care Trust provides some consultancy services to the Hospice. These services were significantly detrimentally impacted in the reporting period because of crisis management due to the ongoing pandemic and Trust Consultants being unavailable for work. An additional Consultant's post was successfully recruited by the Trust in year however the Community Palliative Care Consultant also resigned in year so therefore the team remains under resourced. We are concerned about the resiliency of the consultancy model and its potential detrimental impact on the Hospice's ability to provide services to patients with very complex needs.
- Over the reporting period, we continued to develop our **Community Services** model of support, moving away from the traditional day therapy support model to an integrated, multi-disciplinary, community-based specialist palliative support service for adults and their families. This development was possible due to the funding we are receiving from the Department of Health's Cancer Charities Support Fund, managed by the Community Foundation.

The service provides management of symptoms, including pain, as well as providing psychological, emotional and spiritual support. It is provided in the person's home or in one of the Hospice hubs. Services can be delivered on an individual or group basis and are based on patient and family need. There were 620 referrals in the reporting period, 526 of these were cancer related, with 94 being non-cancer related palliative conditions.

A total of 5,099 therapeutic sessions were delivered to patients, carers and bereaved families:

- 361 sessions took place at home and 4,738 in a Hospice hub or other community setting
- 565 counselling sessions
- 590 complementary therapy sessions
- 455 one to one sessions to those bereaved
- 488 group work sessions

Group work programmes have been significantly developed over the period and now include the following: Living Well with a Palliative Illness; Carers' Support Group; Family Night Bereavement Groups for parents, teens and young children; Art Therapy Group for the bereaved; Bereavement Walking Group; and a Bereavement Walk in Café. We saw a significant increase in attendance at these groups in the last quarter of the reporting period and feedback from attendees has been very positive.

- Throughout the reporting period, we continued to develop and grow Community Services. Recruitment difficulties for new roles and the impact of Covid-19 delayed the implementation of some aspects of the service and forced us to reconfigure other aspects. Substantial progress has been made nevertheless and the number of support sessions provided has increased significantly from the previous year. We are pleased with the level of progress.
- Throughout the year the Hospice continued to provide some financial support to the Southern Health and Social Care Trust's Community Palliative Care Team to help them respond to the need in the community. Work is ongoing with the Trust to ensure the benefits to both organisations continue.
- The Specialist Palliative Care Team in Daisy Hill Hospital was impacted by changes in the team throughout the year. The one remaining team member retired in year, and it was mutually agreed that the Hospice would no longer provide financial support to this team.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### **Additional services provided by the Hospice include:**

- Training placements are provided for medical, nursing, social work and physiotherapy students at both under and post graduate level. The opportunity to provide these services was limited due to Covid-19 but where it was possible and safe, training placements continued this year.
- A Specialist Palliative Medicine out of hours telephone advice service is provided to the Southern Health & Social Care Trust medical staff, community and hospitals in partnership with our Trust Consultant colleagues.

#### **Covid-19 Management**

Whilst the Covid-19 pandemic has abated significantly, the Hospice continued to face many challenges in the last 12 months. We implemented Government safety measures in a timely manner and continued to adapt our ways of working to keep services operating in a safe way for our patients, their loved ones, and our staff. Infection prevention and control management to ensure we provided a Covid-safe environment within the restrictions posed by our building restrictions has been and remains a priority. Staff are competent in this way of working and confidently managed any patients with a Covid-19 diagnosis. We were gradually able to relax restrictions on visiting. All remains under review.

#### **Our Team**

The staff within all functions of the Hospice have continued to show resiliency and commitment throughout the reporting period. We were delighted to receive the Overall Team of the Year Award at Newry Chamber's Employee & Team Awards which took place in September 2022. The Chamber said, "the award recognises an outstanding team that made an exceptional contribution to meet the challenges and demands of their organisation over the past two years". This is fantastic recognition of the great work done by all in the Hospice during the pandemic. The Board of Directors would like to thank all staff for their ongoing dedication and commitment to the Hospice.

#### **Staff objectives and performance**

Employees are set objectives which outline their responsibilities, and which are reviewed regularly to ensure compliance. There is an increased focus on developing staff to strengthen their performance and allow them to attain their maximum potential which in turn benefits the Hospice and our patients. Training is refreshed as required in order to ensure adherence to all requirements.

During the reporting period, we have significantly developed the training provision for our Care Services team to enhance our skills base, knowledge and learning. For example, 8 Nurses completed the Princess Alice European Certificate in Essential Palliative Care and our Inpatient Services Manager completed Non-Medical Prescriber training.

#### **Inspection**

All care services are the subject of unannounced, annual inspections by the Regulation and Quality Improvement Authority (RQIA). The latest inspection took place on 28th February 2023. We are pleased to report that the feedback from this inspection was positive, particularly in relation to the quality of care provided and infection control standards. Inspectors were extremely complimentary about the knowledge, motivation and commitment of all staff they spoke with. We were advised that the standard of care we provide is excellent and of a very high standard.

#### **Internal Audit**

Cavanagh Kelly carried out an internal audit programme in the reporting period. The agreed areas of focus were procurement, fraud risk and payroll. Whilst there were some minor recommendations arising, we received assurance that our processes and controls are appropriate in these areas. All audit outcomes were rated as satisfactory.

#### **Income Generation**

Yet again, the financial support we received from the Hospice community and corporate supporters in the reporting year was amazing. Despite the numerous challenges faced in a turbulent economic environment marked by rising costs and

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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global issues, the support and generosity of our loyal donors and supporters enabled us to generate an incredible £3.2 million.

This extraordinary accomplishment was made possible through the success of various campaigns and initiatives, as individuals enthusiastically resumed their fundraising efforts which had been stymied throughout the worst of the pandemic.

Several noteworthy campaigns deserve recognition, including the Big Bucket campaign, which raised an impressive £30,000 this year. Furthermore, we extend our heartfelt gratitude to 81-year-old John Dalzell OBE, who completed his 31st Annual Christmas Sit Out and made an incredible donation of £138,000. Additionally, after a forced hiatus, we were delighted with the return of the annual dinner dance in March, which raised a remarkable £44,000. This success of this event was due to the support of its main sponsors - Tinnelly Group and Ashtree Financial Services - and the Dance Committee who organised a fantastic evening.

The Hospice received an extraordinary total of £206,000 from a group of 39 dedicated trekkers who embarked on a challenging journey through the Alps in September. This unforgettable experience saw them walk in three countries in three days. Their inspirational fundraising efforts have helped make a significant difference to the patients we care for.

Our Community and Support Groups raised a combined total of £623,476.

We were delighted to be able to hold our annual Lights Campaign, in the Hospice's premises once again, in the run up to Christmas. This event generated £89,000 whilst providing a source of hope and joy during what can be a challenging time for those who attend. The Car Draw was promoted across various roadshows and raised £85,000 this year – a truly fantastic accomplishment by all involved.

We are immensely grateful for the 16 legacy donations received this year, totalling £154,543, showcasing the immense generosity of our supporters. Our corporate partners played a pivotal role by raising an amazing £295,000, exemplifying their commitment to our cause.

We are delighted to report that the number of donors enrolled in Gift Aid increased by 7% in the reporting period. This growth contributed to a remarkable 34% increase in Gift Aid donations, generating £111,023 of income. Gift Aid is an important revenue stream, and we encourage all eligible donors to sign up for Gift Aid, helping us to maximise the impact of their contributions.

To achieve such exceptional results amidst an extremely challenging and competitive environment is a testament to the unwavering commitment of our staff, volunteers, community, and corporate supporters. The Hospice extends its deepest gratitude to every individual who has stood by our side, demonstrating their incredible support. We are profoundly indebted to every person who has played a role in our continued success.

As referenced in the last report, given the declining income and rising costs in the 3 Hospice shops, the decision regrettably was taken to close the shops to protect the resources of the Hospice. The shops ceased trading during the current reporting period (July 2022). The winding up of Southern Area Hospice Services Shop Ltd is now complete. The company was dissolved on the 11th July 2023.

#### **Communications**

The pandemic highlighted the need for the Hospice to become more digital and diverse in its stakeholder engagement approach. Like many other organisations we know we must improve how we communicate externally and internally. As a result of the findings of a 3rd party audit of internal and external communications which was completed in the reporting year, we are adding additional resource and skills to the Communications team and have increased the budget to deliver this in the current year. The Hospice is grateful to The National Lottery Community Fund (Dormant

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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Accounts Fund NI) for providing funding to enable it to develop a new website and to improve its brand image. We believe this activity and investment will raise the profile of the Hospice which will in turn increase support and income generation.

#### Financial review

The financial statements are presented in the standard format required by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019) – (Charities SORP (FRS 102)) and cover the activities of Southern Area Hospice Services Ltd and its subsidiaries Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited. The statement of financial activities (SOFA) shows the gross income from all the sources and the split of activity between restricted and unrestricted funds.

#### Results

The net surplus for the financial year is £423,601 (2022: Surplus £1,156,693) after accounting for legacies of £154,543 (2022: £589,202).

Income in the year was broadly in line with budget. The surplus year end position is mainly due to an underspend in various areas, particularly in salary costs, which is due to the challenges faced in relation to recruitment meaning that positions were either not recruited at all or much later than planned.

The underlying position remains however that recurring funding from the government and voluntary sources remains a challenge in supporting the ongoing work of the Hospice.

#### Reserves policy

The Charity's policy is to retain a level of free reserves which matches the needs of the charity, both at the current time and in the foreseeable future. Free reserves are those unrestricted reserves not invested in fixed assets, which are available for general use, and include funds set aside for designated purposes.

A Capital Reserve to set aside funds to carry out identified capital projects was established by the Trustees in 2015. The Capital Development and Infrastructure Committee (as referenced above) is responsible for progressing capital projects and whilst there was no spend from this reserve in the reporting year, the execution of agreed plans will require a spend in the current year and this work is underway. The Board has decided to allocate a further £1 million to the balance of £6,180,100 to increase these funds to meet future capital requirements.

A Research and Development Fund ("R&D") was designated in 2017 to drive a transformational change. The strategic plan was agreed at the end of the reporting year (further details are later in the report) and has costs built in to deliver the required transformation and these will be budgeted annually as required across the life of the plan. There is therefore no longer a need for a separate R&D designated reserve. The Board has decided to transfer the full fund (£381,692) to the Capital Reserve to meet future capital requirements.

The Trustees have succeeded in maintaining reserves this year to meet committed expenditure and the running costs of the charity for a period equivalent to 6 months expenditure, which equates to £2,418,988. The Trustees believe that the period of 6 months is necessary in order that there is continuity of service and will continue to work towards the implementation of this policy.

#### Legacies

The Hospice's income from legacies significantly decreased from the previous year to £154,543. Due to its nature, legacy income is difficult to predict. Work is underway to improve the Hospice's capability to grow this.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### Balance Sheet

The cash position of the group and the charity as of 31 March 2023 remained strong with £6,183,799 and £2,738,994 respectively held within investments and in the bank (2022: £2,859,166 and £5,730,882). The Trustees are satisfied with the returns during the year given the economic environment. In accordance with the Investment Policy a proportion of available investment funds have been placed with a Discretionary Fund Manager to avail of potentially improved returns than that currently available from cash deposits. The Resources Committee continue to review the current investment strategy and policy.

#### Taxation

As a charity, the company is able to recover most tax deducted at source from its investment income and is not liable for corporation tax on its other income or on capital gains. Recovery is therefore made of tax credits and tax deducted from income received under deed of covenant or gift aid.

#### Future Plans

##### 1. Strategic Plan 2023 - 2028

During the reporting year, with input from all stakeholders, the Board and Senior Leadership Team finalised the strategy for Southern Area Hospice Services for the next 5 years from 2023/24 - 2027/28. The Hospice does not underestimate the challenge it faces in delivering this strategy, but it is fully committed to ensuring that specialist palliative care services are delivered to meet the growing need of the local communities.

The strategy has been designed to respond to the following key strategic drivers:

- The increasing demand for palliative care services, in terms of the number of patients requiring palliative care and the extent of palliative care required.
- The growing complexity of cases and conditions being cared for, requiring more specialist input.
- The need for a service delivery model that is patient-centred with the flexibility to adjust how and where the care is delivered, according to individual patient's evolving needs and preferences.
- The need to build capacity and capability so that SAHS can provide the same level of specialist care equally across all care settings and equally across the geographic region.
- The pressures on availability of trained palliative care staff, and the need to build resilience within staffing structures while the labour pool is being developed.
- The pressures on funding, as a result of inflation and rising operating costs, as well as squeezes on funding sources.

The Hospice's strategic aims over the next 5 years are:

- To develop its delivery model into a wrap-around holistic service that can respond to patient choice and seamlessly provide multi-disciplinary care in an inpatient unit, in the home or through community hubs, as required.
- To protect the unique strengths that it has in its specialist palliative care skills and inpatient facilities.
- To firmly establish its role as a leading provider of specialist palliative care services in Northern Ireland.

The delivery model will be developed to provide a full patient-centred service, including a 'hospice at home' service, an inpatient unit designed and equipped to the standards required and integrated working partnerships with other healthcare providers:

- The service that will be provided:
  - Holistic multi-disciplinary specialist palliative care in an inpatient setting and in the community.
  - Ensuring that the high standards of care are maintained, by developing robust staffing structures, efficient operations and continuing to enhance the breadth and depth of multidisciplinary care.
- Where the service will be provided:
  - The Hospice will provide its wrap-around service of care through both an inpatient setting and in the community, in individuals' homes as well as through community hubs.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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- A capital project process will be adopted to determine how to further develop the Hospice's inpatient unit, to meet the current and future needs and expectations from a hospice in-patient facility, with the possibility of introducing additional services such as 'rapid access' short-term symptom management procedures, which could leverage additional funding.
- Community Services will be developed to increase the capacity to deliver a 'hospice at home' model. According to availability of funding and staff, the 'hospice at home' service will be incrementally expanded in terms of the regions covered, the hours covered, the conditions covered and the level of care (Medical as well as Nursing and Allied Health Professions). The ultimate goal will be to expand the offering to a full care service available in the home 24/7, so that patients can seamlessly receive support in both the inpatient unit and in the home, as appropriate.
- Who the service will be provided to:
  - There will be a continued focus on providing care to adults within the Southern Trust area. The possibility of providing care services to the border counties in Ireland where the Hospice is the closest provider will also be explored.

