



**St Oswald's
Hospice**



Trustees' Annual Report and Financial Statements for the year ended 31 March 2023

Quality time for everyone

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023
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St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2023.

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

This report also includes a full set of audited financial statements for the year ended 31 March 2023. The financial statements comply with the Charities Act 2011, the Companies Act 2006, Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective September 2015).

Reference and Administrative Details

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

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

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

Our Registered Office

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

If you would like to find out more about our work, please go to our website: www.stoswaldsuk.org or follow us on [Facebook](#), [Instagram](#), [Twitter](#) and [YouTube](#).

Board of Trustees and Directors

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

Message from our Chair

St Oswald's Hospice is a North East based charitable hospice. Our fundamental aim is to make a difference to local people's lives by providing outstanding, specialist palliative and end of life care for babies, children, young people and adults from across our North East region who have incurable conditions. We support patients' families and work together with our community, supporters, donors, partners, to ensure we deliver 'quality time for everyone'.

This year we re-opened our Hospice doors and welcomed our patients, their families and our non-clinical staff and volunteers back onsite at the main Hospice. Thanks to good practice surrounding Covid-19 and the vaccination programme, it's beginning to look and feel more like St Oswald's Hospice of old.

There have also been so many exciting opportunities for us to develop and adapt in 2022/23 to help meet the changing needs of local people. I especially want to pay tribute to our wonderful team of staff, volunteers and supporters who have helped us to achieve so much this year. Without them, we wouldn't be able to provide any of the outstanding care and compassionate support that our patients and their families have come to expect from St Oswald's Hospice. I'm so proud of everything that we have achieved together in the past 12 months.

Our care and support services have continued to grow and we've established some new services too. In May 2022, we launched our Combined Supportive Care Service. Working with Newcastle Hospitals NHS Foundation Trust, this service is for patients living with lung cancer or mesothelioma, and has been very well-received. Meanwhile in our Children and Young Adults service our new Outreach Service to support children and young adults with complex life-limiting conditions out in the community is being developed. The excellent work of our staff and services have gained recognition locally and nationally across our Focus on Living Centre, Lymphoedema Service and within research. You can read more about these developments later in the report.

As our Vision 2025 is drawing to an end, we've started to develop a new strategy which will cover a period of three years, 2023-2026. We've been working with Claire Henry Associates, engaging with key stakeholders including patients, families and the public, on our new strategy, which will help us deliver the very best care for our patients and their families. Alongside this, we continue to push forward with our organisational objectives, set in 2022, which have been designed to make sure that we do three things: Survive the current situation, Strive to improve so that we can Thrive. Every staff member and volunteer has a vital role to play in delivering our strategic objectives.

Although the pandemic and the cost of living crisis have presented many challenges, it has allowed us to review our income streams and develop alternatives where needed. Our fundraising and retail teams, as always, have been creative and flexible in thinking of ways to boost income. The end of lockdown and social distancing meant we could reintroduce some of our much loved events, such as our Light up A Life celebration event. We had great feedback from the community and it was wonderful to welcome so many people back together. The fundraising team has also developed new and innovative events, like our successful

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Message from our Chair (continued)

and very popular Sportsman Dinner with Hospice Ambassador and Newcastle United Assistant Head Coach, Graeme Jones, in February 2023. March 2023 saw our first-ever Giving Day and we were totally overwhelmed at the support from our community, which saw us raise £309kin 33 hours. All of the money raised will go directly towards our vital care and support services.

We've continued to collaborate and extend our partnerships across health, social care, local Universities and the voluntary and community sector. Our relationship with Newcastle Hospitals NHS Foundation Trust has been strengthened through our links with some of our new services and due to their excellent and ongoing Infection Control Guidance advice. We've also collaborated as part of the 12 independent charitable Hospices across the North East, which form Hospices North East and North Cumbria (HNENC), upholding the group's vision 'to ensure that the people of the North East receive outstanding Hospice care and support.'

Finally, in a year where the world has seen some normality return following the pandemic, many uncertainties still remain but here at St Oswald's Hospice we can be depended upon to continue to focus on our Vision to make sure everyone with an incurable condition, and their families in our region gets expert, dignified and compassionate care when they need it.

Thank you for taking the time to read our Annual Report 2022/23.

Thank you for your continued support.

Christine English

A handwritten signature in black ink that reads "C. English". The signature is written in a cursive, flowing style.

05/10/23

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

Board of Trustees and Management at 31 March 2023:

Vice-Presidents

Lady Craft
Mr J Docherty
Mr M P Robson
Dr K Mannix
Mrs M Liston

Board of Trustees

Mrs C English (Chair)
Mr S James (Vice Chair)
Mr D Reynolds (Treasurer, appointed 1 December 2022)

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

Changes in the year:

Resignations

Miss R Gair resigned as a Trustee on 14 September 2022
Mr B Hedley resigned as a Trustee and Treasurer on 30 November 2022

Appointments

Mr D Reynolds appointed as a Trustee and Treasurer on 1 December 2022.

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

Ms S Edusei	Chief Executive
Mrs K Maclaren	Finance Director
Mrs H A Eadington	Director of Corporate Services and Company Secretary
Mrs A Egdell	Director of Care Services
Ms D I Heron	Director of People
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development

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

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Our Professional Advisors at 31 March 2023

Statutory Auditor:

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

Internal Auditor:

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

Solicitors:

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

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

Bankers:

Barclays Bank PLC
5 St Anne's Street, Quayside
Newcastle upon Tyne
NE1 2BH

Investment Managers:

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

Health & Safety Advisors:

Pivotal Safety Services
Seaton Carew
Hartlepool
TS25 2AR

Pension Advisors:

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

Insurance Advisors:

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

Structure, Governance and Management

Our Board of Trustees

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

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

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

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

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

Board of Trustee and Director Meetings

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

Board of Trustee and Director Meetings (continued)

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

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

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

Committee Membership at 31 March 2023

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

Attending Directors:	Attending Directors:	Attending Directors:	Attending Directors:
Ms S Edusei	Ms S Edusei	Mrs H A Eadington	Mrs H A Eadington
Mrs H A Eadington	Mrs H A Eadington	Mrs A Egdell	Mrs K Maclaren
Mrs K Maclaren	Miss D I Heron	Miss D I Heron	

Average Trustee attendance at the bi-monthly Board meetings stands at 80.8%.

Average Trustee attendance at Audit and Finance, People and Clinical Governance and Quality Committee meetings during the year stood at 80%, 85% and 87.5% respectively.

The Technology and Business Intelligence Committee was established in February 2023.

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

St Oswald's Hospice Promotions Limited

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

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

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

Hospice Management Team and Delegation of Powers

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

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

Changes in our Management Team

There were no changes in our Management team during this financial year.

Related parties and co-operation with other organisations

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

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

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

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

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

One of our strategic objectives recognises the need to work more closely with other organisations to help develop palliative care and end of life services. Further details are included on this later in the report.

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

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

Objectives and Aims

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

Our Vision Statement, based upon our principal activity, is:

Together, we will make the most of time and improve quality of life for everyone in the North East living with an incurable condition, and their families.

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

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Achievements and Performance

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

Adult Services

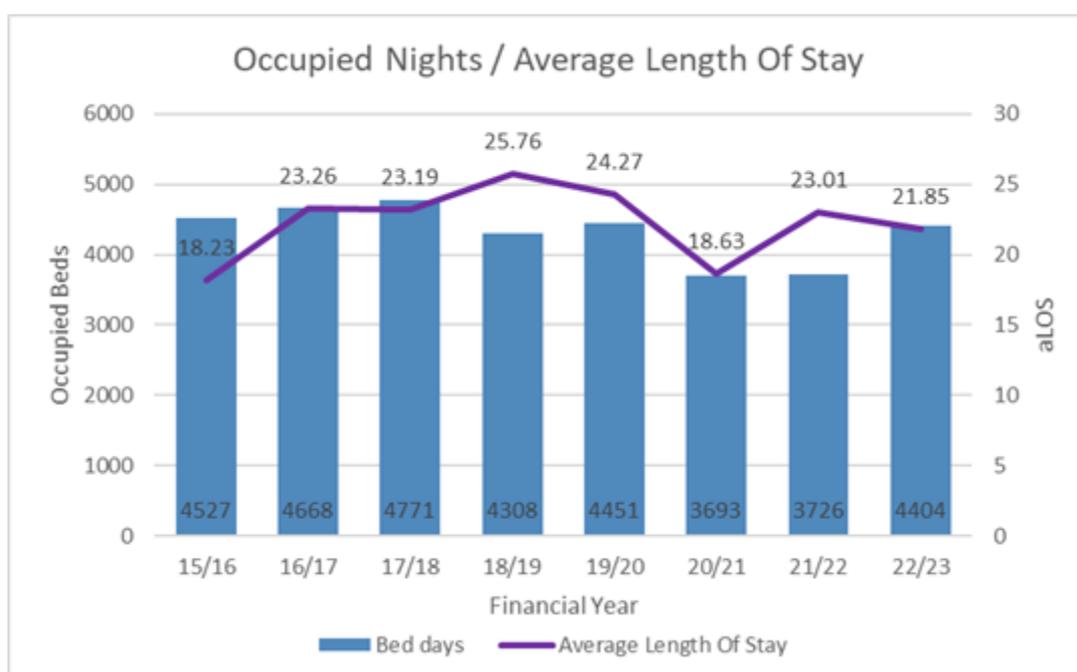
Our Adult Service offers an inpatient service; a lymphoedema service; 'focus on living centre' comprising of therapeutic activities in both group and one-to-one sessions; an ambulatory care service; a combined supportive care service, complementary therapy; carer and bereavement support. Patients are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

Adult Inpatient Unit

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

In financial year 2022/23

- 199 adult inpatient admissions (2022: 161 admissions), 60 patient discharges (2022: 66 discharges) and 139 deaths (2022: 94 deaths).
- Patients stayed with us for an average length of stay of 21 days (2022: 23 days).



TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Achievements and Performance (continued)

- 4,404 bed days were occupied during the year (2022: 3,726 bed days)
- average bed occupancy was 81% (2022: 73%).

This year, our Family Room received a donation from Together For Cinema to install a cinema space within the Family Room. The cinema space has surround sound, a large pull-down TV screen, and electric blinds which allows patients and their families to access Netflix and Disney+ . This gives our families the opportunity to create special memories together away from their bedrooms. We have held special events such as weddings, birthdays, movie nights, Valentine's Day and other celebrations in the Family Room.

Last year, the Hospice Enablement Group became more established. The multidisciplinary team of staff work with our patients to help them to maintain their independence and achieve their goals and wishes. Our team understand that this can have a positive impact on our patients' health and overall wellbeing. The Enablement Group and Patient Support Team have made it possible for our patients to go to their most favourite places, such as the beach or a restaurant to have quality time with those most important to them.

What families said. . .

“Thank you very much for the loving care given to our mother AC during her stay at the Hospice. Her swellings have gone down and she is in much better condition thanks to the treatments she received whilst in your care. St Oswald's and all staff have been amazing. Thanks again”.

“To all staff at St Oswald's, thank you ever so much to each and every one involved in caring for our Mum throughout her 6 weeks with you. We were very grateful for you arranging Christmas Day, getting Mum mobile enough to enjoy trips out, particularly to Scotland. Thanks also for allowing the dog to visit as it meant the world to her. Your outstanding care made a difficult time easier to bear for our family.”

Adult Day Services

This year, there have been further developments to the way we deliver our day services.

