

**THE SHAKESPEARE HOSPICE**

**ANNUAL REPORT AND ACCOUNTS 2022/23**



**Company Registration No. 3291683**

**Charity Registration No. 1064091**

<b>Contents</b>	<b>Page</b>
<b>Report of the Trustees:</b>	
From the Chair	1
Purpose and Objects	2 - 3
2022/23 Achievements	3
Clinical Services	4 - 5
Income Generation	6 - 7
Financial Review	8 - 9
Structure, Governance and Management	10 - 12
Risk Management	12
Trustees' Responsibilities in Relation to the Financial Statements	13
Reference and Administrative Details	14 - 15
<b>Report of the Independent Auditors</b>	16 - 19
<b>Financial Statements:</b>	
Statement of Financial Activities	20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Accounts	23 - 41

## Report of the Trustees for the Year Ending 31 March 2023

The Trustees are pleased to present their annual report and audited financial statements for the year ending 31 March 2023. This meets the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with relevant statutory and regulatory requirements:

- The Charities Act 2011;
- The Charities (Protection and Social Investment) Act 2016;
- The Companies Act 2006;
- Our Articles of Association;
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### From the Chair

#### Chair's Statement – 2022/23

After two very challenging Covid-impacted years, I'm very pleased to say that 2022-23 saw The Shakespeare Hospice begin to return to normal.

While still mindful of the risks Covid represents and always taking appropriate and proportionate precautions in line with recommendations from NHS England, we have reopened our refurbished Day Centre at Shotton and are gradually restoring services and enhancing/developing some including our Motor Neuron Disease clinic. Services that were provided virtually through the pandemic, notably transitional care and counselling, are increasingly being delivered face-to-face, which is widely welcomed, although we will continue to offer virtual meetings where appropriate. The Hospice at Home service continues to provide end of life care for people in their own homes as it did throughout the pandemic. All our clinical staff continue to deliver excellent care as evidenced by wonderful feedback received from the families and friends of those cared for.

During 2023-24, we intend to open the Day Centre 4 days per week, as was the case pre-Covid, although this will depend on achieving planned staffing levels which has proved challenging.

While focused on our own services, we continue to have regular dialogue with other providers and service commissioners to ensure opportunities for collaboration for delivery of end-of-life care across South Warwickshire are identified and explored.

The year also saw an increase in the number of events organised and run by our enthusiastic team. In addition to raising funds, events such as the Dragon Boat Races and the Annual Open Day & Fete increase the hospice's profile and visibility across the communities we serve.

For 2022-23, the financial statements show a deficit of £253,355 (2021-22 surplus £883,022). The significant deterioration reflects a £715,223 reduction in legacy income, the end of Covid grant schemes and increased costs largely caused by inflation. Legacy income, by its nature, is difficult to predict and legacies can vary in number and amount year on year.

As we reopen and grow, our costs will inevitably increase and, unless we receive substantial legacy income, we expect to incur deficits for the next few years meaning we will be using our reserves which are finite. The new Strategic Plan 2023-2028 outlines our future expectations. Achieving financial sustainability in the medium term remains the aim of the Board and we are investing in our fundraising team and growing retail operations with a view to generating significant increases income and achieving break-even. We recognise this will be difficult in the current economic climate and will regularly review progress taking any necessary actions should deficit reduction not be realised. We are grateful for the ongoing financial support of the communities we serve.

During the year a new CEO was appointed. Tracey Sheridan joined in September 2022 and has quickly 'added value' both internally and externally. Our previous long-serving CEO Angie Arnold left after completing a useful handover programme. The Hospice management and staff – clinical, fundraising, finance, administration, and housekeeping - continue to be our greatest asset and the Board thanks them for everything they do.

Another key resource are our 155 volunteers who, post-covid, are returning. 2023-24 will see a new volunteer strategy which will see increased volunteer involvement. The Board thanks them for their valuable contribution.

Finally, there have been a few changes to the Trustee Board. Debbie Smith, Claire Wright and Dr Cristina Ramos stood down and our thanks go to them especially Cristina for her for 7 years of dedicated service as chair of the Clinical Governance Committee. Fiona Allinson, Richard Goodall, Dr Richard Lambert and Anita Watson became trustees in June 2023. They all bring a wide range of valuable skills, knowledge and experience to the Board. I am thankful to all trustees for their support, hard work and dedication throughout the year.

**Dr Paul Simmonds**  
**Chair**

## **Purpose and Objects**

### **Purpose**

Our purpose, as set out in our Articles of Association, is:

- To help anyone with a life limiting illness to live in as fulfilled and creative way as possible.
- To offer care that is family centred;
- To enable people to die at home in dignity and comfort if that is their wish.

In setting our strategies and plans, we have referred to the Charity Commission's guidance on public benefit, including PB2 'Public benefit: running a charity'.

The Charities Act 2011 sets out 13 aims which are recognised as charitable purposes, of which The Shakespeare Hospice meets three: the advancement of health, the relief of those in need by ill health or disability, and the advancement of education. All services provided to patients, families and carers are free of charge and available to all who meet the referral criteria.

### **Objects**

The objects of The Shakespeare Hospice are for the public benefit: to promote the relief of sickness and the advancement of health in such ways as the charity shall from time to time think fit, in particular by:

- Establishing, maintaining and conducting a day centre or residential home in the County of Warwickshire, for the reception and care of persons of any age and either sex, without regard to race or creed, who are suffering from any chronic or life limiting illness or from any disability or disease, and by providing medical or other treatment and attention for such persons; and by providing therapies and other services to relieve suffering of the members of the families of such persons and any who provide unpaid care to them;
- Conducting or promoting or encouraging research into the care and treatment of persons suffering from any such illness, disability, disease or infirmity and particularly into the care and treatment of persons suffering from life limiting illness, and to disseminate the results thereof to the public;
- Promoting or encouraging or assisting in the teaching or training of doctors, nurses, physiotherapists and other persons engaged in any branch of medicine, surgery, nursing or allied services and in the teaching or training of students in any branch of medicine, surgery, nursing or allied services;
- Providing or assisting or encouraging the provision of spiritual help and guidance for any patients, their families, carers and members of staff.

