



A Hospice is a gift
a community
gives to itself

ANNUAL REPORT & ACCOUNTS

HOSPICE OF ST FRANCIS (BERKHAMSTED) LIMITED

FOR THE
YEAR ENDED
31 MARCH 2023



Company Number: 1507474

Registered Office: Hospice of St Francis
(Berkhamsted) Limited, Spring Garden Lane
Berkhamsted, Herts, HP4 3GW

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

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Tim Curry, Chair of the Board of Trustees.

The power of a Hospice is in the power of the people who trust and support it and the loyalty of those who volunteer and work with us.

On behalf of the Board we record our respect and admiration for our staff and volunteers in everything they do. Whilst national restrictions for the public and in our shops because of CV-19 were lifted this year, in the hospice for everyone caring for patients and families, the incidence of the coronavirus meant that we continued to implement enhanced protection with compulsory mask wearing. The compassion and consummate skill of our teams in all that they do is a credit to them, the charity and the community.

Thanks to our customers, donors and staff in our shops on the high street and on-line. When we compare 2022/23 and 2021/22, we had 236,000 customers, up 13% on 21/22. The average sale price per customer is up by 27% at £15.32 and, measured in hours, the time given by our trading volunteers at 44,000 hours is up by 15%. Similarly the work of staff, supporters, volunteers and donors in fundraising has delivered an impressive return to raising income this way. Our supporter survey this year tells us that the two biggest reasons people fundraise for us is the experience of being cared for and that we are the local charity people want to support. This gives us more confidence to project income going forward.

This knowledge, together with the lasting impact of the pandemic, meant that in 2022/23 the Board prioritised a review of our strategy. I would like to thank Massimo Petronio Deputy Chair for leading the work and the Trustees and Executive Team members who supported him.

As a result in 2023, we committed to invest more in digital technology, to introduce new approaches to fundraising in the community and legacies, to make it easier for customers to buy on-line and in store and included upcycled furniture at our Highfield Owned shop. We responded to a significant increase in referrals for palliative and end of life care across all of our services. We started a new group for people with dementia and their carers and we further extended therapy and rehabilitative care. Together with other Hospices in Hertfordshire and West Essex we signed a collaborative agreement to enable us to speak 'with one' voice in our joint work with the NHS and consolidate our commitment to working together for the benefit of the community as a whole.

My experience of the Hospice of St Francis is that in challenging times we are at our most innovative. We never take the support and trust of local people for granted. That support and trust is returned by our commitment to be there for our staff and volunteers so that they can in turn be there for our patients, families, supporters and donors. This is what we mean when we say a hospice is a gift the community gives to itself.

Please keep giving, I can assure you we will too.



“Death doesn’t scare me. Pain, discomfort and being out of control does.”

“They said I was dying. I was not expecting to leave. They’ve turned me around and now I’m going home,” shares Pete Gardiner, age 59. He was referred to the Hospice’s Inpatient Unit in February following renal failure which left him in pain and unable to get out of bed.

After being taken to Watford Hospital by ambulance, Pete explains he has a very broken memory of the 10 days he spent there. He was in a lot of pain and trustees of his estate were told to say goodbye to Pete as treatment was withdrawn. Pete recalls conversations with the palliative care nurse who said there was a bed available at the Hospice and it was strongly recommended as an option. Pete says it was because of how ill he was, “I was told I was dying.”



“When I was transferred to the Hospice, I was admitted by Dr Becky and Helen (Inpatient Unit nurse), who I knew previously. Helen greeted me at the door, “Do you remember me?” and instantly I was more relaxed.”

“As I arrived I told the nurses, ‘Let’s get this over as quickly as possible’. Death doesn’t scare me. But pain, discomfort and being out of control does. The nurses kept saying ‘well you never know Pete’.”

Pete explained that when he was first diagnosed with renal failure, he decided dialysis wasn’t the option for him, because of the impact it has on day-to-day life. “So I’d had three years to get my head around the fact that there wasn’t any treatment to help me get better.”

“From day one, the Hospice’s doctors were more than honest with me about my prognosis. We had many conversations about death. They are a stunning, caring team. Everyone has time – and it’s that time and specialist treatment which has helped to turn me around. Everyone supports each other and they’re always there to help. Sometimes the nurses will pop their heads in just to say hello. Some of the team have a real joke with you - I could tell you stories about all of them!”

“Some of the nurses, like Sophie and Cassie, always take time to give me a bit of banter and make things light hearted to ‘gee me up’. There’s always a bit of silliness which is so refreshing.”

Pete has been paraplegic for 27 years since suffering spinal injuries. During the pandemic he also experienced a double leg amputation due to a diabetic foot ulcer, which became infected. He explains how the Hospice’s rehab team worked alongside the nursing teams, “Louise and Marie-Jeanne have been very, very good – every day for two weeks they were supporting me and showing the nurses how to use the bed hoist.”

“Since being at the Hospice, my kidneys have bounced back to levels which are better than before my hospital admission. The nursing team have been seriously on the ball with treating my sores. Dressing them used to take almost an hour, now it is down to 10 minutes. At one stage the dressings were being changed five times in one day. I’m still limited in the amount of time I can be out of bed because of the pressure it puts on the sores – they are letting me increase it by five minutes per week.”

“Since I’ve improved, I’ve been home briefly, and also managed to go for dinner with three friends (a pub recommendation from the nurses).”

During the last weekend that Pete was at the Hospice, a group of friends held a fundraising poker game, with funds going to the Hospice, raising around £1,500. Pete was able to attend, but he couldn’t stay too long because of the time-constraints caused by his sores.

Pete jokes that he has long-standing tickets to see Elton John at Watford FC’s stadium, but “I’ll have to negotiate with the nurses on whether they let me go to that one!”

Since speaking with Pete in June 2022, he has since returned home with a support plan in place.



Meet Mridula



We kickstarted this year's #StudentVolunteeringWeek with a catch up with Mridula, a volunteer from our IPU team, who we featured on our website and socials last year!

"I started medical school at the University of Buckingham in January 2023. This was after 4 years of hard work in my Biomedical Science degree after which I was awarded a 2.1 with honours. Working in a specialised healthcare environment like the hospice for 6 years was one of the best things I did to prepare for this next step in my life. While volunteering in the kitchen, I got to enhance my communication and team working skills. Talking to patients helped me to understand what empathy really means to me. I have loved every minute spent in the inpatient unit and with the team working there.

Modules focusing on the physiology of the body are exciting because I am able to see how I can use my knowledge from my previous degree and apply it in a clinical setting. Practicing how to talk to patients has made me realise how easily I can start a conversation with someone and direct them to answer specific questions. I can confidently initiate and carry on conversations and this is definitely due to the numerous patients and staff members I've had the chance to spend time talking to. I am so grateful for the time I've been able to spend volunteering at the hospice and I will continue to fill in a shift whenever I visit home during my holidays."

“They concentrate on life: Julie’s story”

“I would have never dreamt that I’d be taken out to the zoo. It was so unexpected,” Julie says, describing her recent visit to Whipsnade. Julie arrived at the Hospice in February with metastatic cancer, and was initially unable to leave her room. But as she grew stronger and attended coffee mornings, Julie’s goal – to revisit the zoo she’d loved with her family – came to the fore.

“On the Friday, Ray [Head of Spiritual Care] said, ‘I’m going to take you to the zoo on Monday’ and I was like, how are you going to do that?” Julie says, recalling her disbelief. Behind the scenes, our Wellbeing Team was working to make it happen.

Julie and her husband joined Ray for a whirlwind tour of Whipsnade Zoo that Monday. “We saw the giraffes and the elephants. There were rhinos in the field and some emus,” Julie recalls with enthusiasm. “It made such a difference getting out. It was absolutely fantastic.”

Julie’s husband Peter agrees. “It’s a little bit of your life that is normal. A lot of people believe that a hospice concentrates on death. Which isn’t right. They concentrate on life.”

Julie and Peter were initially scared about what going to a hospice meant. “We didn’t know exactly what happened in a hospice. The vision is you’ll come in and lie in a bed and that’s it,” Peter said.

Julie describes her relief upon her arrival at the Hospice. “As I came in the sun was shining, and I felt a weight lift. I was out of hospital, and I was somewhere so beautiful.”

As she praises the food, the activities and the staff at the Hospice, Julie brims with emotion. “It’s very uplifting here. The nurses just come in and they’re bubbly and bright. If you’re laughing, they’ll laugh with you. They’ll share memories with you,” she says. Among Julie’s happiest memories are her visits to Whipsnade Zoo with her son when he was a child. “We used to love it when they had the sea lion shows,” Julie says. “And the way the penguins dive in [to the water] is just fantastic.”

Julie’s husband Peter is now hoping to bring her home, something which seemed daunting before.

“Now I have to go to the shops and buy lime jelly,” Peter tells Julie, noting her love of the Hospice’s puddings. “For your first night at home.”



“I feel like a person who just happens to be a patient.”



Keith Stevenson talks about his newfound interest in birdwatching with a wry smile. “If you’d told me a year ago that I would be a twitcher, I would’ve laughed so hard.”

Upon his arrival at The Hospice of St Francis in February, the sixty-two-year-old Watford man was given a bird identification chart and a pair of binoculars. He’d spent the past four months in hospitals, after an unexpected diagnosis of Interstitial Lung Disease hit him like “a whirlwind, a rollercoaster and a tsunami.”

Keith began keeping a tally of birds outside his window at the Hospice. “It was like, wow! I’m learning. You lose yourself in it.”

Prior to his diagnosis in September, Keith worked as a financial auditor, and was also a keen sportsman in his youth, specialising in martial arts. But in hospital, he needed to wear an uncomfortable oxygen mask at all times and his condition worsened. “For six to seven weeks, I couldn’t move from one side of the bed to the other,” he says.

