



**The Hospice for our Community
Review of the Year 2022 - 23**



**St Margaret's
Hospice Care**



St Margaret's
Hospice Care

time to care



Contents

| | |
|---|----|
| Welcome | 4 |
| Trustees Report..... | 6 |
| • Objectives and Activities | 6 |
| ◦ Our Purpose | 7 |
| ◦ Our Vision, Mission & Values..... | 8 |
| ◦ Our Services and Activities..... | 9 |
| ◦ Delivering Public Benefit..... | 11 |
| ◦ Our Strategic Objectives and Future Plans | 11 |
| • Performance & Achievements | 12 |
| ◦ Highlights | 13 |
| ◦ Progress Towards Our Goals..... | 14 |
| Financial Review | 30 |
| Structure, Governance and Management | 35 |
| Financials | 42 |





Jonathan Langdon Chair of Trustees

Welcome

Like all charities in the UK, we have had to adapt and respond to external factors such as the escalating cost of living, healthcare inequality, and endemic social and political issues that have proven to be an ongoing challenge. Nevertheless, our community continues to pull together as one, with staff, volunteers, supporters, and the wider public going above and beyond, to ensure that we can continue providing first class hospice care for Somerset. On behalf of the Board, we would both like to express our thanks to everyone who has played a part in St Margaret's success over the last twelve months.

'Time to care' is a phrase that has become part of the Hospice's collective narrative in recent years. In those three words we sum up just what makes St Margaret's different and special. It's also the rallying call to our community as we inspire and encourage everyone to be part of making a difference in their locality. We all know that once someone has received a terminal diagnosis no one can change the end of that story. However, through good quality hospice care, what we can do is take the time to get to know our patients and their loved ones; we can take the time to listen to them and hear what's important to them as they approach the end of their life. We can then take the time to care – tailoring the support we provide to help patients live as well as they can for as long as possible.

Last year St Margaret's took the time to care for 4,818 people directly, including end of life patients, their families, and carers as well as lymphoedema patients. Our compassion and care also extended through our educational activities and partnership working as well as our network of shops and

fundraising events.

We also took time to listen to our staff and volunteers, to understand what matters to them, and how we can better support and develop them to thrive in their roles. We know that St Margaret's is nothing without its incredible workforce and support networks, and therefore prioritising their wellbeing and needs has been an important part of the last twelve months.

We had anticipated a challenging year financially, and despite record sales and profit from our 31 charity shops and fundraising meeting its net budget, we have experienced the reality of higher costs, a variable legacy pipeline, as well as losses across our investment portfolio. This has resulted in a small deficit of £0.4M at year end. We had planned for a significantly higher shortfall and were therefore delighted with the year end result. Working towards a more financially sustainable position remains a central strategic goal as we balance the increased demands on our services with the shrinking resources available to us. Good progress has been made in rebuilding and diversifying income streams post Covid, and we have introduced several strategic workstreams looking at how we can introduce smarter ways of working that will help unlock new funding opportunities as well as achieve efficiencies across the organisation. That work is in its infancy and will form the basis of our plans for the next twelve months.

We are particularly proud of how the hospice has embraced and harnessed the use of new technology and digital innovations, and the introduction of a business intelligence team. At the same time, it's been wonderful to see our expertise as a hospice shared beyond our own operations to benefit the wider healthcare landscape. Described as an anchor organisation in Somerset, there is no doubt in our minds that without St Margaret's, end of life care would be disjointed, uncoordinated and there would be an increased demand and burden on primary and secondary care services that are not best equipped to provide long term specialist support. Our role has been, and will continue to be, pivotal for the community of Somerset, and we know that the expertise, commitment, and sheer compassion from all our staff and volunteers, will shine throughout this report.

James Rimmer

Chief Executive Officer

I am delighted to have joined St Margaret's Hospice and am looking forward to meeting you all. It is with great pride that I can introduce myself to you through the hospice's Review of the Year that showcases a sample of the incredible work and contributions that my new colleagues, volunteers, and supporters like you make.

Having grown up in Somerset and having worked here for more than half of my career I have a long-standing relationship with St Margaret's and a passion for serving the people of this county. Professionally I have worked with the hospice in several NHS leadership roles, stretching back over the last 20 years, most recently as Chief Executive for NHS Somerset Clinical Commissioning Group and previously in my roles with Weston Area Health NHS Trust, University Hospitals Bristol, Royal United Hospital Bath, and Yeovil District Hospital NHS Foundation Trust.

On a more personal note, I have seen first-hand the exceptional care the St Margaret's team gave my father towards the end of his life. I am therefore proud and genuinely excited about the opportunity to build upon and lead St Margaret's through its next chapter.

It has been a valuable experience taking the time to get to know our organisation and the wonderful people who make it the very special place that it is, a handful of who are spoken about in this review. I hope you enjoy reading about the what we have achieved in the past year. For those of you who would like to view the full annual report, this is available on [Companies House](#).

I am dedicated in supporting St Margaret's reach more people in need of end-of-life support and look forward to the next year as I take the organisation forward, working strategically to continue to provide compassionate hospice care for our whole community.

Yours



James



Objectives and Activities



Our Purpose

St Margaret's Hospice Care (St Margaret's) has been an integral part of the Somerset community for over four decades, offering compassionate care and support to patients and their families who are facing a terminal illness. Established as a charitable organisation in 1980, our primary mission has been to provide specialised palliative care, free of charge, for the community. Presently, our services are available to a population of approximately 520,000 people and we believe that every member of our community deserves dignified and comprehensive care during their final stages of life.

Somerset's population is older than the national average and continues to grow. With over 6,000 people dying annually in our county, we estimate that 4,000 of them could benefit directly or indirectly from hospice expertise or support. We currently serve just over half of these people, demonstrating the gap in provision for high quality end of life care. Projections indicate that the county's population will rise by 12% by 2041, with the Office of National Statistics predicting that the number of residents in their 80s will equal those in their 20s by that time. This ageing population coupled with complex health and social care needs in rural Somerset, emphasises the importance of early and equitable access to palliative and end of life care services – and the vital role that St Margaret's will continue to play.

As we continue to deal with the legacy of the Covid pandemic, we find ourselves confronting the ongoing challenges posed by the cost-of-living crisis. Our communities have been deeply affected, with patients and families not only facing financial pressures, but also experiencing difficulties in accessing timely and appropriate healthcare particularly in rural areas of Somerset where transportation and infrastructure is limited. This has intensified the need for our services to reach these vulnerable families. Furthermore, as our community curtails its spending, this poses a significant fundraising challenge for the charity. We continue to adapt and be responsive as we strive to secure the necessary resources to support our vital work, as well as innovate to ensure that end of life care remains available, appropriate, and accessible to all individuals in need. This commitment remains our priority as we navigate the evolving landscape and work to meet the changing needs of our community.



Our Vision, Mission and Values

“Our Vision is of a community that values life and provides the best care for dying people and those close to them”

“Our Mission is to extend the reach and availability of our expertise, to enable compassionate, joined-up care for our Somerset community”

Hospice care at St Margaret’s is about taking the time to get to know our patients and tailoring a personalised approach. This means combining excellent medical and nursing care with holistic support that recognises the practical, emotional, social, and spiritual needs of everyone. Our values reflect this and underpin all that we do and weave through every aspect of our hospice care.

“We are patient-centred, respectful, brave, self-aware, compassionate, informed and driven”

Our Services and Activities

St Margaret's plays a pivotal role in the wider Somerset Integrated Care System, offering its expertise in end of life care to support more people to live as well as possible until they die. Crucially, we also recognise that this means looking after those closest to them - the husbands, wives, life partners, children, and carers of our patients, both before, during and after death.

Our services operate and provide outreach from two hospice buildings in Yeovil and Taunton, and we have staff based throughout Somerset, including five teams of specialists supporting patients in their homes. They are based in Minehead, Glastonbury, Bridgwater, Taunton, and Yeovil and from these bases they collaborate with GP practices, district nurses, community hospitals and offer assistance to care homes throughout the county. The hospice teams are also actively involved in providing placements for the training of a wide range of health and care professionals, including student nurses and medical students with up to 20 placements taking place at any one time. We continue to support GPs and medical consultants and have developed a wide range of training resources for patients, families, and other healthcare providers, offering help with the physical and emotional needs of patients and carers. Crucially, our input is not limited to what we do directly, but in helping other care settings to be able to provide appropriate end of life care.

In summary our main services include:

- **24/7 advice line:** Our frontline response any time of day or night
- **Community Teams:** Supporting patients and those close to them, in their own homes
- **Outpatients:** Physiotherapy, Lymphoedema, Complimentary Therapy and much more
- **In-Patient beds:** Providing specialist complex symptom control and end-of-life care
- **Sunflower Centres:** Day services for people living at home
- **Bereavement:** Caring for those who are dealing with loss
- **Family Support:** Adjusting to life without a parent, sibling, or other close relative
- **Spiritual Care:** Helping to make sense of and support what is important to each individual
- **Outreach & Carer Support:** Early support to improve quality of life for patients and families

St Margaret's does not work in isolation and our strength is achieved through collaboration and partnership. We work alongside several organisations including Somerset NHS Foundation Trust (incorporating Musgrove Park Hospital, Yeovil District Hospital and community services including district nursing), GP Practices, Marie Curie Cancer Care, Somerset County Council Adult Social Services, and care homes throughout the county. St Margaret's is also a member of Hospice UK, the national umbrella organisation that gives a voice and platform for all hospices.



Delivering Public Benefit

Our services are available free to anyone in need, regardless of their background or location within the county. We firmly believe that compassionate care should be accessible to all, and we strive to ensure that our support reaches every individual and family who can benefit from it. The trustees affirm that all our activities are conducted with the aim of fulfilling our charitable purpose and benefiting the public. Equally, we recognise the social value of our work as a hospice and celebrate the important role that we can play bringing our community together to create a sense of unity and purpose. Whether that's raising funds in memory of loved ones, participating in events together with family and friends, or volunteering in our shops, St Margaret's touches the lives of so many in a variety of ways, acting as a catalyst for a compassionate community, building resilience, providing companionship and new opportunities.

Our Strategic Goals and Future Plans

The following six strategic goals underpin all our work and provide the shared focus for the hospice to assess progress towards our longer-term mission and vision. The goals fit broadly within three key areas of activity that revolve around Our Care, Our People and Our Organisation and identify where we need to initiate change, make improvements, and focus our collective effort. The goals are ambitious but also enable us to structure our work and activities in an agile and responsive way, so that we are well positioned and prepared to react to challenges and change as it arises.

We will:

- make our care more accessible to all;
- drive engagement with our community to improve the way end-of-life care is delivered across Somerset;
- attract, develop, and retain a compassionate, engaged, and flexible workforce;
- be an organisation where all staff and volunteers can flourish and thrive;
- achieve financial sustainability;
- learn and continually improve the quality and impact of all that we do.

In support of the strategy and work towards achieving longer term financial sustainability we are in our first full year of implementing a series of strategic development workstreams. These focus on the need to address the shortfall in volunteers, achieve a better understanding of our costs and impact as a care provider and our digital capability as a hospice. We have made strong progress in each of these areas, as well as overall against our six goals, which is drawn out in the report below.

During the year, our CEO Ann Lee announced her retirement, giving the hospice sufficient notice to work on succession planning. This has naturally increased the pace, and driven the need to ensure that we maintain a tight focus on our strategic plans, so that a new incoming CEO can pick up where Ann has left off, and lead from the front with a clear vision for the future.

Performance and Achievements





4,818



people across our community were supported by St Margaret's

2,708



were patients with end-of-life care needs

1,382



were treated by our specialist lymphoedema team

728



family members and carers were also directly supported through our services



19,487

calls were made to our central referral centre and a further 13,590 calls managed by our adviceline



239

referrals were made to our Sunflower Day Centres



27%

of these 239 patients had a non-cancer diagnosis



238

patients were admitted to our In-Patient Unit



1,864

referrals were received by our Community Nursing team



26,685

interventions were then delivered to patients, families, carers, and health care practitioners



121

families were supported by our Bereavement and Family Support Teams



425

compliments were received across all clinical services, and only 5 complaints



We will make our care more accessible to all

Our unwavering commitment to providing the best possible care for our patients and their families has remained at the forefront of our efforts. Over the past year, we have experienced a **5% increase** in the number of individuals reaching out to use our comprehensive range of services. Our central referral centre (CRC) received **19,847 calls, up over 4%** on the previous year, demonstrating the growing need across our community, as well as the trust placed in us as an expert in end-of-life care.

With an increased number of people admitted to our In-Patient Unit (IPU) it is notable that with a focus on holistic care and personalised treatment, a third of patients were able to return home. This reflects the effectiveness of our approach and how the teams work hard to support the wishes of those in their care and where possible enable them to return to familiar home surroundings.