Our Focus on Living Centre has welcomed patients back to attend group and face-to-face sessions onsite at the Hospice. We have continued to offer virtual support to patients too.

The Ambulatory Care Service that was piloted in 2021 has now become a permanent service. Offered in partnership with Newcastle Hospitals NHS Foundation Trust, the service provides people with palliative care needs a safe and comfortable environment for planned procedures such as blood transfusions/ blood product support and bisphosphonate/ iron infusions.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Achievements and Performance (continued)

This year, we launched the Combined Supportive Care Service. This weekly service is also a collaboration between St Oswald's Hospice and Newcastle Hospitals NHS Foundation Trust. The service was set up for people with lung cancer or mesothelioma. This has given more patients earlier access to the range of support and services we have at St Oswald's Hospice and offers a much more comfortable and relaxing environment for patients. It has also freed up much needed capacity in hospitals. In November 2022, we won Hospice UK's Michael Howard Award for Partnership Working for the joint efforts with Newcastle Hospitals NHS Foundation Trust on the Combined Supportive Care Service.

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

Similar to other services, our Lymphoedema team has welcomed patients back this year, whilst still offering appointments at home and via telephone consultations. Our Lymphoedema Rapid Response clinic has been extremely successful and we've had excellent feedback from patients, staff and volunteers. This service means there has been a reduction in the need to re-arrange non-urgent patient appointments, allowing us to accommodate those with urgent needs.

In November, we won 'Best Overall Presentation' at The British Lymphology Society Awards. This award recognised our poster presentation that explained a unique initiative to help patients suffering from venous eczema. Misdiagnosis of venous eczema can lead to inappropriate prescribing of antibiotics for suspected cellulitis often resulting in avoidable admission to hospital or frequent GP visits. Patients often require urgent assessment and treatment to regain Lymphoedema control and restore skin integrity. Since introducing this initiative, our patients have seen huge improvements to their skin due to the research, staff education and changes to practice that have been introduced to help treat this condition.

We also won Bright Ideas In Health Awards 'Innovation Champion Team Award' for the joint efforts between our Lymphoedema Team and Focus on Living Centre. This award recognised how the team went above and beyond during the pandemic to develop dynamic and highly responsive services that benefitted patients throughout our community.

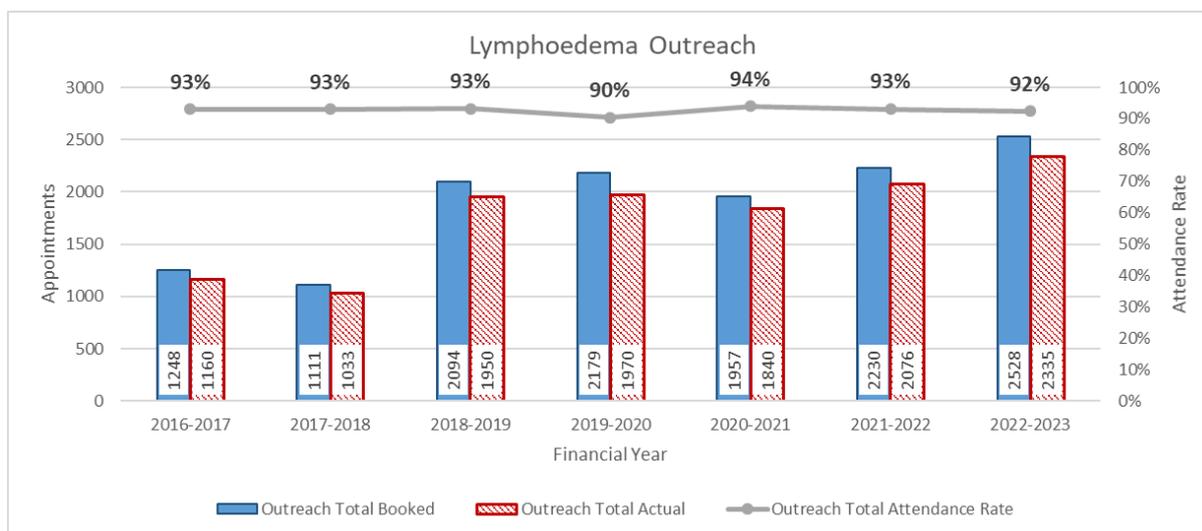
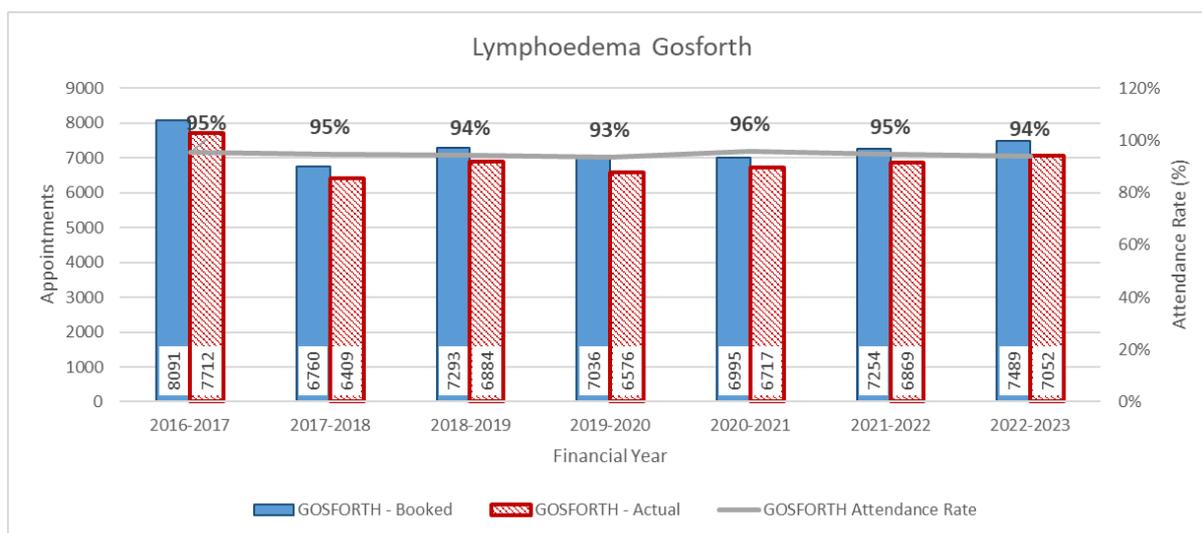
- Within Focus on Living Centre, 124 one-to-one contacts and 281 face to face group sessions were recorded for 96 patients (79 in 2022).
- 991 referrals to our Lymphoedema Service (2022: 954 referrals) and a total of 9,387 Lymphoedema attendances (2022: 8,954) across all of our clinics.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Achievements and Performance (continued)

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

- We continued to operate outreach clinics to care and support people living with lymphoedema closer to home in Shiremoor, Blaydon and South Tyneside. This included 1,595 appointments in South Tyneside (2022: 1,430), 288 appointments in our Shiremoor Outreach Clinic (2022: 202) and 452 appointments (2022: 444) held in Blaydon.



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

“I was so pleased that I could get so many things done at one place because my mobility is not very good. It’s on my mind all the time ‘oh, how will I do that?’ But it’s good because I can get so many things done here all at once. I feel the freedom to ask for what I need. They make you feel belonging and comfortable – the staff are all so nice. They really are – from the first one to the last one that you

STRATEGIC REPORT – Achievements and Performance (continued)

meet, even the driver who brings me in!"

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

Children and Young Adults Service

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

We were delighted that we've been able to re-introduce a programme of trips and outings again this year. Our Children & Young Adults have enjoyed trips to the farm, the theatre, and enjoyed fun and accessible surfing trips to the beach thanks to partnership working with Peacocks Medical Group, Beach Access North East and East Coast Fibreglass Supplies, who helped to make an accessible chair board for our Children & Young Adults. Our Young Adults 'Ozzy Fest' also returned with live music, food and festival vibe fun.

Thanks to a legacy, work begun to develop more independent accommodation for our Young Adults. Our Young Adults have been working with our design team to develop the new extension. This development will increase our capacity to offer short breaks to young adults up to the age of 25 years old.

Our Children and Young Adults team has started work on our Outreach Service. This exciting new development will help to support children, young people and their families who need help at home due to a growing number of them with complex health and social care needs. This new service fills an unmet gap for our Children and Young Adults and their families to receive specialist care and support from trained carers in their own surroundings.

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

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

- 57 children and their families benefited from our Children's Service (2022: 58).
- A further 15 young adults were cared for at St Oswald's Hospice (2022: 11).
- We had 688 admissions, 2,012 bed days (2022: 1995) were occupied with an 81% occupancy rate (2022: 96%).

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Achievements and Performance (continued)

- The average length of stay is 3 nights per visit (2022: 3) for children and young adults.

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

What children, young adults and their families said

"Thank you to each and every one of you for making these amazing experiences happen for our equally amazing kiddos. From these special moments come priceless memories that will be cherished forever."

"It was an absolute pleasure to visit St Oswald's, we were made to feel so very welcome and received such fantastic hospitality. St Oswald's is clean, tidy and exceptionally well looked after, decorated with lots of pictures of the Young People who visit St Oswald's on many of the activities they have completed. From the moment you step foot through the door you can see Young People, their feelings and wishes are at the heart of everything, there is a wealth of activities for Young People on site including a sensory area, play area's and a breakout room, I love the dress up area particularly."

Carer, Bereavement and Family Support

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

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

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

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

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

This year our Young Advocates Bereavement Support Group launched. Our Children's Lead in our Bereavement Support Team has been working with a group of children who attend monthly training sessions. The children learn how to support other children in schools. The idea is to normalise bereavement and prevent children from feeling isolated while in a school education.

Our Corporate Bereavement Online Training continued in partnership with Hospice UK. As part of this, one of our Bereavement Support Workers, qualified as a Bereavement Facilitator for Hospice UK's Compassionate Employers training programme, in September 2022. This programme offers practical

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Achievements and Performance (continued)

guidance and support to companies to help them manage bereavement in the workplace and support staff back to work following a death.

Last year...

- 114 individual adults accessed bereavement support with a total of 684 contacts.

Research

We are committed to improving the care and quality of life of our patients and their families through ongoing research, innovation, service transformation and improvement. Our aim is to develop meaningful research that leads to change, to benefit our service users and improve their experiences whilst in our care.

By developing cutting edge, evidence-based research, we aim to achieve our vision:

- To deliver internationally recognised research to enhance and deliver the best palliative care for people of the North East and beyond.

During this year, 43 patients receiving NHS services provided or sub-contracted by St Oswald's Hospice were recruited to participate in research approved by a research ethics committee.

Research projects we have been involved in during this year are:

- BETTER—Bereavement EducaTION and Training for Employers evaluation and Recommendations (Lead Site)
- PEACE—Palliative and End of Life care experiences of people of African and Caribbean dEscent (Host site - Lead by Newcastle University)
- Improving discussion about resuscitation for bereaved relatives in covid-19 (Host site —Lead by Manchester University)
- Deathbed Etiquette (Host site —Lead by Lancaster University)
- RIPEN—Research in Palliative and End of Life Care North East (Host site — Lead by Newcastle University)
- Palliative Medicine trainees should learn about frailty: meta-synthesis and Delphi study to establish curriculum content (Host site—Lead Keele University)
- COPPAR—Collaborative UK wide paediatric palliative care research network (Host Site - Lead—Keele University)
- IRIS - Augmented and assisted communication in children's hospices (Lead Site)
- Diverse experiences of End of Life care for Dementia—Establishing Consensus and Capacity through Collaboration and Co-production (Host Site—Lead Newcastle University)

We are looking to significantly develop research activity in the coming years, and aspire to appoint of a fully funded Research Centre Manager in the near future.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – FINANCIAL PERFORMANCE

Summary of Financial Performance

We are pleased to report a positive group financial result for the year to 31 March 2023 of £652k surplus (2022: £905k surplus) as detailed in the Statement of Financial Activities on page 43. The hospice-only result for the period is a surplus of £767k (2022: £948k surplus).

