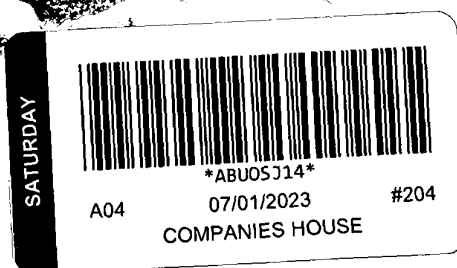


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ST CATHERINE'S HOSPICE LIMITED
ANNUAL REPORT AND ACCOUNTS
YEAR ENDED 31 MARCH 2022

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INTRODUCTION FROM THE CHAIRMAN AND CHIEF EXECUTIVE

This year has continued to present challenges. We navigated the Omicron surge over the winter of 2021-22 and emerged from the restrictions of lockdown and other challenges facing our partners across the wider health and social care system. We are delighted to be working more and more closely with the NHS new structures emerging from the Health and Care Act 2022, to explore new opportunities for working on services aligned to our neighbourhood need.



Terry O'Leary Chairman

St Catherine's has maintained its excellent reputation locally as a valued partner in care and as a provider of high-quality palliative, end of life care and bereavement services. Once again, we have also seen some fantastic successes from across our teams which would not have been possible without the loyalty and dedication of our employees, volunteers and supporters.

The year saw us welcome employees back to site as pandemic restrictions eased and where possible, we have embraced hybrid working arrangements which had served us well during the pandemic.

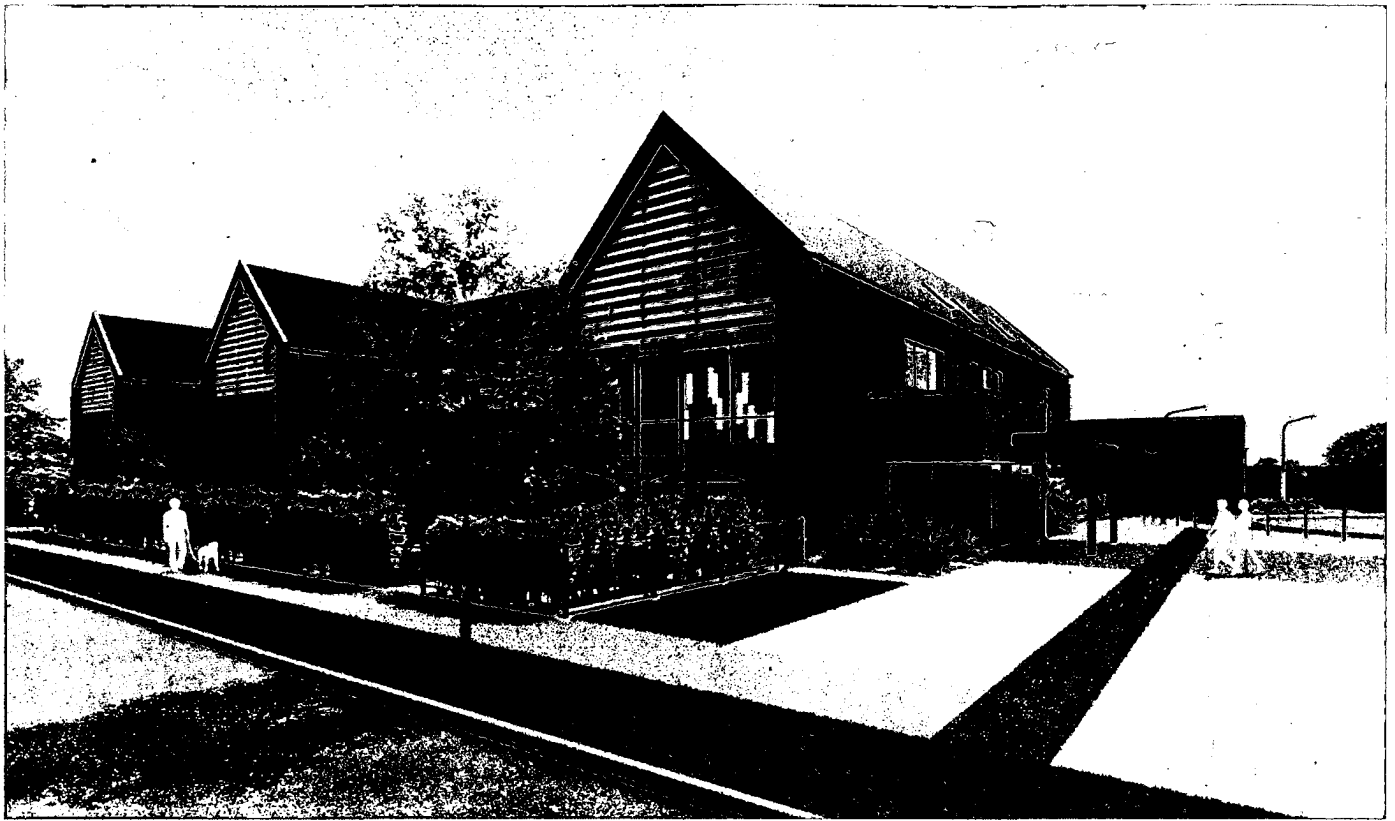
The impact of the pandemic has further focused our strategy on the future sustainability of our organisation. The Board were delighted that our senior managers worked together to build a compelling new business plan which enjoys the confidence of teams throughout the hospice.



Giles Tomsett Chief Executive

This year we have begun to build back our voluntary income with our retail shops delivering pre-pandemic income levels which is a testament to every shop team and our volunteers. Our fundraising efforts have focused on the safe planning of our events portfolio for 2022 in tandem with the acquisition of new donors and stewardship of our current donor base. Nothing we have achieved would be possible without donations of goods and money and we thank everyone who has stood with us over these last two tough years.

As we gained greater clarity on our finances, the Board approved the re-engagement of the £19.5m build of our new hospice at Pease Pottage in November 2021, with the build commencing in February 2022. Our new hospice is due to be completed in late 2023 which coincides with our pearl anniversary and will provide a high class 24 bedded inpatient facility and increase our community and wellbeing services to support our local communities. To meet the total costs of the build, we relaunched our paused capital appeal, culminating with a crowd funded appeal over the May bank holiday weekend which raised £996k including gift aid, bringing the total raised to date to £5.1m.



"Our new hospice is due to be completed in late 2023 which coincides with our pearl anniversary. It will provide a high class 24 bedded inpatient facility and increase our community and wellbeing services to support our local communities. "

We are seeing the benefit of our organisational restructures in response to the pandemic and national nursing shortages. We have engaged with our NHS partners as we work to collaborate and integrate our services to provide a patient centric service across our catchments. In tandem collaboration opportunities across our local hospices have continued providing greater efficiency in operational delivery.

The digital world is also high on our agenda. We implemented our new electronic patient system in May this year providing greater links with NHS records to support patient care and have several opportunities being explored to support our services further with the support of a partnership with Deloitte.

Finally, after a time of great dislocation and sadness, we would like to place on record our profound thanks to our trustees, volunteers, managers, employees and supporters for their enormous contribution in this last year. We go forward with confidence in them and in our Vision, Mission and Values. The pandemic has surely given greater clarity and emphasis on the importance of a good death. This must include optimising the quality of life for people with life limiting illness, supporting people to die where they want to and supporting carers and helping families with bereavement.

Terry O'Leary Chairman

Giles Tomsett Chief Executive



OUR VISION

A world where everyone can face death informed, supported and pain free.

OUR MISSION

Pioneering standards in expert care and support for anyone facing death and bereavement.

OUR VALUES

Integral to all that we do:

Human

We treat people with understanding, patience, respect and above all dignity. We are the welcoming smile, the talk over a cup of tea, the human touch.

Courageous

We stand firm, we do not flinch in the face of hard news, but always with humanity, sensitivity and respect for our community.

Energetic

Whether we're out running a fun run or at the hospice greeting our patients, we bring the energy and the optimism to make the most of every day.

Connected

We are not an island, we thrive on partnerships and working with others, we believe we're better and stronger together.

Expert

We are looked up to by our community and peers as the organisation to go to for knowledge, training, best practice and latest techniques.

OUR STRATEGIC AIM:

To provide outstanding care and support to more people underpinned by education and research with a commitment to working in partnership.

PRIORITY 1

DELIVERING CARE

To expertly develop our multidisciplinary teams with tailored, integrated, and effective end of life care, wrapped around people we support and those close to them.

Our Successes In The Year:

- In response to the pandemic and the changes in the way we work, including the reduction of our inpatient capacity to 12 beds, we have restructured our teams to provide effective multi-disciplinary teams. Our teams are led by our clinical experts to provide our care with each person firmly at the heart of all we do, linking with other community care providers and our local NHS Trust.
- To support our teams and their aspirations, we have provided a skills matrix with succession planning, development opportunities and career progression to further develop their expertise.

Our Future Priorities:

- We will continue to optimise our patient led experiences in response to COVID and commissioning requirements with safe, effective services, supported by tailored support and care.
- We will continue to focus on the future development of our inpatient, community, and wellbeing services, supported by collaboration and partnership opportunities.



To be expert, developing our clinical governance, quality and effectiveness through best practice, continuous improvement, and efficiency to achieve the highest standards of patient experience and best clinical outcomes.

Our Successes In The Year:

- Our Harm Free Care Task and Finish Groups have developed expertise in link roles across our inpatient and community teams as well as refreshing end of life care knowledge with our external colleagues in support of excellent patient care.
- We have connected with our CQC Relationship Manager with regular meetings to maintain our expertise.
- We are piloting “My Care Book”, a tool for patients to understand their end-of-life care needs supported by our healthcare professionals with individualised care.

Our Future Priorities:

- We will further develop “My Care Book” allowing our teams to connect with patients and families as individuals where they are well informed and able to lead their care needs, gathering real time feedback to further improve and tailor our services.
- We will establish a refreshed Clinical Governance Group and framework, expanding our current structures, expertly working to the “Quality Triangle” with the patient experience firmly placed at the centre.

We will develop our readiness and expertise for inspection from the CQC and CHKS into our daily operations through our Governance Groups, ongoing audits, training and learning.

Providing Excellent Clinical Care:

- We support a “Voices of Experience Group” who provide input to patient, carer and family experiences, supporting us in enhancing the quality of service and care we provide.
- **99%** of people, families and carers asked said they would recommend St Catherine’s Hospice.
- **100%** of families and carers were offered the VOICES bereavement survey.
- On average we responded to concerns and complaints in **18 days** (target 25 days).

[illegible]

VIOLET *Care Story*

We've been supporting Violet at home after she was diagnosed with cancer. Here Violet shares more.

"I found out my cancer was terminal when I saw palliative care ticked in a tick box on a medical form I was sent. When I read that I thought "how long have I got?"

When my oncologist referred me to St Catherine's it was a shock

My brother died at the hospice and I thought it was just a comfortable, loving place where people were admitted to die. You never want to be referred because you think it's the final nail in a coffin. I had no idea the hospice offered other services or that people were sometimes discharged.

My illness caused some difficult times

Sometimes I was in so much pain I couldn't speak, and I was writhing on the floor. With coronavirus, services were overwhelmed and I didn't know who to turn to. One day I closed my eyes and said goodbye to the world as I didn't want to wake up again.

St Catherine's stepped in to help

They supported me in ways I didn't even know they could, I really wouldn't have coped without them especially during coronavirus. The hospice sent someone to visit me at home and it's been so helpful to hear a friendly voice on the phone. A phone call with the hospice always makes me feel better.

Knowing I can call St Catherine's provides such reassurance

The team understand I'm a very practical person and they've never said "I'm so sorry" as that's not what I want to hear but they've helped me sort out my problems. They've always listened and had time for me. They've spoken to doctors to help me deal with my pain and prescribed medications that are there when I go to the chemist. Their support has lifted some of my stress and worry - I'd be lost without them.

The team have been the only people who've been there and who I could get hold of at a time the NHS has been under unprecedented pressure.



Pictured Violet

I like to be in control of myself and the hospice has given me that, but I also have confidence they're looking after me.

Their help has been invaluable

They've not just made me comfortable they've saved my life. I have a longer life than I expected now, which is mainly down to them.

If anyone else is in a similar situation and is referred to the hospice I want to reassure you they're there to help you not to bury you!

But the hospice relies on fundraising

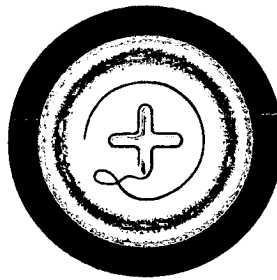
Without people like you, the hospice wouldn't be able to help people like they've helped me.