While referrals to the specialist community nursing team were a little lower than last year (1,864 compared to 1,946 in 2021/22) the average caseload at any one time of people receiving high level specialist support in the community, rose from **189 to 244**. This is in part due to the increasingly complex needs of people who we can support to remain at home as they approach the end of life.

Following the re-opening of both of our Sunflower Centre Services last year, we saw an increased number of people attending Sunflower Day services in both Taunton and Yeovil. These services remain committed to providing support to all patients with a life-limiting illness, and in this past year we have seen **the number of people attending who have a diagnosis other than cancer increase by 36%**. The rise in overall attendance demonstrates the growing recognition and use of our services among individuals facing different life-limiting conditions and the rehabilitative benefits of specialist palliative care. Regardless of diagnosis our holistic care and support is available for anyone.

As part of our commitment to meeting the diverse needs of our community we were thrilled to launch an innovative outreach therapy service in the Mendips. This pilot focussed on complementary therapy for patients and carers, known to the hospice but whom would otherwise not have been able to access our services due to the distance of travel required to reach either our Taunton or Yeovil sites. The feedback from this pilot has been resoundingly supportive, highlighting not only the emotional but also the physical benefits that people have experienced from the service.

Funding from the National Lottery Community Fund's Awards for All program has enabled us to initiate a 12-month project dedicated to supporting bereaved teenage boys. The funding enabled us to tailor a package of support acknowledging the unique challenges that teenage boys face in managing their grief. Focused on building a nurturing but empowering environment, the project used outdoor activities such as sailing, rock-climbing and archery, to help foster personal growth and emotional expression and support whilst meeting the interests of teenage boys. This project has helped these young people connect with others who have shared similar experiences and helped them to develop coping mechanisms that will assist them in their healing process. We look forward to seeing the positive longer-term impact this will have on these young adults.



Funding from the Pink Ribbon Foundation enabled the delivery of a vital project supporting individuals with malignant breast wounds, who would not normally access hospice care. By conducting targeted promotional activities to increase awareness amongst this group, we directly cared for and provided specialised treatment to **12 patients** with complex wounds. We were able to offer them the symptom control, comfort, and assistance, which can radically improve the quality of life of women living with these physically and psychologically challenging wounds. Additionally, we were able to indirectly support the care of **192 individuals** by providing training and specialist advice for District Nurses and other healthcare professionals, who play a crucial role in the holistic management of patients with breast cancer.

Collaborating with children's hospices we helped develop a specialised pathway for young people transitioning to adult hospice services. Recognising the unique challenges that they face during this critical period we were able to ensure continuity of care and support for young people at end of life. By fostering partnerships and piloting new initiatives, we are enhancing the quality, understanding and accessibility of hospice services in the region.

We delivered comprehensive end-of-life training at the Somerset Dementia Conference, as part of our commitment to ensuring that individuals with dementia receive compassionate and high-quality care until the end of their lives. Our training sessions were designed to equip carers and GPs with the tools they need to provide optimal support, address specific needs, and ensure comfort during this sensitive and complex stage of life while also ensuring better awareness of how hospice services can support them in providing this care.

We also developed a Somerset system-wide support framework for patients with Motor Neurone Disease (MND). This initiative aims to address the unique challenges faced by individuals living with this condition and provides them with the necessary care and assistance across various healthcare settings. Recognising the complex nature of MND and its impact on an individual's life, our support framework encompasses a range of services and resources designed to meet the diverse needs of patients. This includes early referral to St Margaret's, medical support, therapeutic interventions, social and emotional support, advance care planning and access to specialised equipment and technology along with continuity of care for patients and families.

We remain dedicated to evolving and adapting to meet the ever-changing needs of those we serve, as we strive to provide the highest standards of care and support to our community. As we reflect on this growth, we are humbled by the individuals, families, and healthcare professionals who have placed their trust in us. It is through their continued support and collaboration that we can make a meaningful difference in the lives of all those who require care.

We will drive engagement with our community to improve the way end of life care is delivered across Somerset

Our dedicated staff actively participated in over 30 Integrated Care Board (ICB) working groups and strategic forums. By engaging in these initiatives, our staff demonstrate their active involvement in shaping and advancing integrated care approaches to improve end-of-life care to our patients and their families throughout the community.

We were also delighted to work with the ICB to address the growing demand for hospice-based care during the winter season. Recognising the challenges faced by hospitals in managing patient flow and facilitating timely discharges, we worked together to increase hospice bed capacity. We helped ensure that patients could be discharged from the hospital in a timely manner, creating additional opportunities for patients to receive the specialised care they required in a hospice setting. This collaborative effort between St Margaret's and the ICB helped to alleviate the strain on hospital resources and freed up an additional 33 bed days in the hospital over winter as a result.

Through collaboration with Somerset wide hospital and community colleagues, we have helped to improve care pathways, and contributed to a successful project aimed at facilitating timely discharges from hospital for individuals who expressed a wish to die at home. Since January 2023, this collaboration has enabled discharge within 24 hours for 44 individuals. By streamlining the funding process and removing potential barriers, we avoided delays usually caused by challenges with funding care packages. This enabled us to honour patients' wishes and support their desire to spend their final days in a familiar and supportive environment.

St Margaret's extended the invitation for domiciliary care and micro providers to join our ECHO network. This network offers community groups, who work with people approaching the end of their life, vital support, and a place to seek guidance from fellow healthcare colleagues. As a result, many more professionals can now connect, share insights, exchange ideas and experiences as well as learn innovative approaches and best practise, ultimately raising the overall quality of care we provide to our community.

St Margaret's also played a leading role in advocating for the availability of appropriate continence products for patients who were dying and being cared for at home. Recognising the vital importance of maintaining comfort and dignity, we championed efforts to ensure that District Nurses and Rapid Response teams had timely access to the correct continence products, giving families the assurance that the fundamental needs of their loved ones as they were dying were respectfully met.

Recognising the significant impact that pressure ulcers can have on the well-being and comfort of individuals, especially those in vulnerable stages of life, the hospice initiated a pilot program in Care Homes, specifically providing training for the prevention of pressure ulcers, and offering valuable advice on wound management. Designed to enhance the quality of care provided to residents this work has been delivered via 20 training sessions with 111 attendees.

We actively engaged in multi-faith roadshows throughout the county to cultivate a deeper understanding of the specific needs and preferences related to end-of-life care within diverse religious and wider spiritual communities. These roadshows served as platforms for open and respectful dialogue, fostering awareness and education about end-of-life care within different cultural contexts. Our goal was to enhance sensitivity and address the unique challenges and considerations associated with providing care that aligns with diverse faith traditions. Equally, we worked closely with care homes across Somerset to raise awareness about the importance of spiritual well-being for residents, in end-of-life care and provided guidance on accessing training and support.

St Margaret's played a key role in coordinating the Somerset End of Life Conference, which focused on increasing awareness and improving end-of-life care in the county. Our expert teams delivered multiple presentations and facilitated insightful sessions. These engagements provide a platform to share our extensive expertise, knowledge, and best practice with the wider healthcare landscape and practitioners, which in turn aims to improve the quality of care and support available.

Building strong connections and engagement within the community saw the fundraising and retail directorates bought together under one umbrella. With a renewed focus on cultivating meaningful relationships and winning the hearts and minds of our community our teams were able to foster a sense of shared purpose. A key part of this was coordinating successful initiatives that raised awareness and support for our cause. One notable achievement resulting from this closer partnership was the Wear it Yellow campaign. Capturing the attention of our community, our retail and fundraising teams coordinated promotional activities and leveraged our shops to create impactful displays and merchandising. This not only raised awareness about our mission but also encouraged individuals to actively participate and show their support by wearing yellow. The campaign served as a powerful symbol of unity, community spirit, and solidarity with those facing end-of-life challenges.

To strengthen our brand presence and deepen our connection with the community, we also introduced a new mascot: the St Margaret's Bumblebee. Symbolising the values of community, teamwork, and a natural synergy with sunflowers, the bee aligns perfectly with the mission and spirit of St Margaret's. In the coming year, we have planned initiatives to increase our brand visibility and promote a sense of common purpose within our community through the presence of our mascot.



We will attract, develop, and retain a compassionate, engaged, and flexible workforce

With the appointment of a new Director of People, Development and Governance in April 2022, St Margaret's has introduced a new People Strategy, which is now being rolled out and integrated across the organisation. The new strategy focuses on promoting a positive work culture, fostering employee growth and engagement, and ensuring compliance with relevant regulations and best practices. Encompassing recruitment, performance management, training, and employee well-being, we are cultivating an environment where employees can thrive, make a positive contribution, and fulfil the hospice's mission.

We have streamlined our recruitment processes and ensured a smooth transition for new hires, allowing them to join our team more efficiently. Our 'time to offer' has **reduced from 143 to 46 days** demonstrating organisational efficiency, responsiveness, and respect for candidates' time. It benefits both the hospice and candidates by securing top talent, minimising costs, and maintaining productivity and competitiveness in the market.

Last year we undertook comprehensive workforce planning initiatives to assess our current workforce capabilities, identify gaps and areas of development, as well as anticipate future staffing needs. This enabled us to implement measures to attract, develop, and retain the talented professionals required to deliver high-quality care. By assessing the skills and competencies needed to meet the changing demands of end of life care, while considering demographic trends and adapting to emerging healthcare policies and technologies, we can continue to support the changing workforce landscape and enable the flexible approaches needed for patient care.

The introduction of bank roles throughout the organisation has allowed us to respond to fluctuations in staffing needs, ensuring that we have qualified and dedicated individuals available to fill temporary or part-time positions. This flexibility has enabled us to maintain continuity of care and provide consistent support to our patients and their families, while offering staff a greater work-life balance and the chance to contribute to our mission on a flexible schedule.

Our focus and commitment to attracting, developing, and retaining a talented workforce has yielded positive outcomes and created a supportive and fulfilling work environment. We are proud to report a low vacancy factor and high staff retention rates, **with a cumulative staff turnover of 13.74% compared to the national average of 15%**. This low rate is testament to our ongoing effort to prioritise the well-being and satisfaction of our team members. We have also established clear career and development pathways, with training and mentorship, which outline progression opportunities. Through these pathways, our staff and volunteers can develop their skills, expand their knowledge, and take on new responsibilities.

Similarly, recognising the importance of effective recruitment and talent management, we have conducted recruitment skills workshops for our managers. These workshops equip managers with the necessary skills and knowledge to attract and select the best candidates, ensuring that we have a strong and capable team to fulfil our mission.

To support the growth of workforce with a rich and diverse background, and set of skills and experience, we have incorporated new guidance and statements into our recruitment cycle. These initiatives aim to ensure that all candidates, regardless of their background, feel valued, respected, and supported throughout the recruitment process and are given an equal opportunity to thrive and succeed. We have also implemented a new Occupational Health Program to enhance the wellbeing and health support available to our staff. This initiative ensures that our team members have the necessary resources and assistance to maintain their physical and mental wellbeing, promoting a positive work environment.



A woman with short grey hair, wearing teal scrubs with a name tag, stands in a garden. She is positioned in front of a green metal trellis structure that supports climbing plants. In the background, there are lush green bushes and a wooden bench. The scene is brightly lit, suggesting a sunny day.

CASE STUDY

MICHELLE'S STORY

Michelle joined St Margaret's in 2015 as a Healthcare Assistant (HCA) and was the first person to secure a spot on the Training Nursing Associate (TNA) Apprenticeship.

"I'd been an HCA for 25 years, 8 of which I've spend at St Margaret's, and I had achieved all I could within this position. I wanted to seek new adventures, challenges, and pursue opportunities for both personal and professional growth.

I couldn't afford to leave paid employment to attend university so when the hospice announced they were offering the TNA Apprenticeship programme I jumped at the chance. I knew I would be stepping outside of my comfort zone but knew it would be invigorating and provide me with a new sense of purpose.

Staff from the clinical education teams, who I have worked with for years were so supportive and this has continued throughout my apprenticeship. From day 1 I've received guidance, support and encouragement from colleagues and my amazing mentors, Sonia, and Steph, who have shown me what is possible, and helped me to believe in my own potential.

My first year as a TNA has been really exciting as it's given me a solid foundation of nursing skills and knowledge which will help me in my future career.

My mentors have given me opportunities to apply theory, observe nursing practice and gain hands-on skills under their guidance which has been fantastic. I've also focused on developing understanding of the nursing profession's values

and ethics so I can give the best possible care to patients and their families.

The first year of my apprenticeship has been a time of personal growth and self-discovery for me. I've had numerous moments of personal and professional fulfillment which have been amazing.

Nursing is a wonderful profession driven by compassion, care, and the desire to make a difference in people's lives. I would say to anyone who has a strong passion for nursing and would like to develop their career path to come to St Margaret's and follow their heart and dream."

Michelle - Trainee Nurse

We will be an organisation where all staff and volunteers can flourish and thrive

We believe in developing the next generation of healthcare professionals and equipping them with the necessary tools to excel in their future careers. We were therefore thrilled that our Clinical Student Placements were externally nominated and shortlisted for the prestigious National Student Nurse Placement of the Year award. This nomination highlights our commitment to providing outstanding learning experiences for students across the healthcare landscape who come to St Margaret's to learn about palliative and end-of life-care.

