



Florence
Nightingale
HOSPICE CHARITY

Report of the Trustees and Consolidated Financial Statements

For the Year Ended 31 March 2020



Company Registration Number: 06187174
Registered Charity No. 1119499

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Reference and administrative details

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| Company registration number | 06187174 |
| Charity number | 1119499 |
| Registered office | Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY |
| Board of Trustees | Mr M Bennett Mr P Bridgman Mr P Cotton Mrs D Earnshaw Mr M Fabes Mr S Jones Mr J Leggett Ms J Naismith Ms S Plumridge Mr N Ratcliffe Mrs A Tomkins Dr A Watt (Chairman) |
| Chief Executive | Mrs J Turner |
| Bankers | Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD |
| Auditors | Wilkins Kennedy Audit Services The Mill House Boundary Road Loudwater High Wycombe HP10 9QN |
| Investment advisors | Cazenove Fund Management Limited Suite B 6 Worcester Street Gloucester Green Oxford OX1 2BX |
| Website address | www.fnhospice.org.uk |

Report of the trustees

Report of the trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2020.

Objectives and activities for the public benefit

The fundamental aim of the Charity is to support the work of Florence Nightingale Hospice through funding of specialist Palliative Care and End of Life services delivered at the Hospice at Stoke Mandeville Hospital and in the community.

Objectives and aims

The objects of Florence Nightingale Hospice Charity are to promote the relief of people who are suffering from any chronic or terminal illness, disability or disease, or other physical or mental infirmity by:

- 1) Providing care for persons who are suffering as aforesaid by establishing, maintaining and conducting one or more residential nursing homes in England or Wales and by providing medical or other treatment and attention for any persons in their own homes and to provide assistance to other bodies or persons in achieving such provisions;
- 2) Conducting, promoting or encouraging research into care and treatment of persons suffering any illness, disability, disease or infirmity, particularly into the care and treatment of persons suffering from cancer or terminal illness;
- 3) Promoting, encouraging or assisting in the teaching or training of the medical and clinical professions or allied services;
- 4) Providing, assisting or encouraging the provision of spiritual help and guidance for any persons resident (either as patients or otherwise), visiting, or working in any such home or homes as aforesaid;
- 5) Providing, encouraging or accessing the provision of psychosocial support to families when needed.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities for the year.

In order to meet these objectives, the Charity works in partnership with the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, and funds or part-funds specific services, teams, some individual posts and equipment including:

Working in the Hospice

- In-Patient Unit: the Charity funds additional staffing costs to cover absences thereby protecting and maintaining appropriate staffing levels within the 12 bed In-Patient Unit.
- Day Hospice: the Charity funds all costs of the Day Hospice which aims to improve the personal wellbeing of patients through symptom management advice, psychological and therapeutic support, diversional techniques and complementary therapies.
- Lymphoedema Clinic: the Charity funds all the costs of this service which provides specialist assessments of symptoms and treatment through massage and specialist compression bandaging.
- Discharge Liaison Nurse: the Charity funds this post which assesses and co-ordinates the timely discharge of patients from the Hospice and, where necessary, plans packages of palliative care on discharge; therefore facilitating patients' preferred place of care.
- Triage Nurse: the Charity is also funding a Triage Nurse. This Band 7 Clinical Nurse Specialist manages patients requiring telephone support, and also makes first contact with referrals to assess their needs and to start symptom control as soon as possible.

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- Capital costs: the Charity funds specific clinical equipment and also the refurbishment of parts of the Hospice building as identified by the clinical leads, pays for the upkeep of the Hospice's courtyard garden, therapeutic and diversionary materials and additional food and beverages provided for patients and visitors.

In the community

- FNH@Home: the Charity fully funds a team of qualified nurses who administer palliative care in the community so patients can receive the same level of care and medical attention as they would receive in the In-Patient Unit at the Hospice, as long as their symptoms and condition allow that care to be provided in their home. The Charity also part-funds Healthcare Assistants (formerly known as Nightingale 24/7) working in patients' homes across the Aylesbury Vale.
- Community Palliative Care Team: the Charity part-funds this team of senior nurses who support patients at their homes in Aylesbury Vale.
- Florrie's Children's Team: the Charity fully funds this team which provides respite and care for children with life-limiting illness in their own homes in addition to offering support to parents and siblings.
- Bereavement Support: the Charity fully funds the costs of 30+ Volunteer Bereavement Listeners who provide support to adults and children pre- and post-bereavement.

Other

- Education: the Charity part-funds the provision of palliative care education to the clinical community locally and funds some specialist training and professional development for Hospice staff.
- Volunteers: the Charity also meets the costs of some of the Volunteers who contribute to hospice care and income generation, specifically mileage costs incurred whilst driving patients.

Structure, governance and management

Governance

Florence Nightingale Hospice Charity is a charitable company limited by guarantee; incorporated and registered with the Charity Commission on 27th March 2007. It is governed under its Memorandum and Articles of Association. The liability of the members is limited to an amount not exceeding £10.

Organisational structure

The full Trustee Board meets quarterly with the Chief Executive and other members of the Senior Management Team as required to review the strategic plan and operational activities of the Charity and the trading subsidiary. Day-to-day management is delegated to the Chief Executive, Jo Turner. The Chief Executive presents comprehensive reports on activity, policy papers and financial updates in advance of each meeting to ensure the Trustees are fully informed of the operational, financial and wider policy context. The Board also has responsibility for overseeing the Charity's investments.

The Trustees who have served during the year are listed below. They have served throughout the year except where stated.

Dr Alan Watt (Chairman)
Mr M Bennett
Mr P Bridgman
Mr P Cotton
Mrs D Earnshaw
Mr M Fabes – co-opted 1 January 2020

Report of the trustees

Mr C Gilbert – resigned 24 July 2019
Mr S Jones – co-opted 1 January 2020
Mr J Leggett
Ms J Naismith
Ms S Plumridge
Mr N Ratcliffe
Mrs A Tomkins

In January 2020 we welcomed two new Trustees to the Board. They will be formally proposed at the Charity's AGM in September.

Simon Jones is a Consultant & Non-Executive Director, with a background as Chief Operating Officer, Chief Finance Officer and Partner at Grant Thornton. Mark Fabes is a highly experienced IT professional who has led technology transformation in leading retail and hospitality companies including Holland and Barrett International, Starbucks and McDonalds UK. He is currently Chief Information Officer at pladis Global. We look forward to receiving the benefit of Simon and Mark's expertise.

The Trustees have approved a delegated responsibility to two sub-committees.

The Governance sub-committee meets quarterly, and as required, to address governance issues. Trustees in attendance are John Leggett (Chair), Alan Watt and Peter Cotton. In the year the Charity carried out its annual review against the 7 principles of the Charity Governance Code for larger charities. We also reviewed the Fundraising Regulator's updated Fundraising Code of Practice as well as considering an internal review of current HR and Volunteering activity and what needs to be developed in order to make a recommendation about resourcing.

Florence Nightingale Hospice Charity is a member of the Fundraising Regulator, the Institute of Fundraising, the Fundraising Preference Service and the National Council for Voluntary Organisations. The Charity complies with all recommended codes of practice and does not outsource any form of fundraising to commercial companies.

The Finance & Income Generation sub-committee meets quarterly, or as required, to review and monitor management reports and cash flow and evaluate new income generation initiatives with the Chief Executive, Finance Manager, Head of Fundraising and other members of the senior management team as appropriate. Trustees in attendance are Ann Tomkins (Chair), Alan Watt, Mike Bennett, Noel Ratcliffe and Simon Jones.

The Board of Florence Nightingale Hospice Shops Limited also reports to the Trustees on the retail activities of the business.

Recruitment and appointment of new Trustees

FNHC's Trustee selection process requires those who are being considered for joining the Board to be interviewed by a panel of not fewer than two, and no more than three, current Trustees who are nominated by the Chairman according to circumstances. The interview panel submits a recommendation to the Board of Trustees for a final decision. However, if a candidate has been recommended or introduced by a particular Trustee, then that Trustee will not form part of the interview panel.