"St Catherine's gives me confidence someone is looking after me"

"When we're out visiting people in the community, we become the face of the hospice. We're often beeped at, or people will shout 'you're amazing' when we're filling our cars in the petrol station. At first you wonder what's happening but it's lovely that people care so much and genuinely love the hospice. I've lost count of the number of times colleagues have come back to the office and said the garage insisted on giving them a free coffee! People are so appreciative of the work we all do."

Natalie, Senior Staff Nurse, Community

1,645 PATIENTS AND FAMILIES
WERE SUPPORTED IN THE
COMMUNITY WITH 277 IN
THE INPATIENT UNIT



OUR COMMUNITY TEAMS
MADE 2,721 HOME VISITS
AND 26,516 TELEPHONE
CALLS TO PATIENTS, CARERS
AND PROFESSIONALS TO
SUPPORT CARE AT HOME

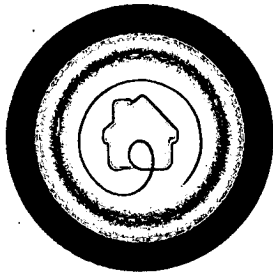


WE PROVIDED 3,915 DAYS
OF INPATIENT CARE
WITH AN AVERAGE BED
OCCUPANCY LEVEL OF 89%
AND AN AVERAGE LENGTH
OF STAY OF 14 DAYS

REACHING THOSE WHO NEED US



WE PROVIDED 172
PEOPLE WITH SOCIAL
CARE SUPPORT



WE MADE 3,772 VISITS
TO PEOPLES' HOMES
SUPPORTING THEM IN
PRACTICAL CARE



Supporting Our People, Families And Carers Through Death:

- **84%** of people died where they told us they wanted to die.
- Only **14%** of the people we supported died in hospital.
- We provided **7,264** counselling sessions both virtual and in person where safe to do so.

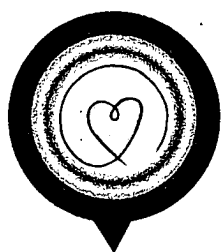
Providing Individualised Support:

- **100%** of people we cared for received an individualised assessment and care plan.
- **2,756** people accessed our wellbeing services.
- Multi disciplinary team support was available to **100%** of people referred to us and those close to them.

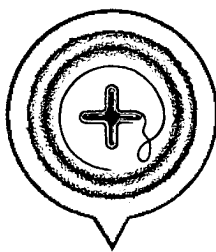
Harm Free Care:

- We have had no acquired MRSA or COVID cases in the year. Our last acquired COVID case was in January 2021 and we were able to reopen our inpatient facility to new admissions in two weeks.
- Our Infection Control audit was carried out in March 2022 and actions taken for issues raised.
- All employees and volunteers are required to attend safeguarding training and this is further supported by our safeguarding team.
- We reduced our falls incidents to zero, where falls have resulted in severe harm.
- We applied for 8 Deprivation Of Liberty (DOLs) concerns in the year.
- We have introduced a new training package for Duty of Candour with immediate apology offered after any incident.

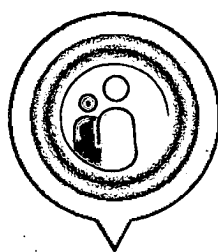
The people we care for:



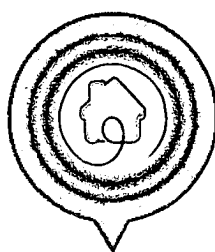
92% OF
INPATIENTS
HAD A CARE
PLAN IN PLACE



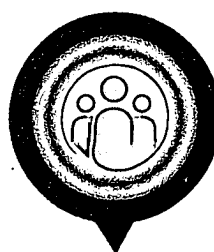
63% HAD A
CANCER
DIAGNOSIS



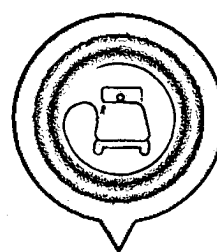
MALE 48%,
FEMALE 52%



44% LIVE IN
SURREY AND
56% LIVE IN
SUSSEX



51% ARE AGED 75
OR OVER AND
8% UNDER 55



16% HAD
A FRAILITY/
DEMENTIA
DIAGNOSIS

"Coming into the hospice was like coming into a home from home. I have a room of my own with a hospital style bed and a big comfy automatic 'granny chair'. The nursing team are absolutely top notch, and they have time to give care with such gentleness and love. It is peaceful here. There is a garden. I can get outside. I can have flowers in my room and newspapers can be delivered. The kitchen stocks chocolate ice-cream in the freezer available 24/7! I feel peaceful and well supported. This will be a good place to die."

Clair, Patient

PRIORITY 2

OUR VOLUNTARY INCOME

To build back and maximise our income opportunities to support the organisation in the delivery of our services enabling exceptional standards of care and outcomes.

FUNDRAISING INCOME

Our Successes In The Year:

- As our events remained on pause during the last year, we used our expertise to seek out the most effective fundraising opportunities. We have delivered successful appeals and donation opportunities and we remain connected with our loyal donors.
- We were delighted to at last hold our postponed Sahara Trek in 2022 and look forward to our Midnight Walk event and cheering on our team of runners in this year's London Marathon.

Our Future Priorities:

- We will continue to look after relationships with our current donors, offering them ways to maintain and grow their support of St Catherine's. Ultimately to increase donations for the hospice.
- We will align our strategic direction to also attract new donors across the communities we serve, as we continue to rebuild our income.
- We will re-engage with our events in a safe and inclusive manner supported by digital technologies, allowing agile response to any future economic, pandemic, or other restrictions.
- We are so grateful to our supporters who decide to leave St Catherine's a legacy in their Will and we will reignite our focus to support those who wish to give in this way.



OUR FUNDRAISING EVENTS ARE BACK!

After coronavirus caused us to cancel all our well-loved fundraising events to keep our community safe, we're thrilled that our fundraising events have now returned and that we can engage with loyal supporters at our St Catherine's events again.

Triumphant trekkers return from Sahara

45 amazing supporters returned from a four day trek across the Sahara in May. After a couple of delays due to coronavirus, it was fantastic to hear of our trekkers' adventures journeying across ancient dried up river beds, vast sun-baked plains and enjoying spectacular desert sunsets before sleeping under the stars each evening.

The efforts of our trekkers will have a huge impact on local families living with terminal illness across our community. The group have raised **£180,000** towards hospice care now and in the future.

"The Sahara trek was an absolutely incredible experience. It was a great group of wonderful people and I made lots of memories to cherish."

Paul Talmey, trekker

"St Catherine's is very close to my heart as they looked after a close family friend, so I didn't have to think twice about taking on the Sahara trek."

The trek was an experience never to be forgotten - challenging at times in 35 degrees heat and there was even a sand storm thrown in! As we trekked over sand dunes the views were amazing, and meeting locals in the villages that popped out between the sand dunes was a humbling experience. Sleeping under the stars at night was amazing as the skies, with shooting stars, were breath taking."

Brian Jones, trekker

Midnight Walk

Our popular Midnight Walk returns on Saturday 3 September 2022 for the first time since 2019! The fun walk which has 20, 13, 7 or 2 mile options gives people in our community the chance to take a starlight stroll cheered on by volunteers. It also gives bereaved people a special opportunity to walk in memory of someone they love. On route they can light a candle in honour of their loved one and before they walk, they can add a personal dedication to our online Memory Wall.

London Marathon

We're excited to have 50 London Marathon places in this year's iconic London Marathon on Saturday 2 October 2022. We can't wait to cheer on our amazing #TeamSTCH runners!



RETAIL INCOME

Our Successes In The Year:

- We have built back our retail income following the closures demanded by pandemic restrictions.
- We have evaluated our retail portfolio and developed a strategy to individually optimise our offering in each community we serve.

Our Future Priorities:

- We have evaluated the lessons learned over the past two years and will expertly develop our retail strategy to optimise our income and our connection with our communities. This will be supported by digital shopping experiences, allowing agile response to any future economic, pandemic, or other restrictions.
- Having acquired a new retail premises in Horsham we are excited to test our retail strategy in what will be our flagship store opening in late 2022.
- We will connect with our care and fundraising colleagues to agree our links through retail and courageously develop our retail model to support these functions.

Our Measurement and Impact:

- We are registered and regulated by the Fundraising Regulator and Gambling Commission and fundraise in accordance with the Charities Act.
- We received and managed 12 complaints in the year about our fundraising activity against 1 complaint in the prior year (2020/21).
- We raised **£6.8m** of voluntary income in the year.
- **£3m** of voluntary income raised supported our statutory income in the delivery of exceptional care.
- For every £1 spent on fundraising activities we raised **£3.90**.
- Our loyal community fundraisers raised **£321k**, despite social distancing restrictions.
- **31%** of income in our shops attracted gift aid raising an additional £88k.
- As we refreshed our retail offering our drivers have collected **3,500** items of furniture, generating in excess of £100k.



CATERHAM CHARITY SHOP

Case study

Emma is our Caterham Shop Manager taking donations, speaking with customers and representing our hospice in the Caterham area. Joined by Rita, one of our Caterham Shop volunteers Emma shares more about her experience and why the shop is so important.

"In our Caterham Shop every day is different. We're very lucky that we get a lot of donations, so typically most days will be spent taking in and sorting donations, signing people up to Gift Aid and helping customers. I also spend a lot of time looking donations up on the computer to make sure I'm getting the right price for things. We're quite good at selling vinyl and we sell a lot of cameras – we'll often get people come in because they know that we sell those specific items.

We spend a lot of time speaking to people, listening to their stories and being there for them too. Sometimes you'll get emotional yourself because you really feel for people and what they've been through. A lot of our regular donors donate because they've lost a loved one under the hospice's care, and a few of our volunteers, like Rita, volunteer here because the hospice has cared for someone close."

Rita's husband was referred to our hospice in 2014 after being diagnosed with cancer of the oesophagus.

"He was in the hospice three times to get his pain under control, and then the hospice organised for him to be home. They organised the hospital bed, the hoist - everything.

When the hospice was first mentioned, we both thought 'eugh', but once he was in, that was it. We were sold. Each time he was cared for, he was cared for like he was at home. It could be two o'clock in the morning and they'd bring him ice cream if he wanted it. I could sleep beside the bed and the nurse would bring me tea and toast in the morning. It was just amazing.

I rattled around for a bit after my husband died, I wasn't coping at all. I then had bereavement counselling with the hospice, which was amazing, it really helped.



Pictured left to right, Rita and Emma

I've been volunteering in the Caterham Shop for six years.

I do it twice a week, and it's my reason to get out of bed. When you're losing someone close to you, it takes up a massive part of your life. When my husband was ill, I was up and down the M23 everyday to the hospice, coming home late – I had nothing else in my life. When that stopped it was like a chasm. I'm retired so I remember thinking, 'what am I going to do?'

I know my husband wouldn't have wanted me to give up and go under. So, for me this is what happened. Volunteering's filled a huge gap in my life."

Emma's favourite thing about working for the hospice is knowing that her whole team are making a difference.

"I'm really passionate about my job and what I do – I try to raise as much money as I can for the hospice. It's tiring at times, and it can be stressful, but you know that what you're doing everyday is making a difference. This is the best job I've ever had."

PRIORITY 3 OUR PEOPLE:

To maximise professional and personal achievement of our people through focussed and recognised contribution which thrives in a value-led culture, where diversity, respect, initiative, openness and creativity and growth are embraced.

Our Successes In The Year:

- We have listened to the feedback from our employees and continue to review our structures to provide the right development opportunities for our employees. We have also developed our rewards package to include changes to annual leave, maternity pay and life assurance.
- We have developed our wellbeing offering to all our employees, including increasing the number of Mental Health First Aiders we have recognising the impact the pandemic has had on our people.
- We are safely welcoming our volunteers back to support our activities and have seen many new faces as well.

- Our pandemic volunteer screening assistants and telephone buddies won Crawley Community Awards.