Last year also saw the commencement of the apprenticeship training for our Trainee Nurse Associate. Through this apprenticeship, aspiring healthcare professionals have the opportunity to gain hands-on experience in a supportive environment, allowing them to apply their theoretical knowledge in real-world settings supported closely by our experienced team. They receive comprehensive training and guidance as they develop essential skills and knowledge necessary for their future careers in nursing.

The introduction of a Learning & Development Manager to support our Retail team is just one example of St Margaret's commitment to cultivating a culture of learning and excellence across the organisation. Focused on enhancing the induction, training, and professional growth of our 100+ shop staff who are spread across the county, this role signifies the importance of creating an inclusive one-team approach where all staff receive the same level of support, regardless of location or role.

As part of our ongoing efforts to foster a culture of continuous improvement and ensure the well-being of our teams, we introduced a new staff and volunteer survey programme. **The first staff survey was completed by 74% of staff and reported an above average engagement rate of 81%.** There was a strong sense of belonging, commitment and compassion from staff who recognised the positive impact that they have through their roles. Providing a platform for our staff to share their thoughts, ideas, and feedback about various aspects of our organisation, we are capturing valuable insights that will help make improvements and shape strategies and initiatives that will contribute to the overall growth and success of our organisation.

Our new Volunteering Strategy provides a roadmap to how we will create an even more enriching and rewarding experience for our volunteers, while harnessing their incredible potential to make a lasting impact in our organisation and the community we serve. We recognise that our volunteers are not just instrumental in the success of our organisation, but also integral to creating an environment where everyone can thrive. Their contributions extend beyond the tangible outcomes, as they inspire and uplift others through their actions and positive energy. By embodying our values and working together, we create an environment where all staff and volunteers can flourish, making a lasting difference in the lives of those we care for.

We are particularly proud of our partnership with the local Community Payback Scheme, which has seen the hospice continue to provide regular placements in our shops and through our gardening team. Our Abbey Manor shop has now supported around **60 individuals** to complete their community pay back, helping them to rebuild their lives and regain a sense of purpose. Equally, our gardening team welcome the community payback team on a weekly basis at the Taunton hospice, and together they help to create a welcoming and

serene environment for our patients, families, and staff. We are immensely grateful for our staff and volunteers' contributions in supporting the Community Payback Scheme.

These achievements and initiatives reflect our dedication to investing in our workforce, volunteers, and overall organisational development. We remain committed to fostering a culture of learning, growth, and engagement as we continue to provide exceptional care and support to our community.



CASE STUDY

PEARL'S STORY

Pearl was inspired to start volunteering for the hospice as a way of giving back and saying thank you for the excellent care that her husband's cousin was given when he was cared for by the St Margaret's team.

"I started volunteering at the Burnham-on-Sea shop when it first opened; I've been here since day one and was there as the carpets were laid. I met our first donor who brought his wife's clothes in for donation - it was a moment I will never forget."

On why she still volunteers for the hospice 29 years later, Pearl shares that it's the people that keep her coming back;

"I love how much my volunteering role helps me to connect with people, I work with a lovely team and love chatting to the customers too as everyone has a story to tell. I've been volunteering for 29 years and I love it!"

And it's not just about helping others, Pearl appreciates the impact it has on her as well, "I think it's easy to become quite solitary at home but volunteering can help to boost your confidence and broaden your outlook so you feel better about yourself. It's also a wonderful way to support the hospice."



We will achieve financial sustainability

With a new financial strategy in place with clear goals established around reducing the hospice deficit year on year and achieving a break-even position by 2025/26, good progress was made towards financial sustainability. Central to this is building a diverse portfolio of robust income streams that can weather future challenges and external factors, so that we retain sufficient funds to sustain our care provision. Last year both fundraising and retail exceeded their net targets, providing a solid financial footing for the year ahead.

Through our retail operations we demonstrated our ability to effectively meet the needs of our customers while maintaining a sustainable business model. Our record profits of £2M (2022: £1.5M) after direct costs indicate our ability to effectively manage our resources and optimise operational efficiencies. We have taken strategic measures to streamline our processes, minimise expenses, and maximise revenue, ensuring a healthy bottom line and a strong financial position.

With healthy reserves in place, the Board of Trustees agreed to a proposal that saw the designation of £2M from the reserves to pay for non-recurring investment in strategic development projects and planned deficits over the next two years. While each project has a specific focus and takes a different approach, all are united in supporting our progress towards financial sustainability.

Negotiations last year with the Somerset Clinical Commissioning Group (CCG) resulted in a three-year funding agreement ensuring financial stability and security for approximately one-third of our income. This agreement demonstrates the recognition and support of our services by the CCG, enabling us to continue providing vital care to our community. It is important to note that this funding agreement has smoothly transitioned to the new Somerset Integrated Care Board (ICB) as of 1st July 2022, ensuring uninterrupted support for our organisation in the short to medium term.

Bringing all income generation streams together under one directorate has enabled us to align our key messaging, capitalise on our assets and renew our focus on community engagement, using the shops as a focal point for brand awareness and fundraising activity. While we have seen several of our income streams bounce back after Covid, especially retail, and some fundraising activities such as major gifts, corporate, and individual giving, our community and event fundraising has struggled to get back to previous levels. Once a reliable source of income for the hospice, these more traditional public facing products were hit hard during the two lockdowns and continue to be impacted by the current cost of living crisis. However, we have updated our strategic framework for fundraising and head into the new financial year with our GROW fundraising strategy in place. By diversifying our revenue streams and exploring innovative funding opportunities, we are creating a sustainable foundation for our organisation's future. This strategic shift enables us to adapt to changing economic landscapes and effectively address the evolving needs of our community.

Making up 20% of the hospice's income each year, the Board recognise the importance of safeguarding the legacy pipeline and ensuring that the potential of this income stream is maximised. Part of the designation of reserves was therefore earmarked for investment in the development of a legacy proposition and campaign, to support future growth in support of financial sustainability.

At the same time, we have continued to invest in acquisition activity through recruitment of players in the St Margaret's lottery via a third-party professional fundraising agency. By doing this we protect our committed giving, which provides regular and planned income for the hospice.

Knowing that winning the hearts and minds of our community is the key to St Margaret's becoming the charity of choice for supporters in Somerset we have restructured our fundraising team with a focus on community engagement. We are already seeing clear evidence of this renewed engagement which in turn will boost our income potential and longer-term growth.

As demands on our care continue to increase, and the resources available to us come under constant pressure, it is important to review what our community values about St Margaret's so that we can deliver services sustainably. During 2022/23, the hospice joined forces with HACT a charitable organisation who specialise in identifying and articulating social value for charities, and how this can help leverage additional funds. While in its infancy, it is hoped that this project will be an important step towards St Margaret's achieving financial sustainability while embedding new impact measurement tools into our day-to-day operations as we implement our strategy, improve our services to meet demand and respond to the evolving needs of our community.

Finally, towards the end of 2022/23 we embarked on the development of the hospice's first green strategy. A key driver of this was to consider how we can reduce our carbon footprint and achieve a net zero position, adapting where possible how we operate to reduce our energy costs, which have increased by 111% since 2021/22 and improve our sustainability. During the year the Board agreed to invest in the installation of solar panels at both hospice sites and this work has now begun. Our green strategy builds on the environmental and social impact already being derived through our retail operation, which at the heart of its business model has recycling, repurposing, and reusing preloved goods, reducing items going to landfill and mitigating fast fashion.



We will learn and continually improve the quality and impact of all that we do

At St Margaret's, we are committed to leveraging new technologies and fostering innovation to enhance our operations and provide an exceptional experience for our patients, staff, volunteers, and supporters. Over the past year, we have introduced several new technologies and initiatives that have transformed our practices and improved our efficiency. In shops we have implemented new PDQ machines and the My Charity Shop App, enabling seamless and convenient transactions for our customers and donors. These technologies have not only streamlined our operations but enhanced the overall experience for everyone involved. The introduction of tap-to-donate machines has facilitated contactless giving, making it easier than ever for our community to support our cause. Located at the hospices and on the windows of our shops these machines provide a simple and secure way for individuals to make donations at a time that suits them best.

During 2022, we took strides towards embedding a digital at heart approach across the organisation. A new finance system built on Microsoft Dynamics was implemented in 2022, and a tender was developed for a new fundraising CRM system, both significant infrastructure projects which will help us manage and process data more strategically, allowing us to capitalise on income generation. We have also planned the implementation of new systems for HR and Education. By integrating these systems over the next 12-18 months, we aim to optimise the management of key functions within our organisation, enabling seamless collaboration and data flow across departments. This strategic initiative will not only enhance our overall productivity and effectiveness but also provide us with comprehensive insights and improved decision-making capabilities.

As part of our digital evolution, we have initiated the significant endeavour of replacing our current Electronic Health Record (EHR) system. Our aim is to introduce a new EHR system by the end of 23/24 and provide a comprehensive and integrated platform for patient information that streamlines workflows, enhances data management, and improves the overall efficiency and effectiveness of our clinical provision, while also facilitating better collaboration among our healthcare professionals.

The establishment of a dedicated business intelligence function is helping the hospice harness the power of advanced data analytics to fulfil our ongoing requirement of transforming information into valuable insights, which in turn inform crucial business decisions and empower us to respond effectively to evolving market dynamics and hospice needs.

During 2022 we also introduced "Alex," our new IT Services Chat Bot. Aimed at enhancing the efficiency of our IT Services Team, Alex has been designed to provide round-the-clock support, 365 days a year, assisting users with common types of requests and ensuring an immediate response for supported topics. Although its early days Alex has already delivered impressive results, **resolving approximately 20-30% of requests** at the initial point of contact. This achievement translates into significant time savings, equivalent to one day per week in IT resources. These freed-up resources can now be redirected towards other essential tasks, further improving our overall productivity.

In line with our commitment to continuous improvement, we have also implemented a new policies and procedures system. This system ensures that our teams adhere to the highest standards and enables us to maintain consistency and compliance across our organisation. It provides our staff and volunteers with clear guidelines and processes, fostering a culture of excellence and accountability. We have also implemented an improved internal auditing program that encompasses the entire organisation.

Participating in the National Audit of Care at End of Life (NACEL) was a significant milestone as it was the first-time hospices were included in this audit. Our participation in NACEL reflects our strong commitment to delivering high-quality end-of-life care and our dedication to continuous improvement. We gained valuable insights into our practices and identified areas where we can further enhance our services. This process allowed us to learn from best practice, benchmark our performance, ensuring that we consistently deliver the highest standards of care to our patients.

Our pioneering simulation training has also been extended thanks to additional funding secured. This immersive training approach provides realistic scenarios and hands-on experiences, allowing our team members to develop their capabilities and improve their ability to handle challenging situations with confidence and proficiency.

Through ongoing evaluation, feedback, and learning we continue to deliver the best possible care and support to our patients and their families. Our commitment to learning enables us to adapt to new challenges, seize opportunities for innovation, and consistently raise the bar for excellence in end-of-life care.



Financial Review



St Margaret's
Hospice Care

www.st-margarets-hospice.org.uk

☎ 0845 345 9671

Registered charity number

| Financial headlines | 2023 £000s | 2022 £000s |
|----------------------------|---------------|---------------|
| Incoming resources | 14,290 | 14,625 |
| Resources expended | (13,964) | (12,683) |
| Investment net gain/(loss) | (699) | 500 |
| Net movement in funds | (373) | 2,442 |

Income

The hospice delivered another strong financial performance with income totalling £14.3M at the end of March 2023, just 0.3M (2%) less than prior year. The reduction in total income is due to the absence of £0.8M of Covid grants received in the prior year and a reduction in legacy income of £0.4M offset by increased trading activity income of £0.8M.