His wife, Wendy, says she was called by Watford General Hospital in late December and thought it was her last day with Keith. The hospital planned to use mechanical ventilation which would require Keith to be sedated. Keith explains, “At hospital the wheels fell off and the engine blew up.”

Dr Chadwick, the Hospice’s Medical Director, saw Keith in the hospital and arranged for him to be transferred to the Hospice. She then arranged for a cutting-edge High Flow Nasal Oxygen (OptiFlow) machine to be brought to the Hospice. This technology can improve breathing and recovery by providing

warm, humidified high flow oxygen through a small nasal cannula. We're one of only two hospices in the UK to have ever used one of these machines.

Keith arrived at the Hospice with a thick beard because he hadn't been able to remove his oxygen mask to shave in hospital. But with the OptiFlow machine, Keith could have conversations with his three daughters and finally shave his beard. "I was so used to a mask it was as though my brain wanted to take a mask off before letting me drink," he recalls.

Wendy described their first day at the Hospice. "That welcome we got when we walked in was unbelievable. They were actually expecting us. It was like, thank God. Such a relief. I'll be able to sleep at night."

Keith says that all of the Hospice staff have gone above and beyond to help him feel like himself again. "Everyone is invested in you as an individual," he says. "I feel like a person who just happens to be a patient."

After ten days in the Hospice, Keith's appetite improved and he began feeling stronger. He went from being immobile in bed to getting up and sitting in a chair. Keith benefitted from rehabilitation support with the Wellbeing Team. "They gave me self-belief," he says. "The difference is like night and day. They've given me the tools and it's about finding the right tool."

Soon, Keith was reminiscing about friends who recently visited with a bottle of wine. "The day I stood unaided," he says. "I actually cried. It was so overwhelming."

Keith credits Dr Chadwick with his improved situation, calling her 'a force of nature'. "Dr Chadwick is always willing to answer my questions," Keith says. "She's someone who understands and wants to listen to me. She went through hoops to apply for the OptiFlow, and she's always been real with me."

Despite Keith's difficult journey, his spirit remains undimmed. He's excited about the birds he's yet to identify and his new talent for decoupage. He says that the Hospice team "enabled us to move forward. They've given us some semblance of our life. Before I was patient 26, on ward 7, floor 3 – now I'm Keith again."

His wife Wendy says, "We've been overwhelmed by kindness at the Hospice. The support for our family has been phenomenal. I couldn't believe it – that people can be so kind. It puts your faith back in humanity."

Our music therapist remembers her first patient: “He was happy, he was crying”

“My first patient was an accomplished musician who’d been playing since he was four. But due to the progression of his illness, he had lost the ability to speak or move his arms. I went in to meet him along with his brother and a carer, and he used a device to say: ‘My hands don’t work, but my feet do.’

I put on a song that we could play the chords to, and he played using his foot. He strummed whilst I held the chords. Because the client was non-verbal, he couldn’t sing or hum along, so to be able to make music again really made a difference for him.

His brother was in tears of joy. The client was getting tearful. He was happy, he was crying. I was tearful. It was a moment that you could tell they really needed. He just needed to express himself musically once more.”

Syrona is part of our Creative Therapies team that uses movement, dance and music to support people living with a long-term diagnosis. The team is currently launching a new group for people with dementia to explore their memories, experiences and feelings through music and movement.

Syrona: “I will develop creative therapy groups that are inclusive, involving people from all corners of our area.”



Bill’s Story

Bill, aged 88 from St Albans, recently spent 11 days on the Hospice’s Inpatient Unit. Living with the lung condition COPD, he has been receiving intravenous antibiotics as well as constant oxygen support.

“The nurse from my GP Surgery was so excited when she told me there was a bed available at St Francis for me. I didn’t know what the Hospice was or what they did. I had a feeling they cared for some people who were dying. I was exhausted. Now I know why she was so excited – it’s made a huge difference.”

“Come here. This is the place for you,” shares Bill when asked how people should feel about the Hospice.



Bill, who had a previous admission to Watford General Hospital, explains that the Hospice team have also treated the water retention in his legs, a common symptom of COPD.

“It doesn’t matter who you are. The doctors and nurses are incredible. They must have some sort of extra special training. I only had to look ill and they are there to help! They’ve added time to my life.”

Dr Chadwick, Medical Director, shares “Bill was admitted to the Hospice Inpatient Unit to have a course of intravenous antibiotics to treat his lung condition. This prevented him from having to go back into hospital which he really did not want to do. At the same time he was able to benefit from the holistic approach that the Hospice team offers, working with our therapist to improve his breathing and his mobility. It has been a pleasure to look after him and see his condition improve so dramatically.”

Bill has been discharged, returning home where he lives with his wife.

Meet Tracy

Tracy is a Hospice Clinical Administrator, supporting our Inpatient team! She shares a bit about what she does and explains why she enjoys working within our team...

“I’ve worked at the Hospice for 4 years as a part-time Clinical Administrator, I joined in November 2018.

I am responsible for administrative support for the clinical team on the Inpatient Unit (IPU). I also help to coordinate our team of fabulous IPU volunteers who we could not manage without! My role is varied and very busy. I work with a fun and supportive team who make me smile every day. They are a fabulous group of amazing, inspiring people, all dedicated to the ethos of the Hospice community.

If you were ever looking for a new role and wanted to give back to the local community, I would absolutely recommend applying to work here!

The Hospice is a wonderful place, with amazing people in beautiful surroundings of Hertfordshire. I feel incredibly lucky to be part of the team and love working here. It is a caring, friendly and loving environment to work within.



**REPORT OF THE BOARD OF TRUSTEES
 FOR THE YEAR ENDED 31 MARCH 2023**

PATRONS AND TRUSTEES OF THE CHARITY

PATRONS

Robert Voss CBE, The Lord Lieutenant of Hertfordshire
 Lady Dione, The Countess of Verulam CG
 Jo Connell OBE DL
 Dr Vivienne Cox CBE
 Dr Ros Taylor MBE
 Dr Rama Vancheeswaran
 The Rt. Hon Gagan Mohendra, MP for South West Hertfordshire
 Dr Peter Carter OBE
 Hilary McNair
 Charles Toner
 Alison Woodhams

HONORARY PATRONS

Joan Gentry
 Sir Mike Penning, MP for Hemel Hempstead

BOARD OF TRUSTEES:	Membership of committees and directorships of subsidiary company
Tim Curry (Chair)	
Richard Houghton	IGC
Jennifer Jenkins	PGC
Parul Kanabar	FARR, PGC
Kathryn Magson	CGC, IGC
Juliet Mountford	PGC, FARR
Natalie Pankova	IGC, CGC
Massimo Petronio (Deputy Chair)	FARR, PGC
Eddie Powell	IGC, PGC
Shailen Rao*	CGC
Margaret Salmon	CGC, FARR, PGC
Phillip Sewell	IGC, FARR
Tim Symington (Treasurer)	CGC, FARR

Key to committee membership:

Board Committees

Income Generation (IGC)

Clinical Governance (CGC)

People and Governance (PGC)

Finance Audit, Risk and Resources (FARR)

Subsidiary Company *Director of Hospice of St Francis Trading Ltd (T)

**REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

HOSPICE MANAGEMENT AND DETAILS OF ADVISORS

CHIEF EXECUTIVE OFFICER:	Kate Phipps-Wiltshire
EXECUTIVE TEAM:	Dr Sharon Chadwick (Medical Director & Deputy CEO) Sarah Coles (Director of Sustainable Trading) Fay Richardson (Director of Care) Kimberley McLaughlin (Director of Psychological Services) Sophie Boden (Head of People) Karenann Spicer (Director of Education and Research) Fiona Watson, Lucy Hume, Kate Grigg (Joint Fundraising Directors) Sharon White (Director of Finance & Performance)
REGISTERED OFFICE:	Hospice of St Francis Spring Garden Lane Berkhamsted Hertfordshire HP4 3GW
COMPANY REGISTRATION NUMBER	01507474 Registered in England and Wales
CHARITY REGISTRATION NUMBER	280825
Telephone:	01442 869550
Website:	www.stfrancis.org.uk
Email:	info@stfrancis.org.uk
Facebook:	facebook.com/thehospiceofstfrancis
Twitter:	@hospicstfrancis
Instagram:	@hospicestfrancis
AUDITORS:	Saffery Champness 71 Queen Victoria Street London EC4V 4BE
BANKERS:	Lloyds Bank PLC 205 High Street Berkhamsted Hertfordshire HP4 1AP
SOLICITORS:	SA Law 60 London Road St Albans Hertfordshire AL1 1NG
INVESTMENT ADVISOR:	Barclays Wealth, London 1 Churchill Place London E14 5HP

HOSPICE OF ST FRANCIS (BERKHAMSTED) LIMITED
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REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Hospice of St Francis objectives

The Hospice of St Francis vision is:

A community where people with life-limiting illnesses live well until the end of their lives and their families receive the support they require.

Our mission in our articles of association is:

- ***To achieve our vision by providing excellent care and support to patients and those close to them***
- ***To share expertise through collaboration, innovation and education***
- ***To sufficiently engage the support of our community to enable us to deliver our vision and mission.***

The stated aims of the charity being:

- To transform the quality of life for people living with life-limiting illnesses and provide support for those close to them;
- To ensure high quality provision of care through education and research;
- To sustain and expand our services through excellent financial management and governance;
- To continually improve efficiency and effectiveness.

Achievements and performance in 2022/23

The strategic aims of the Charity were to a) double the reach of our care b) agree and implement a post pandemic financial plan c) be an outstanding hospice. Executive Team Directors and Committee chairs agreed a number of strategic objectives to deliver these strategic aims. They are expressed in the table below in the context of each risk domain used by trustees in the strategic risk register.