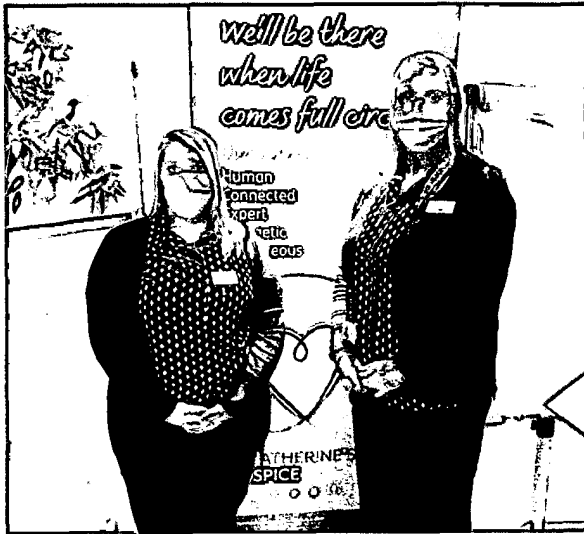
Our Future Priorities:

- We have introduced an Equality, Diversity and Inclusion Group to further our ambition to reflect the community we serve, and recognise that an inclusive culture attracts, develops and retains talent.
- We have reviewed our recruitment practices to attract more people, with the right skills to deliver our organisational plans with succession planning and progression at the core.
- We will ensure all employees and volunteers receive regular reviews, an opportunity for them to grow, share their ideas and explore opportunities for development.
- We will continue to develop our wellbeing offer ensuring we stay connected, ensuring our employees and volunteers, wellbeing and safety is at the forefront of what we do, and providing a safe, inclusive culture.



OUR PEOPLE

Hear from some of our employees

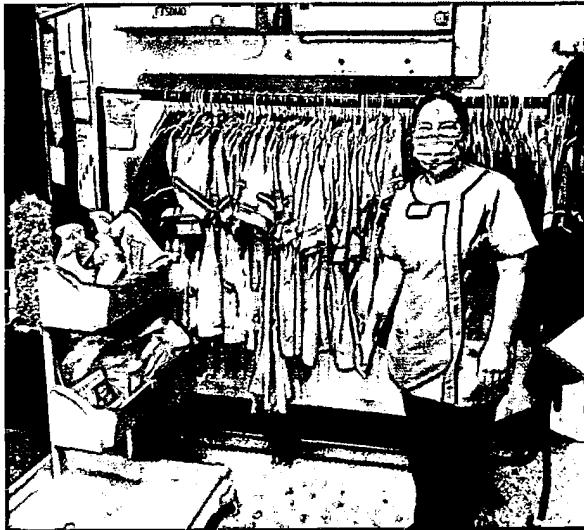


"Being part of such a strong, supportive team has been one of the best things about joining the hospice. When my Dad was here the employees were so supportive in all aspects of his care. It's that same ethos being a employees member. The same support is there from colleagues as it is when you're a relative of someone being cared for. That's been really nice."

Zoe (right), Patient and Family Co-ordinator

"I'm pleased to work for a company that care for and value their employees. It's also great to know the job opportunities that could be on offer to me."

Sammy (left), Patient and Family Co-ordinator



"I feel so lucky to be in a role where I look forward to going to work. I don't ever wake up and think 'oh I have to work today', I genuinely can't wait!"

Jane, Housekeeping Lead



"From day one everyone has been really friendly and I've been given such a warm welcome. When I went to reception on my first day everyone I passed took the time to say hello and people waved at me in my first week out in the car park. That sort of thing makes such a difference."

Wendy, Volunteering Co-ordinator

OUR PEOPLE

Hear from some of our employees



"I've been lucky to have found a career I love. I'll be brutally honest now - at the moment we're seriously stretched. Like everyone else we have staffing pressures and an increased caseload. Not enough hours in a shift, lots of miles to cover and not enough minutes in an hour! It's challenging. It's expensive and of course we're a charity but when you work with the most professional, resilient and kind-hearted, sincere people you're likely to find anywhere, you just keep on pushing through. That's why after 15 years I still work at St Catherine's. It's a fulfilling job and what I do truly matters."

Caroline, Clinical Nurse Specialist, Community



"I've worked here for 22 years as a Senior Staff Nurse on night shifts. It's a fabulous team who work well together. I've always enjoyed my job and feel nicely supported."

Sue, Senior Staff Nurse, ward



"I love working at St Catherine's - the hospice is an amazing place to work. Everyone does this job because they love it. They want to give great service to people dying, and they really believe in our service. I've never worked with such a close knit, compassionate group of people who genuinely care about the people we look after and each other."

Natalie, Senior Staff Nurse, Community

Our Measurement and impact

Employee and Volunteer Surveys:

- Our employees survey was paused during the height of the pandemic as we focused on the safety of our employees and volunteers and patient care.
- We have launched our employees survey for 2022 and are awaiting the results. 80% of employees have completed the survey this year.

EDI – Equality, Diversity and Inclusion:

- We set up an EDI employee focus group, volunteers stepped forward to work to develop our approach to EDI, with seven key statements in place which will monitor our progress.
- We provided Unconscious Bias Training for our Trustees and Managers. We anonymised our applications for Trustee recruitment which provided excellent candidates, increasing the diversity of our Board.
- Our employees welcomed hybrid working arrangements, where appropriate, allowing people to work more flexibly and efficiently.
- Our anonymous tool, Work in Confidence allows employees the freedom to speak up and has supported a number of issues and feedback which has allowed us to improve what we do.
- We actively recognise multi-faith celebrations and have celebrated Diwali, Christmas, Easter, Ramadan and Eid.

- Two employees courageously stepped forward to share their positive experiences of working with hidden disabilities and mental health issues.

Other:

- **76%** of employees completed our performance and development review process in the year.
- **95%** of employees completed their mandatory training in the year.
- Employee turnover is **29%** and absence rate, including work related stress absence, is **5.9%**.
- **74%** of leavers completed an exit interview which is regularly reviewed and acted upon.

Our Volunteers

- We received over **363** enquiries to volunteer and managed to recruit **142** new volunteer starters.
- Two of the volunteer roles we introduced in response to the pandemic won Crawley Community Awards:
 - Volunteer Screening Assistants – Volunteer Group
 - Volunteer Telephone Buddies – Community Champions
- We celebrated **126** volunteers who have provided us with between 5 and 35 years of support, totalling **675** years of volunteering between them.



PRIORITY 4 OUR RESOURCES:

To optimise value and effective use of charitable funds through effective and efficient use of all company resources.

Our Successes In The Year:

- We have reviewed our retail property portfolio to provide future propositions to enhance performance and safe operations as well as seizing opportunities for diversification.
- We have expertly developed an IT Strategy in response to pandemic pressures and remote working requirements as well as supporting future aspirations and collaborative opportunities.

Our Future Priorities:

- We recognise that clear signposting and informative literature will help support people referred to us and those close to them further. We will continue to enhance our support embracing digital opportunities.
- We will review and maintain our property and fleet to optimise our assets and minimise dilapidation risk.

Our Measurement and Impact

- We have used our website to support patients and sign post as well as supporting our fundraising efforts and information sharing.
- Effective hybrid working arrangements have been supported by our IT infrastructure with **98%** uptime achieved.
- SystmOne, our new patient system, has been implemented supporting efficiencies in patient care and integration of care records with our NHS partners.
- We are accredited with the Hospice Quality Partnership, developing contractual partnerships with the organisation's supplier partners.



PRIORITY 5

OUR FUTURE SUSTAINABILITY:

We have a forward thinking approach with a strategically aligned business plan developed through our senior managers and executive team, linked to our financial forecast and quarterly directorate objectives, with regular review, to ensure the future sustainability of the organisation.

Our Successes In The Year:

- We have engaged with our statutory partners in both Surrey and Sussex to explore partnership and integration opportunities focusing on patient centric care.
- We have connected with Surrey and Sussex Hospices in support of collaboration opportunities to provide greater efficiencies and learning.
- Our recent organisational restructures have provided a bedrock for future organisational development as we begin to realise our strategic direction.
- We commenced the build of our new hospice in February 2022, having re-engaged our Capital Appeal in support of this.



OUR FUTURE PRIORITIES

Statutory Integration and Hospice Collaboration:

- We will continue to work closely with our NHS partners to integrate and tailor our services to individualised patient care.
- We will continue to collaborate across our local hospices to provide efficiencies and profile with our NHS engagement.
- We will continue to promote better identification of people who are in the last year of life, to encourage honest conversations about death and dying as well as advanced care planning.

Our New Hospice Delivery:

- We will complete the build of the new hospice in the latter months of 2023 and will have raised the funds required to complete our new hospice and provide state of the art facilities to deliver our services.
- We will develop our transition plan from our current site to Pease Pottage, engaging with our employees, volunteers, supporters and local communities to ensure we do not forget our roots and the good herein.

IT and Digital:

- We will continue to explore opportunities for digital transformation to improve efficiency and performance.

Organisational Design, Financial Forecasts and Risk:

- We will continue to develop our organisational design as our new structures are embedded and as we realise our future ambition and strategic direction.
- We will provide assurance of our future sustainability through our forecasting processes which bring together our expertise across the organisation and robust evaluation of associated risks and opportunities.



OUR NEW HOSPICE BUILDING AND CAPITAL APPEAL

Our new hospice at Pease Pottage

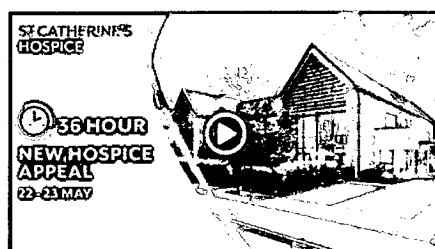
Our new hospice at Pease Pottage will allow us to provide even more care to even more people in our community at our hospice and in their own homes across Sussex and Surrey.

"We're really excited about our move to Pease Pottage and the opportunities it will provide. The feedback from people we care for supports the excellent care our teams provide in our current hospice; despite the challenges our environment gives us. Our brand-new, purpose-built hospice will allow us to enhance the care we provide. This will help us to ensure we can deliver personalised care for each patient, meeting their needs and considering their loved ones needs too. We will be able to support more people before and after death as we will have the state-of-the-art facilities that we have carefully designed to increase the services we can offer to those we care for."

Sam Farr, Deputy Director of Care Services

Capital Appeal

As part of our capital appeal for our new hospice we ran a very successful Charity Extra appeal in May. Over a 36-hour period, various employees, trustees, patients, relatives and supporters, who had pledged to become Champions for us, reached out to their family, friends and colleagues to ask them to consider making a donation towards our new hospice building. Thanks to their incredible support, we were delighted to raise £996k including gift aid.



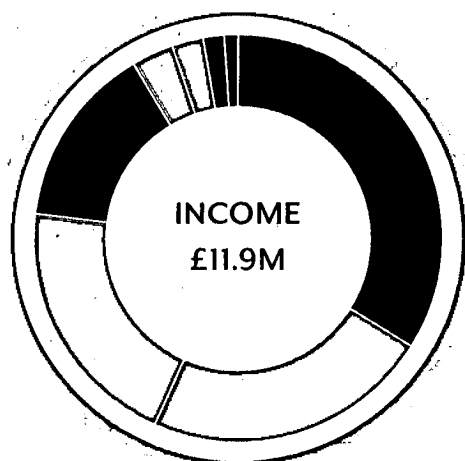
STRATEGIC RISK

As part of our quality framework, we regularly review our operational and strategic risks, understanding that effective risk management is key to the achievement of our strategic and operational objectives. The significant risks currently identified are:

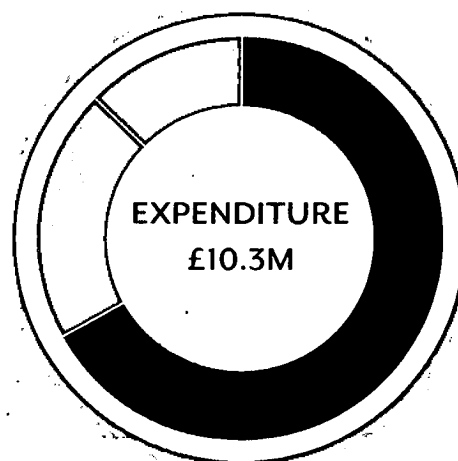
| Strategic Risks | Controls and Mitigations |
|--|---|
| Inability to maintain the care of patients, carers and families | <p>Current pressures as a result of employees shortages in the UK are mitigated through:</p> <ul style="list-style-type: none"> • Multi-disciplinary teams with ability to flex skills mixes in support of patient care. • Working with our statutory partners to secure integration opportunities across our communities. • Pay and reward programmes. • Our focus on progression and succession planning within our structures. |
| Inability to maintain free reserves to meet our immediate cash requirements. | <ul style="list-style-type: none"> • Current and 5 year forecast in place supported by monthly management accounts and quarterly forecast review by budget holders with Board approval. • Income Generation strategy in place with regular review and forecast update. • Engagement with our statutory partners to secure future sustainability via collaboration and integration opportunities. • Effective monitoring of our New Build programme with risk mitigation through a design and build contract. • Transition planning to our new hospice in progress to optimise our transition and the sale of our current site, minimising risk to cashflow requirements. |
| Data breaches affecting our communities and our reputation as a result of cyber-attack. | <ul style="list-style-type: none"> • Outsourced support to provide expertise with security and testing of our infrastructure. • Robust access structures across information assets with mandatory training in place focused on using and sharing data. • Information Governance Group, supported by Senior Information Risk Officer (SIRO), Data Protection Officer (DPO) and Caldicott Guardian to monitor and provide assurance of data compliance with legal requirements. • Effective insurance in place. |
| Inability to gain parity across hospices and with our statutory partners with digital advancement. | <ul style="list-style-type: none"> • Digital Solutions are high on our agenda supported by the trustees with funds allocated in our designated fund to support digital projects over the next 3-5 years. • The launch of SystmOne, our new Electronic Patient Record System in May 2022 supports efficiencies internally but also allows great patient support with links across GPs and NHS partners. |