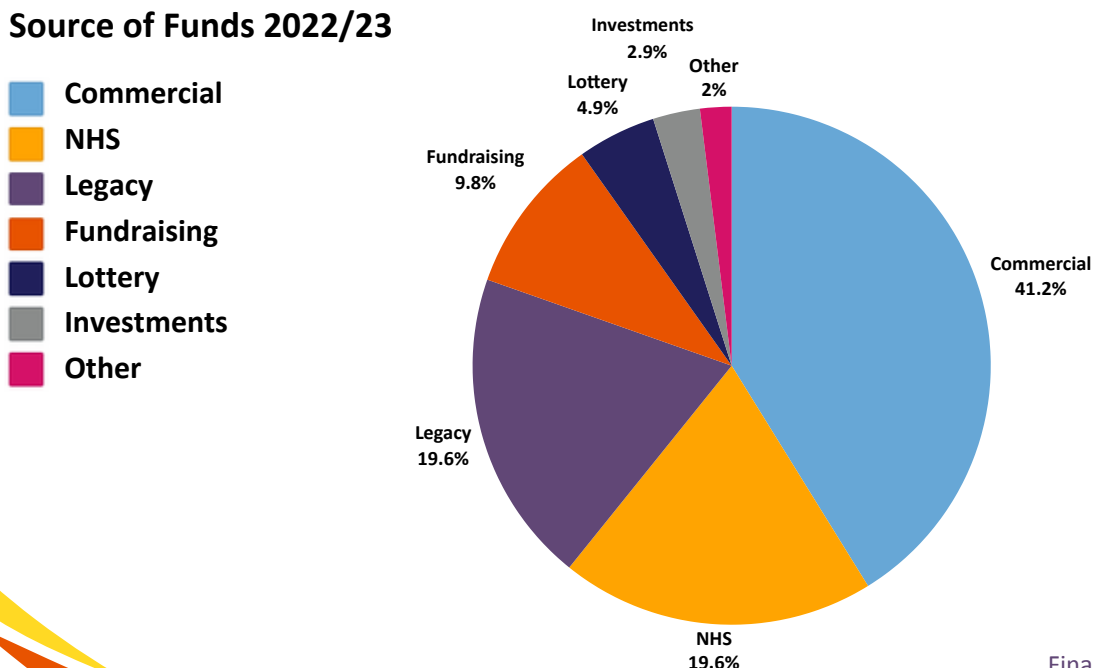
The total amount includes £2.8M of legacy income recognised in the accounts, compared to £3.3M in the previous year. Excluding legacies our controllable income grew by 2% to £11.5M versus £11.3M in 2022 and finished well ahead of the budget. The hospice only receives about a third of its funding for charitable activities from the NHS and each year must raise over a net £5M to continue providing care and support to patients and their families across Somerset.

Operating with a planned deficit budget throughout the year, the income generation teams have worked hard to shrink the gap and reduce the overall deficit to £0.3M by capitalising on a diverse portfolio of income streams.

Our annual income from the NHS for commissioned services was £2.8M, which included a 5.4% uplift on what we were expecting compared to the prior year, but less additional income was required from the NHS continuing healthcare allocation for patients requiring intensive support. No further grant funding was made available by the government, which had helped during the Covid period, therefore the hospice was required to raise the remaining funds required to run our services through a range of fundraising products, as well as trading via our 31 shops, income from our lottery and generous legacies left to us by supporters.

The chart below provides a summary of our main sources of income for 2022/23.

Source of Funds 2022/23



For the second year running, our retail activities generated record sales grossing £5.8M (2022: £5M), and after direct costs, profits of £2M (2022: £1.5M), the highest that the retail portfolio has ever achieved. A stand-out performance from the Old Cinema shop in Yeovil, which grossed nearly £700K, demonstrates the endearing appeal of our largest furniture shop, and forerunner of the 'super-store' concept. Donated goods held up well, generating income of £4.4M (2022: £3.7M), and finished 19% ahead of last year. New goods sales finished 3% down on last year with income of £700K with beds sales continuing to dominate. Our average Gift Aid conversion for the year was 35%, raising a further £400K.

Thanks to the commitment of our supporters who play the weekly prize draw, the lottery continued to provide a regular income for the hospice throughout the year. As of the end of March 2023, we had welcomed 1,359 new sign ups, and with low annual attrition of 11.97% we finished with 12,242 chances in the draw. Coupled with proceeds from our bi-annual raffles, this commercial income stream grossed £701K for St Margaret's.

Income from grants was less than last year, but major gifts continued to grow and finished 74% ahead of last year. While income from our community fundraising and events remains behind pre-Covid levels, we are beginning to see a recovery. With strategic changes in how these products are managed, and with a greater focus on community engagement, and achieving a stronger return on investment, we are seeing our impact and brand awareness increase, which in turn is building strong foundations for future growth.

Continued investment in our communications with supporters and stewardship of existing donors, plus activity to recruit new donors resulted in donations finishing at £1.3M, 5% ahead of last year. Donations in memory of loved ones cared for and supported by the hospice remain strong as did donations made in response to appeals linked to the core hospice care provision made by St Margaret's. 2,479 new individual supporters made their first donation to the hospice in 2022/23.

Legacies remain one of our most significant income streams at St Margaret's, and £2.8M was recognised for the year, which includes legacies where the date of probate falls within the financial year but are not received by 31 March. With a healthy pipeline in place, which stood at £2.5M at the end of March 2023, plans were put in place to scope out a legacy proposition and campaign, knowing that we must act now to capitalise on the growing value of legacies nationally and protect the future pipeline.

A detailed analysis of income is shown in the Statements of Financial Activity (SOFA) on notes 1 to 5 of the financial statements.

Expenditure

Our overall expenditure grew by 9% to £14M versus £12.7M in 2022. At £8.8M, staff costs are our biggest outgoing accounting for 63% of the organisation's spend and increased by £0.9M as more staff were employed. The other large increase in costs was our utility bills up £0.3M due to increases in the cost of fuel. £8.3M was spent on our charitable activities of clinical care for our community and education.

The value of our investment portfolio managed by our investment advisers fell significantly this year by £0.7M having risen by £0.5M the previous, both following wider market conditions.

Overall, there was a small deficit of £0.4M including the loss on our investments.

Costs of generating funds totalled £5.7M which included all our commercial activity. Our direct costs for operating our retail business were £3.9M, which included rents, rates, utilities, costs of sales, insurance, vehicle hire and maintenance costs. This year we also invested £251K on running a successful lottery and two raffles, which generated gross ticket sales of £701K, and a net contribution of £450K.

The direct cost of generating voluntary funds was £626K, which enabled us to raise £4.2M from a mixture of donations, fundraising events, appeals, legacies, and grants. A further breakdown of our costs is provided in notes 6 to 8 of the financial statements. We achieved a good return on investment for our fundraising activity. In addition, our commercial performance was also positive, with a strong return for our lottery. We regularly benchmark performance with other comparable sized organisations, and our charity shop performance is also amongst the stronger figures within the sector.

Central support costs such as IT, governance, estates, and finance – all of which are necessary to keep the hospice efficiently run, governed and safe – totalled £2.5M representing 18% of overall expenditure.

The hospice recognises the importance of ongoing financial resilience particularly in the increasingly challenging economic climate and as such plans to ensure a diverse portfolio of income and to develop alternative income streams remains a priority, alongside continuing to grow existing fundraising streams.

St Margaret's Funerals Ltd

In July 2022, the Board of Trustees made the decision to close St Margaret's Funerals Ltd – a trading subsidiary of the hospice - having provided over 300 funerals for families across Somerset, who chose St Margaret's to care for their loved ones. While disappointed that this venture did not work out commercially, the Board accepted that the financial forecasts did not show a reasonable prospect of the business being able to generate a surplus in the foreseeable future. Several factors led to this decision, such as changing consumer habits during and post covid, as well as new regulations that restrict how the funeral industry market their services. The closure resulted in the loss of five roles, all of whom were supported during the transition and exit from the business. The cost of closing the business was fully provided for in the prior year with just the net trading loss for four months charged to the current year.

The investment in the funeral business over the last five years came from income held in the hospice's unrestricted reserves. These are funds that are available to improve both the financial security and the operational sustainability of the organisation. This includes income generation activities to support ongoing care provision.

Reserves

The hospice holds reserves as part of the strategy to manage financial risk to improve both the financial security and the operational sustainability of the organisation. Free reserves are net assets excluding those that are subject to restriction or invested in fixed assets for charitable use. Free reserves do not include legacies that have been recognised and not yet been received.

The Trustees' aim is to maintain sufficient free reserves so that St Margaret's clinical service delivery can be sustained for a reasonable period and to protect the charity from significant changes in flows of funds from the NHS, the Somerset community, and from legacies. In 2022, Trustees agreed that the optimal level of free reserves should be increased to 12 months of charitable expenditure (£8.3M in 2022/23) in light of the increased financial risk to the charity from the current economic situation, which is leading to rising costs and reduced levels of fundraising support. The Board also agreed in March 2023, to designate £2M and earmark this for specific purposes to support the hospice in pursuit of its strategic goals. £500K was earmarked for investment in strategic development projects, which result in non-recurring costs which in turn generate a longer-term return. These projects include enhancing our offer to volunteers, increasing our digital capability, understanding and measuring the value of our different services, reviewing our pay and reward programme for staff and a campaign to encourage further legacies.

The remainder was designated to pay for a planned deficit in the annual budget for the next two years. The Board ensure that the level of free reserves is adhered to through setting an annual budget and careful monitoring of progress throughout the year.

At the close of the financial year, free reserves amounted to £11.2M (2022: £13.6M). This slightly exceeds the increased level of reserves required in view of the uncertain economic climate that we currently face. At the close of the financial year, unrestricted reserves were £20.6M (2022: £20.9M) and restricted reserves were £2.4M (2022: £2.5M).

Investment Policy & Performance

Our investments are held for the purpose of generating funds for our charitable activities and as a reserve against any future shortfall in income. The overall aim is to ensure that our longer-term investments achieve a maximised return with a moderate risk factor, with an outcome of a greater level of return than could be realised in the banking sector. The investments are overseen by the Finance Committee, with day-to-day management of the investment portfolio undertaken by Rathbones, who are well regarded investment advisors. The Trustees' investment policy guides the external advisors' activities, with consideration given to social, environmental, and ethical issues. This policy states that investment should not be held in the portfolio that have significant risk of damaging the charity's good name or reputation. The performance is monitored by the Chief Executive, Finance Director and Finance Committee Trustees who liaise with the Rathbones' Fund Manager. The Trustees have agreed to appoint a second investment advisor during 2023 to manage a second portfolio grown from existing investment income.

Structure, Governance, and Management



Structure

St Margaret's is a registered charity and a company limited by guarantee, established in 1980 with a charitable purpose outlined in our Articles of Association.

Subsidiaries and related parties

As the parent charity, St Margaret's is also the sole shareholder of St Margaret's Somerset Hospice Retail Limited and St Margaret's Fundraising Limited, and the subsidiary that was dissolved mid-year, known as Somerset Rocks Ltd, and those which have been dissolved after the year end but prior to the signing of the accounts St Margaret's Technical Services Ltd, St Margaret's Funerals Ltd, Hospice Funerals Trading Limited and Hospice Funerals LLP. The results of the subsidiaries' trading activities are set out in notes 26 to 32.

Governance

Regulation

The hospice is registered with the Care Quality Commission (CQC), which regulates and inspects the hospice as an independent healthcare provider. We ensure regular contact with our named CQC inspector with engagement calls a minimum of every six months.

We proactively raise any queries or concerns with CQC maintaining an open and transparent relationship between ourselves and the regulator. As well as highlighting good practice our engagement with CQC provides us with prompts to review aspects of our processes and policies, and we have continued to comply with the submission of statutory notifications when appropriate. We continued to collect evidence and keep abreast of the necessary governance and compliance plans and our CQC Inspector has not raised any concerns about any of our clinical activity. As a charity we have a responsibility to keep everyone who comes in contact with our organisation free from harm, including patients, staff, and volunteers. We have safer recruitment procedures, a clear training matrix for all staff across the organisation and a clearly identified safeguarding lead for the hospice. In addition, safeguarding supervision facilitated by the Somerset Safeguarding Team was introduced for clinical teams and takes place regularly throughout the year.

Registered with the Fundraising Regulator and licensed with the Gambling Commission, all fundraising activities are carried out in accordance with best practice and in line with the current Codes of Fundraising Practice and are internally audited. We raise funds via multiple fundraising activities, including postal and digital appeals, events and fundraising that is organised by others on our behalf.

Fundraising is conducted in line with the hospice's 'Key Principles and Behaviours Policy,' which outlines our approach, including protecting vulnerable people. Our Legacy Policy also details a clear framework for dealing with potential and existing legators ensuring supporters are treated fairly and not subject to unreasonable, persistent or intrusive communications.

During 2022/23 we continued canvassing with a third-party professional fundraising agency called Engage & Connect who undertake face-to-face recruitment of players for our weekly prize draw. To ensure ongoing compliance with General Data Protection Regulations (GDPR) we regularly review our fundraising practices relating to personal data, with a Fundraising, Marketing and Governance steering group meeting every quarter. All personal information we hold is treated in a safe, secure, sensitive, and confidential way. We do not buy, share, or sell personal information to third parties for marketing or fundraising purposes.

We use legitimate interest as the legal basis for sending our newsletter and fundraising mailings. Our supporters can opt out of receiving contact from us at any time, and we remind them how they can do this in each correspondence. Our full Privacy Notice and Terms and Conditions are clearly signposted on our website. Any new activities are subject to Data Protection Impact Assessments to ensure the rights of data subjects are not impacted. We also have a complaints procedure should any supporter wish to raise a concern or complain about our fundraising activities. During the year we received one complaint (2022: one) about our lottery programme, five complaints (2022: none) and three concerns (2022: five) were received relating to fundraising – all of which were fully investigated.