To achieve these aims, the Hospice needs to focus on the following key areas:

- Investment in Care Services Staff and Training:
  - The staffing structure in the inpatient care services structure is already vulnerable to skills shortages within the sector. The Hospice needs to upskill and build capacity within care services, to ensure that it has a robust and firm foundation for maintaining its high quality of services, to meet the anticipated increase in demand, to optimise operating efficiencies and to protect against any future skills shortages.
- Inpatient Unit
  - The deficiencies and restrictions in the Inpatient Unit need to be addressed to meet current and future needs and provide an efficient work environment in terms of layout and running costs.
- Funding
  - The Hospice will require an increase in funding, to support investment in staff, communications, technology, a possible capital project, the expansion of community services and ongoing impacts of inflation.
  - The Income Generation team has been reconfigured to include a small business development function which will add additional skills to this team.
- Communications
  - The Hospice will improve the understanding of its range of services across the Southern Trust area to ensure more people benefit from them as well as increasing the number of supporters - which in turn will improve income generation.
  - The Hospice will review internal and external communications with all stakeholders to maximise its effectiveness.
- Technology
  - Ensure that where possible technology streamlines processes and removes unnecessary administration, enabling expansion of service delivery without a direct and proportionate increase in back-office staffing.
- Innovation and Collaboration
  - Innovative thinking will be embedded across the organisation, with everyone encouraged to continually consider if there are new and more effective ways to operate and deliver services.
  - Collaborative working with external partners and suppliers will be part of this innovative thinking, regularly considering if service delivery could be enhanced through collaboration.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### 2. Funding and Income Generation

Like other health and social care organisations the Hospice continues to face increasing costs from pay parity as well as in other areas, many driven by the cost-of-living crisis and inflationary pressures. Considerable analysis has gone into the establishment of the budget for the year ahead and our future anticipated costs. We continue to be challenged on an annual basis to produce a breakeven operating budget, particularly so in the current year due to the new costs associated with the delivery of our strategic aims. We believe that this investment however will result in a more resilient service and drive increased income in future years.

The Hospice's reliance on receiving substantial income from the public remains unchanged. In the reporting year, we generated £3.2 million from our communities which is 65% of our total income (excluding monies received for a designated purpose, such as the Cancer Charity Support Fund monies). The amount we will need to generate in the current and future years is expected to increase.

The Hospice's comprehensive strategic plan includes a focus on reducing reliance on conventional income sources by diversifying revenue streams. This involves the development of corporate support, seeking to grow donations from charitable trusts, increasing future legacy donations and growing the Hospice Lottery.

Whilst we welcome the commitment from the Department of Health to look at the funding model of Hospices, this again has not gained traction in this reporting period, and we have been advised that it will not be progressed in the current year due to their financial restrictions.

Once again, we extend our heartfelt gratitude to everyone who supports us – we simply cannot accomplish what we do without your invaluable support.

#### Principal risks and uncertainties

##### Risk management

The Trustees and Senior Leadership Team identify and actively manage the major risks to which the charity is exposed.

This involves:

- An ongoing review of the risks which the charity may face
- The assessment of the level of exposure presented by each identified risk
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise the impact on the charity should any of the risks materialise.

Major risks which have been identified and discussed by the Trustees include loss of reputation, perhaps due to adverse publicity, leading to a fall in public confidence in the charity and a consequent reduction in voluntary income; a short-term fall in the value of our investment portfolio; and maintaining the highest security of our information to prevent loss of data.

Further risks which have been heightened by the current economic climate include: a fall in income, either voluntary through donations and fundraising because the public has less capacity to give, through insufficient funding support from the Government or through declining donations from our subsidiary company; significantly increasing costs, mainly related to wages and energy; the inability to recruit sufficiently skilled and qualified staff to deliver care to the patients of the catchment area.

As reflected earlier in this report, actions being taken to mitigate risk include: developing alternative and innovative ways to generate income; having a focus on closely managing and controlling costs; a review of staffing structures

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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to build future resilience; the ongoing review of our IT service provision, security and resilience, working in conjunction with our third party providers who provide professional advice in this regard; continuation of an internal audit process carried out by an external provider which focuses on areas of potential risk; the ongoing review of processes and procedures to create efficiencies; and the introduction of improved systems to increase efficiencies.

The Trustees take all appropriate steps to moderate and manage the operational risks to which volunteers, staff and assets of Southern Area Hospice Services Ltd are exposed. The Audit & Risk Committee oversee the risk register. This will be reviewed to ensure it reflects any potential risks related to the strategic plan.

Throughout the reporting period specific focus on risks relating to continuing to deliver safe services in a pandemic and the uncertainty around income have been closely monitored.

Having considered all the identified risks, the Trustees do not consider there to be a risk to the going concern status of the organisation. As is evidenced above, we continue to prudently adapt our ways of working and processes as required to best position the Hospice for the future. The Senior Leadership Team, in conjunction with the Board, are constantly monitoring this. The Resources Committee considers the financial position on a monthly basis.

#### Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Southern Area Hospice Services Ltd for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice, Accounting and Reporting: Accounting and Reporting by Charities (2015);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Southern Area Hospice Services Ltd**

### **Report of the Trustees Year Ended 31 March 2023**

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#### **Subsidiary undertakings**

The charity took over control of the Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited at the start of 2015 and thus has consolidated the two entities into these financial statements. As noted earlier, Southern Area Hospice Services Shop Limited ceased trading during the reporting period and the company was dissolved in July 2023.

#### **Exemptions from disclosure**

The company has taken exemption from the requirement to produce a separate statement of financial activities for the charity under section 408 and a charity cash flow statement as the results are included in the consolidated statements.

#### **Funds held as custodian trustees on behalf of others**

The charity holds no funds as custodian trustees on behalf of others.

#### **Statement of disclosure of information to auditors**

In the case of each Trustee/Director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

#### **Independent auditors**

FPM were appointed in November 2019. This appointment was for three financial years 2019 - 2022 with the possibility of an extension for a further 2 years. The contract will be renewed each year at the AGM subject to satisfactory performance.

Approval of the Trustees' Report, which constitute the Strategic Report and the Directors' Report.

By order of the Board



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**P Loughran**  
Trustee/Director

**Date: 8th August 2023**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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**Opinion**

We have audited the group and parent charitable company financial statements of Southern Area Hospice Services Limited for the year ended 31 March 2023 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Southern Area Hospice Limited's group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2023 and of the group and parent charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; 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 the knowledge and understanding of the Trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company – Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.  
This description forms part of our auditor's 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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

*JL Grant*

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**JL Grant (Senior Statutory Auditor)**  
for and on behalf of  
**FPM ACCOUNTANTS LTD**  
Chartered Accountants & Statutory Auditor  
1-3 Arthur Street, Belfast, BT1 4GA

*5<sup>th</sup> September 2023*

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Date

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Year 2023 £	Total Year 2022 £
<b>Income from:</b>					
<b>Charitable Activities</b>					
Grant Income	3	1,729,095	315,152	2,044,247	1,880,847
<b>Donations and Legacies</b>					
Sundry Income		19,624	96	19,720	38,626
Gifts and Donations	4	5,995	-	5,995	3,463
Gift Aid		111,024	-	111,024	82,794
Legacies		154,543	-	154,543	589,202
Fundraising Income		2,648,377	-	2,648,377	2,344,020
<b>Investment Income</b>					
Bank Interest Receivable	5	52,955	-	52,955	26,336
<b>Other Trading Activities</b>					
Commercial Trading Operations	4	252,007	-	252,007	377,654
<b>Total Income</b>		<b>4,973,620</b>	<b>315,248</b>	<b>5,288,868</b>	<b>5,342,942</b>
<b>Expenditure on:</b>					
<b>Costs of Raising Funds</b>					
General Fundraising and Publicity Costs	7	663,396	3,918	667,314	446,723
Commercial Trading Operations	4	128,001	-	128,001	279,149
<b>Charitable Activities</b>					
Delivering Hospice Services	6	3,713,535	329,126	4,042,661	3,563,402
<b>Total Expenditure</b>		<b>4,504,932</b>	<b>333,044</b>	<b>4,837,976</b>	<b>4,289,274</b>
<b>Net (loss)/gain on investment</b>		(27,291)	-	(27,291)	103,025
<b>Net Income/(Expenditure)</b>		441,397	(17,796)	423,601	1,156,693
Transfers Between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>441,397</b>	<b>(17,796)</b>	<b>423,601</b>	<b>1,156,693</b>
<b>Reconciliation of Funds</b>					
<b>Total Funds</b>					
Brought Forward at 1 April		9,703,678	67,056	9,770,734	8,614,041
<b>Total Funds Carried Forward</b>	<b>18</b>	<b>10,145,075</b>	<b>49,260</b>	<b>10,194,335</b>	<b>9,770,734</b>

The notes on pages 24 - 41 form part of these financial statements. The results relates to continuing activities.

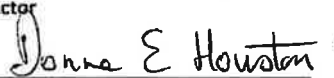
The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Consolidated Balance Sheet**  
**Year Ended 31 March 2023**

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible Assets	11	1,594,616	1,649,870
Investments	12	805,470	830,659
		<u>2,400,086</u>	<u>2,480,529</u>
<b>Current assets</b>			
Stocks	13	26,426	25,705
Debtors	14	212,058	329,379
Investments	15	5,378,329	2,028,507
Cash at Bank and in Hand		2,738,994	5,730,882
		<u>8,355,807</u>	<u>8,114,473</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(561,558)	(824,268)
Net Current Assets		7,794,249	7,290,205
<b>Total Assets less Current Liabilities</b>		10,194,335	9,770,734
<b>Net assets</b>		<u>10,194,335</u>	<u>9,770,734</u>
<b>Group Funds employed</b>			
Restricted Funds	18	49,260	67,056
Unrestricted Funds	18	10,145,075	9,703,678
		<u>10,194,335</u>	<u>9,770,734</u>

The financial statements were approved and authorised for issue by the Board of Directors on the 8th August 2023 and were signed on its behalf by:

  
P Loughran  
Director

  
D Houston  
Director

Company Registration: NI038737

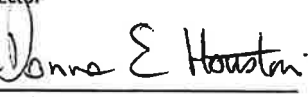
The notes on pages 24 - 41 form part of these financial statements. The results relates to continuing activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Balance Sheet**  
**Year Ended 31 March 2023**

		2023 £	2022 £
<b>Fixed assets</b>			
Tangible Assets	11	1,594,616	1,639,941
Investments	12	805,470	830,659
		<u>2,400,086</u>	<u>2,470,600</u>
<b>Current assets</b>			
Stocks	13	25,827	24,448
Debtors	14	331,474	417,639
Investments	15	5,378,329	2,028,507
Cash at Bank and in Hand		2,556,380	5,535,297
		<u>8,292,010</u>	<u>8,005,891</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(505,115)	(731,056)
<b>Net Current Assets</b>		7,786,895	7,274,835
<b>Total Assets less Current Liabilities</b>		10,186,981	9,745,435
<b>Net assets</b>		<u>10,186,981</u>	<u>9,745,435</u>
<b>Funds employed</b>			
Restricted Funds	18	49,260	67,056
Unrestricted Funds	18	10,137,721	9,678,379
		<u>10,186,981</u>	<u>9,745,435</u>

The financial statements were approved and authorised for issue by the Board of Directors on the 8th August 2023 and were signed on its behalf by:

  
P Loughran  
Director

  
D Houston  
Director

Company Registration: NI038737

Southern Area Hospice Services Ltd  
Limited By Guarantee  
Consolidated statement of cash flows  
Year Ended 31 March 2023

	Notes	2023 £	2022 £
<b>Cash used in Operating Activities</b>	<b>26</b>	340,963	1,707,668
<b>Cash flows from Investing Activities</b>			
Interest Income		52,955	16,304
Purchase of Tangible Fixed Assets		(33,883)	(36,078)
Purchase of investments		(3,351,923)	(13,482)
Cash provided by (used in) Investing Activities		<b>(3,332,851)</b>	<b>(33,256)</b>
<b>Cash flows from Financing Activities:</b>			
Movement in Deposits		-	-
Cash used in Financing Activities		-	-
<b>Increase/(decrease) in Cash and Cash Equivalents in the year</b>		(2,991,888)	1,674,412
<b>Cash and Cash Equivalents at the beginning of the year</b>		5,730,882	4,056,470
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,738,994</b>	<b>5,730,882</b>
<b>Cash and Cash Equivalents at the end of the reporting period</b>		<b>2,738,994</b>	<b>5,730,882</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies**

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

**a) Basis of preparation**

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) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southern Area Hospice Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. Taking account of the risk review undertaken by the directors they do not consider there to be a risk to the going concern status of the charity or the group. As referenced in the Report of Trustees a decision had been made to wind up subsidiary company Southern Area Hospice Services Shop Limited in October 2022. The Directors will review the financial position on a regular basis, taking any action needed to ensure that charity remains fit for purpose and on this basis the assessment of the directors is that the charity is a going concern.

**c) Group financial statements**

The financial statements consolidate the results of the charity and its subsidiaries Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited. We note that Southern Area Hospice Services Shop Limited ceased trading in July 2022, and was wound up in October 2022. These consolidated figures include the 4 months trading.

**d) Incoming Resources**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

*Government Grants*

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

*Donations*

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

*Commercial Trading Income*

Trading income represents the invoiced value of goods supplied during the year excluding value added tax. Revenue is recognised upon provision of the service to the customer.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

*Fundraising income*

Fundraising income is included in the Statement of Financial Activities when received, unless it is for a specific event in which case it is deferred to the timing of the event.

*Legacies*

Income from legacies is recognised when there is evidence of entitlement to the legacy, receipt is probable and its amount can be measured reliably. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the group, or the group is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

*Investment income*

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

**e) Resources Expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis 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 use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

*Costs of Raising Funds*

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

*Charitable activities*

These are costs incurred in providing medical and care services and facilities within the Hospice and, as such, include primarily the cost of medical supplies and staff costs.

*Pension costs*

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

*Governance costs*

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

*Support Costs*

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. These have been

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

*Support Costs ctd...*

allocated to charitable activities, costs of raising funds and governance costs on a basis consistent with the use of these resources.

**f) Fund accounting**

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

*Restricted funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

*Unrestricted funds*

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

*Designated funds*

Designated funds comprise capital reserve that has been allocated to meet future capital requirements and a Research and Development reserve (R&D) that is set aside to drive transformational change initiatives.