OUR FINANCIAL PERFORMANCE 2021/22

OPERATIONAL INCOME AND EXPENDITURE

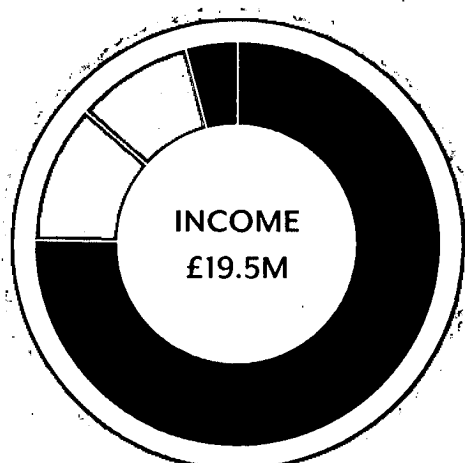


- £4.2m Charitable Activities
- £2.6m Donations
- £2.4m Trading Activities
- £1.6m Legacies
- £0.5m NHSE Coronavirus Support
- £0.3m Other Income
- £0.2m Other Coronavirus Support
- £0.1m Investment Income

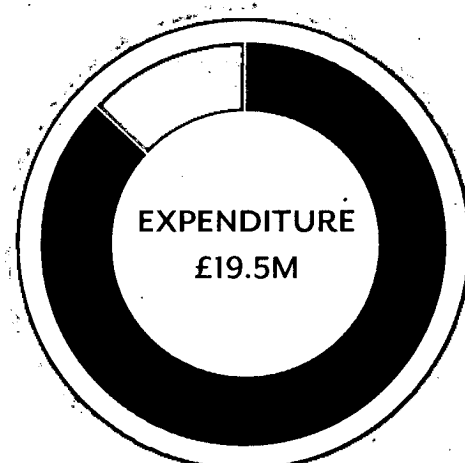


- £6.9m Charitable Activities
- £2.1m Trading Activities
- £1.3m Donations

NEW HOSPICE



- £14.7m Funds Raised
- £2.2m Funds to complete
- £1.8m Sale of Current Site
- £0.8m Funds Pledged



- £2.5m Expenditure to Date
- £17.0m Remaining Expenditure

Operational Performance

In this financial year our Income was £11.9m (£12.2m 2021) with Net Income of £1.7m (£2.0m 2021).

This year we have focused on the build back of income whilst embedding the organisational restructures carried out in the prior year to support our strategic thinking and the easing of pandemic restrictions.

Our donors have been fantastic in their continued support during this year where our fundraising income has been maintained, providing a sound platform for growth expectations in 2022/23 as we begin to re-engage with activities halted by pandemic social distancing measures.

Our retail income has exceeded our expectations in the year meeting pre-pandemic income with our focus on our offering as we return to near normal trading.

We received £0.5m of NHSE (NHS England) income in the year and thank Hospice UK for their support in securing these funds which have been used to support charitable expenditure in the year

In addition, we received £0.2m of additional pandemic support through furlough, retail grants and a business interruption claim during the period where our retail shops were closed during lockdown.



Our Free General Reserves position, which is representative of our free cash, position was £8.1m. This exceeds our reserves policy which has been positioned and approved by our Trustees in line with our 5-year forecast. During this period our new hospice will have completed, increasing operational costs to support our new capacity and strategic objectives whilst recognising that our income growth will reach expected levels at a slower rate with forecast free general reserves expected to build back in years 6-8.

FINANCIAL OUTLOOK 2022/23:

Operational Performance:

The next year will form the bedrock of our planned move to Pease Pottage in late 2023.

Our forecasts for 2022/23 expect some growth in voluntary income as we continue to build back our fundraising and retail income. Our cost base is forecast to increase as we recruit staff to support the increased capacity at Pease Pottage, with net loss of £0.7m.

Free General Reserves are forecast to fall to a level of £7.0m at March 2023.

Our New Hospice:

In November 2021 the Board approved a total build cost of £19.5m on a design and build contract with Barnes Construction which commenced in February 2022.

Our capital appeal raised £2.4m as at 31 March 2022.

The monitoring of our cashflow will be more important than ever as we proceed with the build of our new hospice which is due to complete in Autumn 2023.

Our restricted asks to support the new hospice will continue. Our Charity Extra match funding online appeal was carried out in May 2022 raising £0.9m with an additional £0.7m of restricted giving bringing the total raised to £5.1m as at June 2022, and secured funding of £18.9m against the required £19.5m.

Reserves

St Catherine's reserves policy is to maintain free reserves at a level that is sufficient to protect services from the potential financial impact of known significant risks over the short to medium term. The focus of this policy is aligned to Free General Reserves as these reserves support operational activities.

The Trustees have agreed that in order to set a relevant free general reserves policy level which is in the charities best interests, a risk centered approach is most valid.

The Trustees recognise that as a healthcare organisation, the risk of full closure is low, given that alternative arrangements would be made to carry out on site services together with the learning from the pandemic where we have quickly adapted our working practices to work from home where possible. Our Business Continuity Plan addresses these scenarios. Therefore, the risk centered approach has not focused on this scenario.

The Trustees regularly review the hospice's strategic risk register which forms part of the Governance Framework.

Based on the Q3 2021/22 financial 5-year forecast and likelihood of potential risks / opportunities occurring, the reserves policy requires the organisation to maintain between £2.1m and £4.1m of free general reserves, being general reserves excluding tangible fixed assets. Our current level of free general reserves, at £8.1m, exceeds our reserves policy. This has been positioned, in alignment with our 5-year forecast supporting the build and transition to our new hospice, and approved by our Trustees.

The net movement in reserves in the year is set out in Notes 19 to 22 to the accounts.

Market Value of Land and Buildings

Freehold land in Crawley was donated to the hospice and valued at £60,000 by the Directors in December 1983. All other freehold land and buildings shown in Fixed Assets in the Balance Sheet are included in the financial statements at cost or open market value if lower. In the opinion of the Directors, the open market value of the freehold land and buildings is not less than the amounts shown in the financial statements.

Investments

The overall objective of the charity for its investments, which represent reserves held consistent with its reserves policy, is to provide financial security and stability, recognising that the charity is exposed to a degree of financial risk due to the variable and uncertain nature of its income streams.

The Trustees have agreed that the charity's assets can be invested widely and should be diversified by asset class, by manager and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities, and any other asset that is deemed suitable.

The charity seeks to produce the best financial return within an acceptable level of risk. The charity has adopted an ethical investment policy to ensure that its investments do not conflict with its aims or can lead to reputational damage. The investment objective for the long-term fund is returns which over a rolling 5 years achieve of CPI +2%.

The Financial Sustainability Committee has responsibility for agreeing the investment strategy, setting benchmarks and monitoring the investment assets on a quarterly basis.

A formal evaluation of each fund managers' performance and consideration of the need to undertake full market testing is undertaken every 3-5 years.

Note 14 gives further information on the Investment position as at 31 March 2022.

The long-term investment portfolio is held with Rathbone Investment Management. Investments with Sarasin and Partners LLP and CCLA have been de-risked and held as short term cash deposits to protect funds required for the New Hospice build, consistent with our Investment Policy.

Going Concern

Having reviewed and formally agreed the forecasts and cashflows prepared in July 2022, together with the Executive's business plan, the Trustees believe, to the best of their knowledge, that the charity remains a going concern for the 12-18 month period from the date of approval of the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The directors are also the Trustees of the charity for the purposes of company law and as such are responsible for the management of the hospital's affairs and its future strategy. The Trustees are required to hold at least four Board meetings a year. There are five committees, chaired by a Trustee which are attended by the appropriate Senior Management Team Member(s), which meet prior to and feed into each Board meeting.

- Financial Sustainability Committee (includes income generation activity)
- Joint People and Development Committee and Board Effectiveness Committee
- Quality Committee
- New Build Project Board
- Remuneration Committee (Chief Executive remuneration only)

Rotation, recruitment and appointment and induction of Trustees

The Trustees consider it essential that the Board is strong, well-balanced and effective comprising members with the requisite professional skills and experience in healthcare or local services to properly represent users of the charity's services. Looking forward, the Board will carefully consider how it increase its diversity and inclusion to better meet the needs of the local population.

Trustees are recruited through local advertising and a robust selection process. Trustees serve for a maximum of two terms of four years each.

An induction programme is provided to all new trustees. They are advised of their responsibilities as directors and Trustees, including their legal obligations under charity and company law and The Charity Commission guidance on public benefit, given copies of the charity's governing documents, and are appraised of the charity's aims and activities, current financial performance and its plans for the future. All Trustees receive an annual performance review and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The General Meeting was held in person this year, where the Trustees provided an overview of our achievements and future plans, allowing additional challenge to the Trustees and the organisation, on behalf of the community.



Senior Management Team

The Board delegates the day-to-day management of the hospice to the Chief Executive, and the officers of the company:

The charity has set up a clear pay progression arrangement for its senior leaders which reflects arrangements in place for all staff and managers. As the charity strives to make its reward offer as competitive as it can afford, it will continue to consider managers and senior management remuneration. The pay points for the Senior Management Team are now in place having recently been set; using benchmarks for similar sized charities. Pay progression for these senior officers is delegated to the Chief Executive. The Chief Executive's pay also progresses over several pay points and progression is agreed by the charity's Remuneration Committee.

The Senior Management Team meets weekly, rotating meetings to review strategy and business plan delivery, the quality management system across all activities, risk management and operational service performance, including budgetary review and regular reforecasting. The SMT have been trialling the closer engagement of the charity's senior managers recognising the risk that the pandemic might impact the availability of leaders at any time. This pilot has proven very successful and will be consolidated within the charity's Integrated Governance Framework.

Information is cascaded to the Heads of Department and key managers in two monthly interactive update sessions and to staff through appropriate all staff meetings, awards events and departmental team meetings. In the last year all meetings were held virtually. Trustees are invited to attend these meetings periodically to assure themselves of the quality of communication, education and training that is being provided.

Statement of Directors Responsibilities

The hospice's charitable objectives which were set by the Trustees, with due regard to the Charity Commission's guidance on public benefit, are:

- To relieve suffering, provide comfort and improve quality of life for people with progressive life limiting illness.

- To relieve the suffering of people facing or experiencing bereavement by the provision of counselling; and
- To advance research and education in palliative and end of life care.

The Board of Directors is responsible for the approval of the annual accounts, ensuring compliance with the Charities Act 2011, the Companies Act 2006 and the Memorandum and Articles of Association and Accounting and Reporting Statement of Recommended Practice applicable in the UK and republic of Ireland, FRS 102.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's strategic report the Company's Strategic Report Information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Ensure compliance with the methods and principles in the Memorandum and Articles of Association and Accounting and Reporting Statement of Recommended Practice applicable in the UK and Republic of Ireland, FRS 102 which was effective from 1st January 2019.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

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

Details of directors' interests in contracts and related party transactions are given in note 10 to the accounts.

STATEMENT AS TO DISCLOSURE TO THE AUDITORS

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Haysmacintyre LLP have been re-appointed as auditor to the company under Section 485 of the Companies Act 2006.

The Report of the Board of Trustees, incorporating the strategic report, was approved by the Board on 13th September 2022 and signed on its behalf by:

Terry O'Leary

Terry O'Leary Chairman



OUR TRUSTEES, SENIOR MANAGEMENT TEAM AND ADVISORS

Our Trustees:

Terence O'Leary

Chairman of the Board & Chair Remuneration Committee

Catherine Blackburn

Chair People and Development Committee to May 2022

Chair Quality Committee from May 2022

Gregory Andrews

Chair Financial Sustainability Committee from June 2020

Alison Livesley

Chair Board Effectiveness Committee

Lead Trustee supporting the New Build Board.