Income for charitable activities from statutory sources has provided a strong foundation this year, increasing by 5.2% to £5,940k (2022: £5,647k) year on year.

Following two years of disruption to Retail and Fundraising, this financial year has been more like “business as usual”, without Covid-19 restrictions being placed on our non-clinical activities. The teams have relished this opportunity and have performed very well in raising funds to cover the gap in funding between our public sector income, and the cost of delivering charitable services. The year has not, however, been without its challenges: Extremely high inflation and the unpredictable political and economic environment, teamed with an extremely buoyant employment market, has placed strong upward pressure on expenditure.

Despite these challenges, the very positive financial result is due to several factors:

- I. Our generous supporters – income from individual donors through regular giving, lottery and appeals has remained a strong and reliable source of funding this year.
- II. Fundraising – once again the team curated a creative and original programme of events and campaigns, including our inaugural Giving Day, in order to exceed the net Fundraising target for the year.
- III. Retail – very strong trading across the whole of the Retail department, free from any Covid-19 restrictions, has resulted in the team achieving an above budget surplus in the year.
- IV. Legacies – gifts of legacies bequeathed to the hospice are once again incredibly high at £2,276k (2022: £1,950k).

Legacies, in particular, whilst providing a welcome source of unrestricted funding and corresponding uplift to reserves, are unpredictable in nature and cannot be presumed to provide a long term reliable flow of income. A rolling five year forecast is maintained and has been updated with the latest financial information available; it ensures reserves are maintained within acceptable limits (details of our reserves policy are on page 33). This positive result continues to build free reserves which will be used to safeguard the future financial security of the hospice, alongside plans to invest a significant portion (£500k over two years) in the renewal of the hospice's infrastructure and buildings.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Financial Performance in Detail

For the year ended 31 March 2023 the group recorded a net surplus, including grants but before accounting for movement on the investment portfolio, of £662k (2021/22: £856k).

For the group, total incoming resources for the year increased by 10.1% (2021/22: increase of 3.7%) to £15,350k. Total resources expended increased by 12.3% (2021/22: increase of 2.8%) to £14,688k.

For the hospice only, total incoming resources for the year increased by 9.5% (2021/22: increase of 4.5%) to £14,842k. Total resources expended increased by 11.2% (2021/22: increase of 2.8%) to £14,065k.

During 2022/23 £916k (2021/22: £851k) was gratefully received in grants and donations to cover specific projects. This is shown in the financial statements as “restricted income”, and the appropriate expense is shown against it as “restricted expense”. This differentiates it from the normal ongoing operations of the Hospice, which is named “general” income and expense. In the two years prior to 2022/23, the hospice was in receipt of NHS England (via Hospice UK) Covid-19 clinical capacity grants, contribution towards the ongoing clinical services during the pandemic. During these two years, a significant portion of expenditure which would have ordinarily been funded from unrestricted funds was instead supported by the restricted fund. The scheme closed in March 2023, and so there is no such effect to report this year, but does account for the marked increase in general expenditure year on year.

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

Group	<u>2022/23</u>	<u>2021/22</u>	<u>Movement</u>
General income	14,433,914	13,089,589	1,344,325
General expenditure	(13,880,457)	(12,007,166)	(1,873,291)
Net income before movement on investments	<u>553,457</u>	<u>1,082,423</u>	<u>(528,966)</u>
Hospice	<u>2022/23</u>	<u>2021/22</u>	<u>Movement</u>
General income	13,926,206	12,699,020	1,227,186
General expenditure	(13,257,636)	(11,573,821)	(1,683,815)
Net income before movement on investments	<u>668,570</u>	<u>1,125,199</u>	<u>(456,629)</u>

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

Incoming Resources

Income is usually categorised as Generated Income (being Donations, Legacies, Trading Activity income and Investment income) or Income from Charitable Activities; there are separate categories for exceptional income on the face of the Consolidated Statement of Financial Activities, being of Job Retention Scheme grant income (in 2022 only) and Other income falling outside of these definitions; more detail about which is outlined below:

Incoming Resources from Generated Funds

Donations and income from regular donors totalled £1,493k (2021/22: £1,410k) of which £451k was restricted (2021/22: £268k). Legacy income has continued

in a similar vein as the past three years and is extremely high at £2,276k (2021/22: £1,950k). As retail activities returned to normal operation for the full financial year, there was no reliance made on retail support grants (2021/22 £81k). Last year this funding provided financial support towards the re-opening of retail outlets forced to close as a result of the covid-19 restrictions. A further result of this was that income from other trading activities flourished, rising to £5,568k in the reporting period (2021/22: £4,745k).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year it was able to gift aid £693k (2021/22: £918k) to the parent charity. The subsidiary's main activity is the Hospice lottery, and hosting the hospice's art trails, the next of which is planned in 2023/24 (the most recent art trail was in 2019/20). The reduction in gift aid received is largely due to the subsidiary incurring upfront expenditure for next year's art trail, of £148k (2021/22: £nil).

Investment income, comprising interest and dividends received is £73k in the year (2021/22: £45k). The year-on-year increase can be attributed to bank interest; the hospice has taken advantage of the increase in interest rates and utilised interest-bearing cash deposit accounts, to earn £25k in the year (2021/22: £nil).

Incoming Resources from Charitable Activities

As in previous years our charitable activities received partial funding from the NHS and local authorities, totalling £5,940k in the year (2021/22: £5,647k). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totals £2,179k (2021/22: £1,931k). In the previous year, the hospice was granted restricted funding of £298k from NHS England via Hospice UK for available bed capacity and community support throughout the pandemic; this scheme closed on 31 March 2022 and so no reliance was placed on such income in the reporting period.

Our Children and Young Adults' Service continues to be funded by local authorities on an activity-basis via a payment per night for each child or young adult accommodated, generating total income of £1,562k (2021/22: £1,413k). As in

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

previous years a grant was received from NHS England of £371k (2021/22: £284k), to support the activities of our Children's Service. A Children's Outreach Service is also in the early stages of development, and is being supported by a restricted grant of £94k (2021/22: £nil) from NHS England, matched with funds from Southampton Hospital's charity (classified as a restricted donation).

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedema income for 2022/23 was £1,679k (2021/22: £1,584k).

Job Retention Scheme Grant Income

The job retention scheme closed in September 2021 and so £nil has been claimed in the financial year (2021/22: £60k). The grant was claimed last year as it had been necessary to furlough some members of staff, given the covid-19 restrictions imposed on many of our non-clinical activities.

Resources Expended

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

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

Costs of Raising Funds

The cost of raising funds totalled £5,055k overall (2021/22: £4,247k). The increase is driven by higher staffing costs, and £148k upfront investment in next year's art trail in the trading subsidiary.

Costs of Charitable Activities

Expenditure on our charitable activities of £9,633k (2021/22: £8,837k), including property costs, depreciation charges and support costs, represents 65.6% of total expenditure (2021/22: 67.5%). Staff costs remain by far the greatest type of expenditure incurred, and as above accounts for the increase year-on-year.

Balance Sheet

The Balance Sheet at 31 March 2023 shows funds of £17,005k (2022: £16,353k) of which £9,678k (2022: £9,838k) is represented by fixed tangible and long term

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

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

The hospice was fortunate to receive a large grant of £896k in the year, as upfront funding for the construction of two purpose-built young adult bedrooms. The income has been treated as deferred income until planning permission and the associated conditions have been met. As a result of the high cash balance £2 million was deposited into an interest-bearing short term deposit account (2022: £nil).

Investment Policy and Performance on page 33 further details the performance of long term investments and the short term deposit account.

Key Performance Indicators

	Unit of measure	Target	2022/23	2021/22
Value of free reserves	£000's	7,067	8,067	7,592
Expenditure variance from budget	%	<5%	6%	3%
Retail profit	pence in £	21	25	20
Fundraising expenditure ratio	pence in £	45	31	32
Staff turnover	%	<5%	17%	14%
Adult inpatient occupancy	%	84%	81%	73%
Children and young adults occupancy	%	90%	81%	96%

Expenditure was higher than budget in 2022/23, due to higher than budgeted pay awards being approved, in an attempt to keep pace with employment market forces, and help staff manage with the rising cost of living.

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

Staff turnover continues to be very high; the employment market is extremely competitive at present, and often the charity often does not have wage parity with private sector salaries. Whilst we benchmark pay to similar roles outside of the organisation, and aspire to move towards these levels, we are constrained by the need to manage our expenditure on a recurring basis.

Occupancy within the Adults unit improved as capacity increased in the year as Covid-19 distancing restrictions reduced.

Occupancy within Children and Young Adults appears to have decreased, however an additional bed has been opened to increase capacity in the service.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT - Monitoring and Compliance

Ensuring Quality Care: Monitoring and Compliance

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

We are monitored and regulated by the Care Quality Commission (CQC) and at last inspection (September 2015); we were awarded an overall rating of 'Good'. The CQC awarded us 'Outstanding' for care, and 'Good' for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made. The inspection standards under which Hospices are inspected changed in 2018 and we continue to review our performance against the requirements. We continue to engage with CQC as they transition to a new way of inspection. Throughout this year, we have had several telephone conversations, responded to information requests and familiarised ourselves with the Quality Statements. We have also promoted the CQC feedback portal with patients and families. In that time, we have received regular email confirmations that CQC are satisfied and that there is no reason to trigger an inspection or change our rating.

Service User experience as always is a priority. We continue to listen and act on the feedback of our patients, children, young adults and families where we can. Internally, patient experience is measured by questionnaires, face to face interviews, focus groups and submissions to our 'feedback bank' alongside our formal complaints policy and procedure. Our feedback bank serves as a central store for all patient experience data, as well as comments, complaints, compliments and suggestions from wider stakeholders. This year we have begun to discuss and develop a Consultation Network. We hope this Network will become another mechanism to gather a range of stakeholder feedback on a wide variety of Hospice activities including new developments and ongoing improvement of service delivery.

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

Ensuring Quality in Fundraising Practice: Monitoring and Compliance

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We encourage our fundraising service providers we engage with to also be signed up to the code. This report covers the requirements charities must follow as set out in the Charities Act 2016.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT - Monitoring and Compliance (Continued)

It has cost us £9.6 million (2022: £8.8 million) to provide our charitable hospice services this year. Approximately 60% of this of this came from statutory funding. We aim to raise the balance of funding required through our fundraising activities.

Our fundraising effort involves encouraging donations and legacies, running events and operating a lottery. Our in-house fundraising team engages professional face-to-face or telephone fundraisers via an agency to help us promote individual giving. We aim to ensure those agencies we employ also observe the highest standards in terms of fundraising practice.

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

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

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

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received two complaints in the 2022/23 financial year (in 2021/22 we received three complaints).

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

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

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

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT - Monitoring and Compliance (Continued)

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

This year we reviewed and published a revised Fundraising Policy. The Policy sets out our guiding principles and practices across every aspect of fundraising. We have introduced a new Standard Operating Procedure in relation to due diligence on major donors and significant donations.