Trustee Board

We have a robust governance structure in place with a Board of Trustees responsible for providing strategic direction and policy-setting, as well as ensuring that all activity falls within the charitable objectives outlined in St Margaret's Memorandum and Articles of Association. The trustees are responsible for supervising the management and administration of the charity and recognise their legal responsibility to always act in the best interests of the hospice. The Board plays a crucial role in providing support and guidance for key decisions that fall outside the scope of the senior leadership team or exceed authorised budget levels. This includes matters such as new shop leases, major decisions related to legacy estates, or significant contracts.

Election and Appointment of Trustees

New Trustees are appointed through a rigorous process of advertisement, application, interview, and selection to ensure a diverse range of skills and experiences. They serve a four-year term, with the possibility of re-election for one additional term at the Annual General Meeting (AGM). All Trustees have equal status, and the Chairman and Vice Chairman positions can be held for up to four years. As set out in our Memorandum and Articles of Association, the Board consists of a minimum of five and a maximum of twenty Trustees. A quorum for meetings requires the attendance of at least 60% of the Trustees. Decisions are made through majority voting, with the Chairman having a casting vote if necessary. The Board convenes quarterly, holds an annual away day, and conducts an AGM.

To ensure effective governance, the Board conducts regular evaluations of the Chairman, Committee Chairs, Trustees, and the CEO. Presentations from staff members across the organisation are included in Board meetings to provide updates and insights. The Articles delegate certain powers to sub-committees, each led by an Executive Director from the senior leadership team. These committees include Finance, Clinical Quality and Education, Income Generation and Marketing, Human Resources and Remuneration, Strategic Development, Nominations and Audit & IT. Each committee reports regularly to the Trustee Board, ensuring transparency and accountability.

We have appointed two new Trustees who bring valuable expertise and experience to our organisation. One specialises in the field of Audit, ensuring rigorous financial oversight and accountability within our operations. The other focuses on Human Resources and Organisational Development, providing strategic guidance and support to optimise our workforce and foster a positive work environment. Their diverse backgrounds and knowledge will contribute to the effective governance and management of our organisation, enabling us to meet the evolving needs of our patients, staff, and stakeholders.

We have also initiated targeted recruitment campaigns for Trustees focusing on Income Generation, Data & Digital, and Clinical expertise. By expanding the diversity and expertise of our Trustees, we enhance our capacity to drive innovation, develop sustainable income streams, leverage data and digital advancements, and ensure high-quality clinical governance. These recruitment initiatives reflect our commitment to strong and strategic leadership, enabling us to adapt to the evolving needs of our community.

Induction and Training

We prioritise a comprehensive induction program for new Trustees, providing them with the necessary knowledge and support to fulfil their roles effectively. Regular performance reviews, led by the Chair and Vice Chair, identify training and development needs. Our aim is to maintain a diverse range of skills and experiences among Trustees. Learning opportunities are extended to Trustees, ensuring their continuous growth and development.

Pay and Remuneration

The pay and remuneration of key management staff undergo thorough review by the Human Resources and Remuneration Committee. This committee assesses the recommendations and presents them to the Board of Trustees. To ensure fairness and consistency, job descriptions and person specifications are benchmarked against NHS national role profiles, regional hospices, and pay data from healthcare competitors, charity, and private sector companies. Internal benchmarking is also conducted to maintain equity.

During the latter part of the year work also began on reviewing the hospice's pay, benefits and rewards framework recognising the importance of attracting retaining and developing a high performing and talented workforce. Working alongside an external provider who specialises in this area, we have undertaken market research and benchmarking against similar organisations with a view to introducing a new streamlined framework that will ensure fairness, consistency, and transparency in how we reward our staff and support their career pathways. The project is in its early stages, with outcomes anticipated to be implemented in August 2023.

Risk Management

The Board and Senior Leadership Team (SLT) regularly assess and review the major risks faced by the charity. A comprehensive risk register is maintained and updated, and progress is reported on at Board meetings and relevant committees on a quarterly basis. This dynamic tool enables the senior leadership team to identify necessary actions, establish systems or procedures, and mitigate the impact or likelihood of risks. Whilst not as high risk as the previous year, certainly the earlier half of the financial year was still impacted by Covid. The hospice continued to utilise the risk assessment tool implemented the year prior and adapted and refined in response to changes in regulations, and guidance. The following high-level risks were identified as key focuses in the 2022/23 period:

- Ensuring adequate numbers of high-quality staff recruited and retained across the hospice
- Investing in a new volunteering infrastructure to rebuild capacity and resource
- Enhancing cyber-security with the continued shift to digital practices
- Developing plans to ensure financial balance in-year and long-term sustainability
- Identifying ways to increase community engagement through brand awareness opportunities and strong collaboration across fundraising and retail

The Board retain oversight of a system of internal controls through which appropriate approval is required for all transactions and projects. Procedures are in place to ensure compliance with the requirements of external regulatory bodies such as the Care Quality Commission (CQC), Charity Commission, Fundraising Regulator and Gambling Commission as well as ensuring the health and safety of patients, families, staff, volunteers, and visitors to the hospice.

Management

Senior Leadership Team

The Board is responsible for appointing the Chief Executive Officer (CEO) and providing support during the appointment process for members of the SLT. This includes setting clear strategic objectives with measurable outcomes for the hospice and ensuring proper financial management. The CEO assumes responsibility for the charity's daily operations and is granted delegated authority by the Board. The CEO delegates decision-making powers throughout the organisation via the SLT.

Staff & Volunteers

Our workforce comprises 345 individuals who play diverse roles in ensuring the smooth operation of the hospice. In addition to our frontline staff, including doctors, nurses, and therapists, we have essential support teams. These include housekeeping, kitchen staff, estates personnel, and resource management professionals, all contributing to the efficient functioning and security of our facilities. We also have teams dedicated to generating income, with over 100 staff working across our shops and fundraising activities. To keep our staff and volunteers informed about the hospice's goals and activities, we employ various communication channels such as briefings, meetings, newsletters, and emails. Our values are displayed throughout the premises and form an integral part of the recruitment, onboarding, and training processes, fostering a shared commitment among our team.

Recognising the vital role that volunteers play in delivering our financial goals we invested in building a volunteering infrastructure including a Head of Volunteering, to support the stewardship of existing volunteers and recruitment of new ones. In turn our hope is that this will help rebuild resource and capacity across all parts of the hospice. As of the end of March 2023, we had a total of 919 active volunteers supporting St Margaret's in a variety of ways. Some 600 of those work within the shops and approximately 60 support fundraising, without whom many of our activities would not be sustainable.

Employment Policy

St Margaret's is dedicated to promoting equal opportunities and preventing unlawful discrimination in employment and the provision of services. This commitment extends to patients, visitors, contractors, trustees, volunteers, and staff from other organisations associated with the hospice. We have implemented an Equal Opportunities policy to ensure fairness and inclusivity in all aspects of our operations.

Organisational Management

St Margaret's is dedicated to promoting equal opportunities and preventing unlawful discrimination in employment and the provision of services. This commitment extends to patients, visitors, contractors, trustees, volunteers, and staff from other organisations associated with the hospice. We have implemented an Equal Opportunities policy to ensure fairness and inclusivity in all aspects of our operations.

At St Margaret's, we prioritise integrity and honesty, expecting all staff, whether paid or unpaid, to uphold these values. We encourage staff to report any instances of risk, misconduct, or hazards that are inconsistent with our principles, in accordance with our whistleblowing policy.

Recognising the importance of fostering a culture of openness and accountability, we have reinvigorated the Freedom to Speak Up Guardian role at St Margaret's. This role is registered with the National Guardians Office, ensuring adherence to best practices and standards. The Freedom to Speak Up Guardian serves as an independent and confidential resource for all clinical staff members, providing a safe and supportive space to voice concerns, share ideas, and provide feedback on any aspect of our organisation. This role plays a crucial part in promoting transparency, trust, and continuous improvement.

Reference and Administrative Details

Charity Details

| | |
|-----------------------------|--|
| Charity | St Margaret's Somerset Hospice Ltd |
| Charity registration number | 279473 |
| Company registration number | 01471345 |
| Registered Office Address | Heron Drive, Bishops Hull, Taunton, Somerset TA1 5HA |

Key People & Advisors

The current Senior Leadership Team are as follows:

| | |
|--|----------------|
| Chief Executive | Mr J Rimmer |
| Finance Director and Company Secretary | Mr D Slack |
| Clinical Director and Deputy CEO | Mrs C Barton |
| Director of People, Development and Governance | Mrs K Dominy |
| Director of Fundraising, Retail and Communications | Ms J Hall |
| Director of Data and IT Services | Mr N Middleton |
| Consultant in Palliative Medicine | Dr K Shorthose |

External Organisations

| | |
|----------------------------------|--|
| Principal Bankers: | Barclays Bank plc 46 North Street, Taunton Somerset, TA11LZ |
| Principal Solicitors: | Clarke Willmott Solicitors Blackbrook Gate Blackbrook Park Avenue Taunton, Somerset, TA1 2PG |
| Auditor: | AC Mole, Chartered Accountants Stafford House Blackbrook Park Avenue Taunton, Somerset, TA1 2PX |
| Investment Fund Managers: | Rathbones Investment Management Ltd 8 Finsbury Circus London, W1J 5FB |

Trustees

The Trustees who served the Charity during the 2022 - 2023 financial period were as follows:

| | |
|----------------|---|
| Mr J Langdon | (Chair) Nominations Committee (Chair), Finance Committee, Income Generation & Marketing Committee |
| Mr P Colton | Income Generation & Marketing Committee (Chair), Nominations Committee, Strategic Development Committee |
| Dr A Grove | Vice Chair) Clinical Quality & Education Committee (Chair), Nominations Committee |
| Mr K Jones | Human Resources & Remuneration Committee (Chair) |
| Ms N McClean | Finance Committee (Chair) |
| Mr T Samuel | (Vice Chair) Audit Committee, Strategic Development Committee (Chair) |
| Mr P Tucker | Audit Committee (Chair), Clinical Quality & Education Committee |
| Mr R Cridge | Income Generation & Marketing Committee, Funeral Marketing Committee |
| Rev. T Treanor | Human Resources & Remuneration Committee, Funeral Marketing Committee |
| Mrs E Webber | Income Generation & Marketing Committee, Funeral Marketing Committee |
| Ms S Steen | Human Resources & Clinical Quality & Education Committee (from 12 Sept 2022) |
| Mr T Greenhow | Audit & IT Committee (from 28 Sept 2022) |
| Dr N Kennedy | Clinical Quality & Education Committee |
| Mr J Adam | Audit & IT Committee, Strategic Development Committee (until 16 December 2022) |

Statement of Trustees' responsibilities

The Trustees, who are also Directors of St Margaret's Somerset Hospice for the purposes of company law, are responsible for preparing the Trustees' Report (incorporating the Strategic Report) and the financial statements in accordance with both applicable law and prevailing United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

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

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.

Financials



Financials

Consolidated Statement of Financial Activities for the Year ended 31 March 2023 (Incorporating a consolidated income and expenditure account)

| | Note | Unrestricted £ | Restricted £ | Total Funds 2023 £ | Total Funds 2022 £ |
|---|------|---------------------|--------------------|--------------------------|--------------------------|
| Income from: | | | | | |
| Donations and Legacies | 1 | 4,067,783 | 141,640 | 4,209,423 | 4,709,184 |
| Other Trading Activities | 2 | 6,641,098 | - | 6,641,098 | 5,855,394 |
| Investments | 3 | 376,170 | - | 376,170 | 268,817 |
| Charitable Activities | 4 | 100 | 3,044,749 | 3,044,849 | 3,640,192 |
| Other Income | 5 | 18,287 | - | 18,287 | 150,946 |
| | | 11,103,438 | 3,186,389 | 14,289,827 | 14,624,533 |
| Expenditure on: | | | | | |
| Raising Funds | 6 | (5,712,138) | - | (5,712,138) | (5,445,401) |
| Charitable activities | 7 | (4,954,242) | (3,297,123) | (8,251,365) | (7,237,882) |
| | | (10,666,380) | (3,297,123) | (13,963,503) | (12,683,283) |
| Net (losses)/gains on investments | 9 | (699,048) | - | (699,048) | 500,335 |
| Net (deficit) / income and movement in funds | | (261,990) | (110,734) | (372,724) | 2,441,585 |
| Reconciliation of Funds: | | | | | |
| Total Funds brought forward | | 20,894,214 | 2,462,431 | 23,356,645 | 20,915,060 |
| Total Funds carried forward | | 20,632,224 | 2,351,697 | 22,983,921 | 23,356,645 |