Chair, Andrew Wates

Kate Midgley

Chair People and Development Committee

from May 2022

Nicola Wiltshire

Philip Ingleby

Richard Griffin

Gemma Dawson

Resigned February 2022

Lisa Compton

Resigned April 2022

Alison Crombie

Resigned May 2022

John Abbott

Trustee Elect

Yolanda Fernandez

Trustee Elect

Diane Riley

Trustee Elect

Andrew Wates

Vice President

Our Senior Management Team:

Giles Tomsett

Chief Executive

Patricia Brayden

Medical Director

Paula McGoveney

Director of Income Generation and Marketing
Appointed 7 June 2022

Cathy Heard

Finance Director

Elly Powis

People and Site Services Director

Paul Rycroft

New Build Delivery and Collaboration Director

Carol Harris

Director of Care Services

Claire Irving

Director of Income Generation and Marketing
Resigned February 2022

Our Advisors:

Independent auditors:

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Principal bankers:

Barclays Bank Plc
90-92 High Street
Crawley
West Sussex
RH10 1YX

Solicitors:

DMH Stallard LLP
Gainsborough House
Pegler Way
Crawley
West Sussex
RH11 7FZ

Investment Advisors:

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard,
London
EC4M 8BU

Rathbone Brothers plc
1 Curzon Street
London
W1J 5FB

Registered Office:

Malthouse Road
Crawley
West Sussex
RH10 6BH

Company Number:

01525404

Charity Registration Number:

281362

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ST CATHERINE'S HOSPICE LIMITED

Opinion

We have audited the financial statements of St Catherine's Hospice Limited for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Hospice Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's and parent charitable company's net movement in funds, including the 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 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Chairman's and CEO's Report and in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 strategic report and the directors' 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 strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

- Adequate accounting records have not been kept by the parent charitable company; or
- 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a

true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as sales tax and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

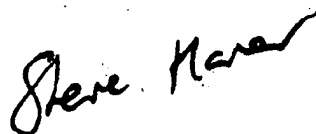
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Reviewing the cut-off of income recognised to consider whether income had been recognised in the correct accounting period; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including those related to the recognition of income including the accrual of legacy income and the valuation of legacy debtors.

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

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

Use of 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.



Steven Harper (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP,
Statutory Auditor
3rd October 2022

10 Queen Street Place
London
EC4R 1AG

Financial Statements

St Catherine's Hospice Limited

Statement of Financial Activities (incorporating an income and expenditure account) for the year ended 31 March 2022

| | | Restricted | Designated | Unrestricted | Total Funds 2022 | Total Funds 2021 |
|---|-------|--------------|---------------|---------------|------------------|------------------|
| | Note | £'000's | £'000's | £'000's | £'000's | £'000's |
| Income | | | | | | |
| Donations & Legacies | 2 | 665 | 0 | 3,668 | 4,333 | 4,501 |
| Trading Activities | 4 | 0 | 0 | 2,391 | 2,391 | 1,500 |
| Charitable Activities | 5 | 483 | 0 | 4,232 | 4,715 | 5,353 |
| Investments | 3 | 0 | 0 | 133 | 133 | 122 |
| Other Income | | 1 | 0 | 309 | 310 | 718 |
| Total Income | | 1,149 | 0 | 10,733 | 11,882 | 12,194 |
| Expenditure | | | | | | |
| Fundraising & Investment Activities | | 0 | 94 | 1,155 | 1,249 | 950 |
| Trading Activities | | 0 | 40 | 2,031 | 2,071 | 2,229 |
| Charitable Activities | | 130 | 148 | 6,657 | 6,935 | 7,601 |
| Total Expenditure | 6 | 130 | 282 | 9,843 | 10,255 | 10,780 |
| Net Income / (Expenditure) on Operational Activities | 7 | 1,019 | (282) | 890 | 1,627 | 1,414 |
| Net Gains / (Losses) on Investments | 14,15 | 0 | 0 | 115 | 115 | 541 |
| Net Income / (Expenditure) for the Year | 8 | 1,019 | (282) | 1,005 | 1,742 | 1,955 |
| Transfer Between Funds | 20,21 | (383) | (44) | 427 | 0 | 0 |
| Net Movement in Funds | | 636 | (326) | 1,432 | 1,742 | 1,955 |
| Funds B/F as at 1st April | | 4,161 | 12,610 | 8,504 | 25,275 | 23,320 |
| Funds Carried Forward as at 31st March | | 4,797 | 12,284 | 9,936 | 27,017 | 25,275 |

All gains and losses arising in the current and previous year have been recognised in the Statement of Financial Activities and arise from continuing activities.

The prior year comparators for each fund included above are included in notes 27 to 31

The notes on pages 36 to 56 form part of these financial statements.

Financial Statements

St Catherine's Hospice Limited

Balance Sheets as at 31 March 2022

Company Registration No. 01525404

| | Notes | Group | | Hospice | |
|---|-------|---------------------------|---------------------------|---------------------------|---------------------------|
| | | 31 March 2022 £'000 | 31 March 2021 £'000 | 31 March 2022 £'000 | 31 March 2021 £'000 |
| Fixed Assets | | | | | |
| Tangible Assets | 13 | 2,668 | 2,751 | 2,668 | 2,751 |
| Construction in Progress - Pease Pottage | 13 | 2,530 | 1,235 | 2,530 | 1,235 |
| Investments | 14 | 13,329 | 13,065 | 13,379 | 13,115 |
| | | <u>18,527</u> | <u>17,051</u> | <u>18,577</u> | <u>17,101</u> |
| Current Assets | | | | | |
| Investments | 15 | 3,768 | 3,765 | 3,768 | 3,765 |
| Stock | 16 | 3 | 4 | 0 | 0 |
| Debtors | 17 | 1,810 | 1,270 | 1,839 | 1,288 |
| Cash at Bank | | <u>3,842</u> | <u>3,706</u> | <u>3,762</u> | <u>3,645</u> |
| | | 9,423 | 8,745 | 9,369 | 8,698 |
| Current Liabilities | | | | | |
| Creditors: amounts falling due within one year | 18 | <u>902</u> | <u>385</u> | <u>902</u> | <u>379</u> |
| Net Current Assets | | <u>8,521</u> | <u>8,360</u> | <u>8,467</u> | <u>8,319</u> |
| Total Assets less Current Liabilities | | <u>27,048</u> | <u>25,411</u> | <u>27,044</u> | <u>25,420</u> |
| Creditors: amounts falling due greater one year | 11 | <u>31</u> | <u>136</u> | <u>31</u> | <u>136</u> |
| Total Net Assets | | <u>27,017</u> | <u>25,275</u> | <u>27,013</u> | <u>25,284</u> |
| The Funds of the Charity | | | | | |
| Restricted Funds | 20 | 4,797 | 4,161 | 4,797 | 4,161 |
| Designated Funds | 21 | 12,284 | 12,610 | 12,284 | 12,610 |
| Unrestricted Funds | 21 | <u>9,936</u> | <u>8,504</u> | <u>9,932</u> | <u>8,513</u> |
| Total Funds | 22 | <u>27,017</u> | <u>25,275</u> | <u>27,013</u> | <u>25,284</u> |

The unconsolidated net income of the Hospice in 2021/22 was £1,729,000 (2020/21 £1,947,000).

The Financial Statements on pages 33 to 35 were approved by the Board of Directors and authorised for issue on 13th September 2022 and are signed on its behalf by:

Terry O'Leary

Terry O'Leary
Chairman

The notes on pages 36 to 56 form part of these financial statements.

Consolidated Cash Flow Statement as at 31 March 2022

| | | 31 March 2022 £'000 | 31 March 2021 £'000 |
|--|-------|------------------------|------------------------|
| | Notes | | |
| Cashflows from Operating Activities | | | |
| Net Cash provided by / (used in) Operating Activities | 25a | 1,506 | 4,512 |
| Cashflows from Investing Activities | | | |
| Gains / (Losses) on Investments | | 12 | 91 |
| Purchase of Property, Plant & Equipment | | (84) | (98) |
| New Build Construction in Progress | | (1,295) | (428) |
| Proceeds from Sale of Assets | | 0 | 1 |
| Net Cash provided by / (used in) Investing Activities | | (1,367) | (434) |
| Change in Cash & Equivalents in the Reporting Period | | 139 | 4,078 |
| Cash & Equivalents at the beginning of the Reporting Period | | 7,471 | 3,393 |
| Cash & Equivalents at the end of the Reporting Period | 25b | 7,610 | 7,471 |

The notes on pages 36 to 56 form part of these financial statements.

Accounting Policies

Principal Accounting Policies

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

Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The hospice meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Legal Status of the Charity

The charity is a company limited by guarantee, registered in England and Wales, and has no share capital. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member.

Going Concern

Having reviewed the 5 year financial forecasts, cashflows and strategic risk register, the Trustees consider that there are no material uncertainties about St Catherine's Hospice Limited's ability to continue as a going concern for the foreseeable future. Free reserves stand within the charity's reserves policy requirements which has been agreed on a risk-based profile. Medium-term forecast projections indicate that the charity's free reserves remain within its policy's acceptable limits.

Material Areas of Judgement

The most significant area of judgement and key assumptions that affects items in the financial statements is the estimation of income from Legacies. The estimated value of each outstanding legacy at 31 March is calculated in accordance with the principles set out in the Donation, Grants and Other Income section below. Another significant area of assumption is in respect of depreciation of Fixed Assets. The rates of write down are shown in the Tangible Fixed Assets section below. The Trustees are satisfied that these write down rates are a reasonable reflection of the expected useful life of the assets in each class

Group Financial Statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary St Catherine's Hospice Trading (Sussex) Limited on a line by line basis. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations where the donor has specified they should only be used for particular areas of the hospice's work. The aim and use of each designated and restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

Donated Assets

Tangible assets donated to the hospice are recorded at the original estimate of their value to the company.

A donation of land was received in 2019/20 and accounted for in accordance with this policy ensuring the valuation was a fair value, carried out by external professional valuers, as defined within FRS102 being the "amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction".

Tangible Fixed Assets

Fixed assets other than donated assets are stated at historical cost. All assets costing more than £2,000 are capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write down each asset to its estimated residual value evenly over its expected useful life, as follows:-

Accounting Policies

| | |
|--|---|
| Freehold buildings | 2% per annum on cost |
| Extensions and refurbishments | 10% per annum on cost |
| Equipment (excluding leasehold improvements) | 25% or 17% per annum on cost |
| Leasehold improvements | calculated on remaining length of lease |
| Computer Equipment | 25% per annum on cost |
| Motor vehicles | 25% per annum on cost |

Construction in Progress (CIP)

The cost of all projects for the construction of buildings that are in progress at a particular point in time are reported as CIP on the balance sheet until such time as the project is complete and brought into use. On completion of the project the full cost of the asset is capitalised and treatment follows that of the Tangible Fixed Asset policy.

Taxation

The company is considered to pass the tests set out in the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation on income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes.

Operating Leases

Rental costs under operating leases are charged to the general fund operating account in equal annual amounts in accordance with the terms of the lease. Any benefits received or receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period of the lease.

Pension Contributions

The charity operates a defined contribution pension scheme, the assets of which are held separately from those of the charity in independently administered funds chosen by individual staff. Some staff participate in the NHS defined benefit pension scheme. Any resulting liabilities on this scheme would be met by the State. Therefore, contributions payable for the year in relation to either scheme are charged in the Statement of Financial Activities.

The company also participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The charity is also making additional payments into the fund in order to eliminate the deficit. These payments commenced in April 2013 and are currently scheduled to continue until January 2025. To recognise the future liability and in accordance with FRS 102 the Trustees have agreed to make a provision for the present value of the outstanding deficit contributions.

Further details including the current buy-out debt amount and value of the provision are given in Note 11.

Donations Grants and Other Income

Income is recognised in the Statement of Financial Activities when the charity is entitled to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the Statement of Financial Activities.

- In the event that a donation or grant is subject to fulfilling performance conditions before the charity is entitled to the funds the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income accrued in debtors.

Accounting Policies

- Income from NHS contracts, government or other grants, whether capital or revenue in nature are recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.
- Income, including sponsorship received in advance for a future fundraising event or for a grant received relating to the following year is deferred until the criteria for income recognition is met.
- Items donated for resale through the retail shops are included in the accounts when the items are sold.
- Investment income is included when receivable and the amount can be measured reliably, usually when the notification of interest payable is received from the bank. Dividends are recognised once the dividend has been declared and notification has been received of the amount due.
- Income from legacies is determined on a case by case basis in accordance with the following principles. Pecuniary legacies are recognised once probate has been granted and notification has been received that payment will be received. Residuary legacies are recognised once probate has been granted, provided that sufficient information has been received to enable valuation of the hospice's entitlement with sufficient certainty; amounts receivable are included at 90% of their valuation, to reflect the sector's experience of the uncertainty inherent in the administration of estates, subject to further reduction to reflect the impact of other factors such as the valuation of unrealised estate assets or subsequent adverse movements in property and investment markets. Where legacies have been notified to the charity or the charity is aware of the granting of probate and the criteria for income recognition have not been met then the legacy is treated as a contingent asset and disclosed if material.
- All subscriptions for the lottery draws are deferred, with income drawn down each week. All other income received in one period but relating to future periods is shown as deferred income under creditors.