Ensuring Quality in Retail: Monitoring and Compliance

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

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

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

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

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

Following Covid -19, all of our shops and staff areas still have antibacterial hand gel, face coverings are still encouraged and staff/volunteers have free supply and till areas still have screening in place when requested by the shop team. We still monitor Covid-19 risk assessments and encourage safe working space. We will continue to adhere to all government and industry advice throughout 2023/24.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Strategic Objectives 2022/23

Our main purpose is to continue to deliver outstanding care to patients, children, young adults and their families during Covid-19 and beyond. In addition, the following objectives have been designed to make sure that we do three things - Survive the current situation, Strive to improve so that we can Thrive in a post-Covid world. In 2022/23, we continued to embed these objectives in to the organisation so that every staff member knows how they are contributing to delivering our strategic objectives.

SURVIVE

Maintain safety and quality of care at all levels, including:

- Continue service delivery across all Hospice services.
- Maintain patient, carer, staff and volunteer safety following national and local infection control guidance.

Maintain sufficient cash flow to keep us operational, including:

- Limit year end loss position to less than the amount approved by trustees in the 2022/23 budget, of £737k, for the financial year.

STRIVE

Develop flexible, high quality and innovative services, including:

- Develop services that meet patient, carer, staff and volunteer needs within budgetary constraints.
- Develop volunteering activity to deliver flexible and innovative services.
- Improve systems and processes and use digital solutions to support all our work.
- Embed coaching approach to support values led organisation.

THRIVE

Deliver an outstanding quality of care, including:

- Achieve CQC Outstanding in Care and minimum Good in other areas
- Continue to develop flexible and innovative services that meet patient, carer, staff and volunteer needs within budgetary constraints.

Be financially fit for the future, which will include:

- Achieve the agreed budget for 2023/24.
- Establish a development fund for investment in equipment, projects and people.

These objectives are owned by the relevant HMT member and will be continuously reviewed during the year to monitor successful progress.

STRATEGIC REPORT - Policies to Achieve Our Objectives

Recruitment, Retention and Development of Staff & Volunteers

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

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

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

Recruitment has been identified as a priority objective for the organisation and we have a project group looking at different aspects of recruitment and how we can improve what we do. Effective collection and use of data is a key aspect of this project and we are working closely with our Data Team to make the best use of the information we have.

Wellbeing

Wellbeing is a key theme of our People Experience Strategy and last year we promoted Able Futures to support mental health and provide resources to support people with their financial wellbeing. Once again we hosted Menopause training and also launched our Menopause policy and guidance. Over the coming year we will be working with the Better Health at Work Advocates on our longer term strategy and a Wellbeing Hub area on OsWorld. Clinical Units have developed wellbeing days based on the principles of Five Ways to Wellbeing.

Engagement & Involvement

The People Experience Group (previously the Engagement and Involvement group) has developed core objectives for all our staff that reflect the priorities of our organisation and worked with HR to utilise the new HR system (Cascade) to record progress against these objectives. Work is underway to launch Quality Conversations to replace the traditional appraisal system.

Each year we deliver planned learning, development and education programmes to ensure our staff and volunteers are able to undertake their roles safely, in a well-managed environment, equipped to deliver high quality services. Our approach is still blended learning but we started to introduce more face to face training as Covid restrictions were lifted. In November 2022, we launched a new learning management system (Bluestream Academy) for our mandatory training and rolled the first stage out during the first quarter of the year.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

The views of staff and volunteers are sought via line managers, feedback bank, special briefings, focus groups, surveys and departmental visits from HMT and Trustees. Plans are in place to launch a User Involvement Group which will include staff (as well as other stakeholders) to ask for views on a range of topics such as specific policy reviews, improvements to processes and identification of wellbeing initiatives.

Equality, Diversity & Inclusion

The Equality, Diversity and Inclusion (EDI) group has a clearly defined strategy that supports EDI in service provision and in supporting and developing all our people. The strategy is supported by a comprehensive training plan and an expectation in staff core objectives that people continue to learn about EDI and how they can support others. Last year was the first year we included all protected characteristics in the Workforce Equality Survey (WES) rather than just those required of us. Next year will be the first year that volunteers will be included in the survey.

Equality, diversity and inclusion are important elements of our Recruitment project (mentioned above), and we are looking at how we can ensure that no one is unintentionally disadvantaged by what we do as well as ensuring that we encourage applications from underrepresented groups.

Staff Remuneration

Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. The PeopleCommittee sets the salaries of the Hospice Management Team and Medical Consultants. Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

Our plans to progress discussions on fairness and competitiveness in remuneration have progressed well this year.

Pay Policy for Senior Staff

The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling of the charity and running and operating the Hospice on a day to day basis. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in notes 12 and 26 of the financial statements.

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

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Hospice People Committee and any recommended uplift is approved by

STRATEGIC REPORT - Policies to Achieve Our Objectives (continued)

the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities of similar size and turnover and seek to compare like with like posts.

Equality of Opportunity

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

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

Disability in Employment

We are a Disability Confident employer and actively encourage applications for employment from disabled people. Over the coming year we will be working on achieving the next level and becoming a Disability Confident Leader.

Volunteers

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

The Volunteering strategy was launched this year and will be embedded over the next two years. The strategy will support the continuing development of new opportunities for innovation whilst ensuring our volunteering offer is robust and meets the evolving needs of all areas of the organisation. We have introduced a pilot Volunteer to Career Pathway to support volunteers with clinical career aspirations within the Health and Social Care Sector and we were the proud winner of the Hospice UK's Innovation in Care national award for the joint efforts between our Lymphoedema Service and Volunteering Departments work to maintain and improve patient care.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT - Managing Risk

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

Trustees and HMT have continuous access to the risk register and all its associated action plans including the balanced scorecard which details all adverse events. Trustees and HMT review and update the Risk Register at Board meetings, as well as reviewing the rationale behind the risk score and the action being taken to remove or mitigate for any risk that scores over 15 (out of a maximum of 20).

There are a number of dedicated sub-groups which feed into the Hospice Management Team operational meetings.

We also have a Clinical Quality Team which is led by the Clinical Quality Lead. Other Team members include experienced nurses who represent, guide and support staff and volunteers to ensure that safe quality care is maintained across the Hospice based on best available evidence. The Clinical Quality Team monitors and reviews clinical activity, service user feedback, engagement and involvement, clinical data, service user information, clinical risks and adverse events as well as participating in Hospice UK's benchmarking safety programme.

The Clinical Quality Team report into the Trustees' Clinical Governance and Quality Committee meetings. At each meeting a Clinical Quality Report is presented that provides the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Clinical Quality Improvement work within St Oswald's. This report also gives a summary of various sub-groups and outlines the plans going forward.

A Safety Health Environment Fire/Risk Management Report is also presented to the Clinical Governance & Quality Committee at each of their meetings.

Impact of Covid-19 Pandemic Risk

Throughout the financial year, while the UK has not been subject to Covid-19 restrictions as in previous years, we have continued to respond dynamically to the infection control guidance applicable to our services. Our clinical services continue to be managed closely via a daily Clinical Planning Group meeting chaired by Director of Care Services.

Environment and Fire Risks

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT - Managing Risk

Clinical Risks

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

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

Adverse events provide vital information in the identification and monitoring of risk and the process is promoting as a source of learning. Plans are in place to move to the new Patient Safety Incident Response Framework (PSIRF) launched in the NHS, which emphasises the learning response to incidents rather than apportioning blame.

External Bodies

Our external auditor, RSM UK Audit LLP, bring with them the benefits of a firm large enough to have considerable expertise in the not-for-profit, public and private sectors.

Azets Audit Services has acted as internal auditor throughout the financial year, with a programme of works which covered all aspects of financial control, alongside review of non-financial controls and procedures.

Financial Risk Factors

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

Income Risk

Income Risk is the reliance on potentially volatile income streams such as lottery income, voluntary donations, retail and fundraising income, including legacies. The financial environment has changed markedly over the past three years due to the economic fallout from the covid-19 pandemic, the increasing cost of living and high levels of inflation, the impact of Brexit, the autumn "mini-budget" in September 2022 and the ongoing conflict in Ukraine. The result is much uncertainty surrounding the charity's ability to generate income. The risk is mitigated as far as possible by being creative in redesigning and pivoting fundraising activities to be responsive to the local environment, and also having good donor stewardship to maintain links with existing donors.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT - Managing Risk (continued)

Income Risk (continued)

Financial pressures within the NHS and local authorities may result in some of the Hospice's services becoming economically unviable. Strenuous efforts are made to communicate regularly with commissioners and to instigate negotiations wherever necessary.

Fraud and Financial Crime Risk

Any business carrying out activities that involve handling large amounts of cash faces the risk of loss of income through fraud or theft. An Internal Financial Controls policy is in place to outline operating procedures to minimise these risks.

Staff are made fully aware of their responsibilities in respect of handling cash and these procedures during induction, and are reminded of their responsibilities on an annual basis. Should any incident of theft or financial crime be suspected, the procedure detailed in the Fraud policy is followed and the appropriate authorities and Trustees are notified in a timely manner.

Investment Risk

The Hospice is exposed to fluctuations in the stock market which affect the value of its investment portfolio. The portfolio is monitored by the Audit and Finance Committee at each of their meetings throughout the year. The portfolio is designed both to generate a stream of dividend income and as a long term investment. Trustees recognise that its value is subject to fluctuations in the stock markets. The risk profile of the portfolio, is under constant review by the Audit and Finance Committee, which is advised by the Hospice's investment managers, UBS. The value of the investments has held steady throughout the year yielding 4%, despite the volatile markets which have been reported throughout the year.

Liquidity Risk

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – Regulatory statements

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

Investment Policy and Performance

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile.

Once again this year no withdrawals were made from the investment portfolio (2021/22: £nil sold). Dividend income is paid over to the Hospice as it is received. The portfolio decreased in value in the first half of the year, and then partially recovered in the second half of the year, as the markets faced huge uncertainty from the shock of the mini budget announced in September 2022, continuing high inflation and the impact of the Russian invasion in Ukraine. The value of the portfolio has experienced a net loss of £10k (2021/22: net gain of £49k) during the year, as detailed in Note 16 of the financial statements.

In August 2022, the Hospice took advantage of the rising Bank of England base rates and opened a 95-day notice deposit account, attracting interest at a rate of 0.05% above base rate. A total of £2 million was deposited during the course of the year earning £25k in interest (2021/22: £nil). The Bank of England base rate rose steadily across the year from 0.75% at the start of the year to 4.25% March 2023 (2021/22: increase from 0.1% to 0.75% over the course of the year).

Reserves Policy

Strategic financial plans are updated on a rolling programme to create the next financial year's business plan with an accompanying projection for the following four years. This gives an outline of the likely financial impact on reserves over a five year period.

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

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

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Reserves Policy (continued)

establish a maximum level of reserves based on income and expenditure expected in a twelve-month period.

Our acceptable range of free reserves is reviewed annually and for this year the range is considered to be between £3.4 million and £10.7 million. Within this broad range, we have a target of £7.1 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

As at 31 March 2023, our group accumulated general funds stood at £11,71k (2022: £11,052k). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets and not designated and not held within the subsidiary trading reserve. Using this definition, the free reserves of the Charity (and Group) at 31 March 2023 were £8,067k (2022: £7,592k).

While free reserves are above our target of £7.1 million, we are conscious that this is driven by unpredictable or non-recurring income streams, particularly legacies which were £1.0 million above budget target in the year, and other fundraising campaigns which cannot be repeated annually. Therefore trustees will rely on this reserve to fund the planned future deficits between income and expenditure, and also to invest non-recurrently in the charity's facilities and technology infrastructure.