Financials

Consolidated Statement of Financial Position as of 31 March 2023

Company registration number: 01471345

| | Note | Total Funds 2023 £ | Total Funds 2022 £ |
|--|------|--------------------------|--------------------------|
| Fixed Assets | | | |
| Intangible Assets | 11 | 245,269 | 328,900 |
| Tangible assets | 12 | 7,089,270 | 7,206,130 |
| Investments | 9 | 7,924,543 | 8,280,173 |
| | | 15,259,082 | 15,815,203 |
| Current Assets | | | |
| Stocks | 13 | 168,119 | 168,801 |
| Debtors | 15 | 3,983,628 | 3,914,568 |
| Cash at bank and in hand | | 4,679,207 | 4,464,797 |
| | | 8,830,954 | 8,548,166 |
| Liabilities | | | |
| Creditors: Amounts falling due within one year | 16 | (1,106,115) | (1,006,724) |
| Net current assets | | <u>7,724,839</u> | <u>7,541,442</u> |
| Total assets less current liabilities | | 22,983,921 | 23,356,645 |
| Total net assets | | <u>22,983,921</u> | <u>23,356,645</u> |
| The Funds of the Group: | | | |
| Restricted Income Funds | 18 | 2,351,697 | 2,462,431 |
| Unrestricted Income Funds | 19 | 20,632,224 | 20,894,214 |
| Total Consolidated Funds | | <u>22,983,921</u> | <u>23,356,645</u> |

Financials

Charity Statement of Financial Position as of 31 March 2023

Company registration number: 01471345

| | Note | Total Funds 2023 £ | Total Funds 2022 £ |
|--|------|--------------------------|--------------------------|
| Fixed Assets | | | |
| Intangible Assets | 11 | 245,269 | 328,900 |
| Tangible assets | 12 | 7,089,270 | 7,206,130 |
| Investments | 9 | 7,924,943 | 8,280,673 |
| | | <u>15,259,482</u> | <u>15,815,703</u> |
| Non-Current Assets | | | |
| Debtors due after more than one year | 14 | 177,027 | 236,799 |
| Current Assets | | | |
| Debtors | 15 | 3,983,628 | 3,903,392 |
| Cash at bank and in hand | | 4,670,686 | 4,429,883 |
| | | <u>8,645,314</u> | <u>8,333,275</u> |
| Liabilities | | | |
| Creditors: Amounts falling due within one year | 16 | <u>(1,106,315)</u> | <u>(1,002,042)</u> |
| Net current assets | | 7,547,999 | 7,331,233 |
| Total assets less current liabilities | | 22,984,508 | 23,383,735 |
| Total net assets | | <u>22,984,508</u> | <u>23,383,735</u> |
| The Funds of the Charity: | | | |
| Restricted Income Funds | 18 | 2,351,697 | 2,462,431 |
| Unrestricted Income Funds | 19 | 20,632,811 | 20,921,304 |
| Total Charity Funds | | <u>22,984,508</u> | <u>23,383,735</u> |

Financials

Consolidated Statement of Cashflows for the year ended 31 March 2023

| | | 2023 £ | 2022 £ |
|---|----|------------------|--------------------|
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | 23 | 440,520 | 1,772,596 |
| Net cash provided by operating activities | | 440,520 | 1,772,596 |
| Cash flows from Investing Activities | | | |
| Dividends, interest and rent from investments | | 376,070 | 268,400 |
| Proceeds from the sale of property, plant, and equipment | | 100 | 417 |
| Purchase of property, plant, and equipment | | (249,608) | (159,003) |
| Purchase of intangible assets | | (9,254) | (39,493) |
| Receipt of investment properties from legacy | | (210,000) | - |
| Purchase of investments | | (2,770,717) | (1,105,994) |
| Disposal of investments | | 2,419,452 | 1,091,715 |
| Movement in cash held for investment | | 217,847 | (110,910) |
| Net cash (used in) investing activities | | (226,110) | (54,868) |
| Cash flows from financing activities | | | |
| Bank Loan (repaid) | | - | (2,000,000) |
| Net cash (used in) financing activities | | - | (2,000,000) |
| Change in cash and cash equivalents in the reporting period | | 214,410 | (282,272) |
| Cash and cash equivalents at the beginning of the reporting period | | 4,464,797 | 4,747,069 |
| Cash and cash equivalents at the end of the reporting period | | 4,679,207 | 4,464,797 |

Accounting Policies

Company Information

St Margaret's Somerset Hospice is a company limited by guarantee, incorporated with Companies House (England and Wales). The registered office is Heron Drive, Bishops Hull, Taunton, Somerset TA1 5HA. St. Margaret's Somerset Hospice constitutes a public benefit company as defined by FRS102. The company is a registered charity with the charitable purpose of: **Promoting the relief of sickness by such charitable means as the Association shall from time to time think fit.**

Basis of Accounting

These financial statements have been prepared under the historical cost convention (except for some investments which are included at market value) and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Charities Act 2011, the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Critical Accounting Estimates and Judgements

The preparation of the financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses.

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

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Trustees consider that the following critical accounting estimates and judgements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

● Recoverability of inter-group balances (charity accounts)

Determining whether balances due from subsidiaries are recoverable requires an estimation of the value in use of the cash generating units from which the balances are due. The value in use calculation requires the group to estimate future cash flows expected to arise from the cash-generating unit. Key assumptions within these estimates include the future performance of the subsidiary businesses, the long-term growth rate and a suitable discount rate in order to calculate present value.

● Legacy income

Under the FRS102 SORP the group and charity are required to recognise legacy income when it is probable that it will be received. This may include making an estimate of the fair value of the amount receivable. It is possible that the actual amount received differs from these estimates, particularly in the case where the charity is the beneficiary of a residual legacy. Legacy income recognised within the financial statements totalled £2,825,001 (2022: £3,274,212).

Where legacy income is in the form of Investment Properties the legacy income recognised is the market value of the properties at the time of probate. Any subsequent movement in market value is accounted for in line with the Fixed Asset Investments accounting policy.

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees consider the Group to have adequate resources to manage the risks the Group faces successfully, despite the current economic uncertainties.

Consolidation

The group Financial Statements consolidate the results of the Parent Company and its wholly owned subsidiary undertakings for the period ended 31 March 2023 using the acquisition method of accounting. Intra-group transactions and profits are eliminated fully on consolidation.

Fixed Asset Investments

In accordance with the Charities SORP FRS 102 investments, other than those held for sale, are stated at market value, and treated as fixed assets. Any gains or losses on valuation are recognised in the Statement of Financial Activity.

Market Value of Investment Properties is identified based on either a valuation or movements in an appropriate index.

Investment in Subsidiary Undertakings

Investments in subsidiary undertakings are initially recognised at cost and subsequently at cost less accumulated impairment in the charity's balance sheet.

Designated reserves

The Trustees may, from time to time, designate reserves to cover specific projects and other potential commitments.

Fund Accounting

Funds held by the Charity are either:

- Unrestricted funds which comprise those funds which the Trustees are free to use in accordance with the charitable objects.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the Charity.

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

Expenditure

Expenditure is recognised when a liability is incurred and includes any irrecoverable VAT. Contractual arrangements are recognised as goods or services are supplied.

Costs of generating funds are those costs incurred in

attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the operation of the hospice and the achievement of its objects and include both the direct costs and support costs relating to these activities.

Fixed Assets

All fixed assets are initially recorded at cost and subsequently at cost less depreciation and any impairment. The group and company have applied the transitional arrangements of Section 35 of FRS102 and used a previous valuation as deemed cost at 1 April 2015.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Freehold property buildings - 2% on a straight-line basis
- Fixtures, fittings, and equipment – On a straight-line basis over 3 – 4 years
- Motor vehicles – On a straight-line basis over 4 years
- Leasehold property improvements – On a straight-line basis over 4 years
- Assets under construction – No depreciation until the asset is available for use

Intangible Assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are recognised at cost less any accumulated depreciation and any accumulated impairment losses. Intangible assets are being amortised over the estimated useful economic life of ten years. Goodwill represents the goodwill of the consideration over the fair value of the net identifiable assets acquired.

Intangible assets under construction are initially measured at cost. Amortisation is charged once the asset is in use and is amortised over its useful economic life.

Investment Properties

Investment properties are initially recognised at cost and subsequently measured at their open market value. Changes in their value are recognised in the Statement of Financial Activities for the year.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The donated goods received for sale are recognised when sold and the Charity applies the FRS 102 exemption to the fair value being recognised on receipt. This is due to the impracticality and costs of recognition of value of goods on receipt.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, when receipt is considered probable, and the amount can be measured with sufficient reliability.

Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned as the related goods and services are provided.

Legacies are included when the Charity is advised by the personal representative of an estate that payment will be made, or property transferred and the amount involved can be quantified. The accounting policy applied is that receipt of a legacy is recognised when:

- There has been grant of probate; and
- The executors have informed St. Margaret's that there are sufficient assets in the estate, after settling liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within the control of the charity or have been met.

This is in accordance with the Charities SORP (FRS102) Guidance and FRS 102.

Legacies which have been recognised but not yet received are included within debtors in legacy accrued income.

Investment income is recognised on a receivable basis.

Government grants are included within 'Other Income' and are recognised when there is entitlement, when receipt is considered probable, and the amount can be measured with sufficient reliability.

Gifts in Kind

Gifts in kind are included within voluntary income and are included at their market value at the date of the gift, with the exception of goods donated for sale in the Charity's shops which are accounted for when sold.

Pension Scheme Costs

The Charity operates a defined contribution pension scheme and participates in an NHS pension for those eligible. The pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity previously had a liability for a multi-employer defined benefit scheme which has now ceased.

Financial Instruments

The charity only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors together with loans to related parties. Debt instruments, such as trade debtors and creditors, are initially measured at transaction price and subsequently measured at amortised cost.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

Volunteers and Donated Services and Facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

Impairment of Non-Financial Assets

• Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is an indication that goodwill is impaired.

• Intangible and Tangible Fixed Assets and Investments in Subsidiaries

These assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For impairment testing, the recoverable amount (being the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate independent cash flows in which case the recoverable amount is determined for the cash generating unit to which the asset belongs.

Any difference between the carrying value and the recoverable value is recognised as an impairment expense in the statement of financial activities, in the year in which the impairment is identified.

Notes to financials

1. Donations and Legacies

| | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|-----------------------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Private donations and 'in memory' | 1,257,773 | - | 1,257,773 | 1,201,677 | - | 1,201,677 |
| Legacies | 2,756,446 | 68,555 | 2,825,001 | 3,207,848 | 66,364 | 3,274,212 |
| Revenue Grants | 53,564 | 73,085 | 126,649 | 127,204 | 106,091 | 233,295 |
| | 4,067,783 | 141,640 | 4,209,423 | 4,536,729 | 172,455 | 4,709,184 |

Included in the above legacies is £2,553,234 (2022: £2,195,108) which has been recognised in line with accounting policy, which had not been received by the Charity at the year end.

2. Other Trading Activities

| | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|---------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Charity Shop income | 5,821,894 | - | 5,821,894 | 4,960,367 | - | 4,960,367 |
| Lottery income | 701,180 | - | 701,180 | 682,564 | - | 682,564 |
| Funeral Home income | 42,288 | - | 42,288 | 170,342 | - | 170,342 |
| Ancillary Trading | 75,736 | - | 75,736 | 42,121 | - | 42,121 |
| | 6,641,098 | - | 6,641,098 | 5,855,394 | - | 5,855,394 |

3. Income from Investments

| | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|---|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Dividend income | 177,737 | - | 177,737 | 172,247 | - | 172,247 |
| Bank Interest Receivable | 90,569 | - | 90,569 | 3,925 | - | 3,925 |
| Rents received | 107,625 | - | 107,625 | 92,089 | - | 92,089 |
| Birds Farm & Investment property | 139 | - | 139 | 139 | - | 139 |
| Gain on disposal of a fixed asset held for the use of the Charity | 100 | - | 100 | 417 | - | 417 |
| | 376,170 | - | 376,170 | 268,817 | - | 268,817 |

4. Income from Charitable Activities

| | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|----------------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| NHS CCG/ICB | - | 2,802,669 | 2,802,669 | 29,000 | 2,798,812 | 2,827,812 |
| Hospice UK – Covid Funding | - | - | - | - | 650,656 | 650,656 |
| Other Charitable Income | 100 | 242,080 | 242,180 | 124 | 161,600 | 161,724 |
| | 100 | 3,044,749 | 3,044,849 | 29,124 | 3,611,068 | 3,640,192 |

5. Other Income

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|---|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Government Grant - Retail, Hospitality and Leisure Grant Fund | - | - | - | 106,865 | - | 106,865 |
| Government Grant - Coronavirus Job Retention Scheme | - | - | - | 13,550 | - | 13,550 |
| Other income | 18,287 | - | 18,287 | 30,531 | - | 30,531 |
| | 18,287 | - | 18,287 | 150,946 | - | 150,946 |