	Strategic Objectives – 23/24	Progress as at March 2023	Summary
Financial	Maximise income	Achieved	Voluntary fundraising and trading income exceeded budgeted targets. Legacy income down by £0.6m on previous year.
	Control expenditure and contain business operating costs	Achieved	Costs under our control came in at or below budget. External pressures, fuel, cyber security, VAT, cost of living and pay pressures compromised our ability to deliver planned efficiencies in full. An additional target (service transformation) delivered in Q4 was agreed to achieve recurrent reduction in pay (c200k) for the start of 23/24 and new models of care/service delivery (optimise capacity in people services and education and training and psychological therapies)
	Increase NHS income by targeting additional funding where the Hospice can add value	Achieved	Successful winter pressures funding by working in collaboration with NHS New jointly funded post with NHS Trust and new pathway for cardiac palliative care Receipt of continuing healthcare income where in-patient care meets this criteria
	Fully open new shop	Achieved	Amersham Owned delivered to plan and income target

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	Strategic Objectives – 23/24	Progress as at March 2023	Summary
Estates Environment and Infrastructure	Implement projects arising from trustee-led strategy review	Achieved	Place based fundraiser appointed, scoping new loyalty app for implementation in 23/24, development of branded services and products as part of the trading road map, capital works to create clinical space in Amersham Owned
	EV chargers installed	Achieved	New project to support to support green energy plans
	Bring despatch and delivery in house, including new vehicle purchase	Achieved	Infrastructure to support planned growth in trading to 25/26
	Implement new estates management structure	Achieved	Infrastructure to meet capacity gap identified post pandemic, and ensure senior leadership capability and in-house technical capability to meet statutory requirements and project management capability to implement capital plans
Compliance	Invest in integrated software to cost effectively support compliance with increasing and increasingly complex regulatory requirements	On track	Vantage commissioned, implementation plan on track.
	To be an outstanding Hospice	Achieved	We have continued to maintain our outstanding CQC rating
Reputation	Retail performance remains in the top 5%	Achieved	Charity Retail Association (CRA) benchmarking evidences we are in top 5%.
	Fundraising that compares favourably with sector	Achieved	Fundraising performance exceeded projected income targets
	Deliver clinical developments through transformation of existing resources	Achieved	Maple Wing fully opened Fully staffing new virtual ward, embedding specialist infusion clinics, senior nurse post to introduce nurse led admissions, new therapies and dementia care services initiated to evidence 'proof of concept'.
	Implement projects arising from trustee-led strategy review	Achieved	Place based fundraiser appointed, scoping new loyalty app for implementation in 23/24, development of branded services and products as part of the trading road map, capital works to create clinical space in Amersham Owned
People	Recruit and retain volunteers to support trading road map	Achieved	New volunteer team fully recruited to support Amersham Owned (new shop) Shop opening hours and shop income targets were delivered with optimum combination of new staff and volunteers
	Pay and benefits	Achieved	Harmonise full time working hours across the workforce by April 2023 Embed new medical contract to retain specialist and specialist doctors and fill specialist doctor part time posts Pilot career progression process for career development in role Survey staff on benefits of employment and include top five in employment handbook Deliver recruitment for nurses, trading staff and volunteers through open days and social media to fill posts

REPORT OF THE BOARD OF TRUSTEES
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Principal risks and uncertainties

The Board of Trustees ensures effective risk management controls are in place to manage the strategic risks facing the Hospice. The Board of Trustees manages this responsibility through oversight of the Hospice’s risk management policy and procedures.

Core Domain	Proposed explanation of risk appetite for The Hospice of St Francis
Compliance	The charity regards any project or activity that would threaten its compliance with statutory, regulatory, professional or ethical requirements and standards for patient, family, staff and volunteer safety and/or the safety of the public in income generation activities as unacceptable.
Reputation	The charity regards any project or activity (including activities of organisations in the supply chain) that because of the risk of adverse publicity could not be mitigated and could seriously threaten its reputation (as an outstanding Hospice, trusted by the local community), as unacceptable.
People	The charity regards the recruitment and retention of staff and volunteers to operate core services as fundamental to maintaining reputation and compliance and is committed to maintaining compliance and value, support and develop its people (employees and volunteers) and to maintain the reputation of the charity as a good place to work. The Charity encourages thinking and action on innovative ways of working and new approaches to work and volunteering in order to support the furtherance of strategic objectives.
Financial	The charity will work to maintain the long-term financial viability of the charity as demanded by statute and/or regulation and/or governance, and within generally accepted boundaries of financial prudence. The charity will invest to develop new business and services in the context of this overall approach to financial prudence.
Estates, Environment IT and Infrastructure	All charities must undertake estates, IT and infrastructure projects, and at times such projects may be major and potentially high-risk with the aim or potential to affect substantial parts of the activities of the charity. The Charity will always ensure that the benefits and risks are fully understood before activities or projects are authorised, and that reasonable and sensible measures of risk mitigation are established. The importance of maintaining financial sustainability is paramount in such major projects. The charity will maintain these assets and make risk based judgements in prioritising a maintenance programme, allowing sufficient provision for the remediation of unplanned failures in critical infrastructure. The charity has environmental sustainability commitments (in the generation of power and the provision of water) which make a contribution to the reduction of the overall carbon footprint of the Charity. There is a low risk appetite for increasing the overall carbon footprint of the Charity.
Major Change Projects	The Charity delivers major change in the furtherance of strategic objectives and at times such changes may be major and potentially high-risk with the potential to affect substantial parts of activities of the Charity. The Charity will ensure benefits and risks are fully understood before activities or projects are authorised, and that reasonable and sensible measures of risk mitigation are established. The importance of maintaining reputation, financial sustainability and compliance are paramount in such major change projects.
Government Policy	The Hospice works closely with statutory organisations (predominantly the NHS and local government) governed by Government Policy and holds contracts with NHS organisations. Government Policy/legislation can change the remit of the NHS and local government, change comparative pay for clinical and care staff &/or change NHS standard contracts. This could impact on the NHS income received by the charity and/or the cost of providing care &/or ability to recruit and retain clinical staff &/or the number of people who rely upon the charity for care. Any or all of these changes could present a major risk to the operation of the charity.

**REPORT OF THE BOARD OF TRUSTEES
 FOR THE YEAR ENDED 31 MARCH 2023**

Principle risks

Risk	Management / mitigation
Financial <ul style="list-style-type: none"> Liquidity and investment performance Increase in operating costs 	<ul style="list-style-type: none"> Investment policy review and recommendations implemented Cash flow management Review of income streams and quarterly re-profiling Pursue additional NHS income Future work with legacy campaign
Estates, environment and infrastructure <ul style="list-style-type: none"> Management and leadership capacity Infection and public health (CV-19, flu and respiratory infection) 	<ul style="list-style-type: none"> Consult on estates infrastructure and invest to increase capacity and capability in-house Consult on governance and technical capability in finance and IT, recruit to new roles and mitigate risk of redundancy Early access to vaccination through partnership with NHS Maintain monthly review of infection prevention and control risk
Reputational Incidents, omissions or press coverage which damage the Hospice's reputation	<ul style="list-style-type: none"> Increase in staff time dedicated to social media monitoring Proactive social media messaging across a breadth of topics/activities
People Recruitment and retention of staff and volunteers.	<ul style="list-style-type: none"> Weekly communication (link up), with a combination of CEO, Director and 'team led' delivery of updates Participate in 'here for you' mental health support Consult on optimal model for education and training and implement Consult on an adopt staff' top five employment benefits Pilot process for career development in role Harmonise full time hours and embed specialist/specialty contract

FINANCIAL REVIEW

The 22/23 budget is the first year in a new five year forecast cycle for the Hospice. This forecast includes an anticipated deficit for the years to 24/25 with an aim to return to financial balance in 25/26. This year is the second year in a row that the Hospice has reported a deficit and this is likely to continue while our Trading and Fundraising leaders rebuild income and the Hospice looks to new ways of raising funds. This is against a background of increasing costs, especially for staff costs where we are competing with salary increases across the board and where we are in direct competition with the NHS to recruit specialist clinicians to ensure the expert care that we provide.

The Hospice's work is majority funded by donations, income from retail activities, legacies, earned income from grants, NHS contract income and interest on investments. Overall, income increased by 14% compared to 2021/22. This year we received no NHSE Capacity Grant income (£0.7m in 21/22) and no Retail Property Grants (£0.03m in 21/22). The relentless drive of our Trading and Fundraising teams nonetheless increased the income by 7% and 18% respectively. We were grateful to donors who provided legacy income of £1.2m, an increase of 153% from 21/22. The NHS Grants for Hospice Care contribute only 19% to our total income and we have seen an increase of 27% in this income as we opened up more beds to aid hospital discharges in the year to support the NHS.