The five year financial forecast has been refreshed, taking a fair view of predicted income and expenditure in the context of the volatile financial environment we are currently operating within. This has meant that we have had to expect deficit financial results in the next few years, but this has been carefully planned with reference to the reserves balance, ensuring that at no point is the minimum acceptable level of free reserves breached.

Work on a new medium-term organisational strategy is in progress and will continue into the autumn of 2023. In developing this, trustees maintain the principle that any new initiatives, or developments to existing services, must be self-financing; general reserves will not be used to fund such projects.

The Hospice designates certain reserves for specific purposes, and trustees approve a list of designated reserves each year. The total at 31 March 2023 was £101k (2022: £65k). These reserves are ring fenced for a specific use in the following financial year and arise from a variety of sources. Post year-end the trustees have also recommended a further designation of a £500k electrical maintenance fund, to be spent over a two year period from 2023/24, which will earmark funds to cover essential expenditure on re-wiring the original hospice buildings (this designation is not represented in the 2022/23 financial statements). This planned expenditure is included in our 2023/24 approved budget and future forecasts.

Future Plans

The continued turbulence in the local health and social care economy and wider financial environment has caused the trustees to take a cautious but reasoned

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Future Plans (continued)

approach to making future plans. The ongoing work on our new strategy will inform the longer term direction of the charity, however the Trustees continue to aim to preserve the financial stability of the Hospice by limiting expenditure of general reserves to that which is non-recurring or is absolutely necessary to secure our existing services. Any recurrent new initiatives must be self-funding, rather than relying on funding from reserves on an ongoing basis. Plans for Fundraising and Retail strategies for future years remain creative and responsive to our supporters and stakeholders, to maximise net income generation. That being said, there are exciting plans to extend our Children and Young Adults' Unit in 2024 with the construction of two purpose-built bedrooms, designed to specifically meet the needs of our young adults. This project is possible due to a grant of £896k which has already been received (and is included in our year end cash balance) and will be used to fund the design and construction of the facility.

Going Concern

The Trustees are aware of the risks to income from the rising cost of living and commissioning organisations experiencing financial pressures, coupled with rising costs from extremely high inflation and salary market forces. With this in mind we have developed a cautious five year business plan to forecast income and expenditure, and the necessary use of free reserves to bridge any shortfall in funding, while ensuring levels remain well within our stated acceptable limits. Contingency plans, however, are in place to adjust the charity's obligations should it be required in the future. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future.

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

Trustees' Responsibilities Statement

The trustees (who are also directors of St Oswald's Hospice Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT – REGULATORY STATEMENTS (continued)

Trustees' Responsibilities Statement (continued)

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information, and
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

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

By Order of the Board



**C English
Chair**

05/10/23

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

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

FINANCIAL STATEMENTS

For the Year Ended

31 March 2023

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

Opinion

We have audited the financial statements of St Oswald's Hospice Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Company (Hospice) Balance sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees'

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

Other information (continued)

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on pages 35 & 36 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the

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

Responsibilities of trustees (continued)

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company

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

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

operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;

- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

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

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

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

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

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

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

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

Use of our report

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

Sarah Mallinson

SARAH MALLINSON FCA (Senior Statutory Auditor)

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

Date

06/10/23

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

FOR THE YEAR ENDED 31 March 2023

	Notes	General funds	Restricted funds	Total 2023	Total 2022
Income and Expenditure		£	£	£	£
Income from:					
Donations and legacies	2	3,317,040	451,020	3,768,060	3,441,782
Other trading activities	3	5,568,357	-	5,568,357	4,745,437
Investments	5	73,131	-	73,131	45,050
Charitable activities	6	5,475,386	465,097	5,940,483	5,647,314
Other Income		-	-	-	750
Coronavirus Job Retention Scheme Grant		-	-	-	60,023
Total income		<u>14,433,914</u>	<u>916,117</u>	<u>15,350,031</u>	<u>13,940,356</u>
Expenditure:					
Costs of raising funds					
Voluntary Income	7	555,369	-	555,369	365,784
Cost of activities for generating funds	7	4,490,202	-	4,490,202	3,864,418
Investment Management Fees	7	9,422	-	9,422	17,104
Cost of Charitable Activities	8	<u>8,825,464</u>	<u>807,799</u>	<u>9,633,263</u>	<u>8,836,728</u>
Total Expenditure		<u>13,880,457</u>	<u>807,799</u>	<u>14,688,256</u>	<u>13,084,034</u>
Net income before movement in investments					
(Loss) / gain on investment assets	16	<u>(9,716)</u>	<u>-</u>	<u>(9,716)</u>	<u>48,602</u>
Net movement in funds		543,741	108,318	652,059	904,924
Total funds brought forward					
At 1 April 2022	22	11,241,425	5,111,499	16,352,924	15,448,000
Transfers between funds	22	2,592	(2,592)	-	-
Total funds carried forward at 31 March 2023	22	<u>11,787,758</u>	<u>5,217,225</u>	<u>17,004,983</u>	<u>16,352,924</u>

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

The notes on pages 47 to 79 form part of these financial statements.

BALANCE SHEET AS AT 31 March 2023

Group/Hospice

	Notes	Group		Hospice	
		2023	2022	2023	2022
		£	£	£	£
Fixed Assets					
Tangible assets	15	8,450,169	8,570,777	8,450,169	8,570,777
Investments	16	1,227,386	1,266,797	1,227,388	1,266,799
Long term deposit		-	-	-	-
		<u>9,677,555</u>	<u>9,837,574</u>	<u>9,677,557</u>	<u>9,837,576</u>
Current Assets					
Stocks		19,091	30,305	4,760	25,600
Debtors	17	3,542,562	3,161,454	3,483,229	3,179,452
Short term deposit		2,017,666	-	2,017,666	-
Cash at bank and in hand		3,876,083	4,277,031	3,523,393	4,036,123
		<u>9,455,402</u>	<u>7,468,790</u>	<u>9,029,048</u>	<u>7,241,175</u>
Creditors:					
Amounts falling due within one year	18	<u>(2,127,974)</u>	<u>(953,440)</u>	<u>(1,776,164)</u>	<u>(915,480)</u>
Net current assets		<u>7,327,428</u>	<u>6,515,350</u>	<u>7,252,884</u>	<u>6,325,695</u>
Total assets less current liabilities		17,004,983	16,352,924	16,930,441	16,163,271
Provisions for liabilities	19	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets		<u>17,004,983</u>	<u>16,352,924</u>	<u>16,930,441</u>	<u>16,163,271</u>
Funds					
Unrestricted funds:					
General funds	22	11,713,216	11,051,772	11,713,216	11,051,772
Non-Charitable Trading Reserve	22	74,542	189,653	-	-
		<u>11,787,758</u>	<u>11,241,425</u>	<u>11,713,216</u>	<u>11,051,772</u>
Restricted funds	22	5,217,225	5,111,499	5,217,225	5,111,499
Total funds		<u>17,004,983</u>	<u>16,352,924</u>	<u>16,930,441</u>	<u>16,163,271</u>

The net surplus before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £767,172 (2022: net surplus £947,676).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 37 to 79 were approved by the members of the Board of Trustees on 5 October 2023 and signed and authorised for issue on their behalf by:

C. English
C English
Chair

D. I. Reynolds
D Reynolds
Treasurer

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2023**

	2023	2023	2022	2022
	£	£	£	£
Cash flows from operation activities:				
Net cash provided by operating activities		1,762,822		1,400,099
Cash flows from investing activities:				
Dividend, interest and rents from investments received	73,131		45,050	
Proceeds from sale of tangible fixed assets	1,000		-	
Purchase of tangible fixed assets	(249,930)		(129,881)	
Proceeds of sale of investments	1,174,867		317,169	
Purchase of investments	<u>(1,252,370)</u>		(218,938)	
Net cash (used in) / provided by investing activities		(253,302)		13,400
Increase / (decrease) in cash held in portfolio		<u>107,198</u>		<u>(90,914)</u>
Increase in cash in the reporting period		<u><u>1,616,718</u></u>		<u><u>1,322,585</u></u>

Reconciliation of net income to net cash flow from operating activities

	2023	2022
	£	£
Net incoming resources	661,775	856,322
Depreciation	370,026	381,037
Investment income	(73,131)	(45,050)
Gain on sale of Fixed Assets	(488)	-
Decrease / (increase) in stocks	11,214	(9,237)
(Increase) / decrease in debtors	(381,108)	505,907
Increase / (decrease) in creditors	<u>1,174,534</u>	<u>(288,880)</u>
	<u>1,762,822</u>	<u>1,400,099</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2023 (continued)**

Reconciliation of net cash flow to movement in net funds	2023	2022
	£	£
(Decrease) / increase in cash in the year	(400,948)	1,322,585
Cash from increase in liquid resources (short term deposits movement)	<u>2,017,666</u>	<u>-</u>
Movement in net funds in the year	1,616,718	1,322,585
Net funds at 1 April 2022	<u>4,277,031</u>	<u>2,954,446</u>
Net funds at 31 March 2023	<u>5,893,749</u>	<u>4,277,031</u>

Analysis of net funds	Opening net funds 01/04/22	Cash Flow	Closing net funds 31/03/23
	£	£	£
Cash at bank and in hand	4,277,031	(400,948)	3,876,083
Short term deposits	-	2,017,666	2,017,666
	<u>4,277,031</u>	<u>1,616,718</u>	<u>5,893,749</u>

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of preparation and consolidation

Accounting policies

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

Basis of accounting

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

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

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

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

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

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. The financial position of the charity and group is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan for 2023/24, which includes an Income and Expenditure Statement and a cashflow forecast to March 2025, and have reviewed the organisation's resources. As such, we have an expectation that the charity and group has adequate reserves and working capital to

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

Reduced Disclosures

In accordance with FRS 102, the charity and group has taken advantage of the exemptions from the following disclosure requirements:

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

(b) Hospice status

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

(c) Fund accounting

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

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

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

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

(d) Goods for resale

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

(e) Legacies receivable

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

(f) Deferred income

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

(g) Donated income

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

(h) Lottery income

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

(i) Gifts in kind

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

(j) Grants receivable

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

Grants received under the Coronavirus Job Retention Scheme are recognised in the period to which the claim relates.

(k) Public Sector Contract income

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

(l) Resources expended

All expenditure is accounted for on an accruals basis.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

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

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

(m) Pension costs

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

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

(n) Employee benefits

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

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

(o) Operating leases

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

(p) Irrecoverable VAT

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

(q) Tangible fixed assets and depreciation

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

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

Freehold premises	-	2% straight line
Short lease premises	-	Spread over the term of the lease
Motor vehicles	-	25% - 100% straight line
Fixtures, fittings and equipment	-	10%-25% straight line

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

(r) Investments

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

(s) Stocks

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

(t) Liquid Resources

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

(u) Financial instruments

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial assets: Trade and other debtors

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

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

Financial liabilities: Trade and other creditors

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

(v) Critical accounting estimates and areas of judgement

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

Critical areas of judgement

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Donations	1,041,491	451,020	1,492,511	1,410,189
Legacies	2,275,549	-	2,275,549	1,950,256
Retail grants	-	-	-	81,337
Total	3,317,040	451,020	3,768,060	3,441,782
2022 Total	3,173,929	267,853	3,441,782	

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

3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Special events	921,118	-	921,118	640,419
Sale of donated goods	3,420,621	-	3,420,621	2,779,221
Sale of new goods	451	-	451	-
Catering sales	24,240	-	24,240	17,692
Trading subsidiary income (Note 4)	1,200,927	-	1,200,927	1,308,105
Gain on disposal fixed asset	1,000	-	1,000	-
Total	5,568,357	-	5,568,357	4,745,437

The Retail department has enjoyed a full year of trading free from the Covid-19 restrictions which hampered earlier years. The income from Other Trading Activities all relates to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

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

The results of the subsidiary are summarised below:

	Total 2023	Total 2022
	£	£
Turnover	1,200,927	1,308,105
Cost of sales	<u>(391,759)</u>	<u>(218,563)</u>
Gross profit	809,168	1,089,542
Administrative expenses	<u>(231,061)</u>	<u>(214,779)</u>
Operating profit	578,107	874,763
Interest receivable	<u>-</u>	<u>-</u>
Profit on ordinary activities	<u>578,107</u>	<u>874,763</u>

The net assets of the subsidiary at 31 March 2023 amounted to £74,544 (2022: £189,654).