Induction and training of new Trustees

New Trustees receive an induction pack including a copy of the Charity Commission's Guide "The Essential Trustee", the Charity's Memorandum and Articles of Association, the latest financial statements, confidentiality and conflict of interest documents, organisational information and a programme of meetings with key members of staff.

Report of the trustees

Related parties

Florence Nightingale Hospice Shops Limited is the wholly owned trading subsidiary of Florence Nightingale Hospice Charity. As a result of the sale of eligible donated items, the Charity received in donations under the Gift Aid scheme: £188,782 (2019:£123,949).

Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised. Mrs Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports. FNHC has benefited from a contribution to our funds of £2,182,000 since that time. For many years five Hospices have been supported through this company. In 2019-20, Harlington Hospice joined as an Associate partner.

Florence Nightingale Hospice Charity from time to time uses the services of Parrott and Coales LLP for legal advice and to process property leases. In addition, the Charity has had the longstanding benefit of at least one Parrott and Coales member of staff serving on the Board of Trustees. However, these Trustees do not take part in any negotiations or discussions in regard to awarding work to Parrott & Coales and remove themselves from any discussion where a conflict of interest may occur.

Trustee Peter Bridgman supports the Charity at no charge on property matters such as the acquisition of new shops and negotiation of leases. At the February 2020 Board meeting it was agreed that his firm (Brown & Lee) should be paid for costs incurred in preparing formal submissions and counter-submissions related to the rent review of our HQ office (Walton Lodge in Aylesbury). This rent review has been referred to an Independent Valuer. In considering this issue, Trustees and the CEO devised criteria for the rare occasions when Trustees might need to be paid, based on Charity Commission document 29.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Organisational Risk Register is reviewed on an annual basis through the Governance sub-committee. The document was reformulated during the year and now follows a weighted likelihood versus impact approach, with an overall risk score and RAG rating for each risk.

It remains the case that the major risk to the Charity is the continuing challenge of raising income which is needed to fund essential services delivered at the Florence Nightingale Hospice and in the community. This pressure exists at a time when NHS funding is challenged and there is greater demand for end of life care because of a growing and ageing population. We are addressing the risk by improving and diversifying fundraising approaches, making our shops more profitable and acquiring new ones, raising our profile through events and marketing, seeking the help of volunteers to benefit from their skills; whilst also controlling costs and seeking value for money. As a mitigation, see the Reserves Policy section (below), the Charity holds reserves that will allow us to cover our financial commitments to the Florence Nightingale Hospice over a three year period.

As the financial year ended it became apparent that the Covid-19 pandemic was a risk to business continuity and the ensuing financial situation risked income/profit. Mitigations included forming an emergency committee consisting of the Chairman, Chairs of sub-committees and CEO who were authorised to meet frequently to make decisions urgently needed to respond to the rapidly changing situation of the pandemic. The CEO and Senior Management Team developed a plan and kept it under review as circumstances changed. Activities included assessing the impact of the crisis on our finances and adjusting plans as needed, seeking financial compensations (e.g. from the Job Retention Scheme and for closed shops) for

Report of the trustees

which the Charity was eligible, maintaining a focus on good governance and delivering on a communications plan. Remote IT access was enabled to allow home working. There is more information about the financial impact in the Going Concern section below.

The Charity is also exposed to other risks that could lead to significant disruption including:

- The Hospice being unable to meet the demand for palliative care from local people affecting the reputation of, and support for, the Charity;
- Failure to recruit and retain high performing Charity staff leads to loss of income, poor morale and risk to operations and reputation;
- Failure to recruit and retain committed Volunteers leads to loss of income, poor reputation in the community and risk to operations (including at the Hospice where some volunteers help directly);
- The lack of a clear and agreed strategic direction and forward plan for the Charity which compromises its growth and financial potential; and
- The Charity breaches Health and Safety best practice risking the personal safety of staff, volunteers or the public, thus affecting the Charity's reputation and leading to financial pay-outs.

However, we are confident that we have procedures and resources in place to address these risks.

Achievement and performance

Main objectives for the Florence Nightingale Hospice Charity in 2019/20

| Objectives for year | Achievements over the past year |
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| To continue to support the provision of high quality specialist palliative care delivered by the Florence Nightingale Hospice both in the hospice building and in the community. This will include the planned two-year pilot project (due to commence in the autumn of 2019) to test 24/7 Hospice at Home care in the Aylesbury Vale. | <p>The Charity has significantly increased its financial support of the Hospice during the year thus enabling a range of services to be delivered for local people in the Hospice building and in the community.</p> <p>The new Hospice at Home service (known as FNH@Home) commenced in October 2019 after much preparation and recruitment. This is already making a difference to many patients and families in the area.</p> <p>Charity support for the Triage nurse post was also continued after the role completed a 2-year pilot phase.</p> <p>Trustees were very pleased that the Care Quality Commission review of Buckinghamshire Healthcare NHS Trust which reported in June 2019, rated end of life care (including the leadership team for the Hospice) as 'Outstanding', and the Hospice services as 'Good'. Hospice Matron Liz Monaghan also won the Best Nurse award in The Sun's national 'Who Cares Wins' awards 2019.</p> <p>In January 2020 a Data Sharing Protocol was signed with Buckinghamshire Healthcare NHS Trust for the provision of anonymised data from Florence Nightingale Hospice to allow detailed statistical analysis and reporting to help the Charity make grant applications to raise additional monies.</p> |

Report of the trustees

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| | <p>The Data Sharing Agreement provides detailed anonymous referrals and activity data for the community-based services and clinics which account for most of the charitable funded activity within the Hospice. During the year these services supported 1,061 people. 636 people were supported by the Community Palliative Care Specialist service, 343 people were supported by the Lymphoedema Clinic, 90 people were supported by the Day Hospice, 78 people were supported by the FNH@Home service since launch and 65 people were supported by the Charity's Nightingale 24/7 service. 17% of patients received support from more than one service.</p> <p>Patient satisfaction surveys are given to patients and carers and routinely exceed the target of 90% of replies to be good or excellent.</p> |
| <p>To continue to work with our partners at Buckinghamshire Healthcare NHS Trust to explore if other palliative care services need to be funded or if any capital works or improvements need to be made at the Hospice.</p> | <p>In the year, two capital improvements have been scoped: to replace the In-Patient Unit bathroom and refurbish the Lymphoedema treatment room. It is hoped that these projects will be delivered in 2020-21.</p> <p>Smaller purchases have been made such as a specialist treatment couch for Day Hospice. Several Hospice staff have attended training courses and conferences through the Charity's Henderson Fund.</p> |
| <p>To increase income generation from the Charity's Retail operation, for example by acquiring and opening additional shops in order to increase retail income and awareness of the Charity across our region.</p> | <p>Income from Retail increased in line with budget throughout 2019/20 and was in a strong position at the end of February (+11% on prior year) but was negatively affected by the closure of the Wendover shop at the end of February to commence a substantial refurbishment, as well as the gradual closure of other shops in March in response to the Covid-19 situation.</p> <p>Thame had an exceptional year for both income and profit growth due to very strong, sales-driven management in place. Before closing for the refurbishment, Wendover also had an outstanding year for growth and profit also due to excellent management. The appointment of new Assistant Managers towards the end of the year further strengthened the leadership in both of these two shops. Walton Court also had a strong year for both income and profit growth.</p> <p>The Furniture Showroom also had a strong year for income and profit as the team prepared for relocation. The lease on our Showroom ended in the Spring of 2020, so as the year ended we were pleased to acquire a high-profile new premises in the Broadfields retail area in Aylesbury. This unit will be used for the sale of furniture and other goods, as well as being the home of the Online Sales team. The Online Sales team had their best ever year for income in 2019/20,</p> |