## Strategies

Our strategies to achieve our purpose and objects are:

- To provide a safe space for nursing care, therapy, counselling, support, and friendship;
- To offer practical, experienced nursing care in the home at the end of life in collaboration with the Primary Health Care Team;
- To support the patient's whole family, and those who matter to them, throughout their journey and into bereavement;
- To seek to understand people's needs, fears and hopes in a non-judgmental way;
- To give appropriate information and support at any stage in their journey for those living with, or affected by, a serious illness;
- To work collaboratively with our partners in health and social care and refer people to other agencies and sources of help where appropriate;
- To provide bespoke facilities for our work with children and young people.

Detail on the activities carried out to implement our strategies in the year is given in the 2022/23 Achievements' section below.

## Measures

To evaluate the extent to which we are achieving our purpose, we use several quantitative and qualitative measures, including:

- The introduction of the Electronic Patient record (EPR) in January 2022, allows us to draw on data to make clinical decisions about our future clinical services, this includes number of new referrals for direct patient care, patients and carers helped, demographic characteristics;
- Patient satisfaction surveys have been reintroduced during 2023, however, it is early days for reporting. Our clinical Governance Committee have oversight of all complaints and compliments relating to patient care;
- A program of Internal and external audits are completed throughout the year, to include CQC compliance.

## 2022/23 Achievements

Following board away days, the board of Trustees agreed considerable Investment to support the restoration of the hospice's clinical services, building on the learning and new ways of working from the pandemic.

As most volunteers were stood down during the pandemic the last quarter of 2022 focused on volunteer recruitment. The role of the volunteer is invaluable to the success and operations of the hospice.

Our key achievements during the year have included:

- Investment into clinical and non-clinical services;
- Investment in our retail premises, improving shop standards, customer experience, engagement and stewardship. Introducing more new goods lines.
- We have revisited our mission, vision, and values, working with our staff and volunteers to ensure that these are at the heart of everything we do and how we treat our patients, families, and each other.
- We have agreed the 2023-28 organisational and clinical strategy, which will be launched Quarter 2 2023/24.
- We have agreed organisational objectives, which will be shared and made meaningful for all staff.
- We have commenced planning for a new website, to be launched July 2023.
- Following the implementation of Electronic Patient Record (EMIS), we now have data intelligence which helps inform the organisation with decisions.
- We have maintained our Pilot Single Point of Access service for South Warwickshire in partnership with South Warwickshire Foundation Trust.
- We are part of a Coventry and Warwickshire Hospices Working Together group which, will review equitable access to palliative care services.

## Clinical Services

### Overview

The clinical department has been strengthening and restoring services over the last 12 months, with a particular focus on activity at the main Hospice site.

The opportunity to evaluate, modernise and redesign some of our traditional offer, enhancing both the quality-of-service provision and patient experience, has been optimised at every opportunity. We have considered the multiple learning opportunities from the pandemic, whilst listening to national and local system requirements and importantly the voice of our service users and local community.

We have employed a Lead Nurse for Care and Quality Improvement during this period, who is responsible for facilitating and coordinating a portfolio of quality improvement work/initiatives within the Hospice. They will continue to lead the organisation in the delivery of a comprehensive clinical quality, patient safety and governance programme. Their remit will also ensure that the department maintains high quality and standards of all clinical palliative and end of life care services, through robust monitoring mechanisms and continuous review of processes and procedures to facilitate clinical development.

We have embedded our Electronic Patient Records System, EMIS, which is now utilised across all our clinical services. Within the first year we have recognised many advantages to having moved from manual paper-based notes to an electronic method, for our patients and staff alike, enhancing patient experience and quality of care. The system has afforded the ability to link with our NHS colleagues and ensure timely and responsive joint working approaches, reducing duplication and waste. We are able to extract multiple data sets that not only enables the department to evaluate and improve care, but also supports our Income Generation Team with creating compelling business cases and applications for relevant Trusts and Grants applications.

We continue to be a key voice contributing at the 'Coventry and Warwickshire Hospices Working Together' group. In the last year we have jointly developed a Service Specification for Hospice at Home Services, which harnesses the successful model already developed and offered by The Shakespeare Hospice. We are proud to have been identified as a gold standard model of care, that other Hospice providers have opted to replicate, to ensure equity for all future patients and their loved ones.

We had a standard monitoring review with the Care Quality Commission in December 2022, who concluded that they were satisfied with our current performance and will continue to monitor our services as per their schedule. The review covered the key areas of Safe, Caring, Responsive, Effective and Well-Led.

Our skilled and supportive volunteers have also been returning to Day Hospice, providing much needed hospitality care, creative therapy support and administrative support. As we continue to develop our services further so we will continue to grow our staff and our volunteer workforce.

### Looking Forward- Clinical Strategy

As the needs of our communities continue to change, we recognise how important it is for the Hospice to be proactive and responsive to any new opportunities and challenges that may be presented. Equally we believe that to serve our communities best, strengthening our collaboration within our local system and with local partners will be key to support the delivery of innovative models of care. Our next Five Year Strategy for 2023 to 2028 supports this approach.

Our focus for 2023/24 is to prevent patients with a life limited illness becoming unstable and returning to busy acute hospitals, whilst also ensuring that all those wishing to be cared for in their final months, weeks and days can do so with the confidence, care and compassion required. Our key principles to support this going forward are:

- Continuing to restore our Day Services offer post pandemic, whilst championing the importance of building relationships early, via proactive palliative support referrals from our stakeholders.
- Continuing to adapt and grow our care offer with both the patient and their loved ones at the centre of all that we do.
- Improving access for adults and children to a range of palliative and end of life care support that we provide at the Hospice, and those services that we provide in our community.
- Enhancing the range of opportunities available to ensure that the offer is diverse and inclusive of our populations needs.
- The continuing commitment to ongoing governance and quality assurance across the clinical department, with a focus upon patient experience and feedback.
- Extending our reach, meeting the evolving needs of our communities by providing more services locally, through collaborative models and co production.