Donated Goods and Services

Donations of goods and services, including seconded NHS doctors, are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from its use is probable and the economic benefit can be reliably measured. These items are included in income at the estimated value of the gift to the charity when received based on the amount the charity would have been prepared to pay had it been required to purchase them.

Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution are provided in note 12.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis once there is a legal obligation to make a payment, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies; investment management fees; costs of fundraising activities including the costs of goods sold, shop costs, commercial trading and their associated support costs. Fundraising costs do not include the costs of disseminating information in support of the hospice's charitable activities.

Expenditure on charitable activities includes the costs of providing specialist palliative care and support to patients, their families and the wider community; research and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the hospice and include governance cost, finance and office costs. Governance costs are those costs incurred in connection with complying with constitutional and statutory requirements of the charity. Where practicable irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are allocated to each of the activities on a variety of bases, principally headcount, floor area or time spent on activities depending on the nature of the support costs, to best allocate the costs to each attributable heading. More details on the analysis and basis of allocation is given in note 6.

Financial Instruments

The hospice only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at their transaction value and subsequently measured at their settlement value.

Accounting Policies

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price, except for the shares in the trading subsidiary which are carried at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired during the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The charity does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity and bond markets due to wider economic conditions, the attitudes of investors to investment risk and changes in sentiment concerning equities and other instruments within particular sectors.

Stock

Stock of goods for resale is valued at the lower of cost and net realisable value. Stock donated for resale are not included in the financial statements until they are sold because the Trustees consider it impractical to be able to assess the amount of donated stocks as there are no systems in place to record these until they are sold and undertaking a stock take would incur undue cost and income loss for the charity which would far outweigh the benefits.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid deposits with a short maturity of 95 days or less from the date of acquisition or opening of the account.

Creditors

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

Supporting Notes to Financial Statements

1 Income

Income derives from the group's principal activities carried on wholly in the United Kingdom.

2 Income from Fundraising Activities

| | Restricted £'000's | Designated £'000's | Unrestricted £'000's | 2022 £'000's | 2021 £'000's |
|--------------------------------|-----------------------|-----------------------|-------------------------|-----------------|-----------------|
| Donations | 3 | 0 | 1,957 | 1,960 | 2,393 |
| Legacies | 0 | 0 | 1,573 | 1,573 | 1,785 |
| Other Grants | 84 | 0 | 138 | 222 | 162 |
| Donations in Kind | 0 | 0 | 0 | 0 | 0 |
| Capital Appeal - Pease Pottage | 578 | 0 | 0 | 578 | 161 |
| | 665 | 0 | 3,668 | 4,333 | 4,501 |

3 Income from Investments

| | 2022 £'000 | 2021 £'000 |
|--------------------------|---------------|---------------|
| Listed Investment Income | 132 | 121 |
| Interest Received | 1 | 1 |
| | 133 | 122 |

4 Income from Trading Activities

| | 2022 £'000's | 2021 £'000's |
|--------------------|-----------------|-----------------|
| Retail | 1,330 | 521 |
| Lottery | 886 | 825 |
| Fundraising Events | 175 | 154 |
| | 2,391 | 1,500 |

5 Income from Charitable Activities

| | Restricted £'000's | Unrestricted £'000's | 2022 £'000 | 2021 £'000 |
|--|-----------------------|-------------------------|---------------|---------------|
| NHS Block Contract / Grant | 0 | 3,183 | 3,183 | 2605 |
| NHS Contribution to Drug Costs | 0 | 116 | 116 | 105 |
| NHS Contribution to Lymphoedema Service | 0 | 29 | 29 | 64 |
| NHS Community Support Pilot | 0 | 319 | 319 | 320 |
| Income for Inpatient Beds from Continuing Healthcare (CHC) | 0 | 58 | 58 | 43 |
| Research Grant | 0 | 44 | 44 | 58 |
| Other Service Contracts | 0 | 393 | 393 | 420 |
| COVID 19 Hospice UK (HUK) Support | 446 | 0 | 446 | 1582 |
| COVID 19 Clinical Commissioning Group (CCG) Support | 37 | 62 | 99 | 144 |
| Education Income | 0 | 28 | 28 | 12 |
| | 483 | 4,232 | 4,715 | 5,353 |

Statutory income from Surrey Heartlands CCG included an expedited receipt of £600k in support of additional staffing and agency costs during the height of Omicron which will be offset against the 2022/23 contractual agreement.

Supporting Notes to Financial Statements

6 a) Expenditure

| | Direct Costs £000's | Support Costs £000's | Depreciation £000's | Total 2022 £000's | Total 2021 £000's |
|--|------------------------|-------------------------|------------------------|----------------------|----------------------|
| Fundraising / Investment Activities | | | | | |
| Donations, Legacies & Grants | 875 | 248 | 21 | 1,144 | 900 |
| Capital Appeal - Pease Pottage | 71 | 0 | 0 | 71 | 19 |
| Investment Management | 34 | 0 | 0 | 34 | 31 |
| | 980 | 248 | 21 | 1,249 | 950 |
| Trading Activities | | | | | |
| Retail Shops | 1,196 | 384 | 23 | 1,603 | 1,591 |
| Lottery Costs | 191 | 89 | 2 | 282 | 153 |
| Fundraising Events | 9 | 173 | 4 | 186 | 485 |
| | 1,396 | 646 | 29 | 2,071 | 2,229 |
| Charitable Activities | | | | | |
| Inpatient Services | 2,685 | 881 | 49 | 3,615 | 3,971 |
| Community Services | 2,270 | 463 | 44 | 2,777 | 2,510 |
| Wellbeing Services | 19 | 268 | 21 | 308 | 885 |
| Education | 172 | 59 | 4 | 235 | 235 |
| | 5,146 | 1,671 | 118 | 6,935 | 7,601 |
| | 7,522 | 2,565 | 168 | 10,255 | 10,780 |

b) Analysis of Support Costs in a) above

| | Facilities & Hospitality £000's | Support Services £000's | Corporate Comms £000's | Governance £000's | Support Costs Total £000's |
|--|------------------------------------|----------------------------|---------------------------|----------------------|-------------------------------|
| Fundraising / Investment Activities | | | | | |
| Donations, Legacies & Grants | 57 | 131 | 50 | 10 | 248 |
| | 57 | 131 | 50 | 10 | 248 |
| Trading Activities | | | | | |
| Retail Shops | 93 | 254 | 17 | 19 | 383 |
| Lottery Costs | 57 | 9 | 21 | 1 | 88 |
| Fundraising Events | 57 | 66 | 44 | 5 | 172 |
| | 207 | 329 | 82 | 25 | 643 |
| Charitable Activities | | | | | |
| Inpatient Services | 258 | 566 | 17 | 42 | 883 |
| Community Services | 72 | 348 | 17 | 26 | 463 |
| Wellbeing Services | 101 | 140 | 17 | 10 | 268 |
| Education | 22 | 28 | 8 | 2 | 60 |
| | 453 | 1,082 | 59 | 80 | 1,674 |
| | 717 | 1,542 | 191 | 115 | 2,565 |

7 Trading Operations

The wholly owned trading subsidiary, St Catherine's Hospice Trading (Sussex) Limited, UK company registration number 02822993, pays all its eligible profits to the charity under Gift Aid. The company manages the sale of purchased goods through the hospice retail shops..

Supporting Notes to Financial Statements

The charity owns the entire issued share capital of 50,000 shares of £1 each.
A summary of the trading results is shown below.

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Turnover | 68 | 55 |
| Cost of Sales | 28 | 12 |
| Gross Profit | 40 | 43 |
| Other Operating Expenses (net) | 27 | 35 |
| Profit on Ordinary Activities | 13 | 8 |
| Donations under Gift Aid | 0 | 0 |
| Corporation Tax | | |
| Profit Retained in the Subsidiary | 13 | 8 |

8 Net Income / Expenditure

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Net Income / (Expenditure) is stated after charging: | | |
| Tangible Fixed Asset Depreciation and amounts Written Off in the Period | | |
| Owned Assets | 167 | 210 |
| Operating Lease Rentals - Equipment | 23 | 19 |
| Operating Lease Rentals - Shops & Office | 358 | 385 |
| Auditors Remuneration - Audit | 15 | 15 |
| Auditors Remuneration – Tax Business | 2 | 7 |

9 Employees

| | 2022 FTE's | 2021 FTE's |
|-----------------------------|---------------|---------------|
| Average Weekly FTE's | | |
| Fundraising | 20 | 22 |
| Retail | 24 | 27 |
| Inpatient Services | 48 | 60 |
| Community Services | 42 | 37 |
| Wellbeing Services | 0 | 15 |
| Education | 3 | 3 |
| Support Services | 46 | 49 |
| | 183 | 213 |

The hospice employs a significant number of staff on a part-time basis. The average of number of paid staff in the charity and group in 2021/22 was 237 (2020/21: 264).

Supporting Notes to Financial Statements

| | 2022 | 2021 |
|-----------------------|--------------|--------------|
| | £'000 | £'000 |
| Staff Costs | | |
| Salaries | 6,721 | 7,363 |
| Social Security Costs | 623 | 673 |
| Other Pension Costs | 511 | 622 |
| | 7,855 | 8,658 |

The hospice made ex gratia payments to staff in 2021/22 of £NIL (2020/21 £57,000). Pension costs for both years are shown net of NHS funding of £72,000. No emolument was paid during the year to any of the Directors (2020/21: £Nil) and no Director was reimbursed for expenses (2020/21: £Nil). Included in the staff costs above is £282,000 (2012/21 £285,000) in respect of seconded NHS doctors paid from NHS funds.

Having been unable to provide a cost-of-living increase in the last two years, a one-off payment was made to staff in March 2022 in recognition of this, totalling £233,950 with a pay award of 3% in April 2022.

The number of employees who received emoluments in the following ranges was:

| | 31 March 2022 | 31 March 2021 |
|---------------------|---------------|---------------|
| | £'000 | £'000 |
| £60,001 - £70,000 | 3 | 3 |
| £70,001 - £80,000 | 3 | 3 |
| £80,001 - £90,000 | 0 | 1 |
| £90,001 - £100,000 | 1 | 0 |
| £100,001 - £110,000 | 1 | 1 |
| £110,001 - £120,000 | 2 | 2 |
| | 10 | 10 |

All of the above higher paid employees are accruing retirement benefits under schemes treated as defined contribution schemes. The company made pension contributions of £105,000 on behalf of these staff in 2021/22 (2020/21 £100,000).

The hospice considers that the key management personnel comprise the senior management team – who are the Chief Executive and 6 other key Directors and Heads of Service. The total employee benefits of the key management staff were £613,000 (2020/21 £661,000).

10 Related Party Transactions

During the year no Trustees received any remuneration or benefits in kind (2020/21 £Nil). Moreover, no Trustees received any reimbursement of travel expenses (2020/21 £Nil). Donations from Trustees to the charity amounted to £41,820 in 2021/22 (2020/21 £11,000).

The charity provided services during the year to its wholly owned trading subsidiary, St. Catherine's Hospice Trading (Sussex) Limited. The charge for those services amounted to £23,000 (2020/21 £89,000). No donation was made under gift aid from the trading subsidiary in the year (2020/21 NIL).

There were no other related party transactions in the current year or previous year.

Supporting Notes to Financial Statements

11 Pension Contributions

The charity makes contributions to the National Health Service Pension Scheme for participating employees. The NHS Scheme is a defined benefit scheme. As the scheme is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities, this scheme is accounted for by the charity as a defined contribution scheme. Any resulting liabilities on this scheme would be met by the State. Therefore, contributions payable for the year in relation to the scheme are charged in the Statement of Financial Activities.

The company participates in a pension scheme operated by the Pensions Trust called Growth Plan, with further details in accounting policies on Page 37.