5. INVESTMENTS

	Total 2023	Total 2022
	£	£
Dividends received	47,704	45,050
Interest received - charity	25,427	-
	<u>73,131</u>	<u>45,050</u>

Dividends receivable arise from the fixed asset investment portfolio.

The income from investments in 2023 and 2022 all related to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Public Authority contributions:				
Adult inpatient services	2,178,762	-	2,178,762	2,229,327
Adult day care services	1,679,328	-	1,679,328	1,584,117
Children & young adults' services	1,561,545	371,297	1,932,842	1,697,779
Children's outreach service	-	93,800	93,800	-
Medical outreach	-	-	-	71,655
Educational activities	19,203	-	19,203	16,837
Other professional income	36,548	-	36,548	47,599
Total	5,475,386	465,097	5,940,483	5,647,314
2022 Total	5,064,400	582,914	5,647,314	

Included in restricted income is a grant of £371,297 (2022: £284,553) received from the Department of Health for Children and Young Adults' services.

Additionally there is a restricted grant from NHS England and Improvement of £93,800 is recognised in 2023 (2022: £nil) to part-fund the establishment of an outreach service for children who access St Oswald's short breaks, and will benefit from supplementary care in their home.

Within adult inpatient services restricted income for 2022 was a one-off grant of £298,361 from NHS England, which was administered by Hospice UK, to allow the hospice to make available bed capacity and community support to provide support to people with complex needs in the context of the COVID-19 situation. The scheme closed in March 2022 and so there is no corresponding income in 2023.

7. Raising funds: Other trading activity

	Direct Activity	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Costs relating to donations & legacies	555,369	-	555,369	365,784
Event costs	602,421	-	602,421	574,553
Sale of donated goods	3,127,687	-	3,127,687	2,747,133
Catering and other sales	137,274	-	137,274	109,390
Costs of trading subsidiary (Note 4)	622,820	-	622,820	433,342
Investment management fees	9,422	-	9,422	17,104
Total	5,054,993	-	5,054,993	4,247,306
2022 Total	4,247,306	-	4,247,306	

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. COSTS OF CHARITABLE ACTIVITIES

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Adult inpatient services	3,372,035	123,907	3,495,942	3,244,329
Adult day care services	2,618,078	73,144	2,691,222	2,325,050
Children & Young Adults' services	2,017,041	528,609	2,545,650	2,382,276
Children's Outreach Service	664	5,997	6,661	-
Bereavement Centre	167,712	71,529	239,241	219,226
Medical outreach	68,050	-	68,050	73,376
Strategic projects	99,223	-	99,223	160,980
Education activities	189,737	4,613	194,350	171,988
Governance costs	292,924	-	292,924	259,503
Total	<u>8,825,464</u>	<u>807,799</u>	<u>9,633,263</u>	<u>8,836,728</u>
2022 Total	<u>7,759,860</u>	<u>1,076,868</u>	<u>8,836,728</u>	

9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES

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

	Group	Hospice	Group	Hospice
	2023	2023	2022	2022
	£	£	£	£
Depreciation	370,026	370,026	381,037	381,037
Audit fees	25,000	22,675	20,000	17,000
Other auditors' remuneration	1,125	-	1,125	-
Internal audit fees	8,500	8,500	8,000	8,000
Operating lease charges (land & buildings)	451,116	451,116	447,611	447,611
Pension costs	675,617	668,573	598,878	591,841
Net gain on disposal fixed assets	(488)	(488)	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. ANALYSIS OF SUPPORT COSTS

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

	Human Resources	Inform'n Systems	Finance	Corporate Services	Total Allocation
	£	£	£	£	£
Donations & Legacies	8,454	18,387	16,481	21,741	65,063
Commercial trading activities:					
Event costs	9,171	19,944	17,878	23,584	70,577
Sale of donated goods	56,551	122,990	110,243	145,430	435,214
Catering sales	5,710	12,419	11,132	14,684	43,945
	<u>79,886</u>	<u>173,740</u>	<u>155,734</u>	<u>205,439</u>	<u>614,799</u>
Charitable activities					
Adult inpatient services	34,552	75,145	67,357	88,855	265,909
Adult day services	24,493	53,268	47,747	62,987	188,495
Children's services	38,855	84,503	75,745	99,920	299,023
Children's outreach Service	86	188	168	222	664
Medical outreach	5,554	12,079	10,827	14,283	42,743
Educational activities	2,294	4,989	4,472	5,900	17,655
Bereavement Centre	4,191	9,116	8,171	10,779	32,257
Strategic projects	862	1,876	1,681	2,218	6,637
Governance	5,554	12,079	10,827	14,283	42,743
	<u>116,441</u>	<u>253,243</u>	<u>226,995</u>	<u>299,447</u>	<u>896,126</u>
Total allocated support costs	<u>196,327</u>	<u>426,983</u>	<u>382,729</u>	<u>504,886</u>	<u>1,510,925</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Activity Costs	Support Costs (Note 10)	Deprecia- -tion	Total 2023	Total 2022
	£	£	£	£	£
Voluntary	487,030	65,063	3,276	555,369	365,784
Cost of activities for generating funds:					
Event costs	528,290	70,577	3,554	602,421	574,553
Sale of donated goods	2,664,529	435,214	27,944	3,127,687	2,747,133
Catering and other sales	76,183	43,945	17,146	137,274	109,390
Costs of trading subsidiary (Note 4)	622,820	-	-	622,820	433,342
	3,891,822	549,736	48,644	4,490,202	3,864,418
Investment management fees	9,422	-	-	9,422	17,104
Total cost of activities for generating funds	3,901,244	549,736	48,644	4,499,624	3,881,522
Charitable activities:					
Provision of hospice services:					
Adult inpatient Services	3,130,898	265,909	99,135	3,495,942	3,244,329
Adult day services	2,413,914	188,495	88,813	2,691,222	2,325,050
Children and Young Adults' services	2,150,347	299,023	96,280	2,545,650	2,382,276
Children's Outreach Service	5,997	664	-	6,661	
Bereavement Centre	25,307	42,743	-	68,050	219,226
Medical outreach	169,870	17,655	6,825	194,350	73,376
Strategic projects	206,428	32,257	556	239,241	160,980
Educational activities	92,008	6,637	578	99,223	171,988
	8,194,769	853,383	292,187	9,340,339	8,577,225
Governance costs	249,561	42,743	620	292,924	259,503
Total	12,832,604	1,510,925	344,727	14,688,256	13,084,034

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

12. TRUSTEES

The trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2022: £nil).

The amount of expenses reimbursed to Trustees during the year was £nil (2022: £nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. STAFF COSTS - GROUP

	2023	2022
	£	£
Wages and salaries	8,714,622	7,885,612
Social security costs	776,663	674,397
Pension costs	668,573	598,878
Redundancy costs	-	15,740
Staff costs	<u>10,159,858</u>	<u>9,174,627</u>

There were nine employees during the year (2022: seven) whose emoluments amounted to over £60,000. Of these employees, four (2022: four) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	2023	2022
	Number	Number
£60,001 - £70,000	4	3
£70,001 - £80,000	2	-
£80,001 - £90,000	1	3
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1
£120,001 - £130,000	-	-

Pension contributions made in respect of those staff classified as higher paid employees were £84,725 (2022: £52,146) in aggregate. Of these staff three were accruing benefits under a defined contribution scheme (2022: three) and six were accruing benefits under a defined benefit scheme (2022: three), no employees did not receive employer pension contributions (2022: one).

	2023	2023	2022	2022
	Number	Whole time equivalent Number	Number	Whole time equivalent Number
Staff breakdown:				
Direct charitable services	201	159	194	154
Support services	32	25	31	24
Management and administration	7	7	7	6
Fundraising and publicity	27	25	27	25
Trading activities (including subsidiary)	81	66	76	63
	<u>348</u>	<u>282</u>	<u>335</u>	<u>272</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. STAFF COSTS – GROUP (continued)

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

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

Key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £525,499 (2022: £487,374).

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

The key management personnel of St Oswald's Hospice Promotions Limited are:

Ms S Edusei
Mrs HA Eadington
Mrs A Ball
Mrs K MacLaren

14. TAXATION

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

Taxation of £nil (2022: £nil) has been accounted for in the results of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2022	11,164,527	723,127	119,520	3,036,681	15,043,855
Disposals	-	(300)	(52,020)	(14,201)	(66,521)
Additions	26,258	-	64,891	158,781	249,930
31 March 2023	11,190,785	722,827	132,391	3,181,261	15,227,264
Depreciation					
1 April 2022	3,248,782	678,429	114,676	2,431,191	6,473,078
Disposals	-	(300)	(52,020)	(13,689)	(66,009)
Charge for the year	179,542	16,733	14,307	159,444	370,026
31 March 2023	3,428,324	694,862	76,963	2,576,946	6,777,095
Net book value:					
31 March 2023	7,762,461	27,965	55,428	604,315	8,450,169
31 March 2022	7,915,745	44,698	4,844	605,490	8,570,777

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

Hospice	Freehold Land and Buildings £	Short Lease Premises £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
1 April 2022	11,164,527	723,127	119,520	3,028,181	15,035,355
Disposals	-	(300)	(52,020)	(14,201)	(66,521)
Additions	26,258	-	64,891	158,781	249,930
31 March 2023	11,190,785	722,827	132,391	3,172,761	15,218,764
Depreciation					
1 April 2022	3,248,782	678,429	114,676	2,422,691	6,464,578
Disposals	-	(300)	(52,020)	(13,689)	(66,009)
Charge for the year	179,542	16,733	14,307	159,444	370,026
31 March 2023	3,428,324	694,862	76,963	2,568,446	6,768,595
Net book value:					
31 March 2023	7,762,461	27,965	55,428	604,315	8,450,169
31 March 2022	7,915,745	44,698	4,844	605,490	8,570,777

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

The additions of £26,258 within Freehold Land and Building are the preliminary design and consultancy fees relating to the proposed construction of two

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TANGIBLE FIXED ASSETS (continued)

Purpose-built young adult bedrooms, adjacent to the existing Children and Young Adults' Unit. An application for planning permission has been submitted after the end of the reporting period; all costs incurred on project to 31 March 2023 have been categorised as capital work in progress fixed asset additions within Freehold Land and Buildings. The asset under construction will not be depreciated until in use.