We know that the demand for services across the whole of health and care is increasing, against a backdrop of workforce, financial challenges, and a growth in local population. We will provide a continued focus upon building strength and resilience within our workforce and developing our core offer.

We are keen to work on our admission prevention strategy, inviting patients into our health and wellbeing day hospice services, to work with them on strategies that allow them to remain at home, living well with their condition(s). Working with the patients and their families to identify when their management plan is becoming unstable, and to ensure that they have the tips and techniques to stabilise with the support of our hospice team and the wider community.

We have achieved so much already, and we will go on to further this in 2023/24, consolidating our new ways of working and strengthening and stabilising the foundations we have built.

## Income Generation

The Income Generation 2022/23 report covers the requirements charities must follow as set out in the Charities Act 2016.

### Achieving the requirements of the Fundraising Code:

The income Generation team strive to ensure good practice of fundraisers and that every interaction with our supporters delivers a positive experience, and that supporter-led engagement is embedded at the heart of all we do.

### Fundraising activities:

Our fundraising activities are carried out by an in-house fundraising team employed by the Hospice and volunteers who manage support received through gifts in kind, regular or one-off donations, event participation, community and corporate, in-aid-of fundraising, legacies, and a lottery.

We do not use any third-party Professional Fundraising Organisations to undertake fundraising on our behalf. Volunteers working on behalf of the Hospice operate under the same guidance provided to staff.

The Shakespeare Hospice is registered with the Fundraising Regulator and displays the logo on all communications and printed collateral to show our commitment to deliver excellent fundraising practices.

During the period 2022/23, there were no compliance issues reported to or investigated by the Regulator.

### Training and monitoring the Fundraising Codes:

The Fundraising Regulator codes have been implemented across a series of policies and procedures which are issued as part of the induction program for new staff and volunteers, relevant to the area of activity.

Volunteers fundraising on behalf of the Hospice are an extension of the fundraising team who operate under the same policy and guidance. Volunteer Groups provide full details of their fundraising activities to the Hospice to ensure compliance.

The policy guidance has been applied to departmental Standard Operating Procedures to ensure compliance with related fundraising activities. The Hospice Policy Index table details review dates to support the audit procedure and ensure policies are kept updated with any changes.

The Code of Fundraising Practice guidance is made publicly available on our website, and when related to a particular activity, in fundraising materials for anyone fundraising on *behalf of* or *in aid of* the Hospice and in the Event terms and conditions.

The Shakespeare Hospice will identify at an early stage the element of risk involved in any activity and working with third party providers. The Shakespeare Hospice Due Diligence Policy (acceptance and refusal of Donations) and checklist of activities and associations that could constitute a risk are followed before starting a new partnership.

In the last year, the Acceptance and Refusal of Donations Policy was implemented using the due diligence risk assessment procedure to approve three high value individual donations and four partnerships with Third Party providers.

### Complaints:

During 2022-23 we received 6 retail complaints and 2 for fundraising. Our Complaints Policy and Procedure is available on the Hospice Website. All complaints are acknowledged within 2 working days and the outcomes of any investigations are completed within 14 days. All complaints are escalated and reviewed by our Senior Management Team (SMT) and reported to their relevant trustee subcommittee bi-monthly. SMT and trustees also review complaints at bi-monthly board meetings and we report to the Fundraising Regulator on the totality of our complaints.



## **Protecting Vulnerable People:**

The Vulnerable Supporters in Fundraising policy was last reviewed and ratified by the Board of Trustees in November 2022 and is available on the Hospice website, this includes details on how to raise a concern. The Shakespeare Hospice also understands that people in vulnerable circumstances may need further support before deciding whether to donate. The Hospice recognises that it has an obligation to protect those in vulnerable circumstances. Whenever we suspect that someone we engage with doesn't have the ability to make an informed decision or are vulnerable in that moment in time, we will take steps to immediately end the engagement. This will always be done politely, and without making a request for a donation or any direct enquiries about the individual's capacity to make a decision or the existence of vulnerable circumstances.

To help further mitigate the risks:

- The policy is issued and discussed with new starters as part of the induction checklist.
- Guidance on following the code for protecting vulnerable people is included in our supporter fundraising materials.
- The workforce is provided with 'difficult conversation training' and how to recognise and protect vulnerable people.
- An annual mandatory E-learning for Health Safeguarding and Oliver McGowan training module is undertaken by the workforce and tailored training offered to the Retail team through an approved Safeguarding Scheme delivered by the Charity Retail Association.
- The Hospice has a Whistle Blowing Policy which includes guidance on how to raise concerns about fundraising practices.
- Legitimate Interest Assessments are completed prior to sending on or offline communications. This includes a checklist to ensure communications are not intrusive, do not cause distress and that the content is open and transparent.

## **Plans for the future**

We recognise that our local hospitals, primary care colleagues, and community organisations are facing multiple pressures resulting in patients remaining in hospital for longer than is required. Often these patients are in their last days of their life and die there when their preference would be a non-hospital setting. Locally 66% of patients would like to die at home, but only 22% do so. We also know that 39% of people in Coventry and Warwickshire who die do so after being admitted to hospital as an emergency. Their length of stay in hospital is often short. The most common experience is a terminal episode of two days.

Our strategy sets out how we aim to work with our partners to support people to live well during their last stages of their life, to die well, in a place they choose, and those left behind support them to live a fulfilling life after bereavement.

Our 5-year strategy sets out how we intend to achieve this, by finding solutions, being innovative and addressing current economic and workforce challenges.

To build our business and operational function we have identified 6 strategic pillars, which we will use to build the foundations of The Shakespeare Hospice strategy and support our overarching strategic purpose to deliver quality and safe clinical services.

These strategic pillars are:

- Sustainability
- Digital and information
- Integration
- Cost effective and efficient.
- Workforce
- Maximise commercial Revenue.