Report of the trustees

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| | <p>continuing their pattern of growth since the online sales review in 2018. They are in a strong position to continue on this course.</p> <p>In December 2019, we closed the part time shop in Haddenham and relocated to a large unit in Bradmoor Farm. The farm site is still under development (we were the first tenant), but the shop was met with a very positive reception and before closing due to the Covid-19 situation, was showing signs of good sales performance. The shop has not had consistent management since opening, but with this in place, the business in Bradmoor will develop and should start to deliver on its income potential.</p> <p>The Shop Manager team remained largely unchanged throughout 2019/20 (with the exception of the retirement of the Aylesbury Shop Manager) which provided stability across the team and an opportunity to build on the success of the previous year.</p> <p>A new shop in Buckingham was acquired and fitted out earlier in 2020. Opening was scheduled for March 2020 but delayed because of the Covid-19 situation.</p> <p>Wendover, Bradmoor and Showroom are all large units which are perfect for socially distanced shopping which is likely to reassure customers returning to charity shops following the Covid-19 situation. The Charity has invested considerably in these three properties, but this should be rewarded as they all have significant income potential and are best placed to overcome the challenges associated with Covid-19 situation that we are faced with in 2020.</p> |
| <p>To increase income generation from the Charity's Fundraising operation, for example to develop a high value giving programme.</p> | <p>The 2019/20 fundraising programme included a significant growth in event and challenge fundraising with several new events, combined with refreshing other 'tried and tested' fundraising activities in partnership with the Charity's communications and marketing team.</p> <p>New events included a fundraising Gala Dinner, an outdoor performance of Alice in Wonderland at Claydon House and a Trek of the Great Wall of China, all of which were enthusiastically received and well attended.</p> <p>The Midnight Walk celebrated its 10th anniversary in the Charity's 30th anniversary year, and was joined in March 2020 by a one mile 'mini night walk' for families with children under 10. The Charity's long standing Beer Festival launched its first app, to allow drinkers to choose their favourite beer of the festival. The successful Wendover Santa Dash expanded to Haddenham and Great Missenden. These events were great fun and nearly 1,000</p> |

Report of the trustees

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| | <p>Santas took part.</p> <p>Community Fundraising was boosted by a Pyramid of more than 18 Coffee Mornings from supporters to raise money for the Hospice. The University of Buckingham and two local schools selected FNHC as their charity of the year, with the University providing many volunteers to support fundraising activities.</p> <p>Corporate and partnership fundraising has been boosted by the selection of the Charity as the supported charity of the BNI (Heritage) networking group, with members consistently supporting the Charity during the year. FNHC was also selected as Charity of the Year by several major local employers, and a local consultancy provided a pro-bono staff-led 'Improvement Drive' to improve community fundraising support.</p> <p>To promote engagement with the local business community, FNHC hosted a "Why Local CSR is Essential for your Business" seminar in March. More than 20 local businesses attended.</p> <p>Support from grant making trusts has more than doubled in response to increased applications and contributions from notable supporters including the John Mason Raven (decd) Trust.</p> <p>The fundraising team relies upon a regular team of volunteers without whom so many fundraising events and activities would be unable to take place. We remain ever grateful for their efforts.</p> |
| <p>To continue to celebrate all the Hospice and Charity have achieved in the 30th anniversary year and in the process, raise our profile and encourage future funding.</p> | <p>The Charity celebrated the 30th anniversary of the Hospice opening throughout 2019. Events included a special Thank You party for our Volunteers and a celebratory Gala Dinner. These were both held at Waddesdon Manor, our Charity partner for the year. A service of Thanksgiving was held in November.</p> <p>It was poignant to see the launch of FNH@Home on Wednesday 16th October, the 30th anniversary of the date Florence Nightingale Hospice welcomed its first patient to the In-Patient Unit.</p> <p>The Charity's marketing team were very successful in securing coverage of the anniversary in the local media, and also produced a film showcasing all that the original Appeal founders did to raise the necessary funds to build the Florence Nightingale Hospice. Celebratory pin badges based on the 30th anniversary branding were sent to key supporters, old and new.</p> |

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| | We were delighted to be presented with a special award celebrating the Hospice and Charity 30 year partnership at the Buckinghamshire Healthcare NHS Trust's staff awards in February. |
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Main objectives for the Florence Nightingale Hospice Charity in 2020/21

- To continue to support the provision of high quality specialist palliative care delivered by the Florence Nightingale Hospice both in the Hospice building and in the community. This includes the continuing two-year pilot project to test 24/7 Hospice at Home care in the Aylesbury Vale which commenced in October 2019.
- To explore if other palliative care services need to be funded or if any capital improvements need to be made at the Hospice to benefit patients & staff.
- To strengthen financial and operational oversight of FNHC funded services and projects undertaken by Buckinghamshire Healthcare NHS Trust.
- To continue to generate sustainable income from our:
 - Retail operation, through online sales and the reopening of shops in a manner which complies with Covid-secure guidance; prioritising those with highest income potential, and
 - Fundraising operation, for example by prioritising approaches that are most promising at the current time.
- To continue to attract Volunteers to support the Hospice and income generation.
- To review the Charity's IT systems and hardware.

Financial review

The results for the year ended 31 March 2020 are given in the Consolidated Statement of Financial Activities together with the Consolidated Balance Sheet giving details of the assets and liabilities. The comparative figures are for the year ended 31 March 2019.

The Charity has had a positive year with net incoming resources before investment gains/(losses) of £752,554 (2019: £126,610). Net income after investment gains/(losses) was £113,392 (2019: £ 207,856). As explained in the 'Achievements over the past year' section (above), this was largely a result of a strong year for retail and fundraising during our 30th anniversary year, as well as support for the new FNH@Home service from charitable trusts. This included £200,000 from the John Mason Raven (decd) Trust. Income would have been higher if retail and fundraising had not been negatively affected by the Covid-19 situation in March 2020.

The exceptional amount of Legacy income received in the year was £620,033, including one legacy of £385,000 (2019: £145,088). Note that Legacies are included when the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty.

Grant payments made from the Charity to the Buckinghamshire Healthcare NHS Trust increased by £126,966 to £773,807. (The Charity had in fact budgeted for the higher sum of £953,900 in view of the new FNH@Home service, but delays with staff recruitment and IT procurement at the Trust meant the service did not fully launch until October 2019). In addition to grant funding, a further £149,903 was provided to support the Hospice (2019: £169,223). Overall expenditure on charitable activities increased by £99,233 to £985,567.

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The Charity's bank balance as at 31 March 2020 was £938,223 (2019: £677,952) which is a higher balance than would be expected. This includes committed funds to cover payments to Buckinghamshire Healthcare NHS Trust for £813,807 for the whole year 2019/20. The payments await Buckinghamshire Healthcare NHS Trust providing more detailed information to support their invoices. The Trustees are committed to seeing charitable expenditure disbursed promptly but also require evidence it is being spent on its intended purposes. We appreciate that it has not been possible to resolve this matter during the Covid-19 crisis but expect to see this issue resolved by 31 March 2021.

Post Balance Sheet Events

As mentioned, Covid-19 is having a continuing impact on the Charity. Please see the Risk Management section (above) and Going Concern section (below) for more information.

Investments Performance Review

The Charity's investment portfolio is managed by Cazenove Capital Management Limited. The assets are invested in accordance with the investment managers 'progressive' mandate, this being a portfolio which can invest in an array of asset classes including but not limited to equities, fixed income, commercial property, portfolio funds and hedge funds primarily through Common Investment Funds and Open Ended Investment Companies, to provide both income and capital appreciation. Within this mandate investible parameters are set for each asset class. The Charity does not invest in tobacco companies.

The Florence Nightingale Hospice Charity portfolio continues to remain well diversified within the confines of the mandate. The Charity's investments were revalued at 31 March 2020 at market value in accordance with the accounting policies resulting in an unrealised loss of £639,162 (2019: unrealised gain of £81,246) reflecting the temporary collapse in investments at this point in the Covid-19 pandemic. By 3 August 2020 the Charity's investments had recovered significantly by £835,000 since year end to £5,223,673.

The main focus is on long term capital growth rather than income generation, although £127,000 was received in the year and reinvested by our Investment Manager. The income on our investments was 3.12% (£127,000 on £4,076,000) which is higher than the investment policy set by the Charity. The Total Return on the portfolio over the 12 month period to 31st March 2020 was -10.2%. (vs -18.5% for the FTSE All Share and -7.7% for the ARC PCI Growth Index).