6. Expenditure on Raising Funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|--------------------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Costs of generating voluntary income | 774,846 | - | 774,846 | 667,486 | - | 667,486 |
| Shop costs | 4,518,232 | - | 4,518,232 | 4,062,238 | - | 4,062,238 |
| Lottery costs | 250,842 | - | 250,842 | 279,388 | - | 279,388 |
| Funeral Home costs | 122,864 | - | 122,864 | 388,272 | - | 388,272 |
| Investment Management Fees | 45,354 | - | 45,354 | 48,017 | - | 48,017 |
| | 5,712,138 | - | 5,712,138 | 5,445,401 | - | 5,445,401 |

Allocation of Support Costs

| | Direct Costs £ | Support Costs £ | Total Costs 2023 £ | Direct Costs £ | Support Costs £ | Total Costs 2022 £ |
|-----------------------------------|-------------------|--------------------|--------------------------|-------------------|--------------------|--------------------------|
| Voluntary Income Generation costs | 626,238 | 148,608 | 774,846 | 528,385 | 139,101 | 667,486 |
| Shop costs | 3,866,904 | 651,328 | 4,518,232 | 3,472,344 | 589,894 | 4,062,238 |
| Lottery costs | 237,844 | 12,998 | 250,842 | 259,036 | 20,352 | 279,388 |
| Funeral Home costs | 106,894 | 15,970 | 122,864 | 358,137 | 30,135 | 388,272 |
| Investment Management Fee | 45,354 | - | 45,354 | 48,017 | - | 48,017 |
| | 4,883,234 | 828,904 | 5,712,138 | 4,665,919 | 779,482 | 5,445,401 |

7. Costs of Charitable Activities by Fund Type

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ |
|-----------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| In-patient unit | 2,566,667 | 1,846,829 | 4,413,496 | 1,787,862 | 2,186,014 | 3,973,876 |
| Community Care | 2,032,540 | 1,450,294 | 3,482,834 | 1,231,311 | 1,763,754 | 2,995,065 |
| Education | 355,035 | - | 355,035 | 268,941 | - | 268,941 |
| | 4,954,242 | 3,297,123 | 8,251,365 | 3,288,114 | 3,949,768 | 7,237,882 |

| | Direct Costs £ | Support Costs £ | Total Costs 2023 £ | Direct Costs £ | Support Costs £ | Total Costs 2022 £ |
|-----------------|-------------------|--------------------|--------------------------|-------------------|--------------------|--------------------------|
| In-patient unit | 3,575,602 | 837,894 | 4,413,496 | 3,240,885 | 732,991 | 3,973,876 |
| Community Care | 2,722,033 | 760,801 | 3,482,834 | 2,305,428 | 689,637 | 2,995,065 |
| Education | 268,006 | 87,029 | 355,035 | 202,464 | 66,477 | 268,941 |
| | 6,565,641 | 1,685,724 | 8,251,365 | 5,748,777 | 1,489,105 | 7,237,882 |

8. Allocation of Support Costs

| | Shop Costs | Lottery | Funeral Home Costs | Costs of Generating Voluntary Income | In-patient Unit | Community Care | Education | Total 2023 | Total 2022 |
|------------------------|----------------|---------------|--------------------|--------------------------------------|-----------------|----------------|---------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Staff costs/salaries | 441,425 | 8,809 | 10,824 | 100,716 | 567,868 | 515,619 | 58,983 | 1,704,244 | 1,548,228 |
| General Office | 64,533 | 1,288 | 1,582 | 14,724 | 83,017 | 75,379 | 8,623 | 249,146 | 240,723 |
| Finance Office | 5,864 | 117 | 144 | 1,338 | 7,543 | 6,849 | 784 | 22,639 | 19,187 |
| Information Technology | 116,894 | 2,333 | 2,866 | 26,671 | 150,377 | 136,541 | 15,618 | 451,300 | 415,563 |
| Legal/professional | 15,960 | 318 | 391 | 3,641 | 20,532 | 18,643 | 2,133 | 61,618 | 15,972 |
| Audit | 6,652 | 133 | 163 | 1,518 | 8,557 | 7,770 | 888 | 25,681 | 28,914 |
| | 651,328 | 12,998 | 15,970 | 148,608 | 837,894 | 760,801 | 87,029 | 2,514,628 | 2,268,587 |

Support costs are calculated according to the level of payroll costs per activity area.

9. Fixed Asset Investments Group

| Net gains/(losses) on investments Group & Charity | 2023 £ | 2022 £ |
|--|------------------|------------------|
| Net unrealised investment (losses)/gains on disposals of investments | (627,335) | 504,388 |
| Net realised (losses)/ gains on investments | (71,713) | (4,053) |
| Net (losses)/ gains on investments | (699,048) | 500,335 |
| Listed Investments | | |
| Group & Charity | | |
| Movement in market value: | 2023 £ | 2022 £ |
| Market Value at 1 April | 8,083,517 | 7,514,648 |
| Acquisitions at cost | 2,770,717 | 1,105,994 |
| Disposals | (2,419,452) | (1,091,715) |
| Net investments (losses)/ gains | (741,708) | 443,680 |
| Movement in cash held for investment | (217,847) | 110,910 |
| Market Value at 31 March | 7,475,227 | 8,083,517 |
| Historical Cost | 6,539,986 | 6,060,410 |
| Investment Properties | | |
| Group & Charity | | |
| Market Value at 31 March | 449,316 | 196,656 |

The fair value of investment properties is based upon the market value, or probate value if received in the period.

During the year the Charity received a legacy that included two Investment Properties.

| Investments in subsidiaries Charity | 2023 £ | 2022 £ |
|--|------------|------------|
| At 1 April | 500 | 500 |
| Disposals | (100) | - |
| At 31 March | 400 | 500 |

9. Continued

Analysis of investments at 31 March 2023 between funds

| Group | Unrestricted Funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|-------------------------------------|----------------------------|--------------------------|--------------------------|
| Listed Investments | | | |
| UK quoted fixed interest securities | 482,611 | 482,611 | 1,063,547 |
| Overseas fixed interest securities | 260,150 | 260,150 | 580,370 |
| UK quoted shares | 2,114,277 | 2,114,277 | 1,678,490 |
| | <u>2,857,038</u> | <u>2,857,038</u> | <u>3,322,407</u> |
| Other Investments | | | |
| UK Investment property | 449,316 | 449,316 | 196,656 |
| Overseas investments | 3,381,806 | 3,381,806 | 2,722,419 |
| Other UK investments | 1,176,725 | 1,176,725 | 1,761,185 |
| UK cash | 59,658 | 59,658 | 277,506 |
| TOTAL | <u>7,924,543</u> | <u>7,924,543</u> | <u>8,280,173</u> |

Analysis of investments at 31 March 2023 between funds

| Charity | Unrestricted Funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|-------------------------------------|----------------------------|--------------------------|--------------------------|
| Listed Investments | | | |
| UK quoted fixed interest securities | 482,611 | 482,611 | 1,063,547 |
| Overseas fixed interest securities | 260,150 | 260,150 | 580,370 |
| UK quoted shares | 2,114,277 | 2,114,277 | 1,678,490 |
| | <u>2,857,038</u> | <u>2,857,038</u> | <u>3,322,407</u> |
| Other Investments | | | |
| UK Investment property | 449,316 | 449,316 | 196,656 |
| UK Group undertakings | 400 | 400 | 500 |
| Overseas investments | 3,381,806 | 3,381,806 | 2,722,419 |
| Other UK investments | 1,176,725 | 1,176,725 | 1,761,185 |
| UK cash | 59,658 | 59,658 | 277,506 |
| TOTAL | <u>7,924,943</u> | <u>7,924,943</u> | <u>8,280,673</u> |

10. Staff Costs and Emoluments

Total staff costs were as follows

| | 2023 £ | 2022 £ |
|---------------------|-------------------------|-------------------------|
| Wages & Salaries | 7,434,118 | 6,652,668 |
| Social Security | 674,944 | 565,045 |
| Other pension costs | 713,854 | 683,449 |
| | <u>8,822,916</u> | <u>7,901,162</u> |

During the year no Trustees were reimbursed expenses (2022: £nil). No trustees received any remuneration in either year. The average number of employees (headcount) during the year was 341 (2022: 324).

The full-time equivalent staff numbers were as follows:

10. Staff Costs and Emoluments continued

| | 2023 | 2022 |
|--|------------|------------|
| Clinical | 114 | 102 |
| Education staff | 5 | 3 |
| Fundraising, charity shops and lottery staff | 91 | 83 |
| Administration staff | 43 | 35 |
| | <u>253</u> | <u>223</u> |

The number of employees whose emoluments (excluding employer national insurance) exceeded £60,000 for the year and fell within the following bands, were as follows:

| | | |
|-------------------|----------|----------|
| £60,000 - £69,999 | - | - |
| £70,000 - £79,999 | 4 | 5 |
| £80,000 - £89,999 | 2 | - |
| £90,000 - £99,999 | 1 | 1 |
| | <u>7</u> | <u>6</u> |

Salaries and benefits paid to key management personnel during the year, excluding Trustees, amounted to £581,471 (2022: £651,065). There is no accrual for holiday pay as the organisation's holiday year ends on 31st March and is enforced. Exceptional circumstances are considered by the CEO on a case-by-case basis.

11. Intangible Fixed Assets

Group

| | Goodwill £ | Software £ | Total £ |
|----------------------------|---------------|----------------|----------------|
| Cost | | | |
| As at 1 April 2022 | 222,691 | 385,935 | 608,626 |
| Additions | - | 9,254 | 9,254 |
| Impairment | - | (79,000) | (79,000) |
| Disposals | (222,691) | - | (222,691) |
| As at 31 March 2023 | <u>-</u> | <u>316,189</u> | <u>316,189</u> |
| Amortisation | | | |
| As at 1 April 2022 | 222,691 | 57,035 | 279,726 |
| Charge for the year | - | 31,002 | 31,002 |
| Impairment | - | (17,117) | (17,117) |
| Disposals | (222,691) | - | (222,691) |
| As at 31 March 2023 | <u>-</u> | <u>70,920</u> | <u>70,920</u> |
| Net Book Value | | | |
| As at 31 March 2023 | <u>-</u> | <u>245,269</u> | <u>245,269</u> |
| As at 31 March 2022 | <u>-</u> | <u>328,900</u> | <u>328,900</u> |

11. Continued

Charity

| | Goodwill £ | Software £ | Total £ |
|----------------------------|---------------|----------------|----------------|
| Cost | | | |
| As at 1 April 2022 | - | 385,935 | 385,935 |
| Additions | - | 9,254 | 9,254 |
| Impairment | - | (79,000) | (79,000) |
| Disposals | - | - | - |
| As at 31 March 2023 | - | 316,189 | 316,189 |
| Amortisation | | | |
| As at 1 April 2022 | - | 57,035 | 57,035 |
| Charge for the year | - | 31,002 | 31,002 |
| Impairment | - | (17,117) | (17,117) |
| Disposals | - | - | - |
| As at 31 March 2023 | - | 70,920 | 70,920 |
| Net Book Value | | | |
| As at 31 March 2023 | - | 245,269 | 245,269 |
| As at 31 March 2022 | - | 328,900 | 328,900 |

12. Tangible Fixed Assets

Group / Charity

| | Freehold Property & Assets under Construction £ | Fixtures, Fittings & equipment £ | Motor Vehicles £ | Leasehold Property Improvements £ | Total £ |
|----------------------------|--|---|------------------------|--|-------------------|
| Cost | | | | | |
| As at 1 April 2022 | 10,357,620 | 4,355,016 | 77,238 | 1,082,566 | 15,872,440 |
| Additions | 500 | 168,882 | - | 80,226 | 249,608 |
| Disposals | - | (2,926) | - | - | (2,926) |
| As at 31 March 2023 | 10,358,120 | 4,520,972 | 77,238 | 1,162,792 | 16,119,122 |
| Depreciation | | | | | |
| As at 1 April 2022 | 3,446,463 | 4,122,627 | 72,150 | 1,025,070 | 8,666,310 |
| Charge for the year | 200,356 | 125,539 | 2,655 | 37,918 | 366,468 |
| Disposals | - | (2,926) | - | - | (2,926) |
| As at 31 March 2023 | 3,646,819 | 4,245,240 | 74,805 | 1,062,988 | 9,029,852 |
| Net Book Value | | | | | |
| As at 31 March 2023 | 6,711,301 | 275,732 | 2,433 | 99,804 | 7,089,270 |
| As at 31 March 2022 | 6,911,157 | 232,389 | 5,088 | 57,496 | 7,206,130 |

13. Stocks

| | Group 2023 £ | 2022 £ | Charity 2023 £ | 2022 £ |
|--------------------------------|--------------------|----------------|----------------------|-----------|
| New goods purchased for resale | 168,119 | 145,466 | - | - |
| Assets held for sale | - | 23,335 | - | - |
| | 168,119 | 168,801 | - | - |

14. Debtors due after more than one year

| | Group 2023 £ | 2022 £ | Charity 2023 £ | 2022 £ |
|--|--------------------|-----------|----------------------|----------------|
| Amounts due from subsidiary undertakings | - | - | 177,027 | 236,799 |
| | - | - | 177,027 | 236,799 |