## Financial Review

### Outcome for the Year

In our 2022 Annual Report we recognised that 2022-23 would be a year of investment in which we would make a deficit, as we focussed on the reopening of our Day Hospice, filled vacant posts and recruited to new positions. We ended the year to 31 March 2023 with a deficit of £253k, which was substantially less than the deficit we had budgeted, but nonetheless a significant reversal from the £883k surplus of 2022.

This is primarily a result of returning to more normal levels of legacy income and the lack of the Covid related income that we received in 2022. The 2023 deficit reflects:

- An overall decrease of £844k in our income: legacy income was £715k lower than in 2021/22, while donations and Charitable Trust income increased by £29k, our income from charitable activities (core NHS Grants, Grants for Young People's Services and training income) decreased by £38k, mainly due to reduced grants for our Young People's Services, offset by increased NHS grants income.
- A continued recovery in retail income which increased by £122k as our shops performed well and an increase in fundraising income of £73k.
- A major reduction in Government and Local Authority support as the country emerged from the severe impact of Covid. The Hospice received £8k of Warwickshire County Council Winter Funding, compared with emergency NHS England Grants of £242k and a Warwickshire County Council Infection Control Grant of £84k and £19k in retail grants in the prior year.
- Receipt of £24k of bank interest, compared to £3k in 2021-22.
- An increase of £309k in expenditure as the Hospice spent a further £162k on its clinical services, £90k in fundraising and £56k in retail. These costs increases are primarily due to recruiting to previously vacant clinical and fundraising posts and in greater investment in staffing of our retail operation.

Staff costs represented approximately 71% of our total costs (69% in 2021/22) and accounted for £262k of the overall increase in expenditure.

### Reserves

Trustees are required to consider on an annual basis the level of reserves the hospice needs to hold, as an important part of planning and sound financial management. The Trustees have reviewed and refreshed the reserves policy as set out below.

Our policy is to hold sufficient unrestricted cash reserves to safeguard our medium-term financial viability. It considers the nature of our income streams and forecast expenditure and the need to provide against the uncertainty of income, especially the significant variability of legacy income.

We avoid holding excessive cash reserves: if they rise too high, we use them to facilitate the expansion of our existing charitable activities, projects (including the pilot of additional activities) and capital expenditure.

Given the current political and economic climate, rising costs and other risks, our policy is to hold cash reserves of between six and twelve months forecast annual operating costs.

We recognise a need to maintain financial resilience following a period of uncertainty.

The surplus of reserves held compared to the reserves policy can be applied to furthering the Hospice's long-term strategy and may be invested to generate income and long-term capital growth in support of the Charity's purpose. Amounts held in long term investments are excluded from our cash reserves policy above.

In common with many charities, we have established a Designated Fund to represent the value of unrestricted funds tied up in tangible fixed assets and therefore not readily available for funding day to day Hospice expenditure or future deficits. It is our policy to maintain this Designated Fund and to make transfers between unrestricted funds and the Designated Fund each year to represent the change in the value of tangible fixed assets over the year.

### **Next Year**

Prior to the year end, the Trustees approved an investment focussed deficit budget for 2023/24 reflecting additional investment in our income generation activity, recruiting to vacant posts and new positions and growth in our Hospice services.

In line with recommended practice, the Hospice finances are managed using an agreed budget and a rolling forecast, which is regularly updated as new information becomes available.

The latest forecast indicates that with the current level of predicted income over the coming year, including notified legacies, the Hospice is forecast to make a deficit of £522,595 to 31 July 2024. However, based on the level of reserves currently held, the Trustees believe that The Shakespeare Hospice will continue to be a going concern for the foreseeable future and have approved the accounts on this basis.

### **Investment Policy**

We aim to balance risk and return with our investment decisions.

Our cash funds are held with Barclays Bank and on deposit with a range of financial institutions through the Charities Aid Foundation.

We have invested £0.5m with CCLA Investment Management Limited in a long-term ethical equity-based investment, to provide long term capital growth in support of the Hospice's long term objectives.

## Structure, Governance and Management

### Constitution

The Shakespeare Hospice's governing document is its Articles of Association, which was updated in 2018. The Trustees also follow relevant legislation and guidance, including the Charity Governance Code.

The Hospice is registered as a company limited by guarantee, number 3291683. It is also registered with the Charity Commission for England and Wales, number 1064091.

### Appointment of Trustees

Where vacancies arise, Trustees are recruited following an advertisement in the local press; applicants who have an existing relationship with the Hospice may also be considered. After submitting a CV, suitable applicants are interviewed by the Chairman and Committee Chairs, whilst the Chief Executive does not form part of the formal interview panel they meet separately with candidates, and feedback as part of the overall process. Recommendation is made to the full Board. Upon appointment, the new Trustee undertakes an induction programme. This includes meetings with the Chair and other Trustees, and with the Chief Executive and other members of the Senior Management Team, as well as a comprehensive reading list designed to help the new Trustee learn about the Hospice and the requirements of the role as quickly as possible.

Our position as set out in the paragraphs below on Diversity in the Workplace apply to the selection and recruitment of Trustees, who are all volunteers.

We currently have 13 Trustees on the Board (2022/23,14), as follows:

Men (6)	(2022/23,4)
Women (7)	(2022/23,7)

Despite the Trustee efforts to recruit to a more diverse board. The board of Trustees currently represented by white British Trustees.

The management of the Hospice, within approved plans and budgets, is delegated by the Board to the Chief Executive. The Senior Management Team consists of the Head of Clinical Services, the Head of Income Generation, and the Head of Finance & Operations, all of whom report directly to the Chief Executive.

### Staff Remuneration

Staff remuneration including that of the Chief Executive and senior managers is agreed by the Board as part of the annual budget exercise, taking account of NHS (Agenda for Change) pay scales for clinical staff and the local market for non-clinical staff.

The Hospice monitors its pay practice to ensure that it complies with equal pay for work of equal value legislation and the best principles of equity. All remuneration activity is monitored to ensure that no gender or other bias arises in practice and that a fair approach on remuneration is achieved across the organisation.