The care of the investment portfolio comes under the remit of the main Board with the detail being reviewed by the Finance Committee. A Cazenove Capital management representative attends the Board twice yearly to review the performance of the Charity's investments.

Reserves policy

The Trustees continue to monitor the level of the Charity's reserves which they believe to be appropriate to ensure the ability of the Charity to meet its objectives and obligations over the medium and long term and to support our developing commitments, ensuring continuity of specialist palliative care services across Buckinghamshire.

In particular we are in the process of finalising three-year rolling contracts for the services we fund with Buckinghamshire Healthcare NHS Trust. This will provide our Hospice clinical colleagues with a greater degree of security in regard to funding in this time of increasing NHS budget pressures. This financial commitment is estimated to be c.£3 million over any three year period.

The Charity has committed to fund the majority of the costs of a two-year pilot of a 24/7 Hospice at Home service to operate in the Aylesbury Vale. As mentioned, reaching agreement on the pilot and funding took

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longer than envisaged and the Charity had expected to incur costs sooner. The project commenced in October 2019. The Charity has committed to additional costs of £602,500 over the two year pilot.

The Charity holds leases for its HQ building and a portfolio of nine shop premises, which as mentioned we are seeking to expand in order to increase Retail income. As a result reserves also have to be assigned to our Operating Lease Commitments (as set out in Note 18).

This year's net movement in funds has led to an increase in reserves of £113,392 (2019: increase of £207,856) to £4,853,431 of which £2,565,943 are unrestricted.

Fundraising standards information

The Fundraising Strategy, which identifies our income streams and the approach taken for each activity in line with the Code of Fundraising Practice, was reviewed and approved by the Trustees in February 2020.

The Charity is registered with the Fundraising Regulator. The Fundraising Regulator holds the Code of Fundraising Practice for the UK. We follow the Code and ensure that our fundraising is respectful, open, honest and accountable to the public. All fundraising is done in-house and not outsourced to any professional fundraisers or commercial partners.

All fundraising activity is carried out within the terms of the Charity's Safeguarding Children and Vulnerable Adults Policy, which places a strict duty on staff as regards to appropriate communication, behaviour and contact outside of work. The Charity prevents unreasonable intrusion and persistent approaches by limiting the number of communication pieces sent each year. This is currently a maximum of three Newsletters and three fundraising appeals a year. Supporter communication preferences are routinely obtained, which allow individuals to opt-in or opt-out of fundraising communications. As frontline fundraisers routinely work with bereaved individuals, regular bereavement training is available to all fundraising staff and forms part of the induction process for new fundraisers.

The Charity has not received any complaints regarding its fundraising efforts in the year ended 31 March 2020 or to the date of this report.

In all our policies and practices we have not actively sought additional data that is not already in the public domain. We only record data that people opt to provide to us. We do not run face to face or telephone fundraising campaigns.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Covid-19 has of course had a serious impact on the Charity and all income streams and operations have been affected adversely. Government compensation schemes (Job Retention Scheme and grants for closed shops) together with rent reductions kindly offered by some landlords have totalled £279,627 and have mitigated losses in the first half of 2020/21. However, the Charity and Florence Nightingale Hospice was not eligible for a share of the £200 million Government scheme administered by Hospice UK to support Hospices through the Covid-19 pandemic because that is aimed at independent Hospices. Together with other charities supporting NHS Hospices, we have registered our disappointment with Hospice UK, as well as discussing with Buckinghamshire NHS Trust whether Florence Nightingale Hospice could benefit from additional NHS funding in 20/21 in order to reduce the Charity's contribution. We are also in discussion with our insurers about possible compensation for loss of business. Without positive news from these sources, in

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the remaining half of 2020/21 we anticipate a loss of £300k as the compensation schemes end but the effect of Covid-19 on FNHC continues.

The situation for Fundraising is that proactive community and events fundraising was mainly put on hold at the end of March due to government guidelines limiting social interaction. As a result, five frontline community, challenge and event fundraisers were placed on furlough. Events such as the annual Midnight Walk, Beer Festival and Ridgeway trek were postponed or cancelled. Challenge fundraising is facing severe challenges due to the cancellation of marathons, cycle rides and skydives. Corporate fundraising is facing severe pressure due to challenges in staff fundraising, which often involve gatherings. Thanks to local support and active marketing, donations have exceeded budget and In Memory giving is as predicted despite restrictions in the number of people attending funerals. The team has created Virtual events as an alternative to mitigate losses. For example, 'Not the Midnight Walk' took place on 18 July 2020 with participants walking in their own locality from sun-rise. Over 800 people took part generating profit of £115,000 against a target for the normal event of £60,000. Several Charitable Trusts have offered grants towards Hospice services and equipment.

All of our shops closed in March 2020 following Government advice and all of the team was furloughed apart from the Head of Retail and the Online Sales Manager. Online sales continued throughout the lockdown period. After much preparation (including detailed risk assessments, guidance and training for staff, and the purchase of protective equipment and cleaning materials to comply with advice), phased openings of our largest shops began in July with Bradmoor Farm and the refitted Wendover store. The new Furniture Showroom at Aylesbury Broadfields will open in August. Retailing from these sites will allow us to test the feasibility of operating within the Government's Covid-19 Secure workplace requirements and customers' appetite for this kind of shopping. Early results have been promising. Initially more paid staff will be required until our shop volunteers return, so Retail staff have been unfurloughed as needed. We will also open for fewer days and hours to allow for cleaning, and will take a view about when the medium and smaller shops re-open based on the experience of the larger ones. Many people had clear-outs during the lockdown period and we made arrangements for donations drop-offs at the Charity's Walton Lodge HQ and the opened shops.

The Charity will continue to do all that it can to maximize income generation and reduce costs in 2020/21. This includes preparing for a restructuring to enable the Charity to deliver on our income targets and other priorities.

In summary, despite the significant impact of Covid-19, the mitigations taken and the free reserves mean Going Concern remains appropriate basis.

Volunteers

In addition to the Board of Trustees, the Charity benefits from the support of 500 volunteers who work alongside Charity staff on retail and fundraising activities, and with Hospice staff providing direct patient and family support. We have a diverse group of volunteers ranging from teens to those in their 90s who offer a wide range of expertise and skills. Just some of the services provided by volunteers include: drivers bringing patients to Day Hospice, complementary therapists, hairdressers, bereavement listeners, in-house nursing support, gardeners, those serving meals and drinks to patients, assistants in our Charity shops, those supporting our fundraisers at events and in the office, as well as those providing database and admin support.

Young volunteers continue to be actively recruited to support the Charity in securing the next generation of supporters, donors and volunteers and to help protect the legacy of the Charity.

Report of the trustees

Without the time, expertise, generosity and compassion of our volunteers we could not support and enhance the lives of local patients and families or, indeed, raise the funds needed to secure vital palliative care services for our community.

The Trustees have a very high regard for the work of our volunteers, recognise the value of their support and wish to thank them all for their on-going dedication and commitment. Most volunteering was suspended in the weeks preceding the Covid-19 lockdown and is being gradually reintroduced. At this time we would like to also thank volunteers for their patience as more normal operations start to resume.

Staff

In these difficult times, the Trustees would like to thank all of the staff of Florence Nightingale Hospice Charity for their hard work and dedication in raising and administering the funds needed by the Hospice.

Trustees would also like record their thanks to all of the staff of Florence Nightingale Hospice. We particularly appreciate how they continued to offer skilled and compassionate care for local people despite the challenges posed by the Covid-19 pandemic. We note that a recovery plan is in place so that further services, such as Day Hospice, can resume in the autumn.

Pay policy for senior staff

The directors, who are the Charity's trustees, the Chief Executive and the senior management team (see below) comprise the senior management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

The Senior Management Team consists of the Chief Executive, Finance Manager, Head of Retail, Head of Fundraising, Head of Volunteering & HR and PR & Marketing Manager. Mrs Penny Bradshaw joined as Head of Volunteering & HR in February.

The pay of the staff is reviewed and benchmarked periodically against similar-sized charitable organisations within the sector.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Report of the trustees

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Wilkins Kennedy Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the exemptions provided by section 415A of the Companies Act 2006. Preparing the accounts of a small company does not require the preparation of a Strategic Report, although much of the typical content of such a report is included within the Trustees Report.