**g) Operating leases**

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**h) Tangible fixed assets**

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

*Buildings:*

Fundraising Office	- 10% straight line
Additions to day-care centre	- 4% straight line
Freehold Hospice Buildings	- 1.5% straight line

Fixtures, fittings and equipment - 20% reducing balance

Motor Vehicles - 25% straight line

Land is not depreciated. When the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**h) Tangible fixed assets ctd...**

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**i) Investments**

Listed investments are stated at market value, on the basis of the middle market price at the close of business. Whilst day to day management of the investment portfolio is carried on by experienced, registered investment managers (currently Brewin Dolphin) the ultimate control and responsibility rests with the Trustees.

**j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**k) Cash at bank and in hand and current asset investments**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

**l) Creditors and provisions**

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

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. Donated goods into the shops are valued at zero as the value is their bagged weight which is immaterial to the financial statements.

**n) Foreign currency**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**n) Foreign currency ctd...**

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are presented in the Statement of Financial Activities.

**o) Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**p) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**p) Employee Benefits ctd...**

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**q) Exemptions under FRS 102**

The Charity has taken advantage of the following exemption:

- (i) from preparing a cash flow statement, on the basis that it is a qualifying entity and the consolidated statement of cash flow includes the Charity's cash flows.

**r) Exemptions under Companies Act 2006**

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities includes the Charity's statement.

**s) Critical accounting estimates and judgements**

In the application of the Charity'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.

*Critical judgements in applying the entity's accounting policies*

There are no critical judgements in applying the group's accounting policies.

*Critical accounting estimates and assumptions*

Income from legacies is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Cost allocation is an accounting estimate that is recognised in line with the accounting policy Note 1e.

Depreciation is an accounting estimate that is recognised in line with the accounting policy Note 1h.

**2) Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**3. Income from Charitable Activities**

	Restricted	Unrestricted	2023 Total	2022 Total
	£	£	£	£
Department of Health - General Funding	-	1,729,095	1,729,095	1,756,625
Other Government Grant Income	315,152	-	315,152	124,222
	<u>315,152</u>	<u>1,729,095</u>	<u>2,044,247</u>	<u>1,880,847</u>

The 2022 income total of £1,880,847 was split between £1,820,588 unrestricted and £60,259 restricted.  
Other Government Grant Income: This income is mainly income from the Cancer Charities' Support Fund. It is restricted as it can only be used for the purposes indicated in the grant application.

**4. Income from other trading activities**

The trading subsidiaries of the charity, Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited are incorporated in the United Kingdom (company numbers NI035977 and NI035958 respectively) and pay a large proportion of their profits to the charity under the gift aid scheme. Southern Area Hospice Services Shop Limited ceased trading in July 2022 and was wound up in October 2022.

**Southern Area Hospice Services Shop Limited**

	7 Months 2023	12 Months 2022
	£	£
Turnover	41,928	166,189
Other operating income	10,134	31,341
Expenditure	(39,159)	(166,295)
Repayment to the Hospice	(30,858)	(31,300)
Corporation tax charge	-	(80)
Net Profit / (Loss)	<u>(17,955)</u>	<u>(65)</u>
Aggregate share capital and reserves	-	17,955

**Southern Area Hospice Services Lottery Limited**

	2023	2022
	£	£
Turnover	199,945	179,304
Donations	5,995	3,463
Other operating income	-	820
Expenditure	(88,842)	(112,854)
Donation to the Hospice	(117,090)	(70,700)
Corporation tax charge	-	(7)
Net Profit	<u>8</u>	<u>33</u>
Aggregate share capital and reserves	<u>7,350</u>	<u>7,342</u>

**5. Investment Income**

	2023	2022
	£	£
Interest receivable	52,955	16,304
Investment Income	-	10,032
	<u>52,955</u>	<u>26,336</u>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**6. Charitable Activities - Delivering Hospice Services**

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £
Staff costs	300,768	2,640,816	<b>2,941,584</b>	55,648	2,507,032	2,562,680
Insurance	-	48,618	<b>48,618</b>	-	46,917	46,917
Light & Heat	-	94,416	<b>94,416</b>	-	58,158	58,158
Housekeeping costs	-	20,954	<b>20,954</b>	-	27,998	27,998
Food and Medical Supplies	3,426	102,789	<b>106,215</b>	7,292	69,811	77,103
Repairs and Maintenance	-	45,078	<b>45,078</b>	154	28,481	28,635
Recruitment Expenses	-	8,026	<b>8,026</b>	99	26,847	26,946
Other Expenses	3,961	2,432	<b>6,393</b>	-	4,650	4,650
Training Costs	243	4,643	<b>4,886</b>	1,669	3,066	4,735
Depreciation	11,994	44,910	<b>56,904</b>	10,225	49,939	60,164
Volunteer Costs	-	1,162	<b>1,162</b>	-	-	-
Governance costs	-	9,799	<b>9,799</b>	-	7,501	7,501
Support costs (note 8)	8,734	689,892	<b>698,626</b>	655	657,260	657,915
	<b>329,126</b>	<b>3,713,535</b>	<b>4,042,661</b>	<b>75,742</b>	<b>3,487,660</b>	<b>3,563,402</b>

Restricted Funds expenditure - see note on Restricted Funds income under note 3.

**7. Costs of Raising Funds**

	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £	Restricted 2022 £	Unrestricted 2022 £	Total 2022 £
Staff Costs	3,414	395,474	<b>398,888</b>	-	293,357	293,357
Fundraising Expenses	-	224,755	<b>224,755</b>	-	111,007	111,007
Light & Heat	-	5,457	<b>5,457</b>	-	4,350	4,350
Repairs & Maintenance	-	3,534	<b>3,534</b>	-	4,718	4,718
Rates	-	623	<b>623</b>	-	3,451	3,451
Telephone	504	15,080	<b>15,584</b>	32	14,965	14,997
Stationery and Advertising	-	254	<b>254</b>	-	544	544
Support Costs (note 8)	-	18,219	<b>18,219</b>	-	14,299	14,299
	<b>3,918</b>	<b>663,396</b>	<b>667,314</b>	<b>32</b>	<b>446,691</b>	<b>446,723</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**8. Support Costs**

	<b>Basis of Allocation</b>	<b>Generating Funds</b>	<b>Delivering Hospice Services</b>	<b>2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	Staff Time/Usage	-	531,315	531,315
Other Staff Costs	Staff Time/Usage	-	16,450	16,450
Repairs and Renewals	Floor Space	-	4,388	4,388
Recruitment	Staff Costs/Usage	60	6,078	6,138
Financing	Actual	12,889	6,277	19,166
Training Costs	Staff Time/Usage	35	325	360
Legal and Professional Costs	Usage	-	35,185	35,185
Depreciation	Usage	-	21,592	21,592
Loss on Disposal	Usage	-	712	712
General Administration	Usage	5,235	76,304	81,539
		<b>18,219</b>	<b>698,626</b>	<b>716,845</b>

	<b>Basis of Allocation</b>	<b>Generating Funds</b>	<b>Delivering Hospice Services</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	Staff Time/Usage	-	499,763	499,763
Other Staff Costs	Staff Time/Usage	-	15,244	15,244
Repairs and Renewals	Floor Space	300	3,160	3,460
Recruitment	Staff Costs/Usage	25	21,107	21,132
Financing	Actual	12,394	4,994	17,388
Training Costs	Staff Time/Usage	353	-	353
Legal and Professional Costs	Usage	-	15,397	15,397
Depreciation	Usage	-	25,255	25,255
General Administration	Usage	1,227	72,995	74,222
		<b>14,299</b>	<b>657,915</b>	<b>672,214</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

9. Results for the year	Group		Charity	
	2023	2022	2023	2022
This is stated after charging:	£	£	£	£
Staff costs (note 10)	3,965,061	3,614,906	3,921,150	3,139,850
Audit fees - external	13,000	13,000	10,000	10,000
Audit fees - internal (assurance only)	4,125	5,625	4,125	5,625
Depreciation	78,869	87,193	78,496	85,419
Operating lease rentals - property	13,975	34,650	-	-

10. Employee information	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Wages and salaries	3,404,498	3,134,390	3,361,284	2,674,283
Social security costs	287,702	251,265	287,497	242,537
Other pension costs	272,861	229,251	272,369	223,030
	<b>3,965,061</b>	<b>3,614,906</b>	<b>3,921,150</b>	<b>3,139,850</b>

The average number of persons employed by the company (excluding Directors) during the year, by activity, was as follows:

	Group		Charity	
	2023	2022	2023	2022
Support Staff and Fundraising	37	36	36	31
Direct Care Staff	54	48	54	48
Catering and Housekeeping	10	13	10	13
	<b>101</b>	<b>97</b>	<b>100</b>	<b>92</b>

The number of employees whose emoluments exceed £60,000 were:

	2023	2022
£60,001 - £70,000	-	-
£70,001-£80,000	2	1
£80,001-£90,000	1	-
£90,001-100,000	1	1
Over £100,000	1	1

For staff whose emoluments exceed £60,000, pension contributions amounting to £41,365 (2022: £31,939) were paid towards a defined contribution pension scheme.

Indemnity insurance for directors' liability was purchased by the charity for £7,000 (2022: £5,610).

The total employee benefits, excluding employers pensions, of the key management personnel of the Group was £322,102.60 (2022: £247,370)

No charity trustee received payment for professional or other services supplied to the charity. (2022: £nil)

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**11. Tangible Fixed Assets**

Group

	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2022	1,972,566	510,648	700,687	55,855	44,154	3,283,910
Additions	-	11,528	22,355	-	-	33,883
Disposals	-	-	(55,528)	(1,068)	-	(56,596)
<b>At 31 March 2023</b>	<b>1,972,566</b>	<b>522,176</b>	<b>667,514</b>	<b>54,787</b>	<b>44,154</b>	<b>3,261,197</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	567,253	442,913	572,443	16,339	35,092	1,634,040
Charge for the period	28,358	13,881	25,580	7,889	3,161	78,869
Depreciation on disposal	-	-	(45,972)	(356)	-	(46,328)
<b>At 31 March 2023</b>	<b>595,611</b>	<b>456,794</b>	<b>552,051</b>	<b>23,872</b>	<b>38,253</b>	<b>1,666,581</b>
<b>Net book amount</b>						
<b>At 31 March 2023</b>	<b>1,376,955</b>	<b>65,382</b>	<b>115,463</b>	<b>30,915</b>	<b>5,901</b>	<b>1,594,616</b>
At 31 March 2022	1,405,313	67,735	128,244	39,516	9,062	1,649,870

Charity

	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2022	1,972,566	510,648	645,159	55,855	39,704	3,223,932
Additions	-	11,528	22,355	-	-	33,883
Disposals	-	-	-	(1,068)	-	(1,068)
<b>At 31 March 2023</b>	<b>1,972,566</b>	<b>522,176</b>	<b>667,514</b>	<b>54,787</b>	<b>39,704</b>	<b>3,256,747</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	567,253	443,091	526,666	16,339	30,642	1,583,991
Charge for the period	28,358	13,703	25,385	7,889	3,161	78,496
Depreciation on disposal	-	-	-	(356)	-	(356)
<b>At 31 March 2023</b>	<b>595,611</b>	<b>456,794</b>	<b>552,051</b>	<b>23,872</b>	<b>33,803</b>	<b>1,662,131</b>
<b>Net book amount</b>						
<b>At 31 March 2023</b>	<b>1,376,955</b>	<b>65,382</b>	<b>115,463</b>	<b>30,915</b>	<b>5,901</b>	<b>1,594,616</b>
At 31 March 2022	1,405,313	67,557	118,493	39,516	9,062	1,639,941

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**12. Investments**

**Group and Charity**

	<b>Cash Deposits</b>	<b>Investment in Equities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2022	352,787	477,872	830,659
Additions	2,102	-	2,102
Transferred to current assets	-	-	-
Fair Value Profit/(Loss )	-	(27,291)	(27,291)
Disposals	-	-	-
<b>At 31 March 2023</b>	<b>354,889</b>	<b>450,581</b>	<b>805,470</b>

Long term investments, which include monies in deposit accounts of £354,889 (2022: £352,787) which are due to mature in greater than 12 months and equity investments £450,581 (2022: £477,872), are held within the United Kingdom and exist primarily to provide an investment return for the group. At the end of each investment term the monies received are expected to be reinvested in further investment opportunities for the benefit of the group.

**13. Stocks**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Consumables	<b>26,426</b>	25,705	<b>25,827</b>	24,448
	<b>26,426</b>	25,705	<b>25,827</b>	24,448

**14. Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Debtors	<b>156,840</b>	239,375	<b>153,280</b>	232,542
Amounts owed by subsidiary undertakings	-	-	<b>124,801</b>	101,355
Other debtors	<b>26,463</b>	60,409	<b>26,463</b>	57,924
Prepayments and accrued income	<b>28,755</b>	29,595	<b>26,930</b>	25,818
	<b>212,058</b>	329,379	<b>331,474</b>	417,639

Amounts owed by subsidiary undertakings are unsecured, interest free and are repayable on demand.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**15. Current Asset Investments**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	£	£	£	£
Short Term Deposits	<b>5,378,329</b>	2,028,507	<b>5,378,329</b>	2,028,507
<b>Total</b>	<b>5,378,329</b>	2,028,507	<b>5,378,329</b>	2,028,507

Current asset investments relate to monies held in short term deposit accounts and are due to expire within one year.