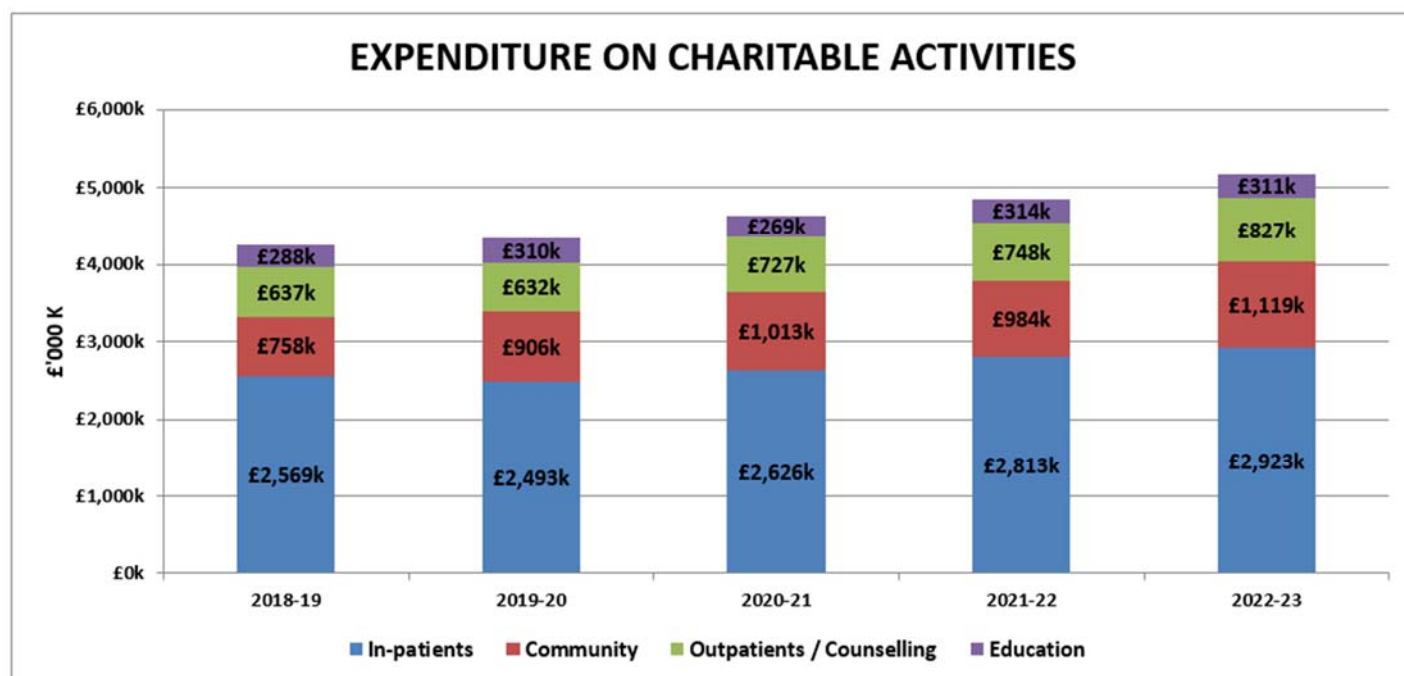
**REPORT OF THE BOARD OF TRUSTEES
 FOR THE YEAR ENDED 31 MARCH 2023**

FINANCIAL REVIEW – continued

	2018/19	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000
Total income	7,001	9,002	7,891	6,801	7,759
Costs of income generation	2,580	2,410	2,174	2,527	3,056
Spending on charitable activities	4,252	4,341	4,635	4,859	5,189
Total reserves	8,671	10,626	12,210	11,848	11,237

This notable increase in income in 22/23 has understandably not kept pace with increased cost pressures. Our total expenditure was £8.2m (2022: £7.4m) an increase of 12% compared to the previous year. This has, of course led to a deficit again this year of £0.6m (2022: deficit of £0.4m).

We spent £5.2m on our charitable activities in the year (2022: £4.9m). Patient referrals returned to pre-pandemic levels, the complexity of diagnosis and needs continues to exceed that typically experienced pre-pandemic. This reflects the national priorities to address NHS hospital waiting lists and increase the delivery of complex care at home and in community settings. New services initiated at the Hospice during the pandemic (like infusions) to reduce NHS out-patient appointments have continued to be developed, commissioned through NHS winter pressures funding.



**REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

FINANCIAL REVIEW – continued

Financial forecasting

The Hospice of St Francis’s system of financial management and control operates through a rolling business plan and annual budgets. The Trustees plan to utilise reserves during the recovery phase of the business plan to offset the loss of income that cannot be ameliorated by cost savings. This recovery is a primary focus of the Trustees. We forecast that the Hospice will continue to draw on its reserves for at least the next 2 years, with the aim of returning to financial balance by the end of 25/26.

Reserves

	2018/19	2019/20	2020/21	2021/22	2022/23
	£’000	£’000	£’000	£’000	£’000
Restricted reserves	213	263	221	290	59
Designated reserves	4,902	5,499	5,335	5,678	5,508
Unrestricted reserves	3,556	4,864	6,654	5,880	5,670
Total reserves	8,671	10,626	12,210	11,848	11,237

The Hospice of St Francis provides essential services to its local community. The importance of Hospice care to the local community continues to be reflected in the support of loyal donors, fundraisers and customers, however these income streams fluctuate. Continued prudent financial management of income has enabled Trustees to continue to minimise draw down on those surpluses invested in reserves. The Trustees’ approach to investment and positive fluctuations in the market have further protected these funds. Trustees continue to support the view that these reserves mean that the Hospice can continue to protect clinical capacity and invest in our people whilst at the same time investing in a recovery plan to protect and grow income.

Designated reserves

The balance on designated reserves represents the undepreciated cost of the Hospice building as well as funds set aside by the Trustees for capital expenditure and also for a legacy equalisation fund which is to cover clinical care costs in the event of a disruption to our normal fundraising activities. The total amount designated for capital projects and the legacy equalisation fund remains at £802k which is expected to be spent over the next two years. No transfers have been made to the designated reserve in 22/23, a year of deficit. The Hospice building reserves are not available for investment, or spending, unless the buildings are sold.

**REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

FINANCIAL REVIEW – continued

Unrestricted reserves

Unrestricted reserves represent the financial resources available to the Hospice to invest or to spend on Hospice services. The Board of Trustees reviews the level of reserves regularly, to ensure that the Hospice's operations are sustainable. The Hospice calculates the required level of reserves annually. Required reserves are estimated by reference to:

- The riskiness of different income categories.
- The level of funds required to cover unexpected expenditure or future growth.
- Working capital requirements.
- Provision for the costs of cutting services or restructuring the Hospice if this should be needed.

The resulting calculation provides a minimum level of reserves required. At 31 March 2023, the Hospice's unrestricted reserves were £5.6m, representing approximately 8.2 months of charitable spending (a reduction of 1.4 months since 31 March 2022).

Investment policy

Our Treasurer led a review of our reserves policy, including a review of Trustees' risk appetite. The outcome was a decision to slightly reduce risk, in light of the economic uncertainty associated with the pandemic, by maintaining a greater proportion of reserves in cash. Across investment funds in the year, we have seen a loss of £124k. The markets have been highly volatile globally. We will continue to monitor the investment. Additionally, we have increasingly used Treasury deposits where interest rates have been rising and this has mitigated the shortfall on our investments.

Investment portfolio objectives

- **Total target return:** Over the longer term the Trustees' objective for total return is absolute growth in line with operating cost inflation, assessed at 4.5% per annum.
- **Risk Parameters:** The Trustees do not set an overall risk target but consider each investment individually. In addition to statistical and volatility measurements other risks considered are: liquidity risk; reputational risk (both for the Hospice and the issuer); and credit risk.
- **Asset Allocation:** In accordance with a moderate risk strategy the Trustees seek a well-diversified investment portfolio across all asset classes with a bias towards fixed income and cash. Liquidity is a major consideration in all investment decisions.
- **Social, environmental and ethical considerations:** The Hospice will not invest directly in tobacco-related companies and pursues ethical investing.

REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW – continued

Fundraising Compliance

The Hospice adheres to the Fundraising Regulator’s code of practice in its fundraising activities. The Supporter Relationships Policy outlines the approach taken by the Hospice when carrying out fundraising activities. All Fundraisers, whether employed by the charity or those acting on its behalf must comply with a set of standards that commits them to being honest and open, clear in communications with supporters, respectful, fair and reasonable and accountable. The policy sets out the behaviours expected of its fundraisers and is reviewed every two years.

The Charity follows the guidance set out in the Fundraising Regulator’s Code of Practice and pays the annual voluntary levy to the Fundraising Regulator. In the financial year there were not identified instances when the charity or anyone working on its behalf failed to comply with the fundraising standards set out in the Code of Practice.

The Charity is a shareholder in the Hospice Lottery Partnership, a private company incorporated to administer a lottery in order to raise funds for the benefits of the Shareholders. The Charity has a place on the board of the company which meets six times per year to review and monitor activities. Complaints are a standing item on the agenda. The Charity maintains a continuous dialogue with the company and discusses any complaints that are raised with regards to behaviour that is unreasonable or places undue pressure on a person to give money. The Charity seeks proof of follow up activity by the company to address this behaviour and monitors this in Board meetings.

The Charity maintains a complaints log in which it records every complaint received about fundraising activity by itself or by anyone working on its behalf. There were no complaints received from April 2022 – March 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The Hospice of St Francis is constituted as a company limited by guarantee and is governed by Memorandum and Articles of Association.

The Hospice of St Francis is registered with the Care Quality Commission, which monitors and inspects the Hospice as an independent healthcare provider. The Registered Manager of the Hospice of St Francis is Fay Richardson, Director of Care.

Public Benefit Statement

The Charity is a Public Benefit Entity. The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed it. This report provides details of the areas of charitable activity undertaken by the Charity.

**REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE GOVERNANCE AND MANAGEMENT – continued

Corporate Governance

The governing body of the Charity is the Board of Trustees: at 31 March 2023 there were 13 Trustees. Membership of the Board is set out on page 12 of this report.

At 31 March 2023, there were four formally constituted Board Committees, each with specific terms of reference and functions delegated by the Board. These committees, which are each chaired by a Trustee and which report to the Board, are:

- the Clinical Governance Committee
- the People and Governance Committee
- the Finance, Audit, Risk and Resources Committee
- the Income Generation Committee

Management

The Board is responsible for setting overall Hospice strategy and approving financial plans. It delegates day to day operational management responsibilities via the Chief Executive to the Hospice's Executive Team and other senior managers.

Election and Appointment of Trustees

The Board appoints new Trustees, based on selection criteria that ensure that the Board has access to a wide range of skills and experience. The Board also appoints Trustees to the Board Committees. The recruitment of new Trustees is through a process of advertisement, application, interview and selection.