Approved by the Board of Trustees on 17 August 2020 and signed on their behalf by:



Alan Watt
Chairman of Trustees

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

Opinion

We have audited the financial statements of Florence Nightingale Hospice Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2020 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, Charity balance sheet, 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 and parent charitable company's affairs as at 31 March 2020 and the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

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

Matters on which we are required to report by exception

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

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Independent Auditor's Report to the members and trustees of Florence Nightingale Hospice Charity

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Wilkins Kennedy Audit Services

Paul Creasey (Senior Statutory Auditor)
For and on behalf of Wilkins Kennedy Audit Services, Statutory Auditor

The Mill House
Boundary Road
Loudwater
High Wycombe
Bucks
HP10 9QN

17 August 2020

Principal accounting policies

General Information

Florence Nightingale Hospice Charity is a company limited by guarantee incorporated and domiciled in England. Its registered office address is Unit 2 Walton Lodge, Walton Street, Aylesbury, Buckinghamshire, HP21 7QY.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Public benefit

Florence Nightingale Hospice Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In making this assessment, the Trustees have considered the level of funds held and the expected levels of income and expenditure for the 12 month period after approving these financial statements. Notwithstanding the ongoing impact of Covid-19 on the organisation as set out in the Trustees Report, the budgeted level of income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Accounting convention

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 issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The consolidated statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking on a line by line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and as permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

All income is included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty. They are included in the statement of financial activities.

Cash collected to which the Charity is legally entitled but which has not been received at the year-end is included as income.

Principal accounting policies

Donations under Gift Aid together with the associated income tax recoveries are credited as income when donations are received.

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

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

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

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

Investment Income

Investment income, including associated income tax recoveries, is recognised when receivable.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Expenditure is allocated between:-

- ~~Costs of raising funds~~ - These include costs of generating donations and legacies, costs of fundraising trading and costs of managing investments.
- **Charitable activities** - These comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives.
- **Governance costs** - These include the costs of governance arrangements which relate to the general running of the Charity and the compliance with constitutional and statutory requirements.

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

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

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Principal accounting policies

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|------------------------|---|
| Leasehold improvements | Straight Line over the lower of 10 years or the life of the lease |
| Fixtures & fittings | 20% Straight Line |
| Computer equipment | 20% Straight Line |
| Vans | 20% Straight Line |

Capital expenditure over £1,000 is capitalised.

Tangible assets are stated at cost less accumulated depreciation.

Investments

Assets held for investment purposes are valued at market value at the balance sheet date. Traded securities are valued at their market quotation as at the year-end date.

Unlisted investments are stated at cost at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

Other financial instruments

a) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

b) Other debtors

Other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing rate of interest.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Taxation

The Charity is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the Charity's subsidiary company because the directors of this company have indicated that they intend to make donations each year to the Charity equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

Principal accounting policies

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are monies earmarked by the Trustees for specific purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a Stakeholder pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Estimations

Support costs are those which are necessary to deliver an activity but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources and premises costs. The costs have been allocated based on staff time spent.

Consolidated statement of financial activities

| | Note | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds 2020 £ | Total Funds 2019 £ |
|--|------|-------------------------|-----------------------|-----------------------|--------------------------|--------------------------|
| Income | | | | | | |
| Donations and legacies | 1 | 1,199,360 | - | 269,596 | 1,468,956 | 663,434 |
| Income from other trading activities | 2 | 1,412,351 | - | - | 1,412,351 | 1,304,192 |
| Other income | | 1,800 | - | - | 1,800 | 1,500 |
| Income from investments | 3 | 126,894 | - | - | 126,894 | 119,807 |
| Total income | | 2,740,405 | - | 269,596 | 3,010,001 | 2,088,933 |
| Expenditure | | | | | | |
| Costs of raising funds: | | | | | | |
| Fundraising | 4 | 475,352 | - | - | 475,352 | 339,184 |
| Trading | 4 | 796,528 | - | - | 796,528 | 736,805 |
| Expenditure on charitable activities | 5 | 859,242 | - | 126,325 | 985,567 | 886,334 |
| Total expenditure | | 2,131,122 | - | 126,325 | 2,257,447 | 1,962,323 |
| Net income/(expenditure) before gains / (losses) on investments | | 609,283 | - | 143,271 | 752,554 | 126,610 |
| Net gains / (losses) on investment assets | 12 | (639,162) | - | - | (639,162) | 81,246 |
| Net income/(expenditure) | | (29,879) | - | 143,271 | 113,392 | 207,856 |
| Transfers between funds | | 286,479 | (286,479) | - | - | - |
| Net movement in funds | 16 | 256,600 | (286,479) | 143,271 | 113,392 | 207,856 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 2,309,343 | 2,426,696 | 4,000 | 4,740,039 | 4,532,183 |
| Total funds carried forward | 16 | 2,565,943 | 2,140,217 | 147,271 | 4,853,431 | 4,740,039 |

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All the above results are derived from continuing activities. All gains and losses recognised in the year are included.

Consolidated balance sheet

| | Note | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds 2020 £ | Total Funds 2019 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Fixed assets | | | | | | |
| Tangible Assets | 11 | 78,926 | - | - | 78,926 | 98,931 |
| Investments | 12 | 2,265,059 | 2,140,217 | - | 4,405,276 | 4,136,323 |
| | | <u>2,343,985</u> | <u>2,140,217</u> | <u>-</u> | <u>4,484,202</u> | <u>4,235,254</u> |
| Current assets | | | | | | |
| Stocks | 13 | 5,010 | - | - | 5,010 | 8,319 |
| Debtors | 14 | 400,857 | - | - | 400,857 | 235,661 |
| Cash at bank and in hand | | 790,952 | - | 147,271 | 938,223 | 677,952 |
| | | <u>1,196,819</u> | <u>-</u> | <u>147,271</u> | <u>1,344,090</u> | <u>921,932</u> |
| Creditors | | | | | | |
| Amounts falling due within one year | 15 | (974,861) | - | - | (974,861) | (417,147) |
| Net current assets | | <u>221,958</u> | <u>-</u> | <u>147,271</u> | <u>369,229</u> | <u>504,785</u> |
| Total assets less current liabilities | | <u>2,565,943</u> | <u>2,140,217</u> | <u>147,271</u> | <u>4,853,431</u> | <u>4,740,039</u> |
| Funds | | | | | | |
| Unrestricted funds: General | | 2,565,943 | - | - | 2,565,943 | 2,309,343 |
| Unrestricted funds: Designated | | - | 2,140,217 | - | 2,140,217 | 2,426,696 |
| Restricted funds | | - | - | 147,271 | 147,271 | 4,000 |
| Total funds | 16 | <u>2,565,943</u> | <u>2,140,217</u> | <u>147,271</u> | <u>4,853,431</u> | <u>4,740,039</u> |

These financial statements were approved by the Board of Trustees on 17 August 2020 and were signed on their behalf by:



Alan Watt
Chairman of Trustees

The principal accounting policies and accompanying notes form part of these financial statements.