**16. Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	£	£	£	£
Trade Creditors	<b>74,127</b>	107,209	<b>69,771</b>	67,029
Other taxation and social security	<b>114,885</b>	99,196	<b>114,885</b>	99,109
Accruals and deferred income	<b>317,007</b>	564,647	<b>307,830</b>	554,779
Other creditors	<b>55,539</b>	53,216	<b>12,629</b>	10,139
	<b>561,558</b>	824,268	<b>505,115</b>	731,056

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**17. Financial instruments**

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fair value through profit or loss</b>				
Fixed asset investments	450,581	477,872	450,581	477,872
	<b>450,581</b>	<b>477,872</b>	<b>450,581</b>	<b>477,872</b>
<b>Financial assets held at amortised cost</b>				
Cash at bank and in hand	2,738,994	5,730,882	2,556,380	5,535,297
Trade debtors	156,840	239,375	153,280	232,542
Other debtors	55,218	90,004	53,393	83,742
Investment in short term deposits	5,378,329	2,028,507	5,378,329	2,028,507
Investment in long term deposits	354,889	352,787	354,889	352,787
	<b>8,684,270</b>	<b>8,441,555</b>	<b>8,496,271</b>	<b>8,232,875</b>
<b>Financial liabilities held at amortised cost</b>				
Trade creditors	74,127	107,209	69,771	67,029
Other creditors	170,424	152,412	127,514	109,248
Accruals and deferred income	317,007	564,647	307,830	554,779
	<b>561,558</b>	<b>824,268</b>	<b>505,115</b>	<b>731,056</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**18. Analysis of charitable funds**

**Analysis of movements in funds**

<b>Group</b>	<b>Balance 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Expended funds £</b>	<b>Gain on Investments £</b>	<b>Transfers £</b>	<b>Balance 31 March 2023 £</b>
<b>Restricted Funds</b>	67,056	315,248	(333,044)	-	-	49,260
<b>Designated funds</b>						
Capital reserve	6,180,100	-	-	-	1,381,692	7,561,792
Research and development reserve	381,692	-	-	-	(381,692)	-
<b>General funds</b>	3,141,886	4,973,620	(4,504,932)	(27,291)	(1,000,000)	2,583,283
<b>Total funds</b>	<b>9,770,734</b>	<b>5,288,868</b>	<b>(4,837,976)</b>	<b>(27,291)</b>	<b>-</b>	<b>10,194,335</b>

<b>Charity</b>	<b>Balance 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Expended funds £</b>	<b>Gain on Investments £</b>	<b>Transfers £</b>	<b>Balance 31 March 2023 £</b>
<b>Restricted Funds</b>	67,056	315,248	(333,044)	-	-	49,260
<b>Designated funds</b>						
Capital reserve	6,180,100	-	-	-	1,381,692	7,561,792
Research and development reserve	381,692	-	-	-	(381,692)	-
<b>General funds</b>	3,116,587	4,912,928	(4,426,295)	(27,291)	(1,000,000)	2,575,929
<b>Total funds</b>	<b>9,745,435</b>	<b>5,228,176</b>	<b>(4,759,339)</b>	<b>(27,291)</b>	<b>-</b>	<b>10,186,981</b>

Capital Reserve - The Board has decided to allocate a further £1,381,692 to the balance of £6,180,100 with a view to continuing to build these funds to meet future capital requirements.

R&D Reserve - The Board has decided to transfer the £381,692 of R&D funds to the Capital Reserve as following completion of the strategic plan, it is no longer deemed that there is a need for this separate fund. See note in Reserves section of the Strategic Report.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**19. Analysis of group net assets between funds**

	Unrestricted			Total funds £
	Restricted funds £	General funds £	Designated funds £	
	<b>Fund balances at 31 March 2023 are represented by:</b>			
Tangible fixed assets	49,249	1,545,367	-	1,594,616
Fixed asset investments	-	805,470	-	805,470
Net current assets	11	232,446	7,561,792	7,794,249
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<b>49,260</b>	<b>2,583,283</b>	<b>7,561,792</b>	<b>10,194,335</b>

	Unrestricted			Total funds £
	Restricted funds £	General funds £	Designated funds £	
	<b>Fund balances at 31 March 2022 were represented by:</b>			
Tangible fixed assets	42,375	1,607,495	-	1,649,870
Fixed asset investments	-	830,659	-	830,659
Net current assets	24,681	703,732	6,561,792	7,290,205
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<b>67,056</b>	<b>3,141,886</b>	<b>6,561,792</b>	<b>9,770,734</b>

**20. Taxation**

Southern Area Hospice Services Ltd is recognised as a charity by HM Inspector of Taxes, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred. This excluded certain types of expenditure where under the terms of a new scheme which commenced on 1 April 2015, charities that are not registered for VAT are able to claim back an element of their input VAT. The charity has participated in this scheme from the commencement date.

The Lottery is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

The Shop is registered for VAT and its expenditure is recorded net of VAT.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**21. Free reserves**

Free reserves as noted in the directors report, are calculated as follows:

	<b>2023</b>	<b>2022</b>
	£	£
Total unrestricted reserves	<b>10,145,075</b>	9,703,678
Tangible assets	<b>(1,545,367)</b>	(1,607,495)
Fixed asset investments	<b>(805,470)</b>	(830,659)
	<b>7,794,238</b>	7,265,524

Total unrestricted reserves include £7,561,792 of designated funds which are allocated to a Capital Reserve to continue to build these funds to meet future capital requirements.

**22. Related party transactions and ultimate controlling party.**

The Board of Trustees are considered to be the Charity's ultimate controlling party.

Included within trade debtors is £NIL (2022: £28,085) due from Southern Area Hospice Shop Limited and £4,350 (2022: £3,920) due from Southern Area Hospice Services Lottery Limited as at 31 March 2023.

Included within trade creditors is £NIL (2022: £NIL) due to Southern Area Hospice Shop Limited and £NIL (2022: £NIL) due to Southern Area Hospice Services Lottery Limited as at 31 March 2022.

In 2023 Southern Area Hospice Services Lottery Limited made a gift of £117,090 to Southern Area Hospice Services Ltd and Southern Area Hospice Services Shop Limited made a gift of £NIL to Southern Area Hospice Services Ltd.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**23. Liability of members**

All three group companies are companies limited by guarantee and do not have a share capital. The liability of each member is limited to an amount not exceeding £1.

**24. Financial commitments**

The group had the following future minimum lease payment under non-cancellable operating leases for each of the following periods:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Less than one year	-	12,300
Later than one year and not later than five years	-	-

**25. Subsidiaries**

The subsidiary undertakings whose results are reflected in the consolidated financial statements by virtue of control, are as follows:

	<b>Interest consolidated</b>
Southern Area Hospice Services Shop Limited - NI035977	100%
Southern Area Hospice Services Lottery Limited - NI035958	100%

**26. Net cash generated from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net incoming resources	<b>423,601</b>	1,156,693
Depreciation	<b>78,869</b>	87,193
Interest receivable and similar income	<b>(52,955)</b>	(26,336)
Gain on Investments	<b>27,291</b>	(103,025)
Loss on sale of fixed assets	<b>10,268</b>	206
Movement in Debtors	<b>117,321</b>	295,149
Movement in Creditors	<b>(262,711)</b>	294,313
Movement in Stocks	<b>(721)</b>	3,475
Net cash inflow from operating activities	<b>340,963</b>	1,707,668

**SOUTHERN AREA HOSPICE SERVICES LTD**

Northern Ireland - Charity number 101906

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# Annual return

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**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Annual Report & Financial Statements  
Year Ended 31 March 2023**

**Company No: NI038737  
Charity No: NIC101906  
HMRC Charity Number: XN47329/2**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
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**Year Ended 31 March 2023**

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**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
**Company Information**

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**Trustees**

Patrick Loughran (Chairman)  
Donna Houston (Vice Chair)  
Robin Brown  
Sheila Chambers  
Greg Cox  
Martin Dillon (appointed March 2023)  
Monica Duffy  
Michelle Hutchinson  
Willie McAllister  
Orla McPolin  
Kelly McVeigh  
Katrina O'Dowd  
Clayre Scott (resigned May 2022)  
Roger Wilson

**Co-optees to Committees**

John Harty – Clinical Governance Committee and Medical Advisory Group  
David Gilpin - Clinical Governance Committee and Medical Advisory Group  
Andrew Stevenson – Capital Development and Infrastructure Committee

**Secretary** Liz Cuddy

**Registered Office** St John's House  
Courtenay Hill  
Newry  
Co. Down  
BT34 3EB

**External Auditor** FPM Accountants Ltd  
Chartered Accountants  
1-3 Arthur Street  
Belfast  
BT1 4GA

**Internal Auditor** CavanaghKelly  
36-38 Northland Row  
Dungannon  
BT71 6AP

**Principal Bankers** AIB  
42-44 Hill Street  
Newry  
Co. Down

**Southern Area Hospice Services Ltd  
Company Limited by Guarantee  
Company Information**

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<b>Principal Bankers ctd...</b>	Danske Bank Limited 58 Hill street Newry Co. Down  AIB 96 Clanbrassil Street Dundalk Co. Louth
<b>Investment Advisers</b>	Brewin Dolphin 11th Floor East Tower Lanyon Plaza 8 Lanyon Place Belfast, BT1 3LP
<b>Solicitors</b>	Luke Curran & Co 6 Marcus Square Newry Co. Down  Lewis Silkin (N.I.) LLP 8th Floor The Linenhall 32-38 Linenhall Street Belfast BT2 8BG
<b>Registered Charity No.</b> <b>Registered Company No.</b>	NIC101906/XN47329/2 NI038737
<b>Senior Leadership Team:</b> Liz Cuddy Damien Hillen Sandra Mahood Bridget Smyth	Chief Executive Officer Director of Development Director of Corporate Services Director of Care

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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The Trustees (who are also Directors of the company) submit their annual report and the audited consolidated financial statements of Southern Area Hospice Services Ltd and its subsidiaries for the year ended 31 March 2023. This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006. The Trustees have adopted the provisions of the Companies Act 2006, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 – (Charities SORP (FRS 102)), in preparing the annual report and financial statements of the group and charitable company.

#### Reference and administrative information

Southern Area Hospice Services Ltd has been established as a voluntary independent hospice since 1989. It was incorporated in June 2000.

Southern Area Hospice Services Ltd is registered with the Charity Commission NI (Charity Number NIC101906), is a company limited by guarantee and is registered with the Companies Registrar (Company number NI038737). It is also recognised as a charity by HM Revenue and Customs, XN 47329/2. The Trustees and Secretary of the charity are listed on page 2. The principal and registered office of the charity is also listed on page 2 together with details of the professional advisers and bankers.

#### Structure, governance and management

Southern Area Hospice Services Ltd, by virtue of common Trustees and power to govern operations, controls the activities of two other companies, Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited, both of which have the objective of raising funds for the Southern Area Hospice Services Ltd. Southern Area Hospice Services Lottery Limited operates a weekly lottery to generate funds for the Hospice. Southern Area Hospice Services Shop Limited operates as a general merchandise shop. As reported last year, the trading levels and profits generated by the 3 shops were seriously detrimentally impacted during the Covid-19 pandemic. The company has ceased trading in the reporting period. There is further detail later in the report regarding this.

Southern Area Hospice Services Ltd is governed by a Board of Directors (who are also known as Trustees for the purposes of the Charity Law). It is governed by a Memorandum and Articles of Association.

#### Board of Directors - ensuring good governance

The Board of Directors (Trustees) is as listed on page 2. The Directors are responsible for setting strategies and policies and for ensuring that these are implemented. The Board of Directors meets regularly to comply with its statutory responsibilities. In the reporting period, the Board met 5 times.

The Chairperson is accountable to the Board of Directors and responsible for the efficient running of Southern Area Hospice Services Ltd with the help of the Chief Executive and the Senior Leadership Team. The Directors (Trustees) are not remunerated.

The Board Committee structure is well embedded and operating effectively. It is as set out below.

The Clinical Governance Committee provides oversight and scrutiny of service provision (clinical governance, service quality, patient safety and clinical standards); service performance; service development and clinical leadership. The Committee has 5 members – 3 Board members and 2 co-optees and is chaired by Patrick Loughran. It met 4 times in the reporting period. The Board established a Medical Advisory Committee (MAC) as a sub-committee of the Clinical Governance Committee. The remit of the MAC is to advise and review the granting of practising privileges for medics providing services in the Hospice. They further provide the Responsible Person (the CEO) and the Registered Manager with professional medical advice and provide assurance regarding the provision of medical services. It is

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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chaired by Robin Brown and has 2 other members. All members are medics. It met a total of 4 times in the reporting period. Towards the end of the reporting period, the MAC agreed it should review how it functions to ensure it is appropriately equipped to provide assurance and overview of all matters related to medical service provision. This review will conclude in the current year.

The Resources Committee provides oversight and scrutiny of Human Resources, Income Generation, Finance, IT, Support Services (facility management services, administration, health and safety and GDPR) and investment management. The Committee continues to have a very demanding agenda ensuring that reports are robust, and the resources available used and accounted for appropriately. They have also been ensuring that transformation continues to take place in the areas it has responsibility for. The Committee consists of five members of the Board of Directors and is chaired by Donna Houston. In the reporting period, the Committee met 7 times.

The Audit and Risk Committee provides oversight and scrutiny of strategic risk management; internal audit; external audit; and management responses identified by any audit process. All of this is to ensure the adequacy of assurance for all corporate governance matters relevant to Southern Area Hospice Services. In addition, the Committee can request any other specific work required to assure adequacy of governance, assurance and probity. The Committee has 3 Board members (and 1 vacancy) and is chaired by Monica Duffy. In the reporting period, it met 3 times.

The Remuneration and Nominations Committee met once in the reporting period and is chaired by Orla McPolin. Its functions from a remuneration perspective are to set CEO and Director salaries, pay-scales for the remainder of the organisation and to ensure compliance with equality legislation. Its Nomination functions are to ensure good board governance is maintained, to recommend appointments to the Board and to oversee the appointment of the CEO and Directors.

The Capital Development and Infrastructure Committee is responsible for ensuring that capital projects deliver the desired outcome, progress to plan and budget and that key risks are identified and managed. The Committee will be involved in projects from concept to delivery. In line with the Board's direction, this Committee's initial focus is on the capital works needed to futureproof the estate requirements for the Hospice. It has 4 members – 3 Board members and 1 co-optee - and is chaired by Roger Wilson. It met 4 times during the reporting period.

It should be noted that co-optees to Committees of the Board are not Trustees and therefore not Directors.

#### **Conflicts of Interest**

As a matter of good governance, actual and perceived conflicts of interest are reviewed on a regular basis. All Board members and senior managers are required to make an annual declaration regarding any conflicts of interest and a schedule of responses is maintained. In addition, the declaration of conflicts of interest is a standing agenda item for each meeting of the Board and its Committees, with all present being asked to declare if they have any conflicts of interest regarding any agenda items.

#### **Appointment of new Trustees**

New Trustees are recruited by open recruitment by existing Directors to fulfil specific roles and skills on the Board. The potential Trustee is then interviewed by the Chairperson, Vice Chairperson and Secretary of the Board regarding their willingness to become a Trustee and their potential contribution to the Hospice is considered. Following this any potential Trustee is presented to the Board for their consideration and approval.