16. INVESTMENTS HELD AS FIXED ASSETS

	Listed £	Group Unlisted £	Total £	Listed £	Hospice Unlisted £	Total £
Listed investments						
Value at 1 April 2022	1,127,804	-	1,127,804	1,127,804	2	1,127,806
Additions	1,165,168	-	1,165,168	1,165,168	-	1,165,168
Disposals	(1,174,867)	-	(1,174,867)	(1,174,867)	-	(1,174,867)
Net investment gain	3,344	-	3,344	3,344	-	3,344
Value at 31 March 2023	1,121,449	-	1,121,449	1,121,449	2	1,121,451
Real Estate						
Value at 1 April 2022	-	-	-	-	-	-
Additions	-	87,202	87,202	-	87,202	87,202
Disposals	-	-	-	-	-	-
Net investment loss	-	(13,060)	(13,060)	-	(13,060)	(13,060)
Value at 31 March 2023	-	74,142	74,142	-	74,142	74,142
Cash and time deposits held in portfolio:						
At 1 April 2022	138,993	-	138,993	138,993	-	138,993
Movements in cash	(107,198)	-	(107,198)	(107,198)	-	(107,198)
At 31 March 2023	31,795	-	31,795	31,795	-	31,795
31 March 2023	1,153,244	74,142	1,227,386	1,153,244	74,144	1,227,388
31 March 2022	1,266,797	-	1,266,797	1,266,797	2	1,266,799

All of the investments are unrestricted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. INVESTMENTS HELD AS FIXED ASSETS (continued)

Distribution of listed investments (market value)

	Group	
	2023	2022
	%	%
UK fixed interest	17.7	26.8
UK equities	43.7	47.8
Overseas equities	30.0	14.4
Real Estate	6.0	0.0
Cash	2.6	11.0
	<u>100.0</u>	<u>100.0</u>

	Group	
	2023	2022
	£	£
Historical cost of listed investments	853,393	1,195,543
Historical cost of real estate	<u>87,202</u>	<u>-</u>

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

17. DEBTORS

	Group		Hospice	
	2023	2022	2023	2022
	£	£	£	£
Amounts owed by subsidiary undertaking	-	-	4,009	21,055
Trade debtors	1,219,926	579,770	1,173,557	575,970
Prepayments	359,902	380,242	357,252	379,587
VAT Debtor	83,542	57,461	69,218	58,859
Accrued income	1,877,039	2,141,981	1,877,040	2,141,981
Other Debtor	2,153	2,000	2,153	2,000
	<u>3,542,562</u>	<u>3,161,454</u>	<u>3,483,229</u>	<u>3,179,452</u>

Accrued income includes legacy income notified but not received at year end of £1,758,525 (2022: £1,475,505). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	432,937	303,631	371,330	297,561
Taxation and social security costs	193,534	166,404	193,534	166,404
Deferred income	1,139,054	163,858	918,405	139,136
Other creditors	122,565	112,342	122,565	112,342
Accruals	239,884	207,205	170,330	200,037
	<u>2,127,974</u>	<u>953,440</u>	<u>1,776,164</u>	<u>915,480</u>

Group deferred income includes £916k (2022: £nil) of capital grant income received to fund the construction and fit out of two purpose-built young adults' bedrooms adjacent to the existing Children and Young Adult's Unit. The grants are restricted, and as planning permission has been applied for (post year-end) but not yet granted, the income has been deferred at 31 March 2023. Last year-end the balance included £127k paid by participants to enter the overseas trek challenge event which had to be postponed as a result of Covid-19; the trek took place in November 2022, and so this income has been released, leaving £nil balance relating the trek in deferred income at 31 March 2023. The remaining deferred income balance is within the trading subsidiary and is £200k invoiced in advance to sponsors of the 2023/24 art trail, and payments made in advance by players of the lottery of £21k.

The movement in deferred income is as follows:

	Group		Hospice	
	2023	2022	2023	2022
	£	£	£	£
At 1 st April	163,858	155,028	139,136	121,556
Payments received	1,980,286	904,616	1,759,627	879,894
Income recognised	<u>(1,005,090)</u>	<u>(895,786)</u>	<u>(980,358)</u>	<u>(862,314)</u>
At 31 st March	<u>1,139,054</u>	<u>163,858</u>	<u>918,405</u>	<u>139,136</u>

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. CONTINGENT LIABILITIES

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

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	General	Restricted	
At March 2023	Funds	Funds	Total
	£	£	£
Tangible fixed assets	3,620,243	4,829,926	8,450,169
Fixed asset investments	1,227,386	-	1,227,386
Current assets	9,068,103	387,299	9,455,402
Current liabilities	(2,127,974)	-	(2,127,974)
Total net assets	11,787,758	5,217,225	17,004,983

HOSPICE	General	Restricted	
At March 2023	Funds	Funds	Total
	£	£	£
Tangible fixed assets	3,620,243	4,829,926	8,450,169
Fixed asset investments	1,227,388	-	1,227,388
Current assets	8,641,749	387,299	9,029,048
Current liabilities	(1,776,164)	-	(1,776,164)
Total net assets	11,713,216	5,217,225	16,930,441

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets or designated funds. Using this definition, the free reserves of the Charity at 31 March 2023 were £8,066,700 (2022: £7,592,494).

GROUP	General	Restricted	
At March 2022	Funds	Funds	Total
	£	£	£
Tangible fixed assets	3,459,278	5,111,499	8,570,777
Fixed asset investments	1,266,797	-	1,266,797
Current assets	7,468,790	-	7,468,790
Current liabilities	(953,440)	-	(953,440)
Total net assets	11,241,425	5,111,499	16,352,924

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

HOSPICE At March 2022	General Funds £	Restricted Funds £	Total £
Tangible fixed assets	3,459,278	5,111,499	8,570,777
Fixed asset investments	1,266,799	-	1,266,799
Current assets	7,241,175	-	7,241,175
Current liabilities	<u>(915,480)</u>	<u>-</u>	<u>(915,480)</u>
Total net assets	<u>11,051,772</u>	<u>5,111,499</u>	<u>16,163,271</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2023

	1 April 2022	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2023
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	10,986,599	13,144,014	(13,204,305)	2,592	693,217	(9,716)	11,612,401
Non-charitable trading reserve	189,653	1,200,927	(622,821)	-	(693,217)	-	74,542
Designated funds:							
Sundry donations for specific purposes – unrestricted	65,173	88,973	(53,331)	-	-	-	100,815
Total unrestricted funds	11,241,425	14,433,914	(13,880,457)	2,592	-	(9,716)	11,787,758
Restricted funds:							
Albert Hunt Trust	-	20,000	(11,583)	-	-	-	8,417
Barbour Foundation	703	-	(420)	-	-	-	283
Barbour Foundation 1	3,470	-	(1,128)	-	-	-	2,342
Barbour Foundation 2	-	50,000	(50,000)	-	-	-	-
BBC Children in Need 1	2,589	-	(2,589)	-	-	-	-
BBC Children in Need 2	11,255	36,228	(42,547)	-	-	-	4,936
Bobby Dazzler Trust	540	-	(540)	-	-	-	-
Bridget Catherine Johnson Settlement Fund	3,250	-	(3,250)	-	-	-	-
Children's Hospice Association Scotland (CHAS)	-	1,825	(1,825)	-	-	-	-
Children's service building fund	1,964,001	-	(79,975)	-	-	-	1,884,026
Coleman fund	206,424	-	(4,613)	-	-	-	201,811
Community Foundation	-	2,000	(2,000)	-	-	-	-
Community Foundation 1	-	5,000	(5,000)	-	-	-	-

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Community Foundation 2	-	500	(100)	-	-	-	400
Daisy Marr	1,326	-	(165)	-	-	-	1,161
Day hospice building fund	413,841	-	(16,450)	-	-	-	397,391
Day services building fund	1,448,889	-	(38,097)	-	-	-	1,410,792
EP Robson	601	-	(110)	-	-	-	491
Elsie Davis Trust	-	11,000	(2,160)	-	-	-	8,840
Family Room Upgrade Fund:	165,077	-	(3,451)	-	-	-	161,626
Guyll Leng Trust 1	2,779	-	(2,779)	-	-	-	-
Guyll Leng Trust 2	-	11,761	(5,978)	(2,592)	-	-	3,191
Guyll Leng Trust 3	128	-	(128)	-	-	-	-
Hadrian Trust	735	-	(735)	-	-	-	-
Hospice Building fund	617,901	-	(28,642)	-	-	-	589,259
Information centre	62,758	-	(5,078)	-	-	-	57,680
Karbon Homes	532	-	(176)	-	-	-	356
Karbon Homes 1	3,532	-	(696)	-	-	-	2,836
Kavli Trust	27,747	-	(2,428)	-	-	-	25,319
Main Kitchen upgrade	76,670	-	(12,958)	-	-	-	63,712
Mark Benevolent Fund	3,610	-	(364)	-	-	-	3,246
Mel Weir Charitable Trust	1,876	-	(234)	-	-	-	1,642
Mel Weir Charitable Trust 1	48	-	(48)	-	-	-	-
National Emergencies Trust - Community Foundation 2	1,783	-	(200)	-	-	-	1,583
National Lottery Community Fund 1	21,405	-	(13,328)	-	-	-	8,077
Neighbourly Foundations	5,000	-	(3,250)	-	-	-	1,750
NEPAC 1	1,575	-	(150)	-	-	-	1,425
NEPAC 3	857	-	(101)	-	-	-	756
NHS England CYP Palliative and End of Life Care Match Fund	-	93,800	-	-	-	-	93,800
Newcastle Building Society (via Community Foundation)	1,553	-	(192)	-	-	-	1,361

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

NHS England and NHS Improvement	-	371,297	(371,297)	-	-	-	-
OSM Province	319	-	(128)	-	-	-	191
Prime Fund via Community Foundation	4,502	-	(1,195)	-	-	-	3,307
Proctor and Gamble 1	1,225	-	(171)	-	-	-	1,054
Proctor and Gamble 2	-	25,000	(520)	-	-	-	24,480
Rathbones Investment Management	-	6,589	(1,070)	-	-	-	5,519
Rothley Trust	-	2,050	-	-	-	-	2,050
Seahouses and District Cancer Research and Relief fund	3,458	-	(500)	-	-	-	2,958
The Sir James Knott Trust	4,124	-	(4,124)	-	-	-	-
The Sir James Knott Trust 1	-	1,000	(1,000)	-	-	-	-
The Sir Jules Thorn Trust	8,016	-	(991)	-	-	-	7,025
Southampton Hospital Charity	-	199,667	(5,997)	-	-	-	193,670
The Shears Foundation	-	40,000	(40,000)	-	-	-	-
Together for Short lives	-	3,400	(623)	-	-	-	2,777
WA Handley Trust 1	1,364	-	(170)	-	-	-	1,194
WA Handley Trust 2	2,378	-	(434)	-	-	-	1,944
WA Handley Trust 3	2,096	-	(242)	-	-	-	1,854
Warburtons Community Fund	250	-	(250)	-	-	-	-
The William Leech Charity	26,250	35,000	(35,000)	-	-	-	26,250
Nurse Call System (outpatients) fund	5,062	-	(619)	-	-	-	4,443
Total restricted funds	5,111,499	916,117	(807,799)	(2,592)	-	-	5,217,225
Total funds	16,352,924	15,350,031	(14,688,256)	-	-	(9,716)	17,004,983

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Statement of funds – Group - for the year ended 31st March 2022