Charity balance sheet

| | Note | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds 2020 £ | Total Funds 2019 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Fixed assets | | | | | | |
| Tangible Assets | 11 | 18,670 | - | - | 18,670 | 23,796 |
| Investments | 12 | 2,265,059 | 2,140,217 | - | 4,405,276 | 4,136,325 |
| | | <u>2,283,729</u> | <u>2,140,217</u> | <u>-</u> | <u>4,423,946</u> | <u>4,160,121</u> |
| Current assets | | | | | | |
| Debtors | 14 | 771,193 | - | - | 771,193 | 574,638 |
| Cash at bank and in hand | | 332,876 | - | 147,271 | 480,147 | 393,588 |
| | | <u>1,104,069</u> | <u>-</u> | <u>147,271</u> | <u>1,251,340</u> | <u>968,226</u> |
| Creditors | | | | | | |
| Amounts falling due within one year | 15 | (864,223) | - | - | (864,223) | (388,308) |
| Net current assets | | <u>239,846</u> | <u>-</u> | <u>147,271</u> | <u>387,117</u> | <u>579,918</u> |
| Total assets less current liabilities | | <u>2,523,575</u> | <u>2,140,217</u> | <u>147,271</u> | <u>4,811,063</u> | <u>4,740,039</u> |
| Funds | | | | | | |
| Unrestricted funds: General | | 2,523,575 | - | - | 2,523,575 | 2,309,343 |
| Unrestricted funds: Designated | | - | 2,140,217 | - | 2,140,217 | 2,426,696 |
| Restricted funds | | - | - | 147,271 | 147,271 | 4,000 |
| Total funds | 16 | <u>2,523,575</u> | <u>2,140,217</u> | <u>147,271</u> | <u>4,811,063</u> | <u>4,740,039</u> |

These financial statements were approved by the Board of Trustees on 17 August 2020 and were signed on their behalf by:



Alan Watt
Chairman of Trustees

Consolidated Cash flow statement

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| Cash flows from operating activities: | | |
| Net cash provided / (used in) by operating activities (analysed below) | 1,193,847 | 534,050 |
| | 1,193,847 | 534,050 |
| Cash flows from investing activities: | | |
| Purchase of tangible fixed assets | (25,461) | (37,114) |
| Purchase of investments | (2,091,957) | (678,619) |
| Proceeds from sale of investments | 1,183,842 | 398,733 |
| Net cash used in investing activities | (933,576) | (317,000) |
| Change in cash and cash equivalents in the reporting period | 260,271 | 217,050 |
| Cash and cash equivalents at the beginning of the reporting period | 677,952 | 460,902 |
| Cash and cash equivalents at the end of the reporting period | 938,223 | 677,952 |

Note:

| Reconciliation of net movement in funds to net cash flow from operating activities | 2020 £ | 2019 £ |
|---|----------------|-----------|
| Net movement in funds for the reporting period (as per the statement of financial activities) | 111,392 | 207,856 |

Adjustments for:

| | | |
|--|------------------|----------------|
| Depreciation charges | 45,466 | 37,690 |
| Loss on disposal of fixed asset | - | 7 |
| Unrealised investment (gains)/losses | 639,162 | (81,246) |
| Decrease/ (increase) in stocks | 3,309 | (1,237) |
| (Increase)/decrease in debtors | (165,196) | 304,113 |
| (Decrease)/increase in creditors | 559,714 | 66,867 |
| Net cash provided by / (used in) operating activities | 1,193,847 | 534,050 |

Analysis of changes in net funds

| | 2019 £ | Cash Flows £ | 2020 £ |
|---------------------------|----------------|-----------------|----------------|
| Cash and cash equivalents | 677,952 | 260,271 | 938,223 |

Notes to the financial statements

1 Donations and legacies

| | 2020 £ | 2019 £ |
|---|------------------|----------------|
| Donations (including In Memory and grants from Charitable Trusts) | 848,923 | 518,346 |
| Legacies | 620,033 | 145,088 |
| | <u>1,468,956</u> | <u>663,434</u> |

2 Income from other trading activities

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Fundraising from mass-participation and community events | 378,405 | 273,542 |
| Shop income | 808,946 | 824,400 |
| Lottery | 225,000 | 206,250 |
| | <u>1,412,351</u> | <u>1,304,192</u> |

3 Income from investments

| | 2020 £ | 2019 £ |
|------------------------|----------------|----------------|
| Bank interest received | 1,173 | 922 |
| Dividends received | 125,721 | 118,885 |
| | <u>126,894</u> | <u>119,807</u> |

4 Costs of raising funds

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|----------------|
| Fundraising | | |
| Direct staff costs (note 7) | 252,628 | 206,054 |
| Fundraising expenses and promotion | 102,569 | 57,577 |
| Support staff costs (note 7) | - | - |
| Support other costs | 120,155 | 75,553 |
| | <u>475,352</u> | <u>339,184</u> |
| Trading | | |
| Staff costs (note 7) | 456,265 | 418,168 |
| Other costs | 340,263 | 318,637 |
| | <u>796,528</u> | <u>736,805</u> |

Notes to the financial statements (continued)

5 Expenditure on charitable activities

| | 2020 £ | 2019 £ |
|---|----------------|-----------|
| Grant funding to staff and services delivered by Florence Nightingale Hospice | 773,807 | 646,941 |
| | 773,807 | 646,941 |
| Capital Improvements | 13,034 | 11,843 |
| Direct costs - Paravan | 5,347 | 6,131 |
| Direct costs – Specialist Palliative Care Education and Training | 9,044 | 5,889 |
| Other direct costs | 22,586 | 31,449 |
| Staff costs (note 7) | 112,927 | 125,755 |
| Governance (note 6) | 48,823 | 58,326 |
| | 985,568 | 886,334 |

6 Governance costs

| | 2020 £ | 2019 £ |
|---|---------------|-----------|
| Staff costs (note 7) | 15,701 | 14,817 |
| Legal and professional fees | 21,991 | 34,863 |
| Auditors' remuneration | 9,000 | 8,050 |
| Auditors' remuneration for non-audit services | 2,131 | 596 |
| | 48,823 | 58,326 |

7 Allocation of staff costs

| 2020: | Income Generation £ | Fundraising Trading £ | Governance £ | Charitable Activities £ | Support £ | 2020 Total £ |
|------------------------|---------------------------|-----------------------------|-----------------|-------------------------------|--------------|--------------------|
| Payroll | 247,252 | 456,208 | 15,701 | 103,704 | - | 822,865 |
| Recruitment & Training | 3,753 | 57 | - | 4,152 | - | 7,962 |
| Other staff costs | 1,623 | - | - | 5,071 | - | 6,694 |
| | 252,628 | 456,265 | 15,701 | 112,927 | - | 837,521 |
| 2019: | Income Generation £ | Fundraising Trading £ | Governance £ | Charitable Activities £ | Support £ | 2019 Total £ |
| Payroll | 198,956 | 418,168 | 13,917 | 110,087 | - | 741,128 |
| Recruitment & Training | 6,108 | - | 900 | 12,494 | - | 19,502 |
| Other staff costs | 990 | - | - | 3,174 | - | 4,164 |
| | 206,054 | 418,168 | 14,817 | 125,755 | - | 764,794 |

Support costs are those which are necessary to deliver an activity but which are not, in themselves, a direct cost of an event or a charitable activity. They include central office functions such as general management, staff and payroll costs including training, accounting and finance, information technology, marketing, human resources and premises costs. The costs have been allocated based on staff time spent.

Notes to the financial statements (continued)

8 Net income

Net income is stated after charging

| | 2020 | 2019 |
|--|---------|---------|
| | £ | £ |
| Auditors' remuneration: Parent company | 5,250 | 4,750 |
| Auditors' remuneration: Group (Including Parent company) | 9,000 | 8,050 |
| Auditors' remuneration for non-audit services | 2,131 | 596 |
| Depreciation | 45,466 | 37,690 |
| Operating lease payments – land and buildings | 219,088 | 174,485 |

9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 (2019: nil).

Trustees' expenses

There were no expenses reimbursed to the Trustees in the year ended 31 March 2020 (2019: nil).

Donations from trustees

Donations from trustees totalled £4,767 in the year ended 31 March 2020 (2019: £281)

10 Staff costs

| | 2020 | 2019 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 743,237 | 673,432 |
| Social security costs | 52,466 | 45,866 |
| Pension costs | 25,727 | 21,830 |
| | <u>821,430</u> | <u>741,128</u> |

The average number of persons employed by the Charity during the period was as follows:

| | 2020 FTE | 2019 FTE | 2020 No. | 2019 No. |
|-----------------------|-------------|-------------|-------------|-------------|
| Fundraising | 25 | 24 | 33 | 32 |
| Administration | 3 | 3 | 7 | 7 |
| Governance | 1 | 1 | 1 | 1 |
| Charitable activities | 2 | 1 | 2 | 2 |
| | <u>31</u> | <u>29</u> | <u>43</u> | <u>42</u> |

No employee earned more than £60,000 during the year (2019: nil).