Induction and Training

An induction programme is offered to all new Trustees, and updates are offered throughout the period of tenure. Regular performance review meetings are carried out by the Chair and Deputy Chair at which further training and development needs are identified.

EMPLOYEES AND VOLUNTEERS

Staff are appointed using value-based competency procedures. Information about the Hospice's aims and activities is communicated to staff and volunteers through briefings, meetings, newsletters and emails. Staff and volunteers are expected to be aware of, and work in accordance with, the Hospice values, and these are displayed throughout Hospice premises. Our values are:

- Respectful relationships
- Constructive communication
- Excellence through innovation
- Integrity and trust
- Encouraging learning
- Sustainable service
- Community engagement

**REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE GOVERNANCE AND MANAGEMENT – continued

EMPLOYEES AND VOLUNTEERS – continued

Volunteers have been central to the Hospice of St Francis since its inception. At 31 March 2023, 1,327 active volunteers are supporting the Hospice in over 80 different roles, including in the Hospice itself, in our shops, in the offices, in addition to hybrid roles from home and in the community (compared to 1341 in March 2022). We recruited 232 new volunteers during 2022/23 compared with 120 in 2021/22. 296 volunteers left during 2022/23 – Covid was still having an impact of volunteers leaving, for example those hoping to return then decided not to.

REMUNERATION OF TRUSTEES AND STAFF

The Board considers that the Trustees, the Chief Executive, the Director of Care, the Medical Director, Director of Psychological Services, the Director of Finance and Performance comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in Note 6 to the Accounts.

The pay of the workforce as a whole and Executive Team is reviewed annually. The Board benchmarks against pay levels in other charities and the NHS and for shortage specialty posts, by benchmarking against the sector in the market as a whole.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Hospice of St Francis (Berkhamsted) Ltd for the purposes of company law) are responsible for preparing the Trustees' Report, including the strategic report, and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare Accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these Accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Accounts;
- Prepare the Accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

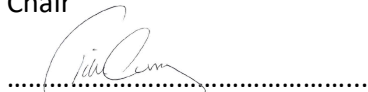
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Appointment of Auditors

A proposal to re-appoint Saffery Champness as auditors in accordance with section 485 of the Companies Act 2006 will be put to the AGM.

In approving this Trustees' Report, the Trustees are also approving the Strategic Report included here in their capacity as company directors.

Chair

A handwritten signature in black ink, appearing to read "Tim Curry", written over a horizontal dotted line.

Tim Curry

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HOSPICE OF ST FRANCIS (BERKHAMSTED) LIMITED

Opinion

We have audited the financial statements of Hospice of St Francis (Berkhamsted) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise of the consolidated statement of financial activities, group balance sheet, charity balance sheet, consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HOSPICE OF ST FRANCIS (BERKHAMSTED) LIMITED

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 23, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HOSPICE OF ST FRANCIS (BERKHAMSTED) LIMITED

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further the parent charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, through significant fines, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission covering health care services.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HOSPICE OF ST FRANCIS (BERKHAMSTED) LIMITED

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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

Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness

Chartered	71 Queen Victoria Street
Accountants	London
Statutory Auditors	EC4V 4BE

Date:

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the income and expenditure account)
AS AT 31 MARCH 2023

	Unrestricted Funds	Designated Funds	Restricted Income Funds	Total	Total
	Note 1E £'000	Note 1E £'000	Note 1E £'000	2023 £'000	2022 £'000
INCOME FROM (Note 2)					
Donations and legacies					
Donations	2,699	-	148	2,848	2,409
Legacies	1,195	-	-	1,195	458
Charitable activities					
NHS Grants for Hospice care	-	-	1,491	1,491	1,174
Other income from charitable activities	173	-	97	270	249
Other trading activities					
Trading and fundraising	457	-	-	457	357
Retail income	1,437	-	-	1,437	1,342
Other income					
NHSE Income	-	-	-	-	662
Furlough Income	-	-	-	-	13
Other Income	62	-	-	62	137
Total income	6,023	-	1,736	7,759	6,801
EXPENDITURE ON: (Note 3)					
Raising funds					
Voluntary income	556	12	-	568	466
Trading activities	323	5	-	328	252
Retail activities	2,160	-	-	2,160	1,809
	3,039	17	-	3,056	2,527
Net income available for charitable activities	2,984	(17)	1,736	4,703	4,274
Charitable activities					
Inpatient unit	1,117	85	1,730	2,932	2,812
Community	1,108	9	2	1,119	984
Outpatients (Spring Centre)	529	34	41	604	582
Bereavement (Spring Centre)	62	8	152	222	165
Education	263	17	31	311	315
Total expenditure	3,080	153	1,956	5,189	4,858
Total expenditure carried forward	6,119	170	1,956	8,245	7,385

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the income and expenditure account)
AS AT 31 MARCH 2023

	Unrestricted Funds	Designated Funds	Restricted Income Funds	Total	Total
	£'000	£'000	£'000	2023 £'000	2022 £'000
Total Expenditure brought forward	6,119	170	1,956	8,245	7,385
Net income/(expenditure)	(96)	(170)	(221)	(487)	(585)
Net gains on investments (Note 10)	(124)	-	-	(124)	223
Net income/(expenditure)	(220)	(170)	(221)	(611)	(362)
Transfers between funds	11	-	(11)	-	-
Net movement in funds	(209)	(170)	(232)	(611)	(362)
Total funds brought forward	5,880	5,678	290	11,848	12,210
Total funds carried forward	5,671	5,508	58	11,237	11,848

The accounting policies and notes on pages 33 to 58 form part of the Accounts.

All of the above amounts relate to continuing operations. All gains and losses recognised in the year are included above.

A full comparative Statement of Financial Activities for the year ended 31 March 2022 is included within note 19

CONSOLIDATED AND CHARITY ONLY BALANCE SHEETS
AS AT 31 MARCH 2023

	Note	Group		Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
FIXED ASSETS					
Tangible fixed assets	8	5,254	5,180	5,254	5,180
Investments	9	3,351	3,484	3,391	3,524
TOTAL FIXED ASSETS		8,605	8,664	8,645	8,704
CURRENT ASSETS					
Stocks for goods for resale		60	53	-	-
Debtors	11	1,449	2,121	1,478	2,152
Cash at bank and in hand		1,793	1,480	1,736	1,415
TOTAL CURRENT ASSETS		3,302	3,654	3,214	3,567
CREDITORS: amounts falling due within one year	12	(670)	(470)	(656)	(458)
NET CURRENT ASSETS		2,632	3,184	2,557	3,109
NET ASSETS		11,237	11,848	11,203	11,813
FUNDS					
	13/14				
Unrestricted funds		5,671	5,880	5,636	5,845
Designated funds		5,508	5,678	5,508	5,678
Restricted funds		58	290	59	290
TOTAL FUNDS		11,237	11,848	11,203	11,813

The net expenditure of the charity as an individual entity for the year was £611k (2022: £441k). A statement of financial activities for the charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

Company Number : 01507474

The Accounts were approved and authorised for issue by the Board on behalf by

and were signed below on its

.....
 Tim Curry
 Chair

.....
 Timothy Symington
 Treasurer

CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 MARCH 2023

	2023	2022
	£'000	£'000
Cash flows from operating activities (Note 17)	683	82
Cash flows from investing activities		
Purchase of fixed assets	(416)	(243)
Proceeds from the sale of investments	8	4
Net cash invested	38	(501)
	<hr/>	<hr/>
	(370)	(740)
Increase in cash and cash equivalents in the year	313	(658)
	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents at the beginning of the year	1,480	2,139
Cash and cash equivalents at the end of the year	1,793	1,480
	<hr/> <hr/>	<hr/> <hr/>
Analysis of cash and cash equivalents	2023	2022
	£'000	£'000
Cash at bank and in hand	1,793	1,480
Total cash and cash equivalents	<hr/> 1,793 <hr/>	<hr/> 1,480 <hr/>

The group and charity do not hold any debt, therefore all movements shown above relate to cash and cash equivalents.

The accounting policies and notes on pages 33 to 58 form part of the Accounts.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

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 Accounting

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) (Charities SORP 2015 (Second Edition, effective 1 January 2019)), and the Companies Act 2006.

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

B. Corporate Status

The Charity is a company limited by guarantee registered in England and Wales and does not have a share capital. Its members may be required to contribute a sum not exceeding £2 each in the event of the winding-up of the company. The company is a registered Charity.

C. Basis of consolidation

The Charity's wholly owned subsidiary, Hospice of St Francis Trading Limited, manages its trading activities. The consolidated statement of financial activities and balance sheet include the results of the subsidiary, consolidated on a line by line basis. See note 18 for further details.

The Charity has availed itself of part 15 of the Companies Act 2006 and adapted the Companies Act formats to reflect the special nature of the Charity's activities. No separate SOFA (Statement of Financial Activities) has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The accounts are prepared in pounds sterling rounded to the nearest thousand.

D. Going concern

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. We have undertaken an in-depth review of our financial position, reserves levels and future plans which has given the Trustees confidence that the charity remains a going concern for the foreseeable future.

E. Fund Accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the Trustees for furtherance of the general objectives of the Charity, and have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been put aside at the discretion of the Trustees for particular purposes. At 31 March 2023, they comprised the total cost of the building, net of depreciation, the legacy equalisation and designated capital funds.

Restricted funds are funds subject to special conditions imposed by the donor or with their authority. The funds are not therefore available for work performed by The Hospice of St Francis other than that specified by the donor.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

1 ACCOUNTING POLICIES (continued)

F. Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- The Charity becomes entitled to the resources.
- The Trustees consider it probable that the Charity will receive the resources.
- The monetary value can be measured with sufficient reliability.

G. Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value to the Charity, or the amount actually realised. Gifts in kind for the use of the Charity are included in the Statement of Financial Activities as income when received. Gifts in kind for sale are included in the accounts only when sold. Gifts in Kind in 2023: £21,445 (2022: £16,885).

H. Donated services and facilities

These are included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the Charity.

I. Retail grants

The Charity received £nil (2022-£29,984) under the Government's Retail, Hospitality and Leisure Grant Fund (RHLG). The eligibility requirements for RHLG were confirmed during March 2020 and the charity considers that at this point, eligibility requirements were met and the charity was entitled to the income. The charity was not entitled to any income for the year ended 31 March 2023, in accordance with the charity's accounting policies.

J. NHSE Grants

The Charity received £nil (2022-£661,372) in funding from NHSE to allow the hospice to make available bed capacity and community support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community.

K. Furlough income

In 2022, income of £13,171 was recognised in respect of the coronavirus job retention scheme when the associated staff costs are incurred. Amounts were included within other income in the comparative figures of the Statement of Financial Activities. No such income was recognised in 2023.

L. Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis.

M. Support cost

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Staff costs have been allocated by the time spent and overheads have been allocated in accordance with staff costs. Governance costs include the costs of the preparation and examination of statutory accounts, the costs of the Trustee meetings, the costs of any legal advice to Trustees on governance or constitutional matters, and a charge for the salary cost of managers for time spent on corporate governance. Governance costs are shown as a component of support costs.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

1 ACCOUNTING POLICIES (continued)

N. Employee benefits

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

O. Pension scheme

For qualifying staff at the hospice, participation in the NHS scheme provides benefits based upon final pensionable pay. The contributions paid by the charity in respect of the NHS Superannuation scheme are accounted for as if the scheme were a defined contribution scheme as the charity is unable to identify its share of the underlying assets and liabilities in the scheme.

Certain other employees are members of defined contribution pension schemes, the assets of which are held separately from those of the Company in independently administered funds.

The Charity's contributions to the pension schemes are charged to the income and expenditure account as they fall due.

P. Tangible fixed assets for use by the Charity

These are capitalised if they can be used for more than one year and cost over £500. They are valued at cost or, when this is not available, estimated value on receipt.

Freehold land and assets in the course of construction are not depreciated. The cost of tangible fixed assets is written off over their expected useful lives as follows:

Buildings	2% per annum straight line
Mechanical and electrical systems	5% per annum straight line
Garden constructions	20% per annum straight line
Furniture and equipment	20% per annum straight line
Shop fixtures & fittings	20% per annum straight line
IT equipment	33.3% per annum straight line

Q. Investments

Investments are included at bid price, except for the unquoted investments in The Hospice Lottery Partnership Ltd and Hospice of St Francis Trading Ltd which are valued at cost. In the case of these two investments, there is no open market valuation available, and the Trustees of Hospice of St Francis (Berkhamsted) Ltd consider that the cost of obtaining such a valuation would outweigh the benefit to the users of these accounts.

Investment properties are held at fair value, being an assessment of market value. Investment properties are revalued every two years by independent professionals who hold recognised and relevant professional qualifications and have recent experience in the location and class of the investment property being valued, or more frequently if the Trustees identify indications of a material movement in the valuation.

Investments in subsidiaries are valued at cost less provision for impairment.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

1 ACCOUNTING POLICIES (continued)

R. Financial Instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments including trade and other debtors and creditors, are initially recognised at transaction value and are subsequently recognised at their settlement value.

S. Stocks

Stocks comprise the cost at the year-end of bought in goods for sale in the Hospice of St Francis' shops. No value is placed on drugs, medical supplies or donated goods for shop sale. As permitted by section 6.28 of the SORP, income for donated goods for shop resale is recognised on sales as recognition prior to this is considered to be impracticable.

T. Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

U. Cash at bank and in hand

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

V. 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.

W. Leases

All operating leases and rental expenses are charged to the SOFA as incurred.

X. VAT

The Charity and its trading subsidiary file VAT returns under a group registration. The Charity reclaims VAT on its activities using an agreed partial exemption calculation. Irrecoverable VAT in the year ended 31 March 2023 amounted to £3,856 (2022 - £3,985) and was written off during the year.

Y. Taxation

Hospice of St Francis (Berkhamsted) Ltd is a registered charity and is thus exempt from tax on income and gains falling within chapter 3 of the Corporation Taxes Act 2010 or s256 of the taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen during the year ended 31 March 2023 or in the prior year.

Hospice of St Francis Trading Ltd has arranged to transfer its profits to Hospice of St Francis (Berkhamsted) Ltd under the Gift Aid rules. As a result of this agreement, it has no taxable profits, and no tax is payable for the year ending 31 March 2023.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

1 ACCOUNTING POLICIES (continued)

Z. Estimates and Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. The trustees consider depreciation, legacy income accrual and holiday pay accrual to be subject to estimation and judgement and are discussed above.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

2. ANALYSIS OF INCOME	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Income	2023	Funds	Income	2022
	£'000	Funds	£'000	£'000	Funds	£'000
		£'000			£'000	
a) Donations and legacies						
Memorials register	308	-	308	373	-	373
Donations from individuals and companies	1,004	148	1,152	849	138	987
Donations received through the retail gift aid scheme	1,174	-	1,174	836	-	836
Collecting boxes	13	-	13	11	-	11
Lottery	200	-	200	202	-	202
Legacies	1,195	-	1,195	458	-	458
Total donations & legacies	3,894	148	4,042	2,729	138	2,867
b) Income from other trading activities: trading and Fundraising						
Fundraising events	417	-	417	322	-	322
Providing goods and services, other than for the benefit of the charity's beneficiaries	28	-	28	26	-	26
Letting property held primarily for the functional use of the charity	11	-	11	9	-	9
Trading and fundraising	456	-	456	357	-	357
c) Income from other trading activities: retail shop sales						
	1,437	-	1,437	1342	-	1342
Total retail income	1,437	-	1,437	1342	-	1342

Trading operations

HOSF owns 100% of Hospice of St Francis Trading Ltd (Trading) and exercises control over this company by means of a close working relationship, common management and an operating agreement. Trading manages the sale of goods through the Charity's shops, on-line and at certain fundraising events. All activities have been consolidated on a line by line basis in the consolidated statement of financial activities. An amount equal to the taxable income is gifted to the Charity within the provisions of Gift Aid. A summary of the results of The Hospice of St Francis Trading Limited is shown in note 2d-2e.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

2. ANALYSIS OF INCOME (continued)

d) The contribution to funds provided by The Hospice of St Francis's trading activity is analysed as follows:

	2023	2022
	£'000	£'000
Retail income	1,437	1,342
Gift aided donations through the shops (including gift aid)	939	837
Total income	2,376	2,179
Retail costs	1,797	1,471
Contributions made by retail operations	579	708

e) Income reported by subsidiary company

The results reported in The Hospice of St Francis Trading Ltd, a limited company registered in England and Wales, can be analysed as follows:

	2023	2022
	£'000	£'000
Turnover	366	351
Cost of sales	(181)	(154)
Operating costs	(112)	(117)
Amounts donated to Hospice of St Francis (Berkhamsted) Ltd under the Gift Aid scheme	(73)	(80)
	<hr/>	<hr/>
Retained in the Hospice of St Francis Trading Ltd	-	-
	<hr/> <hr/>	<hr/> <hr/>

The cost of sales and the operating costs are also consolidated, and included in the retail costs line in the SOFA.

Profits of the Hospice of St Francis (Trading) Ltd are donated to the parent charity under the gift aid scheme. A deed of covenant is in place between the two entities.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

f) Income from Charitable Activities

	Unrestricted Funds £'000	Restricted Income Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Income Funds £'000	Total 2022 £'000
Investment income				11	-	11
Total investment income	-	-	-	11	-	11
<hr/>						
Income from charitable activities						
NHS income for service provision						
Hertfordshire	-	306	306	-	212	212
Central London Community Healthcare NHS Trust	-	1,093	1,093	-	893	893
Hillingdon	-	-	-	-	-	-
Buckinghamshire	-	92	92	-	69	69
Total NHS Income for service provision	-	1,491	1,491	-	1,174	1,174
NHS income for specific projects						
Watford General Hospital	-	43	43	-	52	52
Total NHS income for specific projects	-	43	43	-	52	52
Charitable income from other sources						
Grants from BBC Children in Need	-	-	-	-	10	10
Other income	173	54	227	124	63	187
Total income from specific projects	173	54	227	124	73	197

Further details relating to restricted income are included in notes 13 and 14.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

3. ANALYSIS OF EXPENDITURE

	Direct Costs - Staff	Direct Costs - Other	Support Costs (Note 4)	Total 2023	Direct Costs - Staff	Direct Costs - Other	Support Costs	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds:								
Costs of generating voluntary income	362	167	39	568	301	140	25	466
Costs of trading and fundraising	197	103	29	329	170	59	23	252
Cost of retail activities	1106	931	122	2,159	907	783	119	1,809
	1,666	1,201	190	3,056	1,378	982	167	2,527
Charitable activities:								
Inpatient unit	2,041	715	177	2,933	1,915	719	179	2,813
Community	919	135	66	1,120	794	129	62	984
Outpatients (Spring Centre)	418	137	49	604	383	155	45	583
Bereavement (Spring Centre)	172	40	11	223	115	39	10	165
Education	209	91	10	310	229	70	15	314
	3,759	1,118	313	5,190	3,436	1,112	311	4,859
Total	5,425	2,318	503	8,246	4,814	2,094	478	7,385

Shared clinical costs have been allocated according to a formula which reflects the Hospice's best assessment of activity levels in the different services offered. Costs of retail activities include £181k of stock recognised as an expense in the year ended 31 March 2023 (2022: £154k).