#### **Induction and training of Trustees**

Induction and training for new Trustees is similar to those set out for all employees of the charity. They are given an overview of the aims, objectives and achievements, introduced to the Chief Executive and Senior Leadership Team, are provided with a copy of the Memorandum and Articles of Association, the Hospice UK manual on Director responsibilities and details of the recent financial performance of the charity. All new Trustees meet with other existing

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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Trustees, and they are encouraged to attend appropriate external training events should they facilitate the undertaking of their role.

#### **Retirement and rotation of Trustees**

The term of office of a Trustee shall be for a maximum of three terms of three years each. A retiring Trustee of the board may be re-elected under these terms. The Trustees who retire in accordance with this regulation shall be those who have been longest in office since their last election but where persons who become Trustees on the same day retire (unless they otherwise agree among themselves), they are determined by lot.

At the Annual General Meeting in September 2022, the following Trustees were due to retire by rotation: Monica Duffy, Donna Houston, Michele Hutchinson, Orla McPolin and Roger Wilson. All were eligible and agreed to stand for re-election and were duly elected.

In the reporting period, Clayre Scott resigned (May 2022) and Martin Dillon was appointed as a Trustee (March 2023).

#### **Management**

The Board is responsible for governance at a strategic level and meets regularly with the Chief Executive who carries out the day-to-day management of the company supported by the Senior Leadership Team. The Committees of the Board also meet regularly with the Chief Executive and Senior Leadership Team (as relevant) to review performance and address any emergent issues.

#### **Senior Leadership Team**

The Senior Leadership Team comprises of the Chief Executive, the Corporate Services Director, the Director of Care and the Director of Development. Pay and remuneration is set by appropriate benchmarking. Total cost of the Senior Leadership Team salaries and wages is as per note 10.

#### **Objectives and activities**

The objectives of Southern Area Hospice Services Ltd are the provision of a specialist palliative care service to patients with terminal illness, including cancer, motor neurone disease and multiple sclerosis.

The Hospice's services fall into 2 main categories, namely inpatient services and community-based services. The services in both areas are holistic in nature, comprehensively supporting the patient and their family. We have extremely professional and expert multi-disciplinary teams who ensure that our services, both in the inpatient unit and community, are of a high quality, evidenced based and safe. The Hospice has received funding from the Department of Health's Cancer Charities Support Fund to better support patients with a palliative cancer diagnosis. This funding has enabled a development of its community services to ensure a more targeted and multi-disciplinary approach that works in a collaborative way with other service providers in the Southern Trust area.

Details of the Hospice's services and the activity levels of each of these services are provided in the Strategic Report section.

Southern Area Hospice Services Ltd is a member hospice of Hospice UK and affiliated with the All-Ireland Institute of Hospice and Palliative Care. We continue to develop links with other hospices at both a local and a national level.

#### **Public benefit**

This again has been another exceptional year due to the ongoing impacts of the Covid-19 pandemic as well as the cost-of-living challenges. Our focus has been on continuing to provide services in a safe and effective way.

Southern Area Hospice Services Ltd continues to meet the definition of a public benefit entity under FRS 102 and in line

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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with its charitable objectives as detailed throughout this report.

#### Volunteers

The charity is involved in the community and is dependent on voluntary help. Our 300 volunteers make a huge contribution to the work of the Hospice, bringing a diversity of skills and experience. Our volunteers contribute across many areas of the charity including reception and administrative duties, helping patients at mealtimes, providing reflexology and counselling as well as transporting patients to and from Hospice appointments and working in the Hospice garden. Volunteers contribute greatly to various fundraising activities including flag days, cheque presentations as well as providing general assistance with the many fundraising events. The volunteers bring an extra dimension to the atmosphere of the Hospice. Their skills and contribution enhance our service and make an impact on the lives of our patients, their families and our staff. The Hospice could not operate without the invaluable contribution of volunteers to its various departments and events.

#### In gratitude

The Board wish to convey their sincere thanks to our staff and the many volunteers who have so generously given their support to the organisation. With the continued support of our staff and volunteers we look forward to continuing to enhance the delivery of our charitable services within the community.

#### Acknowledgements

The Board wish to sincerely thank all individuals, communities and companies who have supported and donated to us throughout this year. The easing of Covid-19 restrictions throughout the year has allowed supporters to re-introduce many fundraising events and many supporters have yet again overwhelmed us with their generosity. SAHS is extremely grateful for this support and financial assistance – it could not provide its services to the community without this.

#### Strategic report

##### Achievements and performance

###### Overall

The Trustees are pleased to report that significant progress was made towards achieving the Hospice's objectives despite continuing to manage the ongoing impact of Covid-19 throughout much of the reporting period. The Hospice covers the Southern Health and Social Care Trust geographical area, which includes the towns of Newry, Armagh, Dungannon, Banbridge, Lurgan, Portadown and Craigavon.

Key activity levels for services offered during the reporting period were as follows:

- The Hospice's **Inpatient Unit** is a 14-bed unit which provides specialist palliative care to patients and their carers; patients are admitted for various reasons including symptom or pain control, respite, or end of life care. It remained fully operational throughout the reporting period despite the pandemic. Staff continued to successfully adopt new ways of working to ensure the service continued in a safe way. Numbers within the unit did fluctuate on occasions during the reporting period as a result of Covid-19 outbreaks – high levels of community transmission were reflected amongst patients and staff meaning restrictions had to be imposed to protect patients and staff as best possible. At times during the reporting period, we had to work with a reduced staff complement. Patient safety always remained paramount. Despite these challenges, admissions increased from the previous period, with 223 new admissions, with an average stay of 14.5 days. We had 164 patients admitted for the first time and 59 repeat admissions. 141 patients were discharged with improved symptom management.

A total of 5,431 therapy sessions were delivered:

- |                              |                                      |
|------------------------------|--------------------------------------|
| - 1,911 Social Work sessions | - 1,461 Physiotherapy sessions       |
| - 1,811 Chaplaincy sessions  | - 248 Complementary Therapy sessions |

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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- Bed occupancy in our Inpatient Unit was 79% for the reporting year, slightly behind the targeted 85%. Given the challenges of the Covid-19 pandemic and the impact this had on the operation of the unit for several periods across the year (as referenced above), we are pleased that this level of occupancy was achieved and that the operation of the unit was maintained throughout the entire reporting period. We are also delighted that we were able to grow and develop our overall service provision during this period.
- The Southern Health & Social Care Trust provides some consultancy services to the Hospice. These services were significantly detrimentally impacted in the reporting period because of crisis management due to the ongoing pandemic and Trust Consultants being unavailable for work. An additional Consultant's post was successfully recruited by the Trust in year however the Community Palliative Care Consultant also resigned in year so therefore the team remains under resourced. We are concerned about the resiliency of the consultancy model and its potential detrimental impact on the Hospice's ability to provide services to patients with very complex needs.
- Over the reporting period, we continued to develop our **Community Services** model of support, moving away from the traditional day therapy support model to an integrated, multi-disciplinary, community-based specialist palliative support service for adults and their families. This development was possible due to the funding we are receiving from the Department of Health's Cancer Charities Support Fund, managed by the Community Foundation.

The service provides management of symptoms, including pain, as well as providing psychological, emotional and spiritual support. It is provided in the person's home or in one of the Hospice hubs. Services can be delivered on an individual or group basis and are based on patient and family need. There were 620 referrals in the reporting period, 526 of these were cancer related, with 94 being non-cancer related palliative conditions.

A total of 5,099 therapeutic sessions were delivered to patients, carers and bereaved families:

- 361 sessions took place at home and 4,738 in a Hospice hub or other community setting
- 565 counselling sessions
- 590 complementary therapy sessions
- 455 one to one sessions to those bereaved
- 488 group work sessions

Group work programmes have been significantly developed over the period and now include the following: Living Well with a Palliative Illness; Carers' Support Group; Family Night Bereavement Groups for parents, teens and young children; Art Therapy Group for the bereaved; Bereavement Walking Group; and a Bereavement Walk in Café. We saw a significant increase in attendance at these groups in the last quarter of the reporting period and feedback from attendees has been very positive.

- Throughout the reporting period, we continued to develop and grow Community Services. Recruitment difficulties for new roles and the impact of Covid-19 delayed the implementation of some aspects of the service and forced us to reconfigure other aspects. Substantial progress has been made nevertheless and the number of support sessions provided has increased significantly from the previous year. We are pleased with the level of progress.
- Throughout the year the Hospice continued to provide some financial support to the Southern Health and Social Care Trust's Community Palliative Care Team to help them respond to the need in the community. Work is ongoing with the Trust to ensure the benefits to both organisations continue.
- The Specialist Palliative Care Team in Daisy Hill Hospital was impacted by changes in the team throughout the year. The one remaining team member retired in year, and it was mutually agreed that the Hospice would no longer provide financial support to this team.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### **Additional services provided by the Hospice include:**

- Training placements are provided for medical, nursing, social work and physiotherapy students at both under and post graduate level. The opportunity to provide these services was limited due to Covid-19 but where it was possible and safe, training placements continued this year.
- A Specialist Palliative Medicine out of hours telephone advice service is provided to the Southern Health & Social Care Trust medical staff, community and hospitals in partnership with our Trust Consultant colleagues.

#### **Covid-19 Management**

Whilst the Covid-19 pandemic has abated significantly, the Hospice continued to face many challenges in the last 12 months. We implemented Government safety measures in a timely manner and continued to adapt our ways of working to keep services operating in a safe way for our patients, their loved ones, and our staff. Infection prevention and control management to ensure we provided a Covid-safe environment within the restrictions posed by our building restrictions has been and remains a priority. Staff are competent in this way of working and confidently managed any patients with a Covid-19 diagnosis. We were gradually able to relax restrictions on visiting. All remains under review.

#### **Our Team**

The staff within all functions of the Hospice have continued to show resiliency and commitment throughout the reporting period. We were delighted to receive the Overall Team of the Year Award at Newry Chamber's Employee & Team Awards which took place in September 2022. The Chamber said, "the award recognises an outstanding team that made an exceptional contribution to meet the challenges and demands of their organisation over the past two years". This is fantastic recognition of the great work done by all in the Hospice during the pandemic. The Board of Directors would like to thank all staff for their ongoing dedication and commitment to the Hospice.

#### **Staff objectives and performance**

Employees are set objectives which outline their responsibilities, and which are reviewed regularly to ensure compliance. There is an increased focus on developing staff to strengthen their performance and allow them to attain their maximum potential which in turn benefits the Hospice and our patients. Training is refreshed as required in order to ensure adherence to all requirements.

During the reporting period, we have significantly developed the training provision for our Care Services team to enhance our skills base, knowledge and learning. For example, 8 Nurses completed the Princess Alice European Certificate in Essential Palliative Care and our Inpatient Services Manager completed Non-Medical Prescriber training.

#### **Inspection**

All care services are the subject of unannounced, annual inspections by the Regulation and Quality Improvement Authority (RQIA). The latest inspection took place on 28th February 2023. We are pleased to report that the feedback from this inspection was positive, particularly in relation to the quality of care provided and infection control standards. Inspectors were extremely complimentary about the knowledge, motivation and commitment of all staff they spoke with. We were advised that the standard of care we provide is excellent and of a very high standard.

#### **Internal Audit**

Cavanagh Kelly carried out an internal audit programme in the reporting period. The agreed areas of focus were procurement, fraud risk and payroll. Whilst there were some minor recommendations arising, we received assurance that our processes and controls are appropriate in these areas. All audit outcomes were rated as satisfactory.

#### **Income Generation**

Yet again, the financial support we received from the Hospice community and corporate supporters in the reporting year was amazing. Despite the numerous challenges faced in a turbulent economic environment marked by rising costs and

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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global issues, the support and generosity of our loyal donors and supporters enabled us to generate an incredible £3.2 million.

This extraordinary accomplishment was made possible through the success of various campaigns and initiatives, as individuals enthusiastically resumed their fundraising efforts which had been stymied throughout the worst of the pandemic.

Several noteworthy campaigns deserve recognition, including the Big Bucket campaign, which raised an impressive £30,000 this year. Furthermore, we extend our heartfelt gratitude to 81-year-old John Dalzell OBE, who completed his 31st Annual Christmas Sit Out and made an incredible donation of £138,000. Additionally, after a forced hiatus, we were delighted with the return of the annual dinner dance in March, which raised a remarkable £44,000. This success of this event was due to the support of its main sponsors - Tinnelly Group and Ashtree Financial Services - and the Dance Committee who organised a fantastic evening.

The Hospice received an extraordinary total of £206,000 from a group of 39 dedicated trekkers who embarked on a challenging journey through the Alps in September. This unforgettable experience saw them walk in three countries in three days. Their inspirational fundraising efforts have helped make a significant difference to the patients we care for.

Our Community and Support Groups raised a combined total of £623,476.

We were delighted to be able to hold our annual Lights Campaign, in the Hospice's premises once again, in the run up to Christmas. This event generated £89,000 whilst providing a source of hope and joy during what can be a challenging time for those who attend. The Car Draw was promoted across various roadshows and raised £85,000 this year – a truly fantastic accomplishment by all involved.

We are immensely grateful for the 16 legacy donations received this year, totalling £154,543, showcasing the immense generosity of our supporters. Our corporate partners played a pivotal role by raising an amazing £295,000, exemplifying their commitment to our cause.

We are delighted to report that the number of donors enrolled in Gift Aid increased by 7% in the reporting period. This growth contributed to a remarkable 34% increase in Gift Aid donations, generating £111,023 of income. Gift Aid is an important revenue stream, and we encourage all eligible donors to sign up for Gift Aid, helping us to maximise the impact of their contributions.

To achieve such exceptional results amidst an extremely challenging and competitive environment is a testament to the unwavering commitment of our staff, volunteers, community, and corporate supporters. The Hospice extends its deepest gratitude to every individual who has stood by our side, demonstrating their incredible support. We are profoundly indebted to every person who has played a role in our continued success.

As referenced in the last report, given the declining income and rising costs in the 3 Hospice shops, the decision regrettably was taken to close the shops to protect the resources of the Hospice. The shops ceased trading during the current reporting period (July 2022). The winding up of Southern Area Hospice Services Shop Ltd is now complete. The company was dissolved on the 11th July 2023.