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £238,620 (2019: £254,584).

Notes to the financial statements (continued)

11

Tangible fixed assets Group

| | Short leasehold improvements £ | Fixtures and fittings £ | Vans £ | Computer Equipment £ | Totals £ |
|------------------------|--------------------------------------|-------------------------------|-----------|----------------------------|-------------|
| Cost | | | | | |
| At 1 April 2019 | 37,253 | 107,638 | 31,195 | 72,262 | 248,348 |
| Additions | - | 24,188 | - | 1,273 | 25,461 |
| Disposals | (7,340) | - | (936) | - | (8,276) |
| At 31 March 2020 | 29,913 | 131,826 | 30,259 | 73,535 | 265,533 |
| Depreciation | | | | | |
| At 1 April 2019 | 25,314 | 48,542 | 20,247 | 55,314 | 149,417 |
| Charge for the year | 9,344 | 26,954 | 3,649 | 5,519 | 45,466 |
| On disposal | (7,340) | - | (936) | - | (8,276) |
| At 31 March 2020 | 27,318 | 75,496 | 22,960 | 60,833 | 186,607 |
| Net Book Amount | | | | | |
| At 31 March 2020 | 2,595 | 56,330 | 7,299 | 12,702 | 78,926 |
| At 31 March 2019 | 11,939 | 59,096 | 10,948 | 16,948 | 98,931 |

Tangible fixed assets Charity

| | Fixtures and fittings £ | Vans £ | Computer Equipment £ | Totals £ |
|------------------------|-------------------------------|-----------|----------------------------|-------------|
| Cost | | | | |
| At 1 April 2019 | 10,734 | 18,245 | 32,457 | 61,436 |
| Additions | 1,375 | - | 1,273 | 2,648 |
| At 31 March 2020 | 12,109 | 18,245 | 33,730 | 64,084 |
| Depreciation | | | | |
| At 1 April 2019 | 8,519 | 7,298 | 21,823 | 37,640 |
| Charge for the year | 1,354 | 3,649 | 2,771 | 7,774 |
| At 31 March 2020 | 9,873 | 10,947 | 24,594 | 45,414 |
| Net Book Amount | | | | |
| At 31 March 2020 | 2,236 | 7,298 | 9,136 | 18,670 |
| At 31 March 2019 | 2,215 | 10,947 | 10,634 | 23,796 |

Notes to the financial statements (continued)

12 Fixed asset investments Group

| | Listed Investments £ | Shares in participating interests £ | Totals £ |
|-----------------------------|----------------------------|--|------------------|
| Market value | | | |
| At 1 April 2019 | 4,119,644 | 16,679 | 4,136,323 |
| Additions | 2,091,957 | - | 2,091,957 |
| Disposals | (1,183,842) | - | (1,183,842) |
| Investment gains / (losses) | (639,162) | - | (639,162) |
| | <u>4,388,597</u> | <u>16,679</u> | <u>4,405,276</u> |
| At 31 March 2020 | <u>4,388,597</u> | <u>16,679</u> | <u>4,405,276</u> |
| Net book value | | | |
| At 31 March 2020 | <u>4,388,597</u> | <u>16,679</u> | <u>4,405,276</u> |
| At 31 March 2019 | <u>4,119,644</u> | <u>16,679</u> | <u>4,136,323</u> |

Fixed asset investments Charity

| | Shares in group undertakings £ | Listed Investments £ | Shares in participating interests £ | Totals £ |
|----------------------------|---|----------------------------|--|------------------|
| Market value | | | | |
| At 1 April 2019 | 2 | 4,119,644 | 16,679 | 4,136,325 |
| Additions | - | 2,091,957 | - | 2,091,957 |
| Disposals | - | (1,183,842) | - | (1,183,842) |
| Investment gains/ (losses) | - | (639,162) | - | (639,162) |
| | <u>2</u> | <u>4,388,597</u> | <u>16,679</u> | <u>4,405,278</u> |
| At 31 March 2020 | <u>2</u> | <u>4,388,597</u> | <u>16,679</u> | <u>4,405,278</u> |
| Net book value | | | | |
| At 31 March 2020 | <u>2</u> | <u>4,388,597</u> | <u>16,679</u> | <u>4,405,278</u> |
| At 31 March 2019 | <u>2</u> | <u>4,119,644</u> | <u>16,679</u> | <u>4,136,325</u> |

There were no investment assets outside the UK.

The historical cost of listed investments (for Group and Charity) held at the year-end was £4,294,786 (2019: £3,162,512).

Notes to the financial statements (continued)

12 Fixed asset investments (continued)

The Company's investments at the balance sheet date in the share capital of group undertakings include the following:

The Hospice Lottery Partnership Limited

At 31 March 2020 the charitable company owned fourteen shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales, carrying out fundraising for six hospices including Florence Nightingale Hospice Charity. Florence Nightingale Hospice Charity has held an interest in The Hospice Lottery Partnership Limited since its incorporation in 1997. The directors consider this an investment as they have no significant influence and have no management rights in the strategic, tactical or operational decisions made by The Hospice Lottery Partnership Limited. The value of the investment in the company is recognised at cost as the equity investment is unquoted and the value cannot be measured reliably. The group does not intend to dispose of the investment in the foreseeable future.

Florence Nightingale Hospice Shops Limited

Nature of business: Operating Charity shops

| Class of share: | % holding | 2020 £ | 2019 £ |
|--------------------------------|--------------|-----------|-----------|
| Ordinary | 100 | 2 | 2 |
| Aggregate capital and reserves | | | |

The investment in group undertakings relates to the cost of the 2 ordinary shares of £1 each, being 100% of the issued share capital of Florence Nightingale Hospice Shops Limited, a company incorporated in England and Wales, which is the trading subsidiary of the charitable company.

A summary of the results of the subsidiary is shown below:-

| | 2020 £ | 2019 £ |
|--|-----------|-----------|
| Turnover | 808,945 | 824,399 |
| Cost of sales | (55,053) | (46,305) |
| Gross profit | 753,892 | 778,094 |
| Administrative expenses | (713,571) | (659,813) |
| Other operating income, interest and Charity recharge receivable | 2,047 | 1,743 |
| Net profit before taxation | 42,368 | 120,024 |
| Distribution – donations to Florence Nightingale Hospice Charity | - | (120,024) |
| Profit for the financial year | 42,368 | - |
| The aggregate of the assets, liabilities and funds was: | | |
| Assets | 637,746 | 408,887 |
| Liabilities | (595,376) | (408,885) |
| Funds | 42,370 | 2 |

Notes to the financial statements (continued)

13 Stocks

| | 2020 £ | 2019 £ |
|-------|--------------|--------------|
| Group | <u>5,010</u> | <u>8,319</u> |

14 Debtors: Amounts falling due within one year

| | Group 2020 £ | Charity 2020 £ | Group 2019 £ | Charity 2019 £ |
|------------------------------------|--------------------|----------------------|--------------------|----------------------|
| Amounts owed by group undertakings | - | 562,739 | - | 380,046 |
| Prepayments and accrued income | 196,822 | 40,068 | 90,454 | 59,374 |
| Other debtors | <u>204,035</u> | <u>168,386</u> | <u>145,207</u> | <u>135,218</u> |
| | <u>400,857</u> | <u>771,193</u> | <u>235,661</u> | <u>574,638</u> |

15 Creditors: Amounts falling due within one year

| | Group 2020 £ | Charity 2020 £ | Group 2019 £ | Charity 2019 £ |
|------------------------------|--------------------|----------------------|--------------------|----------------------|
| Trade creditors | 795,149 | 783,002 | 338,081 | 329,716 |
| Taxation and social security | 15,909 | 8,556 | 13,740 | 7,863 |
| Other creditors | <u>163,803</u> | <u>72,665</u> | <u>65,326</u> | <u>50,729</u> |
| | <u>974,861</u> | <u>864,223</u> | <u>417,147</u> | <u>388,308</u> |