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

4. SUPPORT COSTS

	Administration and HR Costs	Professional Fees	Governance	2023	Administration and HR Costs	Professional Fees	Governance	2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Costs of generating voluntary income	25	1	12	38	16	1	8	25
Cost of trading and fundraising	19	1	9	29	15	1	7	23
Cost of retail activities	80	3	39	122	77	3	38	119
	124	5	60	189	108	5	53	167
Charitable activities								
Inpatient unit	116	5	56	177	116	5	58	179
Community	43	2	21	66	40	2	20	62
Outpatients (Spring Centre)	32	1	16	49	29	1	15	45
Bereavement (Spring Centre)	7	-	4	11	7	-	3	10
Education	7	-	3	10	10	-	5	15
	205	8	100	313	202	8	101	311
Total	329	13	160	502	310	13	154	478

Support costs are those costs which are necessary to deliver an activity, but which do not, in themselves, constitute the output of a charitable activity. They include central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. All support costs are allocated in accordance with estimated activity in each operational area.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

4. SUPPORT COSTS (continued)

Governance costs comprise the following:

	2023 £'000	2022 £'000
Governance costs		
Auditors remuneration - external audit	22	17
Auditors remuneration - other advice	6	3
Salaries	149	147
Other costs	11	7
	<u>188</u>	<u>174</u>
Total	<u><u>188</u></u>	<u><u>174</u></u>

5. STAFF NUMBERS AND EMOLUMENTS

	2023 £'000	2022 £'000
Gross wages and salaries	4,783	4,454
Employer's national insurance costs	423	378
Employers' pension costs	502	359
Redundancy/Ex-gratia payments	25	25
	<u>5,733</u>	<u>5,216</u>
Total Payroll costs	<u><u>5,733</u></u>	<u><u>5,216</u></u>

The total payroll costs include ex-gratia payments of £25k (2022: £25k) In the current year this related to costs in respect of staff restructuring.

Average number full time equivalent number of persons employed by the group (including bank staff) during the period was as follows:-

	Number	Number
Charitable activities	96	93
Fundraising and retail	54	49
Support services	28	26
	<u>178</u>	<u>168</u>
	<u><u>178</u></u>	<u><u>168</u></u>

Average number full time equivalent number of persons employed by the group during the period was as follows:-

	Number	Number
Charitable activities	67.1	67.2
Fundraising and retail	40.5	37.0
Support services	23.3	21.4
	<u>130.9</u>	<u>125.6</u>
Average number of staff	<u><u>130.9</u></u>	<u><u>125.6</u></u>

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

5. STAFF NUMBERS AND EMOLUMENTS – (continued)

Highest paid employees	2023	2022
Gross salary (including employer pension and national insurance contributions) in the range		
£60,000 to £70,000	2	2
£70,001 to £80,000	4	5
£100,001 to £110,000	1	-
£110,001 to £120,000	-	1

The Board considers its key management personnel comprise the Trustees, the Chief Executive, the Director of Care, the Medical Director, People Director, the Director of Sustainable Trading, the Director of Wellbeing and Family Support, Joint Fundraising Directors and the Director of Finance and Performance. The total remuneration of the key management personnel was £653k (2022: £652k).

6. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

The Trustees received no emoluments for their services during the year ended 31 March 2023 (2022: £nil). The Hospice paid £nil in expenses for Trustees during both periods. Total donations by Trustees were £7,495 (2022: £1,733).

7. NET MOVEMENT IN FUNDS	2023	2022
	£'000	£'000
The net movement in funds is arrived at after charging/(crediting):		
Depreciation of fixed assets	342	308
Auditors remuneration	20	18
Operating lease rental: land and buildings	273	238
Operating lease rental: equipment	12	15
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Furniture and equipment	Shops' fixtures and Fittings	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000
Group and Charity					
Cost					
At 1 April 2022	6,951	1,764	209	81	9,006
Additions	131	92	111	82	416
Transfer	58	18	1	(77)	-
At 31 March 2023	7,140	1,874	321	86	9,422
Depreciation					
At 1 April 2022	2,281	1,379	165	-	3,826
Disposal	-	-	-	-	-
Charge for the year	170	150	22	-	342
At 31 March 2023	2,451	1,529	187	-	4,168
Net book value					
At 31 March 2022	4,670	385	44	81	5,180
At 31 March 2023	4,689	345	134	86	5,254

Included in freehold land and buildings is land valued at £601k (2022: £601k), which is not depreciated.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

9. FIXED ASSET INVESTMENTS	2023 £'000	2022 £'000
Group		
Unlisted investments		
Investment property	275	275
The Hospice Lottery Partnership Ltd	85	85
Total unlisted investments	360	360
Listed investments		
Barclays Charity Fund	2,991	3,123
Total listed investments at market value	2,991	3,123
Total investments	3,351	3,484
Listed investments at historic cost	2,911	2,876
Charity		
Total Group investments	3,351	3,484
Investment in Hospice of St Francis Trading Ltd	40	40
Total investments	3,391	3,524

During the year, losses on investments totalling £124k (2022- £223k gain) have been recognised in the statement of financial activity

Included within fixed asset investments are:

- 40,000 shares (100%) (2022 – 40,000 shares 100%) in Hospice of St Francis Trading Ltd.
- 14 shares (16.67%) (2022 – 14 shares 16.67%) in The Hospice Lottery Partnership Ltd.

These investments are included at cost in the Charity accounts, and the investment in The Hospice Lottery Partnership is included at cost in the consolidated accounts. There is no open market valuation available for this investment, and the Trustees of the Hospice of St Francis consider that the cost of obtaining such valuations would outweigh the benefit to the users of these accounts.

The management accounts of The Hospice Lottery Partnership Ltd at 31 March 2023 show income for the year of £ 2,099,262 charitable donations of £1,223,981 and retained profits at 31 March 2023 of £536,370.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

10. ANALYSIS OF MOVEMENTS IN FIXED ASSET INVESTMENTS	2023	2022
	£'000	£'000
Group		
Carrying value of investments brought forward	3,484	2,768
Additions to investments at cost	-	497
Disposals of investments at carrying value	(8)	(4)
Net gains/(losses) on revaluation	(125)	223
	<u>3,351</u>	<u>3,484</u>
Charity		
Carrying value of investments brought forward	3,524	2,808
Additions to investments at cost	-	497
Disposals of investments at carrying value	(8)	(4)
Net gain/(loss) on revaluation	(125)	223
	<u>3,391</u>	<u>3,524</u>
11. DEBTORS	2023	2022
	£'000	£'000
Group		
Taxation recoverable	155	134
Other debtors	51	398
Prepayments	219	190
Accrued income	1,024	1,399
Total	<u>1,449</u>	<u>2,121</u>
Charity		
Taxation recoverable	155	134
Amounts owed by group companies	40	45
Other debtors	51	396
Prepayments	208	178
Accrued income	1,024	1,399
Total	<u>1,478</u>	<u>2,152</u>

Taxation recoverable comprises Gift Aid recoverable and VAT.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

12. CREDITORS: amounts falling due within one year	2023	2022
Group	£'000	£'000
Taxation and social security	100	96
Other creditors	244	185
Deferred income	120	54
Accruals	206	135
	<hr/>	<hr/>
Total	670	470
	<hr/> <hr/>	<hr/> <hr/>
Charity		
Taxation and social security	100	96
Other creditors	238	180
Deferred income	120	54
Accruals	198	128
	<hr/>	<hr/>
Total	656	458
	<hr/> <hr/>	<hr/> <hr/>

Included within other creditors is an amount outstanding at the year-end of £20k (2022: £21k) relating to the defined contribution pension schemes and £33k (2022: £28k) relating to the defined benefit pension scheme.

The bank overdraft refers to a credit facility that was put in place by the Trustees to cover short term funding gaps.

It is secured against the investments held in the Barclays Bank Charity Fund. This was repaid in full during the year.

Income is deferred when it is received in advance of the income recognition criteria set out in Note 1(F) having been met. All income deferred at 31 March 2023 was released in the year ended 31 March 2024. Deferred income for 2023 related to Fundraising Events, an Education course and Rapid Personalised Care Services totalling £120k (2022: £54k).

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

13a. FUNDS (2023)	Total		
GROUP	General Reserves £'000	Designated Reserves £'000	Unrestricted Reserves £'000
At 1 April 2022	5,880	5,678	11,558
Income	6,023	-	6,023
Expenditure	(6,119)	(170)	(6,289)
Gain on investment assets	(124)	-	(124)
Transfers	11	-	11
At 31 March 2023	5,671	5,508	11,179

13a. FUNDS (2023)	Total		
CHARITY	General Reserves £'000	Designated Reserves £'000	Unrestricted Reserves £'000
At 1 April 2022	5,845	5,678	11,523
Income	6,023	-	6,023
Expenditure	(6,119)	(170)	(6,289)
Gain on investment assets	(124)	-	(124)
Transfers	11	-	11
At 31 March 2023	5,636	5,508	11,144

Designated fund

The designated fund comprises the net book value of the building £4,689k from which the Hospice of St Francis operates. It has been segregated from unrestricted funds to give a clearer picture of the assets of the Hospice. The costs assigned to this fund equal the depreciation of the building plus any planned capital projects: thus over the life of the building, the value of this fund will be reduced to zero.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

13b. FUNDS (2022)

Group	General	Designated	Total
	Reserves	Reserves	Unrestricted Reserves
	£'000	£'000	£'000
At 1 April 2021	6,654	5,335	11,989
Income	4,689	-	4,689
Expenditure	(5,175)	(167)	(5,341)
Gain on investment assets	223	-	223
Transfers	(511)	511	-
At 31 March 2022	5,880	5,678	11,558

13b. FUNDS (2022)