The charity has been notified by The Pensions Trust of the estimated employer payment on withdrawal from the scheme as at 30 September 2017. As of this date the estimated employer payment for the hospice was £513,265. The potential debt is not included in the financial statements.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

| | | |
|---------------------------------------|----------------------|-----------------|
| From 1 April 2022 to 31 January 2025: | £3,312,000 per annum | payable monthly |
|---------------------------------------|----------------------|-----------------|

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

| | | |
|---|-----------------------|--|
| From 1 April 2019 to 30 September 2025: | £11,243,000 per annum | (payable monthly and increasing by 3% each on 1st April) |
|---|-----------------------|--|

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

| | 2022 £'000 | 2021 £'000 | 2020 £'000 |
|----------------------------|---------------|---------------|---------------|
| Present Value of Provision | 31 | 136 | 161 |

Supporting Notes to Financial Statements

| Reconciliation of Opening & Closing Provisions | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Provision at start of Period | 136 | 161 |
| Unwinding of Discount Factor (Interest Expense) | 1 | 4 |
| Deficit Contribution Paid | (34) | (33) |
| Remeasurement - Amendment to Contribution Schedule | (72) | 4 |
| Prior Year Adjustment | | |
| Provision at End of Period | 31 | 136 |

| Income & Expenditure Impact | 2022 £'000 | 2021 £'000 |
|---|---------------|---------------|
| Interest Expense | 1 | 4 |
| Amendment to Contribution Schedule | (1) | 4 |
| Costs charged to Income & Expenditure Account | 0 | 8 |

A rate of discount of 2.5% has been assumed in both 2020/21 and 2021/22 representing the Hospice's estimate of the cost of money to the charity.

The hospice also participates in a defined contribution pension scheme operated by the Pensions Trust, the assets of which are held separately from those of the hospice. Employees contribute between 3.2% and 6% of their salary with the charity contributing 150% of the employee contribution

The total pension cost charge of the group represents contributions payable by the charity and amounted to £511,000 (2021: £604,000)..

At the year-end contributions outstanding totalled £0 (2021: £0) and are included in the creditors. The estimated employer pension contributions payable by the company in 2022/23 is £600,000

12 Volunteers

The charity is dependent upon a team of part-time voluntary helpers who assist in all areas of the charity's care. There are three key types of volunteers:

Hospice Volunteers - providing a range of clinical services (e.g. complementary therapy, counselling, patient drivers) and support services (e.g. administration, hospitality, gardeners).

Retail Volunteers - providing sorting and till support to 14 charity shops, our warehouse and e-commerce work.

Community - supporting our fundraising work through Friends groups, running street collections and supporting events (e.g. marshalling, registration, refreshments, game stalls).

This financial year continued to prove a challenging year for volunteering with St Catherine's. With continued restrictions on-site, our volunteers were unable to return to their chosen roles for much of the year and we were limited in our recruitment activities. We used this time and opportunity to look at our services and the support required for our operations across our organisation and have aligned our volunteer recruitment to this.

Supporting Notes to Financial Statements

13 Tangible Fixed Assets

| Hospice & Group | Freehold Land & Buildings £'000 | Equipment £'000 | Motor Vehicles £'000 | Construction in Progress £'000 | Total £'000 |
|--|------------------------------------|--------------------|-------------------------|-----------------------------------|----------------|
| Cost / Valuation at 1st April 2021 | 5,150 | 1,111 | 85 | 1,235 | 7,581 |
| Additions | 0 | 84 | 0 | 1,295 | 1,379 |
| Disposals | 0 | 0 | 0 | | 0 |
| Cost / Valuation at 31st March 2022 | 5,150 | 1,195 | 85 | 2,530 | 8,960 |
| Depreciation at 31st March 2021 | 2,580 | 980 | 35 | 0 | 3,595 |
| Charged in the Year | 82 | 69 | 16 | | 167 |
| Disposals | | | 0 | | 0 |
| Depreciation at 31st March 2022 | 2,662 | 1,049 | 51 | 0 | 3,762 |
| Net Book Value 31st March 2022 | 2,488 | 146 | 34 | 2,530 | 5,198 |
| Net Book Value 31st March 2021 | 2,570 | 131 | 50 | 1,235 | 3,986 |

All the tangible fixed assets of the group are part of the accounts of the main charity.

Freehold land at Malthouse Road was donated to the hospice and valued at £60,000 by the Directors in December 1983.

Freehold land at Pease Pottage was donated to the hospice in December 2018. The Trustees carried out a valuation, supported by a firm of independent advisors, who valued the land at £1,000,000. The basis of value is at a fair value, as defined within the Financial Reporting Standard FRS102, being "the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction".

All freehold land and buildings are included in the financial statements at lower of cost and open market value. In the opinion of the Directors, the open market value of the freehold land and buildings is not less than the stated value.

14 Fixed Asset Investments

| | Listed Investments £'000 |
|--|-----------------------------|
| Cost / Market Value 1st April 2021 | 13,065 |
| Movement of Shares to Investments | 50 |
| Gains / (Losses) on Disposal | (10) |
| Unrealised Gains / (Losses) | 125 |
| Dividends & Interest | 133 |
| Management Fee | (34) |
| Cost / Market Value 31st March 2022 | 13,329 |
| Historical Cost 31st March 2022 | 12,587 |

Supporting Notes to Financial Statements

Investments held by the charity also include an additional £50,000 (2021 - £50,000) investment in the subsidiary company at cost.

Subsidiary Company

| Name | Country of Incorporation | Class of Holding | Proportion Held | Aggregate Capital & Reserves £'000 | Result for Year £'000 |
|---|--------------------------|------------------|-----------------|---------------------------------------|--------------------------|
| St Catherine's Hospice Trading (Sussex) Limited | England | Ordinary | 100% | 50 | - |

15 Investments held as Current Assets

| | £'000 |
|--|--------------|
| Cost / Market Value 1st April 2021 | 3,765 |
| Cash held in deposit accounts | 3,000 |
| Cost / Market Value 31st March 2022 | 3,768 |
| Historical Cost 31st March 2022 | 3,512 |

16 Stock

| | Group | | Hospice | |
|------------------|----------|----------|----------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £'000 | £'000 | £'000 | £'000 |
| Stock | | | | |
| Goods for Resale | 3 | 4 | 0 | 0 |
| | <u>3</u> | <u>4</u> | <u>0</u> | <u>0</u> |

17 Debtors

| | Group | | Hospice | |
|-------------------------------------|--------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £'000 | £'000 | £'000 | £'000 |
| Debtors | | | | |
| Trade Debtors | 100 | 129 | 100 | 129 |
| Accrued Legacy Income | 1,155 | 756 | 1,155 | 756 |
| Amounts due from Subsidiary Company | 0 | 0 | 25 | 18 |
| Other Prepayments & Accrued Income | 542 | 373 | 542 | 373 |
| Other Debtors | 13 | 12 | 17 | 12 |
| | <u>1,810</u> | <u>1,270</u> | <u>1,839</u> | <u>1,288</u> |

Supporting Notes to Financial Statements

18. Creditors: Amounts falling due within one year

| | Group | | Hospice | |
|------------------------------------|------------|------------|------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £'000 | £'000 | £'000 | £'000 |
| Creditors | | | | |
| Trade and Other Creditors | 330 | 101 | 330 | 101 |
| Taxation and Social Security Costs | 239 | 146 | 239 | 146 |
| Accruals & Deferred Income | 147 | 138 | 147 | 132 |
| Other Creditors | 186 | 0 | 186 | 0 |
| | <u>902</u> | <u>385</u> | <u>902</u> | <u>379</u> |

19 Reserves – Movements by Fund

This schedule presents the final reserves position by fund, together with those designated and restricted funds for the New Hospice shown in total as a memo.

| | Restricted Funds | Designated Funds | Unrestricted Funds | Total Funds | New Hospice Funds (memo) |
|--------------------------------------|------------------|------------------|--------------------|---------------|--------------------------|
| Balance as at 01/04/2021 | 4,161 | 12,610 | 8,504 | 25,275 | 15,103 |
| Net Operating Income / (Expenditure) | 1,019 | (282) | 890 | 1,627 | 2,448 |
| Net Gains / (Losses) on Investments | 0 | 0 | 115 | 115 | |
| Net Inc / (Dec) in Reserves | 1,019 | (282) | 1,005 | 1,742 | 2,448 |
| Transfers between Funds | (383) | (44) | 427 | 0 | 0 |
| Net Inc / (Dec) in Reserves | 636 | (326) | 1,432 | 1,742 | 2,448 |
| Balance as at 31/03/2022 | 4,797 | 12,284 | 9,936 | 27,017 | 17,551 |
| Less: | | | | | |
| Fixed Assets | 1,000 | | 1,668 | 2,668 | 1,000 |
| Construction in Progress | 2,530 | 40 | | 2,570 | 2,530 |
| Available Reserves | 1,267 | 12,244 | 8,268 | 21,779 | 14,021 |

Notes 20 and 21 provide further detail on fund movements in the year.

Supporting Notes to Financial Statements

20 Restricted Funds: Group & Charity

| | Balance 1 April 2021 | Income in Year | Expenditure in Year | Transfers In / (Out) | Balance 31 March 2022 |
|---------------------------------------|-------------------------|-------------------|------------------------|-------------------------|--------------------------|
| Inpatient services | 26 | 2 | 6 | 0 | 22 |
| Community Services | 20 | 75 | 75 | 0 | 20 |
| Wellbeing Services | 221 | 11 | 44 | 0 | 188 |
| Education | 28 | 0 | 0 | 0 | 28 |
| Capital & Equipment | 36 | 0 | 5 | 0 | 31 |
| Total Funds | 331 | 88 | 130 | 0 | 289 |
| COVID-19 | 0 | 483 | 0 | (483) | 0 |
| Total Including COVID-19 Funds | 331 | 571 | 130 | (483) | 289 |
| Donations in Kind | 1,000 | 0 | 0 | 0 | 1,000 |
| New Horizons Donation to New Build | 1,000 | 0 | 0 | 100 | 1,100 |
| Capital Appeal - Pease Pottage | 1,830 | 578 | 0 | 0 | 2,408 |
| Total Funds | 4,161 | 1,149 | 130 | (383) | 4,797 |

The hospice may receive grants or donations whose use is restricted by the donor. In these circumstances, the funds are shown as restricted.

The restricted fund is managed through a governance group with expenditure aligned to donations.

Wellbeing Services

Garden fund - monies raised to re-develop and enhance the hospice garden.

Creative Therapies – funds to support creative activities primarily in the Day Hospice.

Living Well groups – donations provided to support the operation of Living Well activity groups.

Community Services

Horsham Carers Support – funds provided by Horsham Hospital League of Friends to provide support and practical skills training for carers in the Horsham area

Community Nursing – funds donated by the Ernest Kleinwort Charitable Trust, towards the cost of a community nurse.

Education

Funds raised in support of education.

Capital & Equipment

Funds raised in support of capital and equipment.

Other

Funds raised for items not included above.

COVID-19 Government Support

The hospice received £446,000 of support from NHS England (NHSE) in the year. The associated costs have been allocated against these restricted funds via a reserve transfer from general reserves as detailed in the Financial Review.

In addition, £37,000 was received from West Sussex CCG in support of associated costs of SystmOne implementation, our new patient system, enabling improved patient support and revised ways of working the pandemic has informed.

Capital Appeal – Pease Pottage

The generous donation of five acres of land as a gift in kind from Mr Bill Bridges as the site to build a new hospice has been valued as a gift in kind, by the Trustees supported by a firm of independent advisors at £1 million.

Funds donated specifically towards the construction of our new hospice which is due to complete in 2023.

Supporting Notes to Financial Statements

21 Unrestricted Funds

| | Balance 1 April 2021 | Income in Year | Expenditure in Year | Gain / (Loss) on Investments in Year | Transfers In / (Out) | Balance 31 March 2022 |
|-------------------------------------|-------------------------|-------------------|------------------------|---|-------------------------|--------------------------|
| Designated Funds | | | | | | |
| New Hospice Fund | 11,273 | 0 | 40 | 0 | | 11,233 |
| Strategic Delivery | 1,337 | 0 | 242 | 0 | (44) | 1,051 |
| Total Designated Funds | 12,610 | 0 | 282 | 0 | (44) | 12,284 |
| General Funds | 8,504 | 10,733 | 9,843 | 115 | 427 | 9,936 |
| Total Unrestricted Funds | 21,114 | 10,733 | 10,125 | 115 | 383 | 22,220 |

Unrestricted reserves are available to be used for:

- The day to day running of the hospice.
- The costs of any capital projects in whole or in part where the cost is not met from any other fund; and
- For any other purpose as the Directors see fit to fulfil the objectives of the hospice.

Designated funds have been agreed by the Trustees to support costs in the delivery of its strategic goals.

New Hospice Fund

St. Catherine's has now commenced the construction of a new hospice at Pease Pottage following the generous donation of five acres of land from Mr Bill Bridges and a donation from Mr John Shemeld in excess of £6m, representing monies set aside to finance the future major capital developments that are required to maintain and enhance the services of the hospice. This fund has been supported by the charity's Capital Appeal and its reserves.