#### **Communications**

The pandemic highlighted the need for the Hospice to become more digital and diverse in its stakeholder engagement approach. Like many other organisations we know we must improve how we communicate externally and internally. As a result of the findings of a 3rd party audit of internal and external communications which was completed in the reporting year, we are adding additional resource and skills to the Communications team and have increased the budget to deliver this in the current year. The Hospice is grateful to The National Lottery Community Fund (Dormant

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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Accounts Fund NI) for providing funding to enable it to develop a new website and to improve its brand image. We believe this activity and investment will raise the profile of the Hospice which will in turn increase support and income generation.

#### Financial review

The financial statements are presented in the standard format required by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019) – (Charities SORP (FRS 102)) and cover the activities of Southern Area Hospice Services Ltd and its subsidiaries Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited. The statement of financial activities (SOFA) shows the gross income from all the sources and the split of activity between restricted and unrestricted funds.

#### Results

The net surplus for the financial year is £423,601 (2022: Surplus £1,156,693) after accounting for legacies of £154,543 (2022: £589,202).

Income in the year was broadly in line with budget. The surplus year end position is mainly due to an underspend in various areas, particularly in salary costs, which is due to the challenges faced in relation to recruitment meaning that positions were either not recruited at all or much later than planned.

The underlying position remains however that recurring funding from the government and voluntary sources remains a challenge in supporting the ongoing work of the Hospice.

#### Reserves policy

The Charity's policy is to retain a level of free reserves which matches the needs of the charity, both at the current time and in the foreseeable future. Free reserves are those unrestricted reserves not invested in fixed assets, which are available for general use, and include funds set aside for designated purposes.

A Capital Reserve to set aside funds to carry out identified capital projects was established by the Trustees in 2015. The Capital Development and Infrastructure Committee (as referenced above) is responsible for progressing capital projects and whilst there was no spend from this reserve in the reporting year, the execution of agreed plans will require a spend in the current year and this work is underway. The Board has decided to allocate a further £1 million to the balance of £6,180,100 to increase these funds to meet future capital requirements.

A Research and Development Fund ("R&D") was designated in 2017 to drive a transformational change. The strategic plan was agreed at the end of the reporting year (further details are later in the report) and has costs built in to deliver the required transformation and these will be budgeted annually as required across the life of the plan. There is therefore no longer a need for a separate R&D designated reserve. The Board has decided to transfer the full fund (£381,692) to the Capital Reserve to meet future capital requirements.

The Trustees have succeeded in maintaining reserves this year to meet committed expenditure and the running costs of the charity for a period equivalent to 6 months expenditure, which equates to £2,418,988. The Trustees believe that the period of 6 months is necessary in order that there is continuity of service and will continue to work towards the implementation of this policy.

#### Legacies

The Hospice's income from legacies significantly decreased from the previous year to £154,543. Due to its nature, legacy income is difficult to predict. Work is underway to improve the Hospice's capability to grow this.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### Balance Sheet

The cash position of the group and the charity as of 31 March 2023 remained strong with £6,183,799 and £2,738,994 respectively held within investments and in the bank (2022: £2,859,166 and £5,730,882). The Trustees are satisfied with the returns during the year given the economic environment. In accordance with the Investment Policy a proportion of available investment funds have been placed with a Discretionary Fund Manager to avail of potentially improved returns than that currently available from cash deposits. The Resources Committee continue to review the current investment strategy and policy.

#### Taxation

As a charity, the company is able to recover most tax deducted at source from its investment income and is not liable for corporation tax on its other income or on capital gains. Recovery is therefore made of tax credits and tax deducted from income received under deed of covenant or gift aid.

#### Future Plans

##### 1. Strategic Plan 2023 - 2028

During the reporting year, with input from all stakeholders, the Board and Senior Leadership Team finalised the strategy for Southern Area Hospice Services for the next 5 years from 2023/24 - 2027/28. The Hospice does not underestimate the challenge it faces in delivering this strategy, but it is fully committed to ensuring that specialist palliative care services are delivered to meet the growing need of the local communities.

The strategy has been designed to respond to the following key strategic drivers:

- The increasing demand for palliative care services, in terms of the number of patients requiring palliative care and the extent of palliative care required.
- The growing complexity of cases and conditions being cared for, requiring more specialist input.
- The need for a service delivery model that is patient-centred with the flexibility to adjust how and where the care is delivered, according to individual patient's evolving needs and preferences.
- The need to build capacity and capability so that SAHS can provide the same level of specialist care equally across all care settings and equally across the geographic region.
- The pressures on availability of trained palliative care staff, and the need to build resilience within staffing structures while the labour pool is being developed.
- The pressures on funding, as a result of inflation and rising operating costs, as well as squeezes on funding sources.

The Hospice's strategic aims over the next 5 years are:

- To develop its delivery model into a wrap-around holistic service that can respond to patient choice and seamlessly provide multi-disciplinary care in an inpatient unit, in the home or through community hubs, as required.
- To protect the unique strengths that it has in its specialist palliative care skills and inpatient facilities.
- To firmly establish its role as a leading provider of specialist palliative care services in Northern Ireland.

The delivery model will be developed to provide a full patient-centred service, including a 'hospice at home' service, an inpatient unit designed and equipped to the standards required and integrated working partnerships with other healthcare providers:

- The service that will be provided:
  - Holistic multi-disciplinary specialist palliative care in an inpatient setting and in the community.
  - Ensuring that the high standards of care are maintained, by developing robust staffing structures, efficient operations and continuing to enhance the breadth and depth of multidisciplinary care.
- Where the service will be provided:
  - The Hospice will provide its wrap-around service of care through both an inpatient setting and in the community, in individuals' homes as well as through community hubs.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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- A capital project process will be adopted to determine how to further develop the Hospice's inpatient unit, to meet the current and future needs and expectations from a hospice in-patient facility, with the possibility of introducing additional services such as 'rapid access' short-term symptom management procedures, which could leverage additional funding.
- Community Services will be developed to increase the capacity to deliver a 'hospice at home' model. According to availability of funding and staff, the 'hospice at home' service will be incrementally expanded in terms of the regions covered, the hours covered, the conditions covered and the level of care (Medical as well as Nursing and Allied Health Professions). The ultimate goal will be to expand the offering to a full care service available in the home 24/7, so that patients can seamlessly receive support in both the inpatient unit and in the home, as appropriate.
- Who the service will be provided to:
  - There will be a continued focus on providing care to adults within the Southern Trust area. The possibility of providing care services to the border counties in Ireland where the Hospice is the closest provider will also be explored.

To achieve these aims, the Hospice needs to focus on the following key areas:

- Investment in Care Services Staff and Training:
  - The staffing structure in the inpatient care services structure is already vulnerable to skills shortages within the sector. The Hospice needs to upskill and build capacity within care services, to ensure that it has a robust and firm foundation for maintaining its high quality of services, to meet the anticipated increase in demand, to optimise operating efficiencies and to protect against any future skills shortages.
- Inpatient Unit
  - The deficiencies and restrictions in the Inpatient Unit need to be addressed to meet current and future needs and provide an efficient work environment in terms of layout and running costs.
- Funding
  - The Hospice will require an increase in funding, to support investment in staff, communications, technology, a possible capital project, the expansion of community services and ongoing impacts of inflation.
  - The Income Generation team has been reconfigured to include a small business development function which will add additional skills to this team.
- Communications
  - The Hospice will improve the understanding of its range of services across the Southern Trust area to ensure more people benefit from them as well as increasing the number of supporters - which in turn will improve income generation.
  - The Hospice will review internal and external communications with all stakeholders to maximise its effectiveness.
- Technology
  - Ensure that where possible technology streamlines processes and removes unnecessary administration, enabling expansion of service delivery without a direct and proportionate increase in back-office staffing.
- Innovation and Collaboration
  - Innovative thinking will be embedded across the organisation, with everyone encouraged to continually consider if there are new and more effective ways to operate and deliver services.
  - Collaborative working with external partners and suppliers will be part of this innovative thinking, regularly considering if service delivery could be enhanced through collaboration.

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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#### 2. Funding and Income Generation

Like other health and social care organisations the Hospice continues to face increasing costs from pay parity as well as in other areas, many driven by the cost-of-living crisis and inflationary pressures. Considerable analysis has gone into the establishment of the budget for the year ahead and our future anticipated costs. We continue to be challenged on an annual basis to produce a breakeven operating budget, particularly so in the current year due to the new costs associated with the delivery of our strategic aims. We believe that this investment however will result in a more resilient service and drive increased income in future years.

The Hospice's reliance on receiving substantial income from the public remains unchanged. In the reporting year, we generated £3.2 million from our communities which is 65% of our total income (excluding monies received for a designated purpose, such as the Cancer Charity Support Fund monies). The amount we will need to generate in the current and future years is expected to increase.

The Hospice's comprehensive strategic plan includes a focus on reducing reliance on conventional income sources by diversifying revenue streams. This involves the development of corporate support, seeking to grow donations from charitable trusts, increasing future legacy donations and growing the Hospice Lottery.

Whilst we welcome the commitment from the Department of Health to look at the funding model of Hospices, this again has not gained traction in this reporting period, and we have been advised that it will not be progressed in the current year due to their financial restrictions.

Once again, we extend our heartfelt gratitude to everyone who supports us – we simply cannot accomplish what we do without your invaluable support.

#### Principal risks and uncertainties

##### Risk management

The Trustees and Senior Leadership Team identify and actively manage the major risks to which the charity is exposed.

This involves:

- An ongoing review of the risks which the charity may face
- The assessment of the level of exposure presented by each identified risk
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise the impact on the charity should any of the risks materialise.

Major risks which have been identified and discussed by the Trustees include loss of reputation, perhaps due to adverse publicity, leading to a fall in public confidence in the charity and a consequent reduction in voluntary income; a short-term fall in the value of our investment portfolio; and maintaining the highest security of our information to prevent loss of data.

Further risks which have been heightened by the current economic climate include: a fall in income, either voluntary through donations and fundraising because the public has less capacity to give, through insufficient funding support from the Government or through declining donations from our subsidiary company; significantly increasing costs, mainly related to wages and energy; the inability to recruit sufficiently skilled and qualified staff to deliver care to the patients of the catchment area.

As reflected earlier in this report, actions being taken to mitigate risk include: developing alternative and innovative ways to generate income; having a focus on closely managing and controlling costs; a review of staffing structures

## Southern Area Hospice Services Ltd

### Report of the Trustees Year Ended 31 March 2023

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to build future resilience; the ongoing review of our IT service provision, security and resilience, working in conjunction with our third party providers who provide professional advice in this regard; continuation of an internal audit process carried out by an external provider which focuses on areas of potential risk; the ongoing review of processes and procedures to create efficiencies; and the introduction of improved systems to increase efficiencies.

The Trustees take all appropriate steps to moderate and manage the operational risks to which volunteers, staff and assets of Southern Area Hospice Services Ltd are exposed. The Audit & Risk Committee oversee the risk register. This will be reviewed to ensure it reflects any potential risks related to the strategic plan.

Throughout the reporting period specific focus on risks relating to continuing to deliver safe services in a pandemic and the uncertainty around income have been closely monitored.

Having considered all the identified risks, the Trustees do not consider there to be a risk to the going concern status of the organisation. As is evidenced above, we continue to prudently adapt our ways of working and processes as required to best position the Hospice for the future. The Senior Leadership Team, in conjunction with the Board, are constantly monitoring this. The Resources Committee considers the financial position on a monthly basis.

#### Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Southern Area Hospice Services Ltd for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice, Accounting and Reporting: Accounting and Reporting by Charities (2015);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Southern Area Hospice Services Ltd**

### **Report of the Trustees Year Ended 31 March 2023**

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#### **Subsidiary undertakings**

The charity took over control of the Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited at the start of 2015 and thus has consolidated the two entities into these financial statements. As noted earlier, Southern Area Hospice Services Shop Limited ceased trading during the reporting period and the company was dissolved in July 2023.

#### **Exemptions from disclosure**

The company has taken exemption from the requirement to produce a separate statement of financial activities for the charity under section 408 and a charity cash flow statement as the results are included in the consolidated statements.

#### **Funds held as custodian trustees on behalf of others**

The charity holds no funds as custodian trustees on behalf of others.

#### **Statement of disclosure of information to auditors**

In the case of each Trustee/Director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and charitable company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and charitable company's auditors are aware of that information.

#### **Independent auditors**

FPM were appointed in November 2019. This appointment was for three financial years 2019 - 2022 with the possibility of an extension for a further 2 years. The contract will be renewed each year at the AGM subject to satisfactory performance.

Approval of the Trustees' Report, which constitute the Strategic Report and the Directors' Report.

By order of the Board



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**P Loughran**  
Trustee/Director

**Date: 8th August 2023**

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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**Opinion**

We have audited the group and parent charitable company financial statements of Southern Area Hospice Services Limited for the year ended 31 March 2023 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Southern Area Hospice Limited's group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2023 and of the group and parent charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 and charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; 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 the knowledge and understanding of the Trustees 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity'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 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 accounts 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 accounts.