15. Debtors

| | Group | | Charity | |
|--------------------------------|------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade Debtors | 66,337 | 125,239 | 66,337 | 118,563 |
| Other Debtors | 769,139 | 434,553 | 769,139 | 434,553 |
| Legacy accrued income | 2,553,234 | 2,195,108 | 2,553,234 | 2,195,108 |
| Prepayments and accrued income | 594,918 | 1,159,668 | 594,918 | 1,155,168 |
| | 3,983,628 | 3,914,568 | 3,983,628 | 3,903,392 |

16. Creditors: Amounts falling due within one year

| | Group | | Charity | |
|--|------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade Creditors | 345,432 | 437,188 | 345,432 | 439,913 |
| Prepaid Lottery subscriptions | 73,194 | 86,572 | 73,194 | 86,572 |
| Accruals | 355,930 | 263,184 | 355,930 | 262,632 |
| Amounts due to subsidiary undertakings | - | - | 200 | 200 |
| Taxation and Social Security | 145,977 | 136,667 | 145,977 | 136,667 |
| Other Creditors | 185,582 | 83,113 | 185,582 | 76,058 |
| | 1,106,115 | 1,006,724 | 1,106,315 | 1,002,042 |

17. Commitments under Operating Leases

| | Property | Equipment | Property | Equipment |
|--|----------------|---------------|----------------|---------------|
| | 2023 | 2023 | 2022 | 2022 |
| | £ | £ | £ | £ |
| Not later than one year | 299,056 | 16,746 | 360,381 | 12,008 |
| Later than one year, not later than five years | 569,910 | 58,575 | 521,378 | 10,165 |
| Later than five years | 42,119 | 156 | 32,950 | - |
| | 911,085 | 75,477 | 914,709 | 22,173 |

Figures detail the total minimum lease payments due over the lease term, based upon when payments are due.

18. Restricted Income Funds

| Charity/Group | Balance at | Income | Expenditure | Balance at |
|-------------------------------------|------------------|------------------|--------------------|------------------|
| | 1 April 2022 | | | 31 March 2023 |
| | £ | £ | £ | £ |
| NHS Grant Provision | - | 2,802,669 | (2,802,669) | - |
| Yeovil Appeal | 1,378,758 | - | (40,520) | 1,338,238 |
| Taunton Appeal | 966,508 | - | (26,847) | 939,661 |
| Trusts, DOH, CCG | 57,615 | - | (1,280) | 56,335 |
| Health Education England | - | 242,080 | (242,080) | - |
| Legacies for use at Yeovil Hospice | - | 53,555 | (53,555) | - |
| Legacies for use at Taunton Hospice | - | 15,000 | (15,000) | - |
| CCG Capital Grant | 53,151 | - | (53,151) | - |
| Donations from Charitable Trusts | 6,399 | 73,085 | (62,021) | 17,463 |
| | 2,462,431 | 3,186,389 | (3,297,123) | 2,351,697 |

NHS Grant Provision was monies received towards the treatment of patients for clinical services.

The Yeovil appeal was set up to construct and equip a hospice in Yeovil and to contribute towards its running costs during the early years of its use. The Trustees consider that treating that part of the freehold property funded by the appeal as a restricted fund more properly represents the intentions of the original donors to this appeal and therefore the net book value of this asset has been transferred from unrestricted funds.

18. Continued

The Taunton appeal was set up to construct and equip a hospice in Taunton and to contribute towards its running costs during the early years of its use. The Trustees consider that treating that part of the freehold property funded by the appeal as a restricted fund more properly represents the intentions of the original donors to this appeal and therefore the net book value of this asset has been transferred from unrestricted funds.

A grant has been received and expended during the year from Health Education England for training of clinical staff.

Legacies were received towards the running costs of the Yeovil Hospice site.

Legacies were received towards the running costs of the Taunton Hospice site.

CCG Capital Grant – The CCG awarded funding for capital projects being undertaken by the Hospice including Lymphoedema equipment, hardware for project Echo, and other IT development and hardware.

Hospice UK – Covid funding. NHS England awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 to provide support to people with complex needs in the context of the COVID-19 situation.

A number of other donations from Trusts and other sources were received but are not material and as such the detail has not been disclosed.

19. Unrestricted Funds

Group

| | Balance at 1 April 2022 | Income | Expenditure | Transfers | Gains & Losses | Balance at 31 March 2023 |
|--|----------------------------|-------------------|---------------------|-------------|-------------------|-----------------------------|
| | £ | £ | £ | £ | £ | £ |
| General funds | 20,846,883 | 11,103,438 | (10,577,725) | (2,000,000) | (699,048) | 18,673,548 |
| Designated funds: | | | | | | |
| Strategic Development | - | - | (88,655) | 2,000,000 | - | 1,911,345 |
| Funds to be spent in accordance with donor's request | 47,331 | - | - | - | - | 47,331 |
| | 20,894,214 | 11,103,438 | (10,666,380) | - | (699,048) | 20,632,224 |

Charity

| | Balance at 1 April 2022 | Income | Expenditure | Transfers | Gains & Losses | Balance at 31 March 2023 |
|--|----------------------------|-------------------|---------------------|-------------|-------------------|-----------------------------|
| | £ | £ | £ | £ | £ | £ |
| General funds | 20,873,973 | 10,643,239 | (10,144,029) | (2,000,000) | (699,048) | 18,674,135 |
| Designated funds: | | | | | | |
| Strategic Development | - | - | (88,655) | 2,000,000 | - | 1,911,345 |
| Funds to be spent in accordance with donor's request | 47,331 | - | - | - | - | 47,331 |
| | 20,921,304 | 10,643,239 | (10,232,684) | - | (699,048) | 20,632,811 |

20. Analysis of Net Assets Between Funds

| Group | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Investments £ | Net Current assets/ (liabilities) & provisions £ | TOTAL £ |
|--------------------------------|----------------------------|------------------------------|------------------|---|-------------------|
| Restricted Income Funds | | | | | |
| Yeovil Appeal | 1,338,238 | - | - | - | 1,338,238 |
| Taunton New Build Appeal | 939,661 | - | - | - | 939,661 |
| Other restricted funds | 67,399 | - | - | 6,399 | 73,798 |
| | 2,345,298 | - | - | 6,399 | 2,351,697 |
| Unrestricted Income Funds | 4,743,972 | 245,269 | 7,924,543 | 7,718,440 | 20,632,224 |
| Total Funds | 7,089,270 | 245,269 | 7,924,543 | 7,724,839 | 22,983,921 |
| Charity | | | | | |
| | £ | £ | £ | £ | £ |
| Restricted Income Funds | | | | | |
| Yeovil Appeal | 1,338,238 | - | - | - | 1,338,238 |
| Taunton New Build Appeal | 939,661 | - | - | - | 939,661 |
| Other restricted funds | 67,399 | - | - | 6,399 | 73,798 |
| | 2,345,298 | - | - | 6,399 | 2,351,697 |
| Unrestricted Income Funds | 4,743,972 | 245,269 | 7,924,943 | 7,718,627 | 20,632,811 |
| Total Funds | 7,089,270 | 245,269 | 7,924,943 | 7,725,026 | 22,984,508 |

21. Related Party Transactions

St Margaret's Somerset Hospice is the parent Charity and sole shareholder of St Margaret's Somerset Hospice Retail Ltd, St Margaret's Fundraising Ltd, St Margaret's Funerals Ltd, St Margaret's Technical Services Ltd, Hospice Funerals Trading Ltd, and Hospice Funerals LLP.

After the year end St Margaret's Funerals Ltd, St Margaret's Technical Services Ltd, Hospice Funerals LLP, and Hospice Funerals Trading Ltd were dissolved.

During the year Somerset Rocks Ltd, whose parent and sole shareholder was St Margaret's Somerset Hospice, was dissolved.

In accordance with FRS102 section 33.1A, the company has taken advantage of an exemption from disclosing transactions with its subsidiaries on the grounds that they are wholly owned.

Transactions with Lewis-Manning Hospice Care amounted to £3,543 (2022: £9,756). Ann Lee is Chief Executive of St Margaret's Somerset Hospice and was a Trustee of Lewis-Manning Hospice Care during the financial year. The account balance owed to St Margaret's Somerset Hospice was £nil (2022: £nil) at the year end.

Services provided to Lewis-Manning Hospice Care:

| | 2023 £ | 2022 £ |
|--------------------------|--------------|--------------|
| IT Professional Services | 3,543 | 9,756 |
| | <u>3,543</u> | <u>9,756</u> |

22. Company Limited by Guarantee

The Charity is controlled by its Trustees acting in concert. The company is limited by guarantee, having no share capital. In the event of the Charity being wound up the liability of each member is limited to £1.

23. Reconciliation of net incoming resources to net cash inflow from operating

| Activities Group | 2023 £ | 2022 £ |
|--|------------------|------------------|
| Net (expenditure) income | (372,724) | 2,441,585 |
| Income from investments | (285,501) | (264,475) |
| Interest receivable | (90,569) | (3,925) |
| Loss/(Gain) on investments | 699,048 | (500,335) |
| Profit on disposal of fixed assets | (100) | (417) |
| Depreciation | 366,468 | 432,383 |
| Amortisation | 31,002 | 35,843 |
| Impairment of Intangible fixed asset | 61,883 | - |
| Transfer of fixed assets to current assets | - | 110,996 |
| Decrease in stocks | 682 | 24,033 |
| (Increase) in debtors | (69,060) | (776,648) |
| Increase in creditors | 99,391 | 273,556 |
| Net cash inflow from operating activities | 440,520 | 1,772,596 |

25. St Margaret's Somerset Hospice Retail Ltd

St Margaret's Somerset Hospice's wholly owned trading subsidiary, St Margaret's Somerset Hospice Retail Ltd, Company No 07204857, was incorporated on 26 March 2010. The principal activity of the company is to retail new goods on behalf of St Margaret's Somerset Hospice. The company's registered office is St Margaret's Hospice, Heron Drive, Taunton, TA1 5HA.

Any profits chargeable to corporation tax are gift aided to St Margaret's Somerset Hospice. A summary of the trading results of the subsidiary is shown below. Audited financial statements will be filed with the Registrar of Companies.

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| Turnover | 846,763 | 830,419 |
| Cost of Sales | (381,319) | (443,614) |
| Gross Profit | 465,444 | 386,805 |
| Other operating income | - | 383 |
| Administrative expenses | (355,786) | (303,122) |
| Profit | 109,658 | 84,066 |
| Paid under gift aid to charity | (109,658) | (84,066) |
| Profit for the year | - | - |
| Analysis of net assets/(liabilities) of subsidiary | | |
| Stock | 168,119 | 143,201 |
| Cash at bank | 8,521 | 3,592 |
| Amounts owed to parent | (176,540) | (146,693) |
| | 100 | 100 |
| Retained earnings | - | - |
| Called up share capital | 100 | 100 |
| | 100 | 100 |

26. St Margaret's Fundraising Ltd

St Margaret's Somerset Hospice's wholly owned trading subsidiary, St Margaret's Fundraising Ltd, Company No 8242255, was incorporated on 5 October 2012. The principal activity of the company is to organise major fundraising events on behalf of St Margaret's Somerset Hospice. The company's registered office is St Margaret's Hospice, Heron Drive, Taunton, TA1 5HA.

Any profits chargeable to corporation tax are gift aided to St Margaret's Somerset Hospice. A summary of the trading results of the subsidiary is shown below. Audited financial statements will be filed with the Registrar of Companies.

| | 2023 | 2022 |
|--|-----------------|-----------------|
| | £ | £ |
| Turnover | 62,125 | 42,316 |
| Cost of Sales | <u>(23,708)</u> | <u>(18,001)</u> |
| Operating Profit | 38,417 | 24,315 |
| Interest payable and similar expenses | (565) | (1,344) |
| Paid under gift aid to charity | <u>(6,362)</u> | <u>-</u> |
| Profit/(Loss) for the year | <u>31,490</u> | <u>22,971</u> |
| Analysis of net liabilities/assets of subsidiary | | |
| Amounts owed from / (to) parent | <u>100</u> | <u>(31,390)</u> |
| Total Assets less Liabilities | <u>100</u> | <u>(31,390)</u> |
| Retained earnings | - | (31,490) |
| Called up share capital | <u>100</u> | <u>100</u> |
| | <u>100</u> | <u>(31,390)</u> |

27. Capital Commitments

| | 2023 | 2022 |
|---|--------|--------|
| | £ | £ |
| Contracted but not provided for in the financial statements | 53,626 | 47,313 |

The full Annual Report, with accounts and external audit is available online at [Companies House](https://www.companieshouse.gov.uk) or by contacting info@st-margarets-hospice.org.uk



**Thank you for your
ongoing support**



**St Margaret's
Hospice Care**