Strategic Delivery Fund

The Trustees have agreed to designate funds in support of the delivery of the charity's strategic aims with regular review and monitoring. Current funds to support projects over the next two to three years are detailed below:

| | £'000 |
|--|--------------|
| New Build Transition and Capital Appeal | 217 |
| New Ambition Voluntary Income Growth | 317 |
| Sussex Collaboration | 50 |
| Electronic Patient Record System | 95 |
| Digital Transformation Projects | 147 |
| IT Infrastructure Investment | 172 |
| Quality Improvements | 15 |
| HR - Management Development and EDI Agenda | 38 |
| | <u>1,051</u> |

Supporting Notes to Financial Statements

22 Analysis of Group Net Assets between Funds

| | Unrestricted | Restricted | Total Funds 2022 | Unrestricted | Restricted | Total Funds 2021 |
|---|--------------|------------|------------------------|--------------|------------|------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Tangible Fixed Assets | 2,668 | 0 | 2,668 | 1,751 | 1,000 | 2,751 |
| Construction in Progress - Pease Pottage | 65 | 2,465 | 2,530 | 0 | 1,235 | 1,235 |
| Fixed Asset Investments | 13,229 | 100 | 13,329 | 12,065 | 1,000 | 13,065 |
| Current Asset Investments | 3,768 | 0 | 3,768 | 3,765 | 0 | 3,765 |
| Other Current Assets | 3,423 | 2,232 | 5,655 | 4,054 | 926 | 4,980 |
| Current Liabilities | (902) | 0 | (902) | (385) | 0 | (385) |
| Provisions | (31) | 0 | (31) | (136) | 0 | (136) |
| | 22,220 | 4,797 | 27,017 | 21,114 | 4,161 | 25,275 |

23 Members of the Hospice

As at 31 March 2022 there were 50 members (2021: 52) of the company who are required to contribute £1 each in the event of the company being wound up.

24 Operating Lease Commitments

At 31 March 2022 the group was committed to make the following payments in respect of operating leases:

| | 2022 £'000 | 2021 £'000 |
|----------------------------------|---------------|---------------|
| Land & Buildings | | |
| Amounts due within One Year | 341 | 320 |
| Amounts due in Two to Five Years | 869 | 1,008 |
| Amounts due in over Five Years | 248 | 410 |
| Other | | |
| Amounts due within One Year | 23 | 18 |
| Amounts due in Two to Five Years | 22 | 27 |
| | 1,503 | 1,783 |

Payments under operating leases are recognised as expenditure as they fall due. No provision has been made for future commitments.

Supporting Notes to Financial Statements

25 Cashflows

| | 2022 | 2021 |
|---|--------------|--------------|
| | £'000 | £'000 |
| a) Net Income / (Expenditure) for the Reporting Period | 1,742 | 1,955 |
| Adjust for: | | |
| Depreciation | 167 | 181 |
| (Gains) / Losses on Sale of Assets | 0 | (1) |
| Non Cash Donations (Shares, Land & Property) | 50 | (49) |
| (Increase) / Decrease in Investments | (324) | 2,797 |
| (Increase) / Decrease in Stocks | (1) | 1 |
| (Increase) / Decrease in Debtors | (540) | 0 |
| Increase / (Decrease) in Provisions | (105) | (25) |
| Increase / (Decrease) in Creditors | 517 | (347) |
| Net Cash provided by / (used in) Operating Activities | 1,506 | 4,512 |

b) Analysis of Cash & Cash Equivalents

| | 2022 | 2021 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Cash in Hand | 3,842 | 3,130 |
| Notice Deposits (less than 3 Months) | 3,768 | 263 |
| Total Cash & Cash Equivalents | 7,610 | 3,393 |

26 Capital Commitments

The charity has entered into capital commitments £16.7m, with The Barnes Group Limited t/a Barnes Construction the approved contractor, to build its new hospice at Pease Pottage. The full capital commitment of delivering the new hospice is £19.5m, of which £2.5m has been spent as at 31/03/2022.

Supporting Notes to Financial Statements

27 SOFA prior Year Comparatives

| | | Restricted | Designated | Unrestricted | Total Funds 2021 | Total Funds 2020 |
|---|-------|----------------|---------------|---------------|------------------------|------------------------|
| | Note | £'000's | £'000's | £'000's | £'000's | £'000's |
| Income | | | | | | |
| Donations & Legacies | 2 | 279 | 0 | 4,222 | 4,501 | 4,551 |
| Trading Activities | 4 | 0 | 0 | 1,500 | 1,500 | 2,944 |
| Charitable Activities | 5 | 1,726 | 0 | 3,627 | 5,353 | 4,451 |
| Investments | 3 | 0 | 0 | 122 | 122 | 214 |
| Other Income | | 34 | 0 | 684 | 718 | 342 |
| Total Income | | 2,039 | 0 | 10,155 | 12,194 | 12,502 |
| Expenditure | | | | | | |
| Fundraising & Investment Activities | | (1) | 28 | 923 | 950 | 2,021 |
| Trading Activities | | 0 | 4 | 2,225 | 2,229 | 2,650 |
| Charitable Activities | | 307 | 29 | 7,265 | 7,601 | 7,673 |
| Total Expenditure | 6 | 306 | 61 | 10,413 | 10,780 | 11,906 |
| Net Income / (Expenditure) on Operational Activities | 7 | 1,733 | (61) | (258) | 1,414 | 596 |
| Net Gains / (Losses) on Investments | 14,15 | 0 | 0 | 541 | 541 | 73 |
| Net Income / (Expenditure) for the Year | 8 | 1,733 | (61) | 283 | 1,955 | 669 |
| Transfer Between Funds | 20,21 | (1,666) | 750 | 916 | 0 | 0 |
| Net Movement In Funds | | 67 | 689 | 1,199 | 1,955 | 669 |
| Funds B/F as at 1st April | | 4,094 | 11,921 | 7,305 | 23,320 | 22,651 |
| Funds Carried Forward as at 31st March | | 4,161 | 12,610 | 8,504 | 25,275 | 23,320 |

Supporting Notes to Financial Statements

28 Note 6 Expenditure – prior year

a. Expenditure

| | Direct Costs £000's | Support Costs £000's | Depreciation £000's | Total 2021 £000's | Total 2020 £000's |
|--|------------------------|-------------------------|------------------------|----------------------|----------------------|
| Fundraising / Investment Activities | | | | | |
| Donations, Legacies & Grants | 612 | 265 | 23 | 900 | 1,409 |
| Capital Appeal - Pease Pottage | 19 | 0 | 0 | 19 | 126 |
| Investment Management | 31 | 0 | 0 | 31 | 48 |
| | 662 | 265 | 23 | 950 | 1,583 |
| Trading Activities | | | | | |
| Retail Shops | 1,140 | 426 | 25 | 1,591 | 1,912 |
| Lottery Costs | 63 | 87 | 3 | 153 | 300 |
| Fundraising Events | 303 | 178 | 4 | 485 | 438 |
| | 1,506 | 691 | 32 | 2,229 | 2,650 |
| Charitable Activities | | | | | |
| Inpatient Services | 2,940 | 979 | 52 | 3,971 | 3,411 |
| Community Services | 1,941 | 522 | 47 | 2,510 | 2,770 |
| Wellbeing Services | 572 | 291 | 22 | 885 | 1,116 |
| Education | 168 | 63 | 5 | 236 | 376 |
| | 5,620 | 1,855 | 126 | 7,601 | 7,673 |
| | 7,788 | 2,811 | 181 | 10,780 | 11,906 |

b. Analysis of Support Costs

| | Facilities & Hospitality £000's | Support Services £000's | Corporate Comms £000's | Governance £000's | Support Costs Total £000's |
|--|------------------------------------|----------------------------|---------------------------|----------------------|-------------------------------|
| Fundraising / Investment Activities | | | | | |
| Donations, Legacies & Grants | 58 | 151 | 43 | 13 | 265 |
| | 58 | 151 | 43 | 13 | 265 |
| Trading Activities | | | | | |
| Retail Shops | 93 | 293 | 15 | 25 | 426 |
| Lottery Costs | 57 | 11 | 18 | 1 | 87 |
| Fundraising Events | 58 | 75 | 38 | 7 | 178 |
| | 208 | 379 | 71 | 33 | 691 |
| Charitable Activities | | | | | |
| Inpatient Services | 259 | 649 | 15 | 56 | 979 |
| Community Services | 72 | 401 | 14 | 35 | 522 |
| Wellbeing Services | 101 | 161 | 15 | 14 | 291 |
| Education | 22 | 32 | 7 | 2 | 63 |
| | 454 | 1,243 | 51 | 107 | 1,855 |
| | 721 | 1,773 | 164 | 153 | 2,811 |

Supporting Notes to Financial Statements

29 Note 20 Restricted Funds - prior year

| | Balance 1 April 2020 | Income in Year | Expenditure in Year | Transfers In / (Out) | Balance 31 March 2021 |
|---------------------------------------|-------------------------|-------------------|------------------------|-------------------------|--------------------------|
| Foundation Fund | 7 | 0 | 0 | (7) | 0 |
| Inpatient services | 25 | 3 | 2 | 0 | 26 |
| Community Services | 20 | 40 | 40 | 0 | 20 |
| Wellbeing Services | 190 | 70 | 39 | 0 | 221 |
| Education | 28 | 0 | 0 | 0 | 28 |
| Capital & Equipment | 113 | 0 | 0 | (77) | 36 |
| Other | 24 | 39 | 63 | 0 | 0 |
| Total Funds | 407 | 152 | 144 | (84) | 331 |
| COVID-19 | 0 | 1,726 | 144 | (1,582) | 0 |
| Total Including COVID-19 Funds | 407 | 1,878 | 288 | (1,666) | 331 |
| Donations in Kind | 1,000 | 0 | 0 | 0 | 1,000 |
| New Horizons Donation to New Build | 1,000 | 0 | 0 | 0 | 1,000 |
| Capital Appeal - Pease Pottage | 1,687 | 161 | 18 | 0 | 1,830 |
| Total Funds | 4,094 | 2,039 | 306 | (1,666) | 4,161 |

30 Note 21 Unrestricted Funds – prior year

| | Balance 1 April 2020 | Income in Year | Expenditure in Year | Gain / (Loss) on Investments in Year | Transfers In / (Out) | Balance 31 March 2021 |
|-------------------------------------|-------------------------|-------------------|------------------------|---|-------------------------|--------------------------|
| Designated Funds | | | | | | |
| New Hospice Fund | 11,000 | 0 | 27 | 0 | 300 | 11,273 |
| Strategic Delivery | 921 | 0 | 34 | 0 | 450 | 1,337 |
| Total Designated Funds | 11,921 | 0 | 61 | 0 | 750 | 12,610 |
| General Funds | 7,305 | 10,155 | 10,413 | 541 | 916 | 8,504 |
| Total Unrestricted Funds | 19,226 | 10,155 | 10,474 | 541 | 1,666 | 21,114 |

Supporting Notes to Financial Statements

31 Note 22 Analysis of Group Net Assets between Funds – prior year

| | Unrestricted | Restricted | Total Funds 2021 | Unrestricted | Restricted | Total Funds 2020 |
|---|--------------|------------|------------------------|--------------|------------|------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000. |
| Tangible Fixed Assets | 1,751 | 1,000 | 2,751 | 1,798 | 1,078 | 2,876 |
| Construction in Progress - Pease Pottage | 0 | 1,235 | 1,235 | 0 | 807 | 807 |
| Fixed Asset Investments | 12,065 | 1,000 | 13,065 | 14,862 | 1,000 | 15,862 |
| Current Asset Investments | 3,765 | 0 | 3,765 | 263 | 0 | 263 |
| Other Current Assets | 4,054 | 926 | 4,980 | 3,188 | 1,209 | 4,397 |
| Current Liabilities | (385) | 0 | (385) | (724) | 0 | (724) |
| Provisions | (136) | 0 | (136) | (161) | 0 | (161) |
| | 21,114 | 4,161 | 25,275 | 19,226 | 4,094 | 23,320 |

Our special thanks to all who have supported St. Catherine's in 2021-22
Our full audited accounts are available at: www.stch.org.uk

We would like to thank the patients and family members who have kindly allowed us to feature their photographs and words in this report. Where applicable, the relevant social distancing guidelines were observed for all photographs.

St Catherine's Hospice
Malthouse Road, Crawley,
West Sussex, RH10 6BH

enquiries@stch.org.uk
www.stch.org.uk
01273 447333

f St Catherine's Hospice Crawley
t @StCHospice
@stcatherinescrawley