### Diversity and inclusion

The implementation of EMIS will enable us to monitor our service users gathering feedback more easily on patients, carers and families experience. Through this work we will ensure that everyone we support regardless of their individual characteristics, receives an equitable service and in an environment that is free from discrimination of any kind.

The Board Effectiveness Review (2022/23) highlighted the need to revise our Equality, Diversity and Inclusion Policies and Procedures. The Shakespeare Hospice is committed to being a diverse and inclusive charity and will be working on an action plan to improve this. A Trustee champion has been appointed to lead on this.

## Diversity in the workplace

We welcome a diverse workforce and value difference in our staff and volunteers:

- We recognise that a diverse workforce allows us to provide the best care for people living with a terminal illness.
- We will show respect for all our employees and volunteers, valuing everyone's contribution, regardless of their:
  - age
  - disability
  - gender reassignment
  - marriage, and civil partnership
  - pregnancy and maternity
  - race
  - religion and belief
  - sex
  - sexual orientation
  - irrelevant offending background
  - responsibility for dependents
  - economic status; or
  - political values
- We are committed to providing equal opportunities for all employees and volunteers while continuing to base selection and promotion solely on ability to meet the requirements of the post.
- We value and consider the talents and skills available in the community when employment and volunteering opportunities arise, and ensure those employment opportunities are available to all. As a result, our workforce will be a reflection of the population we serve.
- We work continuously to ensure that all reasonable steps are taken to make our information accessible, that individuals are treated equally and fairly and that decisions on recruitment, selection, training and career development are based on clear, objective criteria.

The Shakespeare Hospice is committed to taking active steps to address and eliminate unfair or unlawful discrimination or prejudice where these are identified in the organisation's procedures or practices. Our current policy is as follows:

- Equal Opportunity Policy – October 2022
- All staff via eLearning for Health undertake annual Equality & Diversity training.

## Trustee Meetings

The Board meet bi-monthly during the year. In addition, the Board had 2 extraordinary meetings and an away day with the Senior Management Team focusing on our restoration plan, strategic objectives and financial forecasting. The Chief Executive and SMT attend all Board meetings.

Most of the detailed work of the Board is carried out by four committees; the number of meetings in the year is given in brackets:

- Finance & Audit Committee (12)
- Clinical Governance Committee (6)
- Income Strategy Committee (7)
- HR Committee (6)

## Role of the Trustees

Responsibility for the charity's overall strategy, the management of risk and legal compliance rest with the Board of Trustees. Day-to-day responsibility for the running of the charity is delegated by the Board to the Chief Executive.

In particular, the Trustees consider their role to encompass:

### 1. Setting the strategic direction of the Hospice

This is achieved through an annual cycle of strategic discussion, which has enabled the development of a three-year plan. This leads to annual departmental objectives and implementation plans.

### 2. Approval of plans and budgets

An overall annual plan and budget for the forthcoming financial year is presented to the Board and approved prior to the start of each year.

### 3. Monitoring of performance

Quantitative and qualitative information regarding clinical activity is collected and summarised monthly and submitted to the Clinical Governance Committee and the Board at each of their meetings.

Management accounts, showing our income and expenditure and cash position against budget, are produced by the Head of Finance and Operations every month. These are reviewed at Finance & Audit Committee meetings, circulated to all Directors before every board meeting, and discussed at the board meetings.

The Income Strategy Committee reviews the income generation activities of the Hospice and the HR Committee provides oversight of management, staff and volunteers issues.

Any complaints are reviewed by the relevant Sub-Committee.

### 4. Monitoring of statutory compliance

The Board receives reports of inspections, from the Clinical Governance Committee and the Care Quality Commission.

## Risk Management

Our corporate Risk Register is updated regularly and approved twice yearly by the Board. Risk Management is a standard agenda item for the Board subcommittee meetings and the SMT meetings.

Going forward our key risks are considered to be;

- A significant reduction in income which, in part, may be due to the current economic situation.
- Ensuring a Covid-safe environment for patients, staff, and volunteers.
- Workforce – i.e. loss of or inability to recruit key personnel. Maintaining contingencies pending sickness absence due to Covid infection.
- Safeguarding - The relevant policies and procedures (including whistleblowing) have all been reviewed and training for staff and volunteers is in place. The Board of Trustees includes a safeguarding lead.

The Trustees have reviewed the major risks to the organisation and have established processes and procedures to manage those risks.

## **Trustees' Responsibilities in Relation to the Financial Statements**

The Trustees (who are also Directors of The Shakespeare Hospice for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- Make judgments 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 operation.

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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 accounts may differ from legislation in other jurisdictions.

### **Statement as to Disclosure to our Auditors**

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware.
- The Trustees, having made enquiries of fellow Trustees and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## Reference and Administrative Details

Name	The Shakespeare Hospice
Company Registration Number	3291683
Charity Registration Number	1064091
Registered Office & Principal Office	Church Lane Shottery Stratford-upon-Avon Warwickshire CV37 9UL
Bankers	Barclays Bank plc Market Cross Stratford-upon-Avon Warwickshire CV37 6AP  Charities Aid Foundation 25 King's Hill West Malling Kent ME19 4TA
Solicitors	Shakespeare Martineau LLP Bridgeway House Bridgeway Stratford-upon-Avon Warwickshire CV37 6YY  Caroline Lee & Associates 11 Marchmount Road Wylde Green Sutton Coldfield B72 1EE
Auditors	Burgis & Bullock 23-25 Waterloo Place Warwick Street LeamingtonSpa Warwickshire CV32 5LA
Chief Executive Officer	Tracey Sheridan



**Trustees:**

(From 1 April 2022 until the date of approval of the annual report, and the committees on which they serve or served)