	1 April 2021	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2022
	£	£	£	£	£	£	£
General funds:							
Accumulated funds	9,815,105	11,736,465	(11,531,108)	-	917,535	48,602	10,986,599
Non-charitable trading reserve	232,425	1,308,105	(433,342)	-	(917,535)	-	189,653
Designated funds:							
Sundry donations for specific purposes – unrestricted	62,870	45,019	(42,716)	-	-	-	65,173
Total unrestricted funds	10,110,400	13,089,589	(12,007,166)	-	-	48,602	11,241,425
Restricted funds:							
Albert Hunt Trust	10,000	-	(10,000)	-	-	-	-
Assura - Cheshire Community Foundation	-	5,000	(5,000)	-	-	-	-
Angela Taylor	1,000	-	(1,000)	-	-	-	-
Barbour Foundation	1,123	-	(420)	-	-	-	703
Barbour Foundation 1	4,598	-	(1,128)	-	-	-	3,470
BBC Children in Need 1	2,089	9,000	(8,500)	-	-	-	2,589
BBC Children in Need 2	19,161	33,827	(41,733)	-	-	-	11,255
BGL Group	2,261	-	(2,261)	-	-	-	-
Bobby Dazzler Trust	-	900	(360)	-	-	-	540
Bridget Catherine Johnson Settlement Fund	3,750	-	(500)	-	-	-	3,250
Children's service building fund	2,043,976	-	(79,975)	-	-	-	1,964,001
Coleman fund	211,037	-	(4,613)	-	-	-	206,424
D'Oyly Carte Charitable Trust	-	3,000	(3,000)	-	-	-	-

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Daisy Marr	1491	-	(165)	-	-	-	1,326
Day hospice building fund	430,291	-	(16,450)	-	-	-	413,841
Day services building fund	1,486,986	-	(38,097)	-	-	-	1,448,889
EP Robson	711	-	(110)	-	-	-	601
Family Room Upgrade Fund:	168,528	-	(3,451)	-	-	-	165,077
Guyll Leng Trust 1	2,779	-	-	-	-	-	2,779
Guyll Leng Trust 2	3,000	-	(3,000)	-	-	-	-
Guyll Leng Trust 3	2,204	-	(2,076)	-	-	-	128
Hadrian Trust	1,200	-	(465)	-	-	-	735
Hospice Building fund	646,543	-	(28,642)	-	-	-	617,901
Hospice UK 1	-	12,149	(12,149)	-	-	-	-
Hospice UK 2	-	18,800	(18,800)	-	-	-	-
Information centre	67,836	-	(5,078)	-	-	-	62,758
JGW Patterson Foundation	-	15,000	(15,000)	-	-	-	-
Karbon Homes	687	-	(155)	-	-	-	532
Karbon Homes 1	-	3,690	(158)	-	-	-	3,532
Kavli Trust	30,000	-	(2,253)	-	-	-	27,747
Macmillan	11,530	-	(11,530)	-	-	-	-
Main Kitchen upgrade	89,628	-	(12,958)	-	-	-	76,670
Mark Benevolent Fund	-	4,095	(485)	-	-	-	3,610
Mel Weir Charitable Trust	2,110	-	(234)	-	-	-	1,876
Mel Weir Charitable Trust 1	-	2,500	(2,452)	-	-	-	48
National Emergencies Trust - Community Foundation 2	1,983	-	(200)	-	-	-	1,783
National Emergencies Trust (via Community Foundation) 4	5,000	-	(5,000)	-	-	-	-
National Lottery Community Fund 1	12,319	26,529	(17,443)	-	-	-	21,405
Neighbourly Foundations	-	5,000	-	-	-	-	5,000
NEPAC 1	1,725	-	(150)	-	-	-	1,575
NEPAC 3	958	-	(101)	-	-	-	857

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

Newcastle Building Society (via Community Foundation)	1,745	-	(192)	-	-	-	1,553
NHS England via Hospice UK	-	298,361	(298,361)	-	-	-	-
NHS England and NHS Improvement	-	284,553	(284,553)	-	-	-	-
OSM Province	447	-	(128)	-	-	-	319
Prime Fund via Community Foundation	5,000	-	(498)	-	-	-	4,502
Proctor and Gamble 1	1,396	-	(171)	-	-	-	1,225
Rathbones	-	1,000	(1,000)	-	-	-	-
St James's Place Charitable Foundation	-	32,363	(32,363)	-	-	-	-
Screwfix	800	-	(800)	-	-	-	-
Seahouse and District Cancer Research and Relief fund	3,958	-	(500)	-	-	-	3,458
The Sir James Knott Trust	-	10,000	(5,876)	-	-	-	4,124
The Sir Jules Thorn Trust	9,008	-	(992)	-	-	-	8,016
The Shears Foundation	-	50,000	(50,000)	-	-	-	-
The Co-op Foundation #iwill fund	10,000	-	(10,000)	-	-	-	-
WA Handley Trust 1	1,534	-	(170)	-	-	-	1,364
WA Handley Trust 2	2,812	-	(434)	-	-	-	2,378
WA Handley Trust 3	2,338	-	(242)	-	-	-	2,096
Warburtons Community Fund	250	-	-	-	-	-	250
The William Leech Charity	26,250	35,000	(35,000)	-	-	-	26,250
Nurse call system (children) fund	35	-	(35)	-	-	-	-
Nurse Call System (outpatients) fund	5,523	-	(461)	-	-	-	5,062
Total restricted funds	5,337,600	850,767	(1,076,868)	-	-	-	5,111,499
Total funds	15,448,000	13,940,356	(13,084,034)	-	-	48,602	16,352,924

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

General Funds

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

Designated funds

The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated.

Restricted Funds

Albert Hunt Trust

This donation was used to fund a Dietician post.

Barbour Foundation

This donation was used to purchase a nurse call system in our Day Services Unit.

Barbour Foundation 1

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

Barbour Foundation 2

This donation was used to contribute to nurse salaries, and equipment for patients.

BBC Children in Need 1

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

BBC Children in Need 2

The grant was donated to fund a Family and Bereavement Practitioner (Children's Lead), along with supervision and equipment for children's bereavement programme.

Bobby Dazzler Trust

This donation was used to lease a virtual reality headset for use by both our inpatients and Focus on Living participants.

Bridget Catherine Johnson Settlement Fund

This donation was used towards the funding of a music therapist on the Adult Inpatient Unit.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Children's Hospice Association Scotland (CHAS)

This donation was used towards a bereavement support day for siblings and bereavement staff salaries.

Children's Services Building Fund

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

Coleman Fund

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

Community Foundation

This donation was used to fund children's surfing lessons.

Community Foundation 1

This donation was used towards Bereavement service salaries.

Community Foundation 2

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

Daisy Marr

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

Day Hospice Building Fund

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

Day Services Building Fund

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

EP Robson

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

Elsie Davis Trust

This donation was used to provide a 'Clown doctors' session ran by Tin Arts.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Family Room Upgrade Fund

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

Guyll Leng Charitable Trust 1

This donation was used towards the cost of a music therapist in the Children and Young Adult's Unit.

Guyll Leng Charitable Trust 2

This donation was used to fund activities for our Young Adults.

Guyll Leng Charitable Trust 3

This donation was made for the purchase of equipment and entertainment packages for the Children and Young Adults.

Hadrian Trust

This donation was made for the purchase of Syringe Drivers for the Adult Inpatient Unit.

Hospice Building Fund

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

Information Centre

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

Karbon Homes

This donation was used to fund equipment for our Focus on Living Service.

Karbon Homes 1

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

Kavli Trust

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

Main Kitchen Upgrade Fund / Revenue Fund

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

Mark Benevolent Fund

This donation was made for the purchase of kitchen equipment.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Mel Weir Charitable Trust

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

Mel Weir Charitable Trust 1

This donation was used towards the cost of a dietician to work within the Adult Inpatient Unit.

National Emergencies Trust (via Community Foundation) 2

This donation was used to provide lockers for personal protective equipment (PPE) storage for the Adult Inpatient Unit.

National Lottery Community Fund 1

This money was donated to fund a patient and family befriending project.

Neighbourly Foundations

This donation will support the refurbishment of the hospice cloisters area.

NEPAC 1

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

NEPAC 3

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

NHS England CYP Palliative and End of Life Care Match Fund

This money was used to match funding for development of new children's outreach service (with Southampton Hospital Charity).

Newcastle Building Society (via Community Foundation)

This donation was used for the purchase of clinical equipment.

NHS England and NHS Improvement

Funding received specifically to meet the needs of the Children's Service.

OSM Province

This donation was used for the purchase of IT equipment.

Prime Fund (via Community Foundation)

This money was donated for the purchase of IT equipment for our Focus on Living Service.

Proctor and Gamble 1

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

Proctor and Gamble 2

This donation was used to refurbish a shower room on the Adult Inpatient Unit.

Rathbones Investment Management

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

Rothley Trust

This donation is to purchase a rebound therapy trampoline and provide staff training in delivering this therapy.

Seahouses and District Cancer Research and Relief Fund

This donation was used to purchase three syringe drivers and drugs storage facilities for our Inpatient Unit.

The Sir James Knott Trust

This donation was used towards the funding of an Infection Control Nurse post.

The Sir James Knott Trust 1

This donation was used to fund events on ward including a Queens Jubilee celebration.

Sir Jules Thorn Trust

This donation was used to purchase two 'hi/lo' beds for the Adult Inpatient Unit.

Southampton Hospital Charity

This donation was used to fund the Children's Outreach Service (with NHS England CYP Palliative and End of Life Care) and for improvements to Children and Young Adults Service kitchen.

The Shears Foundation

This donation was used to help fund three Senior Nurses in our Children's & Young Adults Service.

Together for Short Lives

This donation was used to fund a Family Fun Day.

WA Handley Trust 1

This donation was used to purchase an Oska mattress.

WA Handley Trust 2

This donation was used to purchase a powered bath chair.

WA Handley Trust 3

This donation was used to purchase an infusion pump.

Warburtons Community Fund

This donation was used to purchase arts materials in the Focus on Living Service.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. STATEMENT OF FUNDS – GROUP (continued)

The William Leech Charity

This donation is helping us to develop our volunteer services.

Nurse Call System in Outpatients Fund

These monies were donated towards the cost of a new nurse call system.

23. LEASING COMMITMENTS

Operating leases

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2023 relate to short leasehold land and buildings as set out below:

	2023	2022
	£	£
Operating leases that expire:		
Within one year	329,688	351,247
Within two to five years	659,786	774,977
Over five years	<u>163,200</u>	<u>93,299</u>
	<u>1,152,674</u>	<u>1,219,523</u>

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

24. CAPITAL COMMITMENTS

There were no capital commitments outstanding at the end of the year (2022: £nil).

25. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions totalling £37,228 (2022: £31,946) were payable to the fund at the balance sheet date.

The charity also makes contribution to the NHS Pension Scheme on behalf of existing members who remain in the scheme upon commencement of employment with the hospice. Contributions totalling £65,611 (2022: £58,074) were payable to the scheme at the balance sheet date.

26. RELATED PARTY DISCLOSURES

In the year to 31 March 2023, the charity made sales to its trading subsidiary, St Oswald's Hospice Promotions Limited (SOHP) totalling £275,618 (2022: £280,734)

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. RELATED PARTY DISCLOSURES (continued)

and purchases totalling £107,812 (2022: £134,493). At 31 March 2023 a balance of £4,009 was due from SOHP (2022: £25,298 due to SOHP).

There are no other related party transactions to disclose.



**St Oswald's
Hospice**

**0191 285 0063 | enquiries@stoswaldsuk.org
www.stoswaldsuk.org**

St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne NE3 1EE. Reg Charity No. 503386

Review date: October 2023