Charity	General	Designated	Total
	Reserves	Reserves	Unrestricted Reserves
	£'000	£'000	£'000
At 1 April 2021	6,619	5,335	11,954
Income	4,689	-	4,689
Expenditure	(5,175)	(167)	(5,343)
Gain on investment assets	223	-	223
Transfers	(511)	511	-
At 31 March 2022	5,845	5,678	11,523

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

13c. FUNDS (continued)

RESTRICTED FUNDS (2023)	01 Apr- 2022	Income	Expenditure	Transfers	31-Mar- 2023
	£'000	£'000	£'000	£'000	£'000
Group and charity					
Medical Cover at Watford General Hospital NHS Trust	-	43	(43)	-	-
Hertfordshire Community NHS Trust	-	306	(306)	-	-
Chiltern Continuing Care Contracts	-	92	(92)	-	-
Central London Community Health Care NHS Trust	-	1,093	(1,093)	-	-
BBC Children In Need	1	-	-	-	1
Berkhamsted School – Maple Funding	16	6	(22)	-	-
The Childwick Trust	10	-	(10)	-	-
The Batchworth Trust	5	-	(5)	-	-
Rank Foundation	3	11	(11)	-	3
Sherling Charitable Trust	15	10	(15)	-	10
Hobson Charity Limited	-	10	(10)	-	-
Other restricted donations	240	165	(350)	(11)	44
Total restricted funds	290	1,736	(1,957)	(11)	58

13d. FUNDS (continued)

RESTRICTED FUNDS (2022)	01 Apr- 2021	Income	Expenditure	Transfers	31-Mar- 2022
	£'000	£'000	£'000	£'000	£'000
Group and charity					
Medical Cover at Watford General Hospital NHS Trust	-	52	(52)	-	-
Hertfordshire Community NHS Trust – Community Cardiology Work	-	212	(212)	-	-
Chiltern Continuing Care Contracts	-	69	(69)	-	-
Central London Community Health Care NHS Trust	-	893	(893)	-	-
NHSE Capacity Grants	-	662	(662)	-	-
HMRC Furlough Scheme	-	13	(13)	-	-
BBC Children In Need	1	10	(10)	-	1
Berkhamsted School – Maple Funding	-	16	-	-	16
The Childwick Trust	-	10	-	-	10
The Batchworth Trust	-	5	-	-	5
Rank Foundation	-	3	-	-	3
Sherling Charitable Trust		15			15
W G Edwards Charitable Foundation		2	(2)		-
Other restricted donations	220	150	(130)	-	240
Total restricted funds	221	2,112	(2,043)	-	290

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

Restricted funds

The restricted funds at 31 March 2023 comprise the assets which have been donated to the Hospice for a restricted purpose but which have not yet been applied to that purpose.

Restricted donations comprised voluntary income given to the Hospice to be used for a specific purpose. The Hospice segregates these funds and matches them with expenditure when it is incurred. Transfers from restricted funds represent capital grants relating to items purchased where there is no continuing restriction as to use, and are, for this reason, transferred to unrestricted funds.

The Herts Valleys CCG and Central London Healthcare Community NHS Trust grants comprise an annual grant for palliative care service provision, plus additional amounts for continued care of specific patients, the costs of drugs and dressings, and pharmacy costs.

The Chilterns CCG grant comprises an annual grant for palliative care service provision, plus additional amounts for the care of specific patients.

The Hillingdon CCG payment was towards the care of specific patients.

The income from Watford General Hospital covered the salary costs of the Hospice's employed Consultant in Palliative Care to treat hospital patients.

The BBC Children in Need grant contributed towards the costs of the children's bereavement service support workers.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

14. FUNDS

14a.	ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (2023)	Unrestricted	Designated	Restricted	Total
		Funds £'000	Funds £'000	Funds £'000	2023 £'000
	Tangible fixed assets	-	5,254	-	5,254
	Investments	3,351	-	-	3,351
	Current assets	2,989	254	59	3,302
	Creditors: falling due within one year	(670)	-	-	(670)
	Total	5,670	5,508	59	11,237
14b.	ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS (2023)	Unrestricted	Designated	Restricted	Total
		Funds £'000	Funds £'000	Funds £'000	2023 £'000
	Tangible fixed assets	-	5,254	-	5,254
	Investments	3,391	-	-	3,391
	Current assets	2,901	254	59	3,214
	Creditors: falling due within one year	(656)	-	-	(656)
	Total	5,636	5,508	59	11,203
14c.	ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS (2022)	Unrestricted	Designated	Restricted	Total
		Funds £'000	Funds £'000	Funds £'000	2022 £'000
	Tangible fixed assets	-	5,180	-	5,180
	Investments	3,484	-	-	3,484
	Current assets	2,866	498	290	3,654
	Creditors: falling due within one year	(470)	-	-	(470)
	Total	5,880	5,678	290	11,848

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

14d. ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS (2022)	Unrestricted	Designated	Restricted	Total
	Funds £'000	Funds £'000	Funds £'000	2022 £'000
Tangible fixed assets	-	5,180	-	5,180
Investments	3,524	-	-	3,524
Current assets	2,779	498	290	3,567
Creditors: falling due within one year	(458)	-	-	(458)
Total	5,845	5,678	290	11,813

15. RELATED PARTIES

Transactions between the Charity and Hospice of St Francis Trading Limited were as follows: £73k (2022: £80k), being the profits donated to the Charity under the Gift Aid scheme. Expenses paid to Trustees and donations from Trustees are shown in Note 6.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

16. FINANCIAL COMMITMENTS

16a. OPERATING LEASE COMMITMENTS	2023	2022
At 31 March the total commitments under operating leases were as follows:	£'000	£'000
Financial commitments		
Land and buildings:		
Operating leases which expire:		
- within one year	182	195
- from two to five years	457	334
- over five years	214	236
	<hr/>	<hr/>
Total land and buildings	853	765
	<hr/> <hr/>	<hr/> <hr/>
Equipment hire agreement		
Operating leases which expire:		
- within one year	10	9
- from two to five years	26	1
	<hr/>	<hr/>
Total equipment	36	10
	<hr/> <hr/>	<hr/> <hr/>
Total	889	772
	<hr/> <hr/>	<hr/> <hr/>

The operating leases relating to land and buildings comprise the leases for the shops. The operating leases for equipment relate to hire contracts for laundry equipment and for photocopiers.

Operating lease costs of £285k were expensed in the year ended 31 March 2023 (2022: £210k).

16b. Capital commitments

The Hospice committed £176k to a Digital Transformation in 2022 and this continues into 2023. This includes upgrading our network, migrating to Cloud storage and improving our IT Security. In the prior year the Charity had committed to £116k in respect of construction of the Maple project – Hospice building.

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

17. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES	2023	2022
	£'000	£'000
Net movement in funds	(649)	(362)
Unrealised profits/(losses) on investments	124	(223)
Depreciation	342	308
Increase in stocks	(7)	11
Decrease / (Increase) in debtors	673	384
Increase / (Decrease) in creditors	200	(36)
	<hr/>	<hr/>
Net cash provided by operating activities	683	82
	<hr/> <hr/>	<hr/> <hr/>

Cash flow from investment income is considered part of operational activities, rather than a return on investment, as the Hospice considers its investments to be an integral part of its operations.

18. TRADING SUBSIDIARY: Hospice of St Francis Trading Limited (Company number 06140240)

The charity owns 100% of the 40,000 authorised and issued ordinary shares of the company Hospice of St Francis Trading Limited. Hospice of St Francis Trading is a limited company registered in England and Wales. The assets and liabilities of the trading subsidiary are shown below, and the trading results of the subsidiary are analysed in note 2E.

	2023	2022
	£'000	£'000
Stocks	60	53
Debtors	11	14
Cash at bank and in hand	57	66
Creditors falling due within one year	(53)	(58)
	<hr/>	<hr/>
Net Assets	75	75
	<hr/>	<hr/>
Shareholders' equity	40	40
Profit and loss account	35	35
	<hr/>	<hr/>
Total Shareholders' funds	75	75
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (31 MARCH 2022)

	Unrestricted Funds	Designated Funds	Restricted Income Funds	Total
	£'000	£'000	£'000	2022 £'000
INCOME FROM				
Donations and legacies				
Donations	2,271	-	138	2,409
Legacies	458	-	-	458
Charitable activities				
NHS Grants for Hospice care	-	-	1,174	1,174
Other income from charitable activities	124	-	125	249
Other trading activities				
Trading and fundraising	357	-	-	357
Retail income	1,342	-	-	1,342
Other income				
NHSE Income	-	-	662	662
Furlough Income	-	-	13	13
Other Income	137	-	-	137
Total income	4,689	-	2,112	6,801
EXPENDITURE ON:				
Raising funds				
Voluntary income	455	12	-	466
Trading activities	247	5	-	252
Retail activities	1,796	-	13	1,809
	2,497	17	13	2,527
Net income available for charitable activities	2,192	(17)	2,099	4,274
Charitable activities				
Inpatient unit	805	84	1,923	2,813
Community	956	8	20	984
Outpatients (Spring Centre)	543	33	6	583
Bereavement (Spring Centre)	108	8	49	165
Education	266	17	32	315
Total expenditure	2,678	151	2,030	4,858
Carried forward	5,175	168	2,043	7,385

NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

	Unrestricted Funds	Designated Funds	Restricted Income Funds	Total
	£000	£000	£000	2022 £000
Total Expenditure brought forward	5,175	168	2,043	7,385
Net income/(expenditure)	(486)	(168)	69	(585)
Net gains on investments	223	-	-	223
Net income/(expenditure)	(263)	(168)	69	(362)
Transfers between funds	(511)	511	-	-
Net movement in funds	(774)	343	69	(362)
Total funds brought forward	6,654	5,335	221	12,210
Total funds carried forward	5,880	5,678	290	11,848