16 Movement in funds

Group

| | At 1 April 2019 £ | Net movement in funds £ | At 31 March 2020 £ |
|---------------------------|-------------------------|----------------------------------|--------------------------|
| Unrestricted funds | | | |
| General fund | 2,309,343 | 256,600 | 2,565,943 |
| Designated funds | | | |
| Investment income | 2,426,696 | (286,479) | 2,140,217 |
| Restricted funds | | | |
| Restricted donations | 4,000 | 143,271 | 147,271 |
| Total funds | <u>4,740,039</u> | <u>11,392</u> | <u>4,853,431</u> |

Notes to the financial statements (continued)

16 Movement in funds (continued)

Charity

| | At 1 April 2019 £ | Net movement in funds £ | At 31 March 2020 £ |
|---------------------------|-------------------------|----------------------------------|--------------------------|
| Unrestricted funds | | | |
| General fund | 2,309,343 | 214,232 | 2,523,575 |
| Designated funds | | | |
| Investment income | 2,426,696 | (286,479) | 2,140,217 |
| Restricted funds | | | |
| Restricted donations | 4,000 | 143,271 | 147,271 |
| Total funds | <u>4,740,039</u> | <u>207,856</u> | <u>4,811,063</u> |

Designated funds have been set up for:

1. An investment income fund to reflect the unrealised gains on the listed investment portfolio.
2. The funding commitments to:
 - 2.1. NHS funded contracts for the purposes: FNH@Home and the Nightingale 24/7 Team, the Day Hospice, Discharge Liaison Nurse, Triage Nurse and administration.
 - 2.2. The Education facility.
 - 2.3. Current rentals due on leased properties to the end of their leases.

Restricted funds

During the year the group and the charitable company received donations that the donors had specified to be spent on certain areas of the Charity's expenditure. These are classified as restricted funds as follows:-

| | At 1 April 2019 £ | Monies received £ | Expenditure in year £ | At 31 March 2020 £ |
|---------------------------|-------------------------|-------------------------|-----------------------------|--------------------------|
| Staff Benefit | 4,000 | 2,182 | (4,000) | 2,182 |
| FNH@Home | - | 229,500 | (96,564) | 132,936 |
| Out of Hours Support | - | 1,300 | - | 1,300 |
| Lymphoedema | - | 701 | (701) | - |
| Florrie's Children's Team | - | 35,913 | (25,060) | 10,853 |
| | <u>4,000</u> | <u>269,596</u> | <u>(126,325)</u> | <u>147,271</u> |

Notes to the financial statements (continued)

16 Movement in funds (continued)

| | At 1 April 2019 £ | Monies received £ | Expenditure in year £ | At 31 March 2020 £ |
|---------------------------|-------------------------|-------------------------|-----------------------------|--------------------------|
| Staff Benefit | - | 4,285 | (285) | 4,000 |
| Garden | 5,096 | 1,800 | (6,896) | - |
| Out Of Hours Support | - | 500 | (500) | - |
| Lymphoedema | - | 777 | (777) | - |
| Florrie's Children's Team | - | 24,177 | (24,177) | - |
| | <u>5,096</u> | <u>31,539</u> | <u>(32,635)</u> | <u>4,000</u> |

17 Related party disclosure

The group and the charitable company received monies from The Hospice Lottery Partnership Limited of which it is a shareholder, totalling in the year £225,000 (2019: £206,250). At the year-end there was a balance of £18,075 owed from The Hospice Lottery Partnership Limited to the Group and the Charitable Company (2019: £25,750).

Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports, benefitting from a contribution to our funds of £2,182,000 since that time. There are now six hospices which are supported through this company. Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised.

As mentioned, when needed the Charity use the services of Parrott and Coales LLP for legal advice and to process property leases. Mr J Leggett and Ms S Plumridge from Parrott and Coales LLP are Trustees. The value of the amount spent by the Charity with Parrott and Coales LLP in 2019-20 is £16,447 + VAT for legal work. (2018-19 £1,885 + VAT)

As mentioned, in 2019-20 the Charity has benefited from the services of Brown & Lee in preparing formal submissions and counter-submissions related to the rent review of its HQ office. Currently Mr Peter Bridgman is a Trustee and other work on this case was carried out by him at no charge. A fee will be incurred in 2020-21.

18 Operating lease commitments

As at 31 March 2020 the Charity had total commitments under non-cancellable leases as follows:

| | Group 2020 £ | Charity 2020 £ | Group 2019 £ | Charity 2019 £ |
|----------------------------|--------------------|----------------------|--------------------|----------------------|
| Within one year | 232,532 | 139,063 | 174,580 | 105,170 |
| Between one and five years | 711,156 | 388,796 | 548,685 | 363,739 |
| In more than five years | 188,694 | 39,037 | 155,859 | 71,708 |
| | <u>1,132,382</u> | <u>566,896</u> | <u>879,124</u> | <u>540,617</u> |

19 Outstanding membership liability

Each member gives a guarantee to contribute a sum, not exceeding £10, to the Charity should it be wound up.

Notes to the financial statements (continued)

20 Financial instruments

| | Group 2020 £ | Charity 2020 £ | Group 2019 £ | Charity 2019 £ |
|--|--------------------|----------------------|--------------------|----------------------|
| Financial assets measured at fair value through net income/expenditure | | | | |
| Fixed asset investments | 4,405,276 | 4,388,592 | 4,119,644 | 4,119,644 |
| Debt instruments measured at amortised cost | | | | |
| Other debtors | 204,035 | 168,386 | 145,207 | 135,218 |
| Amounts owed by group undertakings | - | - | 562,739 | 380,046 |
| Financial liabilities measured at amortised cost | | | | |
| Trade creditors | 795,149 | 783,002 | 338,081 | 329,716 |
| Other creditors | 163,803 | 72,665 | 65,326 | 50,729 |
| | <u>958,952</u> | <u>855,667</u> | <u>403,407</u> | <u>380,445</u> |

The income, expenses, net gains and losses attributable to the Charity's financial instruments are summarised as follows:

| | Group 2020 £ | Charity 2020 £ | Group 2019 £ | Charity 2019 £ |
|--|--------------------|----------------------|--------------------|----------------------|
| Income and expenses | | | | |
| Financial assets measured at fair value through net income/expenditure | 126,894 | 126,894 | 119,807 | 119,807 |
| Net gains and losses (including changes in fair value) | | | | |
| Financial assets measured at fair value through net income/expenditure | <u>(639,162)</u> | <u>(639,162)</u> | <u>81,246</u> | <u>81,246</u> |

Notes to the financial statements (continued)

21 Comparative statement of financial activities

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds 2019 £ |
|--|----------------------------|--------------------------|--------------------------|--------------------------|
| Income and endowments | | | | |
| Donations and legacies | 656,072 | - | 7,362 | 663,434 |
| Income from other trading activities | 1,280,015 | - | 24,177 | 1,304,192 |
| Other income | 1,500 | - | - | 1,500 |
| Income from investments | 119,807 | - | - | 119,807 |
| Total income and endowments | 2,057,394 | - | 31,539 | 2,088,933 |
| Expenditure | | | | |
| Costs of raising funds: | | | | |
| Fundraising | 339,184 | - | - | 339,184 |
| Trading | 736,805 | - | - | 736,805 |
| Expenditure on charitable activities | 853,699 | - | 32,635 | 886,334 |
| Total expenditure | 1,929,688 | - | 32,635 | 1,962,323 |
| Net income/(expenditure) before gains and losses on investments | 126,703 | - | (1,096) | 126,610 |
| Net gains/(losses) on investments assets | 81,246 | - | - | 81,246 |
| Net income/(expenditure) | 208,952 | - | (1,096) | 207,856 |
| Transfers between funds | 70,934 | (70,934) | - | - |
| Net movement in funds | 279,886 | (70,934) | (1,096) | 207,856 |
| Reconciliation of funds | | | | |
| Total funds brought forward | 2,029,457 | 2,497,630 | 5,096 | 4,532,183 |
| Total funds carried forward | 2,309,343 | 2,426,696 | 4,000 | 4,740,039 |

22 Post Balance Sheet Events

Information relating to the ongoing impact of Covid-19 on the organisation is set out on pages 6-7 and 13 of the Trustees Report. There are no other post balance sheet events.