Dr Paul Simmonds (appointed Chair Jan 22)	Chair's Finance & Audit, People & Governance, Income Strategy
Dr Cristina Ramos (resigned March 2022)	Chair's Clinical Governance
Richard Barrett	Chair's Finance & Audit
Debbie Smith (resigned September 2022)	Clinical Governance
Elizabeth Spencer	Chairs People & Governance, Clinical Governance
Dr Jeremy Shearman	Clinical Governance
Helen Cave	Income Strategy, Finance and Audit
Susan Newcombe	Income Strategy
Claire Wright (resigned 31.05.22)	Income Strategy
Mandy Webb	Income Strategy
Ross Taylor	Finance & Audit, Clinical Governance
Nicola Gotrel	Chairs Clinical Governance, People & Governance
Richard Goodall (Appointed June 2023)	Income Strategy
Anita Watson (Appointed June 2023)	Finance and Audit
Fiona Allinson (Appointed June 2023)	Clinical Governance, People & Governance
Dr Richard Lambert (Appointed June 2023)	Clinical Governance

**Approval**

This report was approved by the Trustees on and signed on their behalf by:

**Paul Simmonds (Chair)**

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SHAKESPEARE HOSPICE**

### **Opinion**

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

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor responsibilities for the audit of the financial statements**

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

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Based on our understanding of the charity and the sectors it operates in we identified that the principal risks of non-compliance with laws and regulations related to breaches of Charities Act 2011; UK Tax Legislation and Employment Law; Companies Act 2006; Health care regulations; Safeguarding and GDPR regulations; as well as the terms of the charity's governing documents.

We evaluated management incentive and opportunities for fraudulent manipulations of the financial statements and determined the principal risks are related to fraudulent transactions to meet funders requirements or to gain personal benefit for the Trustees or members of management.

Audit procedures performed included:

- Identifying and assessing the design effectiveness of controls in management have in place to prevent and detect fraud.
- Challenging assumptions and judgments made by management in their significant accounting estimates and assessing if these indicate evidence of management bias;
- Reviewing the accounting records for large and unusual journal entries and testing any identified and, in particular, reviewing any large or unusual bank payments and confirming that the rationale for any such transactions were not outside the charity's normal course of activity;
- Reviewing correspondence, minutes and documents for evidence of non-compliance with regulations or legislation;
- Testing a sample of debit entries in the statement of financial activity to check they are bona-fide costs made for the benefit of the charity;
- Discussions with management, including consideration of known or suspected incidences of non-compliance with laws and regulation and fraud.

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> This description forms part of our auditor's report.

## Use of our report

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

Wende Hubbard ( FCCA)  
 Senior Statutory Auditor  
 For and on behalf of Burgis and Bullock  
**Chartered Accountants**  
**Statutory Auditor**

.....

23-25 Waterloo Place  
 Warwick Street  
 Leamington Spa  
 Warwickshire  
 CV32 5LA

## ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### Statement of Financial Activities (incorporating an income and expenditure account) for the year ending 31 March 2023

Income:	Note	2023				2022			
		Unrestricted	Unrestricted - Designated	Restricted	Total Funds	Unrestricted	Unrestricted - Designated	Restricted	Total Funds
		£	£	£	£	£	£	£	£
Donations and Legacies	2	659,555	-	81,691	741,246	1,327,871	-	99,670	1,427,541
Income and charitable activities	3	161,562	-	228,404	389,966	145,344	-	600,678	746,022
Income and other trading activities	4	935,472	-	-	935,472	739,694	-	-	739,694
Investment income	5	24,453	-	-	24,453	2,787	-	-	2,787
Other income	6	-	-	-	-	18,668	-	-	18,668
<b>Total Income</b>		<b>1,781,042</b>	<b>-</b>	<b>310,095</b>	<b>2,091,137</b>	<b>2,234,364</b>	<b>-</b>	<b>700,348</b>	<b>2,934,712</b>
<b>Expenditure:</b>									
<b>Costs of raising funds</b>									
Fundraising		422,875	-	-	422,875	332,281	-	-	332,281
Retail		624,294	-	-	624,294	567,900	-	-	567,900
<b>Total costs of raising funds</b>	7	<b>1,047,169</b>	<b>-</b>	<b>-</b>	<b>1,047,169</b>	<b>900,181</b>	<b>-</b>	<b>-</b>	<b>900,181</b>
<b>Expenditure on charitable activities</b>									
Operation of a hospice	8	902,071	-	386,185	1,288,256	308,628	-	817,700	1,126,328
<b>Total Expenditure</b>		<b>1,949,240</b>	<b>-</b>	<b>386,185</b>	<b>2,335,425</b>	<b>1,208,809</b>	<b>-</b>	<b>817,700</b>	<b>2,026,509</b>
<b>Net Income/(expenditure) before gains/(losses) on investments</b>		<b>(168,198)</b>	<b>-</b>	<b>(76,090)</b>	<b>(244,288)</b>	<b>1,025,555</b>	<b>-</b>	<b>(117,352)</b>	<b>908,203</b>
Net (losses) on investments	25	(9,067)	-	-	(9,067)	(25,181)	-	-	(25,181)
<b>Net (expenditure)/income</b>		<b>(177,265)</b>	<b>-</b>	<b>(76,090)</b>	<b>(253,355)</b>	<b>1,000,374</b>	<b>-</b>	<b>(117,352)</b>	<b>883,022</b>
<b>Reconciliation of funds</b>									
Total funds Brought forward		3,571,960	1,079,333	1,073,582	<b>5,724,875</b>	2,606,664	1,044,255	1,190,934	<b>4,841,853</b>
Designation of funds	18	16,037	(16,037)	-	-	(35,078)	35,078	-	-
<b>Total funds carried forward</b>	19	<b>3,410,732</b>	<b>1,063,296</b>	<b>997,492</b>	<b>5,471,520</b>	<b>3,571,960</b>	<b>1,079,333</b>	<b>1,073,582</b>	<b>5,724,875</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All amounts relate to continuing activities.

The notes on pages 23-41 form part of these accounts.