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company – Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Southern Area Hospice Services Ltd**  
**Company Limited by Guarantee**  
Independent Auditor's Report to the Members  
Year ended 31 March 2023

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We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

*JL Grant*

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**JL Grant (Senior Statutory Auditor)**  
for and on behalf of  
**FPM ACCOUNTANTS LTD**  
Chartered Accountants & Statutory Auditor  
1-3 Arthur Street, Belfast, BT1 4GA

*5<sup>th</sup> September 2023*

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Date

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Year 2023 £	Total Year 2022 £
<b>Income from:</b>					
<b>Charitable Activities</b>					
Grant Income	3	1,729,095	315,152	2,044,247	1,880,847
<b>Donations and Legacies</b>					
Sundry Income		19,624	96	19,720	38,626
Gifts and Donations	4	5,995	-	5,995	3,463
Gift Aid		111,024	-	111,024	82,794
Legacies		154,543	-	154,543	589,202
Fundraising Income		2,648,377	-	2,648,377	2,344,020
<b>Investment Income</b>					
Bank Interest Receivable	5	52,955	-	52,955	26,336
<b>Other Trading Activities</b>					
Commercial Trading Operations	4	252,007	-	252,007	377,654
<b>Total Income</b>		<b>4,973,620</b>	<b>315,248</b>	<b>5,288,868</b>	<b>5,342,942</b>
<b>Expenditure on:</b>					
<b>Costs of Raising Funds</b>					
General Fundraising and Publicity Costs	7	663,396	3,918	667,314	446,723
Commercial Trading Operations	4	128,001	-	128,001	279,149
<b>Charitable Activities</b>					
Delivering Hospice Services	6	3,713,535	329,126	4,042,661	3,563,402
<b>Total Expenditure</b>		<b>4,504,932</b>	<b>333,044</b>	<b>4,837,976</b>	<b>4,289,274</b>
<b>Net (loss)/gain on investment</b>		(27,291)	-	(27,291)	103,025
<b>Net Income/(Expenditure)</b>		441,397	(17,796)	423,601	1,156,693
Transfers Between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>441,397</b>	<b>(17,796)</b>	<b>423,601</b>	<b>1,156,693</b>
<b>Reconciliation of Funds</b>					
Total Funds					
Brought Forward at 1 April		9,703,678	67,056	9,770,734	8,614,041
<b>Total Funds Carried Forward</b>	<b>18</b>	<b>10,145,075</b>	<b>49,260</b>	<b>10,194,335</b>	<b>9,770,734</b>

The notes on pages 24 - 41 form part of these financial statements. The results relates to continuing activities.

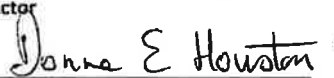
The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Consolidated Balance Sheet**  
**Year Ended 31 March 2023**

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible Assets	11	1,594,616	1,649,870
Investments	12	805,470	830,659
		<u>2,400,086</u>	<u>2,480,529</u>
<b>Current assets</b>			
Stocks	13	26,426	25,705
Debtors	14	212,058	329,379
Investments	15	5,378,329	2,028,507
Cash at Bank and in Hand		2,738,994	5,730,882
		<u>8,355,807</u>	<u>8,114,473</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(561,558)	(824,268)
Net Current Assets		7,794,249	7,290,205
<b>Total Assets less Current Liabilities</b>		10,194,335	9,770,734
<b>Net assets</b>		<u>10,194,335</u>	<u>9,770,734</u>
<b>Group Funds employed</b>			
Restricted Funds	18	49,260	67,056
Unrestricted Funds	18	10,145,075	9,703,678
		<u>10,194,335</u>	<u>9,770,734</u>

The financial statements were approved and authorised for issue by the Board of Directors on the 8th August 2023 and were signed on its behalf by:

  
P Loughran  
Director

  
D Houston  
Director

Company Registration: NI038737

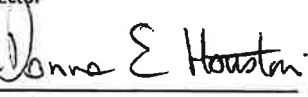
The notes on pages 24 - 41 form part of these financial statements. The results relates to continuing activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Balance Sheet**  
**Year Ended 31 March 2023**

		2023	2022
		£	£
<b>Fixed assets</b>			
Tangible Assets	11	1,594,616	1,639,941
Investments	12	805,470	830,659
		<u>2,400,086</u>	<u>2,470,600</u>
<b>Current assets</b>			
Stocks	13	25,827	24,448
Debtors	14	331,474	417,639
Investments	15	5,378,329	2,028,507
Cash at Bank and in Hand		2,556,380	5,535,297
		<u>8,292,010</u>	<u>8,005,891</u>
<b>Liabilities</b>			
Creditors: Falling due within one year	16	(505,115)	(731,056)
<b>Net Current Assets</b>		7,786,895	7,274,835
<b>Total Assets less Current Liabilities</b>		10,186,981	9,745,435
<b>Net assets</b>		<u>10,186,981</u>	<u>9,745,435</u>
<b>Funds employed</b>			
Restricted Funds	18	49,260	67,056
Unrestricted Funds	18	10,137,721	9,678,379
		<u>10,186,981</u>	<u>9,745,435</u>

The financial statements were approved and authorised for issue by the Board of Directors on the 8th August 2023 and were signed on its behalf by:

  
Patrick Loughran  
P Loughran  
Director

  
Donna E Houston  
D Houston  
Director

Company Registration: NI038737

Southern Area Hospice Services Ltd  
Limited By Guarantee  
Consolidated statement of cash flows  
Year Ended 31 March 2023

	Notes	2023 £	2022 £
<b>Cash used in Operating Activities</b>	<b>26</b>	340,963	1,707,668
<b>Cash flows from Investing Activities</b>			
Interest Income		52,955	16,304
Purchase of Tangible Fixed Assets		(33,883)	(36,078)
Purchase of investments		(3,351,923)	(13,482)
Cash provided by (used in) Investing Activities		<b>(3,332,851)</b>	<b>(33,256)</b>
<b>Cash flows from Financing Activities:</b>			
Movement in Deposits		-	-
Cash used in Financing Activities		-	-
<b>Increase/(decrease) in Cash and Cash Equivalents in the year</b>		(2,991,888)	1,674,412
<b>Cash and Cash Equivalents at the beginning of the year</b>		5,730,882	4,056,470
<b>Total cash and cash equivalents at the end of the year</b>		<b>2,738,994</b>	<b>5,730,882</b>
<b>Cash and Cash Equivalents at the end of the reporting period</b>		<b>2,738,994</b>	<b>5,730,882</b>

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies**

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

**a) Basis of preparation**

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) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southern Area Hospice Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. Taking account of the risk review undertaken by the directors they do not consider there to be a risk to the going concern status of the charity or the group. As referenced in the Report of Trustees a decision had been made to wind up subsidiary company Southern Area Hospice Services Shop Limited in October 2022. The Directors will review the financial position on a regular basis, taking any action needed to ensure that charity remains fit for purpose and on this basis the assessment of the directors is that the charity is a going concern.

**c) Group financial statements**

The financial statements consolidate the results of the charity and its subsidiaries Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited. We note that Southern Area Hospice Services Shop Limited ceased trading in July 2022, and was wound up in October 2022. These consolidated figures include the 4 months trading.

**d) Incoming Resources**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

*Government Grants*

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

*Donations*

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

*Commercial Trading Income*

Trading income represents the invoiced value of goods supplied during the year excluding value added tax. Revenue is recognised upon provision of the service to the customer.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

*Fundraising income*

Fundraising income is included in the Statement of Financial Activities when received, unless it is for a specific event in which case it is deferred to the timing of the event.

*Legacies*

Income from legacies is recognised when there is evidence of entitlement to the legacy, receipt is probable and its amount can be measured reliably. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the group, or the group is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

*Investment income*

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

**e) Resources Expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis 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 use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

*Costs of Raising Funds*

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

*Charitable activities*

These are costs incurred in providing medical and care services and facilities within the Hospice and, as such, include primarily the cost of medical supplies and staff costs.

*Pension costs*

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

*Governance costs*

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

*Support Costs*

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. These have been

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

*Support Costs ctd...*

allocated to charitable activities, costs of raising funds and governance costs on a basis consistent with the use of these resources.

**f) Fund accounting**

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

*Restricted funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

*Unrestricted funds*

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

*Designated funds*

Designated funds comprise capital reserve that has been allocated to meet future capital requirements and a Research and Development reserve (R&D) that is set aside to drive transformational change initiatives.

**g) Operating leases**

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**h) Tangible fixed assets**

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

*Buildings:*

Fundraising Office	- 10% straight line
Additions to day-care centre	- 4% straight line
Freehold Hospice Buildings	- 1.5% straight line

Fixtures, fittings and equipment - 20% reducing balance

Motor Vehicles - 25% straight line

Land is not depreciated. When the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**h) Tangible fixed assets ctd...**

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**i) Investments**

Listed investments are stated at market value, on the basis of the middle market price at the close of business. Whilst day to day management of the investment portfolio is carried on by experienced, registered investment managers (currently Brewin Dolphin) the ultimate control and responsibility rests with the Trustees.

**j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

**k) Cash at bank and in hand and current asset investments**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

**l) Creditors and provisions**

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

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. Donated goods into the shops are valued at zero as the value is their bagged weight which is immaterial to the financial statements.

**n) Foreign currency**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**n) Foreign currency ctd...**

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are presented in the Statement of Financial Activities.

**o) Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instruments is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**p) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

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**1) Accounting Policies- (continued)**

**p) Employee Benefits ctd...**

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**q) Exemptions under FRS 102**

The Charity has taken advantage of the following exemption:

- (i) from preparing a cash flow statement, on the basis that it is a qualifying entity and the consolidated statement of cash flow includes the Charity's cash flows.

**r) Exemptions under Companies Act 2006**

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities includes the Charity's statement.

**s) Critical accounting estimates and judgements**

In the application of the Charity'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.

*Critical judgements in applying the entity's accounting policies*

There are no critical judgements in applying the group's accounting policies.

*Critical accounting estimates and assumptions*

Income from legacies is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Cost allocation is an accounting estimate that is recognised in line with the accounting policy Note 1e.

Depreciation is an accounting estimate that is recognised in line with the accounting policy Note 1h.

**2) Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**Southern Area Hospice Services Ltd**  
**Company Limited By Guarantee**  
**Notes to the Financial Statements**  
**Year Ended 31 March 2023**

**3. Income from Charitable Activities**

	Restricted	Unrestricted	2023 Total	2022 Total
	£	£	£	£
Department of Health - General Funding	-	1,729,095	1,729,095	1,756,625
Other Government Grant Income	315,152	-	315,152	124,222
	<u>315,152</u>	<u>1,729,095</u>	<u>2,044,247</u>	<u>1,880,847</u>

The 2022 income total of £1,880,847 was split between £1,820,588 unrestricted and £60,259 restricted.  
Other Government Grant Income: This income is mainly income from the Cancer Charities' Support Fund. It is restricted as it can only be used for the purposes indicated in the grant application.

**4. Income from other trading activities**

The trading subsidiaries of the charity, Southern Area Hospice Services Shop Limited and Southern Area Hospice Services Lottery Limited are incorporated in the United Kingdom (company numbers NI035977 and NI035958 respectively) and pay a large proportion of their profits to the charity under the gift aid scheme. Southern Area Hospice Services Shop Limited ceased trading in July 2022 and was wound up in October 2022.

**Southern Area Hospice Services Shop Limited**

	7 Months 2023	12 Months 2022
	£	£
Turnover	41,928	166,189
Other operating income	10,134	31,341
Expenditure	(39,159)	(166,295)
Repayment to the Hospice	(30,858)	(31,300)
Corporation tax charge	-	(80)
Net Profit / (Loss)	<u>(17,955)</u>	<u>(65)</u>
Aggregate share capital and reserves	<u>-</u>	<u>17,955</u>

**Southern Area Hospice Services Lottery Limited**

	2023	2022
	£	£
Turnover	199,945	179,304
Donations	5,995	3,463
Other operating income	-	820
Expenditure	(88,842)	(112,854)
Donation to the Hospice	(117,090)	(70,700)
Corporation tax charge	-	(7)
Net Profit	<u>8</u>	<u>33</u>
Aggregate share capital and reserves	<u>7,350</u>	<u>7,342</u>

**5. Investment Income**

	2023	2022
	£	£
Interest receivable	52,955	16,304
Investment Income	-	10,032
	<u>52,955</u>	<u>26,336</u>

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**6. Charitable Activities - Delivering Hospice Services**

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £
Staff costs	300,768	2,640,816	<b>2,941,584</b>	55,648	2,507,032	2,562,680
Insurance	-	48,618	<b>48,618</b>	-	46,917	46,917
Light & Heat	-	94,416	<b>94,416</b>	-	58,158	58,158
Housekeeping costs	-	20,954	<b>20,954</b>	-	27,998	27,998
Food and Medical Supplies	3,426	102,789	<b>106,215</b>	7,292	69,811	77,103
Repairs and Maintenance	-	45,078	<b>45,078</b>	154	28,481	28,635
Recruitment Expenses	-	8,026	<b>8,026</b>	99	26,847	26,946
Other Expenses	3,961	2,432	<b>6,393</b>	-	4,650	4,650
Training Costs	243	4,643	<b>4,886</b>	1,669	3,066	4,735
Depreciation	11,994	44,910	<b>56,904</b>	10,225	49,939	60,164
Volunteer Costs	-	1,162	<b>1,162</b>	-	-	-
Governance costs	-	9,799	<b>9,799</b>	-	7,501	7,501
Support costs (note 8)	8,734	689,892	<b>698,626</b>	655	657,260	657,915
	<b>329,126</b>	<b>3,713,535</b>	<b>4,042,661</b>	<b>75,742</b>	<b>3,487,660</b>	<b>3,563,402</b>

Restricted Funds expenditure - see note on Restricted Funds income under note 3.