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**  
**Balance Sheet at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	2,051,938	2,102,315
Investments	21	485,752	494,819
Total fixed assets		<u>2,537,690</u>	<u>2,597,134</u>
<b>Current assets</b>			
Stock		7,758	6,095
Property for re-sale		70,000	70,000
Debtors	14	517,343	813,503
Cash at bank and in hand		2,612,781	2,451,496
		<u>3,207,882</u>	<u>3,341,094</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	15	274,052	213,353
<b>Net current assets</b>		<u>2,933,830</u>	<u>3,127,741</u>
<b>Total net assets</b>		<u>5,471,520</u>	<u>5,724,875</u>
<b>The funds of the charity</b>			
Unrestricted funds		3,410,732	3,571,960
<b>Unrestricted - Designated funds</b>	18	1,063,296	1,079,333
<b>Total Unrestricted funds</b>		4,474,028	4,651,293
<b>Restricted funds</b>	17	997,492	1,073,582
<b>Total funds</b>	19	<u>5,471,520</u>	<u>5,724,875</u>

Approved by the trustees on 14th August 2023 and signed and authorised for issue on their behalf by:

**Paul Simmonds**  
**Director**

**Richard Barrett**  
**Director**

The notes on pages 23-41 form part of these accounts.

Company number: 3291683

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**  
**Statement of Cash Flows for the year ended 31 March 2023**

	Note	2023	2022
		£	£
<b>Cash used in operating activities</b>	<b>22</b>	<b>175,119</b>	<b>400,003</b>
<b>Cash flows from investing activities</b>			
Interest		24,453	2,787
Purchase of property, plant and equipment		(38,287)	(84,112)
Investments		-	(500,000)
<b>Net cash used in investing activities</b>		<b>(13,834)</b>	<b>(581,325)</b>
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<b>161,285</b>	<b>(181,322)</b>
Cash and cash equivalents at start of year		2,451,496	2,632,818
<b>Cash and cash equivalents at the end of the year</b>	<b>23</b>	<b>2,612,781</b>	<b>2,451,496</b>

**The notes on pages 23-41 form part of these accounts.**



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### 1. Accounting Policies

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

#### a) Basis of preparation

The financial statements have been prepared in accordance with:

- Charities SORP (FRS 102), i.e. Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2019);
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- The Companies Act 2006 and Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

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

#### b) Legal status

The Hospice is a private company, incorporated in England, limited by guarantee and has no share capital. In the event of the Hospice being wound up, the liability in respect of the guarantee is limited to £2 per member of the Hospice.

#### c) Going concern

Given the Hospice's favourable fundraising record and the level of year-end reserves, the Trustees consider that the Hospice has adequate resources to continue in operation for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

#### d) Fund accounting

Unrestricted funds are available to spend on activities that further any of our charitable purposes. Designated funds are unrestricted funds which have been set aside by trustees for a future purpose. Restricted funds are donations where the donor has specified, they should only be used for certain aspects of our work. The costs of raising and administering such funds are charged against the specific fund, unless expressly forbidden by the donor. The aim and use of each material restricted fund is set out in the notes to the accounts. Investment income, gains and losses are allocated to the appropriate fund.

#### e) Income

Income is recognised when the Hospice has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably.

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

Donations, grants and gifts are recognised when receivable. If a donation is subject to fulfilling performance conditions, the income is recognised when it is probable that those conditions will be met.

Income from Gift Aid tax claims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Income from NHS contracts, government and other grants, whether capital grants or revenue grants, are recognised when the Hospice has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken on a case by case basis as the earlier of; the date on which the Hospice is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance for a future fundraising event or for a grant received relating to the following year are deferred until the criteria for income recognition are met.

Interest on deposits is included when receivable and the amount can be measured reliably, which is normally on notification by the bank of the interest paid or payable.

Sponsorship from events, fundraising and events registration fees are recognised in income when the event takes place. Lottery income is accounted for in respect of those draws that have taken place in the year. Trading income is recognised on point of sale for both donated and purchased goods.

#### **f) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation and the amount can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings:

- *Expenditure on raising funds* comprises costs incurred in seeking donations, grants and legacies, and the costs of fundraising activities including the cost of goods sold, shop costs, commercial trading and their associated support costs.
- *Expenditure on charitable activities* includes the costs of providing specialist palliative care and support, community services, and other activities to further the purposes of the Hospice, and their associated support costs.
- *Support costs* are those that are incurred in support of expenditure on the objects of the Hospice. They consist mainly of governance, the CEO, and Finance.
- Governance costs are incurred in connection with the Hospice's constitutional and statutory requirements. Support costs are allocated to each activity on the basis of staff time or usage. More detail is given in the relevant note below.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### **g) Volunteers**

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

**h) Fixed assets**

All assets costing more than £1,000 are capitalised at their historical cost when purchased. Assets costing less than £1,000 are capitalised when it is deemed appropriate.

Depreciation is provided to write off the cost, less an estimated residual value, of all fixed assets over their expected economic useful lives on a straight-line basis as follows:

Freehold land	Not depreciated
Freehold building and refurbishment	50 years
Leasehold building improvements	Shorter of 6 years or life of lease
Other assets	4 years

The need for impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing the carrying value against the value in use or realisable value of the asset.

**i) Revaluation of tangible fixed assets**

The Hospice has not revalued any of its fixed assets.

**j) Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

**k) Stock**

Stock of retail goods is included at the lower of cost or net realisable value. Donated items of stock for resale or distribution are not included in the financial statements until they are sold or distributed, because the Trustees consider it impractical to assess the net realisable value of donated stocks. This is because their eventual sale value is uncertain, there are no systems in place to record these items until they are sold and undertaking a stock take would incur undue cost which would outweigh the benefits.

**l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

**m) Cash at bank and in hand**

Cash at bank and in hand includes cash and fixed term deposits with less than one year to maturity.

**n) Creditors**

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

**o) Pensions**

Employees of the charity are entitled to join a pension scheme. The costs of the scheme are included with the associated staff costs and allocated to the activities of the charity when they fall due.

- A number of employees are in the NHS Superannuation scheme. Although this is a defined benefit scheme, it is a multi-employer scheme for which the Hospice's share of the underlying assets and liabilities cannot be identified. It is therefore accounted for as a defined contribution scheme in accordance with FRS102.
- Other employees are members of a defined contribution scheme.