**7. Costs of Raising Funds**

	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £	Restricted 2022 £	Unrestricted 2022 £	Total 2022 £
Staff Costs	3,414	395,474	<b>398,888</b>	-	293,357	293,357
Fundraising Expenses	-	224,755	<b>224,755</b>	-	111,007	111,007
Light & Heat	-	5,457	<b>5,457</b>	-	4,350	4,350
Repairs & Maintenance	-	3,534	<b>3,534</b>	-	4,718	4,718
Rates	-	623	<b>623</b>	-	3,451	3,451
Telephone	504	15,080	<b>15,584</b>	32	14,965	14,997
Stationery and Advertising	-	254	<b>254</b>	-	544	544
Support Costs (note 8)	-	18,219	<b>18,219</b>	-	14,299	14,299
	<b>3,918</b>	<b>663,396</b>	<b>667,314</b>	<b>32</b>	<b>446,691</b>	<b>446,723</b>

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**8. Support Costs**

	<b>Basis of Allocation</b>	<b>Generating Funds</b>	<b>Delivering Hospice Services</b>	<b>2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	Staff Time/Usage	-	531,315	531,315
Other Staff Costs	Staff Time/Usage	-	16,450	16,450
Repairs and Renewals	Floor Space	-	4,388	4,388
Recruitment	Staff Costs/Usage	60	6,078	6,138
Financing	Actual	12,889	6,277	19,166
Training Costs	Staff Time/Usage	35	325	360
Legal and Professional Costs	Usage	-	35,185	35,185
Depreciation	Usage	-	21,592	21,592
Loss on Disposal	Usage	-	712	712
General Administration	Usage	5,235	76,304	81,539
		<b>18,219</b>	<b>698,626</b>	<b>716,845</b>

	<b>Basis of Allocation</b>	<b>Generating Funds</b>	<b>Delivering Hospice Services</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	Staff Time/Usage	-	499,763	499,763
Other Staff Costs	Staff Time/Usage	-	15,244	15,244
Repairs and Renewals	Floor Space	300	3,160	3,460
Recruitment	Staff Costs/Usage	25	21,107	21,132
Financing	Actual	12,394	4,994	17,388
Training Costs	Staff Time/Usage	353	-	353
Legal and Professional Costs	Usage	-	15,397	15,397
Depreciation	Usage	-	25,255	25,255
General Administration	Usage	1,227	72,995	74,222
		<b>14,299</b>	<b>657,915</b>	<b>672,214</b>

**Southern Area Hospice Services Ltd**  
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9. Results for the year	Group		Charity	
	2023	2022	2023	2022
This is stated after charging:	£	£	£	£
Staff costs (note 10)	3,965,061	3,614,906	3,921,150	3,139,850
Audit fees - external	13,000	13,000	10,000	10,000
Audit fees - internal (assurance only)	4,125	5,625	4,125	5,625
Depreciation	78,869	87,193	78,496	85,419
Operating lease rentals - property	13,975	34,650	-	-

10. Employee information	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Wages and salaries	3,404,498	3,134,390	3,361,284	2,674,283
Social security costs	287,702	251,265	287,497	242,537
Other pension costs	272,861	229,251	272,369	223,030
	<b>3,965,061</b>	<b>3,614,906</b>	<b>3,921,150</b>	<b>3,139,850</b>

The average number of persons employed by the company (excluding Directors) during the year, by activity, was as follows:

	Group		Charity	
	2023	2022	2023	2022
Support Staff and Fundraising	37	36	36	31
Direct Care Staff	54	48	54	48
Catering and Housekeeping	10	13	10	13
	<b>101</b>	<b>97</b>	<b>100</b>	<b>92</b>

The number of employees whose emoluments exceed £60,000 were:

	2023	2022
£60,001 - £70,000	-	-
£70,001-£80,000	2	1
£80,001-£90,000	1	-
£90,001-100,000	1	1
Over £100,000	1	1

For staff whose emoluments exceed £60,000, pension contributions amounting to £41,365 (2022: £31,939) were paid towards a defined contribution pension scheme.

Indemnity insurance for directors' liability was purchased by the charity for £7,000 (2022: £5,610).

The total employee benefits, excluding employers pensions, of the key management personnel of the Group was £322,102.60 (2022: £247,370)

No charity trustee received payment for professional or other services supplied to the charity. (2022: £nil)

**Southern Area Hospice Services Ltd**  
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**11. Tangible Fixed Assets**

Group

	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2022	1,972,566	510,648	700,687	55,855	44,154	3,283,910
Additions	-	11,528	22,355	-	-	33,883
Disposals	-	-	(55,528)	(1,068)	-	(56,596)
<b>At 31 March 2023</b>	<b>1,972,566</b>	<b>522,176</b>	<b>667,514</b>	<b>54,787</b>	<b>44,154</b>	<b>3,261,197</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	567,253	442,913	572,443	16,339	35,092	1,634,040
Charge for the period	28,358	13,881	25,580	7,889	3,161	78,869
Depreciation on disposal	-	-	(45,972)	(356)	-	(46,328)
<b>At 31 March 2023</b>	<b>595,611</b>	<b>456,794</b>	<b>552,051</b>	<b>23,872</b>	<b>38,253</b>	<b>1,666,581</b>
<b>Net book amount</b>						
<b>At 31 March 2023</b>	<b>1,376,955</b>	<b>65,382</b>	<b>115,463</b>	<b>30,915</b>	<b>5,901</b>	<b>1,594,616</b>
At 31 March 2022	1,405,313	67,735	128,244	39,516	9,062	1,649,870

Charity

	Land & Buildings £	Fixtures & Fittings £	Equipment £	IT Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 April 2022	1,972,566	510,648	645,159	55,855	39,704	3,223,932
Additions	-	11,528	22,355	-	-	33,883
Disposals	-	-	-	(1,068)	-	(1,068)
<b>At 31 March 2023</b>	<b>1,972,566</b>	<b>522,176</b>	<b>667,514</b>	<b>54,787</b>	<b>39,704</b>	<b>3,256,747</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	567,253	443,091	526,666	16,339	30,642	1,583,991
Charge for the period	28,358	13,703	25,385	7,889	3,161	78,496
Depreciation on disposal	-	-	-	(356)	-	(356)
<b>At 31 March 2023</b>	<b>595,611</b>	<b>456,794</b>	<b>552,051</b>	<b>23,872</b>	<b>33,803</b>	<b>1,662,131</b>
<b>Net book amount</b>						
<b>At 31 March 2023</b>	<b>1,376,955</b>	<b>65,382</b>	<b>115,463</b>	<b>30,915</b>	<b>5,901</b>	<b>1,594,616</b>
At 31 March 2022	1,405,313	67,557	118,493	39,516	9,062	1,639,941

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**12. Investments**

**Group and Charity**

	<b>Cash Deposits £</b>	<b>Investment in Equities £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2022	352,787	477,872	830,659
Additions	2,102	-	2,102
Transferred to current assets	-	-	-
Fair Value Profit/(Loss )	-	(27,291)	(27,291)
Disposals	-	-	-
<b>At 31 March 2023</b>	<b>354,889</b>	<b>450,581</b>	<b>805,470</b>

Long term investments, which include monies in deposit accounts of £354,889 (2022: £352,787) which are due to mature in greater than 12 months and equity investments £450,581 (2022: £477,872), are held within the United Kingdom and exist primarily to provide an investment return for the group. At the end of each investment term the monies received are expected to be reinvested in further investment opportunities for the benefit of the group.

**13. Stocks**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Consumables	<b>26,426</b>	25,705	<b>25,827</b>	24,448
	<b>26,426</b>	25,705	<b>25,827</b>	24,448

**14. Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Debtors	<b>156,840</b>	239,375	<b>153,280</b>	232,542
Amounts owed by subsidiary undertakings	-	-	<b>124,801</b>	101,355
Other debtors	<b>26,463</b>	60,409	<b>26,463</b>	57,924
Prepayments and accrued income	<b>28,755</b>	29,595	<b>26,930</b>	25,818
	<b>212,058</b>	329,379	<b>331,474</b>	417,639

Amounts owed by subsidiary undertakings are unsecured, interest free and are repayable on demand.

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**15. Current Asset Investments**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	£	£	£	£
Short Term Deposits	<b>5,378,329</b>	2,028,507	<b>5,378,329</b>	2,028,507
<b>Total</b>	<b>5,378,329</b>	2,028,507	<b>5,378,329</b>	2,028,507

Current asset investments relate to monies held in short term deposit accounts and are due to expire within one year.

**16. Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	£	£	£	£
Trade Creditors	<b>74,127</b>	107,209	<b>69,771</b>	67,029
Other taxation and social security	<b>114,885</b>	99,196	<b>114,885</b>	99,109
Accruals and deferred income	<b>317,007</b>	564,647	<b>307,830</b>	554,779
Other creditors	<b>55,539</b>	53,216	<b>12,629</b>	10,139
	<b>561,558</b>	824,268	<b>505,115</b>	731,056

**Southern Area Hospice Services Ltd**  
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**17. Financial instruments**

	<b>Group 2023</b>	<b>Group 2022</b>	<b>Charity 2023</b>	<b>Charity 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fair value through profit or loss</b>				
Fixed asset investments	450,581	477,872	450,581	477,872
	<b>450,581</b>	<b>477,872</b>	<b>450,581</b>	<b>477,872</b>
<b>Financial assets held at amortised cost</b>				
Cash at bank and in hand	2,738,994	5,730,882	2,556,380	5,535,297
Trade debtors	156,840	239,375	153,280	232,542
Other debtors	55,218	90,004	53,393	83,742
Investment in short term deposits	5,378,329	2,028,507	5,378,329	2,028,507
Investment in long term deposits	354,889	352,787	354,889	352,787
	<b>8,684,270</b>	<b>8,441,555</b>	<b>8,496,271</b>	<b>8,232,875</b>
<b>Financial liabilities held at amortised cost</b>				
Trade creditors	74,127	107,209	69,771	67,029
Other creditors	170,424	152,412	127,514	109,248
Accruals and deferred income	317,007	564,647	307,830	554,779
	<b>561,558</b>	<b>824,268</b>	<b>505,115</b>	<b>731,056</b>

**Southern Area Hospice Services Ltd**  
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**18. Analysis of charitable funds**

**Analysis of movements in funds**

<b>Group</b>	<b>Balance 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Expended funds £</b>	<b>Gain on Investments £</b>	<b>Transfers £</b>	<b>Balance 31 March 2023 £</b>
<b>Restricted Funds</b>	67,056	315,248	(333,044)	-	-	49,260
<b>Designated funds</b>						
Capital reserve	6,180,100	-	-	-	1,381,692	7,561,792
Research and development reserve	381,692	-	-	-	(381,692)	-
<b>General funds</b>	3,141,886	4,973,620	(4,504,932)	(27,291)	(1,000,000)	2,583,283
<b>Total funds</b>	<b>9,770,734</b>	<b>5,288,868</b>	<b>(4,837,976)</b>	<b>(27,291)</b>	<b>-</b>	<b>10,194,335</b>

<b>Charity</b>	<b>Balance 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Expended funds £</b>	<b>Gain on Investments £</b>	<b>Transfers £</b>	<b>Balance 31 March 2023 £</b>
<b>Restricted Funds</b>	67,056	315,248	(333,044)	-	-	49,260
<b>Designated funds</b>						
Capital reserve	6,180,100	-	-	-	1,381,692	7,561,792
Research and development reserve	381,692	-	-	-	(381,692)	-
<b>General funds</b>	3,116,587	4,912,928	(4,426,295)	(27,291)	(1,000,000)	2,575,929
<b>Total funds</b>	<b>9,745,435</b>	<b>5,228,176</b>	<b>(4,759,339)</b>	<b>(27,291)</b>	<b>-</b>	<b>10,186,981</b>

Capital Reserve - The Board has decided to allocate a further £1,381,692 to the balance of £6,180,100 with a view to continuing to build these funds to meet future capital requirements.

R&D Reserve - The Board has decided to transfer the £381,692 of R&D funds to the Capital Reserve as following completion of the strategic plan, it is no longer deemed that there is a need for this separate fund. See note in Reserves section of the Strategic Report.

**Southern Area Hospice Services Ltd**  
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**19. Analysis of group net assets between funds**

	Unrestricted			Total funds £
	Restricted funds £	General funds £	Designated funds £	
	<b>Fund balances at 31 March 2023 are represented by:</b>			
Tangible fixed assets	49,249	1,545,367	-	1,594,616
Fixed asset investments	-	805,470	-	805,470
Net current assets	11	232,446	7,561,792	7,794,249
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<b>49,260</b>	<b>2,583,283</b>	<b>7,561,792</b>	<b>10,194,335</b>

	Unrestricted			Total funds £
	Restricted funds £	General funds £	Designated funds £	
	<b>Fund balances at 31 March 2022 were represented by:</b>			
Tangible fixed assets	42,375	1,607,495	-	1,649,870
Fixed asset investments	-	830,659	-	830,659
Net current assets	24,681	703,732	6,561,792	7,290,205
Creditors: amounts falling due after more than one year	-	-	-	-
<b>Total</b>	<b>67,056</b>	<b>3,141,886</b>	<b>6,561,792</b>	<b>9,770,734</b>

**20. Taxation**

Southern Area Hospice Services Ltd is recognised as a charity by HM Inspector of Taxes, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred. This excluded certain types of expenditure where under the terms of a new scheme which commenced on 1 April 2015, charities that are not registered for VAT are able to claim back an element of their input VAT. The charity has participated in this scheme from the commencement date.

The Lottery is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

The Shop is registered for VAT and its expenditure is recorded net of VAT.

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**21. Free reserves**

Free reserves as noted in the directors report, are calculated as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total unrestricted reserves	<b>10,145,075</b>	9,703,678
Tangible assets	<b>(1,545,367)</b>	(1,607,495)
Fixed asset investments	<b>(805,470)</b>	(830,659)
	<b>7,794,238</b>	7,265,524

Total unrestricted reserves include £7,561,792 of designated funds which are allocated to a Capital Reserve to continue to build these funds to meet future capital requirements.

**22. Related party transactions and ultimate controlling party.**

The Board of Trustees are considered to be the Charity's ultimate controlling party.

Included within trade debtors is £NIL (2022: £28,085) due from Southern Area Hospice Shop Limited and £4,350 (2022: £3,920) due from Southern Area Hospice Services Lottery Limited as at 31 March 2023.

Included within trade creditors is £NIL (2022: £NIL) due to Southern Area Hospice Shop Limited and £NIL (2022: £NIL) due to Southern Area Hospice Services Lottery Limited as at 31 March 2022.

In 2023 Southern Area Hospice Services Lottery Limited made a gift of £117,090 to Southern Area Hospice Services Ltd and Southern Area Hospice Services Shop Limited made a gift of £NIL to Southern Area Hospice Services Ltd.

**Southern Area Hospice Services Ltd  
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**23. Liability of members**

All three group companies are companies limited by guarantee and do not have a share capital. The liability of each member is limited to an amount not exceeding £1.

**24. Financial commitments**

The group had the following future minimum lease payment under non-cancellable operating leases for each of the following periods:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Less than one year	-	12,300
Later than one year and not later than five years	-	-

**25. Subsidiaries**

The subsidiary undertakings whose results are reflected in the consolidated financial statements by virtue of control, are as follows:

	<b>Interest consolidated</b>
Southern Area Hospice Services Shop Limited - NI035977	100%
Southern Area Hospice Services Lottery Limited - NI035958	100%

**26. Net cash generated from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net incoming resources	<b>423,601</b>	1,156,693
Depreciation	<b>78,869</b>	87,193
Interest receivable and similar income	<b>(52,955)</b>	(26,336)
Gain on Investments	<b>27,291</b>	(103,025)
Loss on sale of fixed assets	<b>10,268</b>	206
Movement in Debtors	<b>117,321</b>	295,149
Movement in Creditors	<b>(262,711)</b>	294,313
Movement in Stocks	<b>(721)</b>	3,475
Net cash inflow from operating activities	<b>340,963</b>	1,707,668