**p) Operating leases**

Operating leases are recognised over the period in which the lease falls due.

**q) Financial Instruments**

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

## 2 Income from donations and legacies

	2023				2022			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
General donations	401,499	-	36,506	438,005	371,992	-	25,670	397,662
Charitable Trusts	102,900	-	45,185	148,085	85,500	-	74,000	159,500
Legacies	155,156	-	-	155,156	870,379	-	-	870,379
	659,555	-	81,691	741,246	1,327,871	-	99,670	1,427,541

The charity benefits greatly from the work of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP the economic contribution of general volunteers is not recognised in these accounts.

At 31st March 2023 the Hospice had been notified of an entitlement to five further legacies. These have not been recognised in the financial statements as the values are uncertain.

### 3 Income from Charitable Activities

	2023				2022			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
NHS core grant	161,562	-	-	161,562	145,344	-	-	145,344
NHS Hospice at Home Grant	-	-	193,988	193,988	-	-	190,745	190,745
Grants for Young People's Service	-	-	26,856	26,856	-	-	84,208	84,208
Warwickshire County Council Winter Funding Grant	-	-	7,560	7,560	-	-	-	-
Warwickshire County Council Adult Social Care Infection Control Fund Grant	-	-	-	-	-	-	83,895	83,895
NHS England Grant	-	-	-	-	-	-	241,830	241,830
<b>Total</b>	<b>161,562</b>		<b>228,404</b>	<b>389,966</b>	<b>145,344</b>	<b>-</b>	<b>600,678</b>	<b>746,022</b>

#### 4 Income from Other Trading Activities

	2023				2022			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
Fundraising	119,613	-	-	119,613	46,672	-	-	46,672
Lottery	8,754	-	-	8,754	7,856	-	-	7,856
Retail	807,105	-	-	807,105	685,166	-	-	685,166
<b>Total income from shops</b>	<b>935,472</b>	<b>-</b>	<b>-</b>	<b>935,472</b>	<b>739,694</b>	<b>-</b>	<b>-</b>	<b>739,694</b>

Retail income was derived primarily from our 6 shops.

#### 5 Investment Income

	2023				2022			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
<b>Bank Interest</b>	<b>24,453</b>	<b>-</b>	<b>-</b>	<b>24,453</b>	<b>2,787</b>	<b>-</b>	<b>-</b>	<b>2,787</b>

## 6 Other Income

2023				2022			
Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
£	£	£	£	£	£	£	£
-	-	-	-	18,668	-	-	18,668

The previous year other income is from Local Authority Retail Grants.

## 7 Costs of Raising Funds

	2023				2022			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
<b>Fundraising</b>								
Staff	241,809	-	-	241,809	194,256	-	-	194,256
Hospice events	36,276	-	-	36,276	17,818	-	-	17,818
Promotional Costs	9,696	-	-	9,696	9,807	-	-	9,807
Support Costs	61,140	-	-	61,140	61,409	-	-	61,409
Other	73,954	-	-	73,954	48,991	-	-	48,991
<b>Total</b>	<b>422,875</b>	-	-	<b>422,875</b>	<b>332,281</b>	-	-	<b>332,281</b>
<b>Retail</b>								
Staff	358,867	-	-	358,867	305,203	-	-	305,203
Bought in Goods	15,893	-	-	15,893	15,939	-	-	15,939
Property Costs	145,168	-	-	145,168	151,434	-	-	151,434
Support Costs	40,761	-	-	40,761	40,938	-	-	40,938
Other Costs	63,605	-	-	63,605	54,386	-	-	54,386
Total	624,294	-	-	624,294	567,900	-	-	567,900
<b>Total costs of raising funds</b>	<b>1,047,169</b>	-	-	<b>1,047,169</b>	<b>900,181</b>	-	-	<b>900,181</b>



## 8 Expenditure on Charitable Activities

	2023			2022		
	Direct Costs	Support Costs	Total	Direct Costs	Support Costs	Total
	£	£	£	£	£	£
Day Hospice	212,903	20,623	233,526	217,720	23,579	241,299
Hospice at Home	580,921	223,939	804,860	462,549	222,054	684,603
Young people's Service	188,730	61,140	249,870	139,018	61,408	200,426
<b>Total</b>	<b>982,554</b>	<b>305,702</b>	<b>1,288,256</b>	<b>819,287</b>	<b>307,041</b>	<b>1,126,328</b>
Of which:			£			£
Unrestricted			902,071			308,628
Restricted			386,185			817,700
			<u>1,288,256</u>			<u>1,126,328</u>

## 9 Analysis of Support costs

	2023			2022		
	Management and admin	Governance	Total	Management and admin	Governance	Total
	£	£	£	£	£	£
Fundraising	61,036	104	61,140	60,076	1,333	61,409
Retail	40,691	70	40,761	40,050	888	40,938
<b>Costs of Raising</b>	<b>101,727</b>	<b>174</b>	<b>101,901</b>	<b>100,126</b>	<b>2,221</b>	<b>102,347</b>
Day Hospice	20,345	278	20,623	20,025	3,554	23,579
Hospice at Home	223,800	139	223,939	220,277	1,777	222,054
Young people's	61,036	104	61,140	60,076	1,332	61,408
Expenditure on Charitable Activities	305,181	521	305,702	300,378	6,663	307,041
<b>Total</b>	<b>406,908</b>	<b>695</b>	<b>407,603</b>	<b>400,504</b>	<b>8,884</b>	<b>409,388</b>

### Analysis of management and administration costs

	2023	2022
	£	£
Payroll and staff	269,671	289,172
IT and other	122,385	98,677
Share of hospice	9,931	7,814
Depreciation	4,921	4,841
<b>Total</b>	<b>406,908</b>	<b>400,504</b>

## 10 Analysis of the costs of staff, trustees and key management personnel

	2023	2022
	£	£
Wages and salaries	1,449,604	1,220,986
Social security costs	134,738	105,388
Pension costs	73,121	68,708
<b>Total</b>	<b>1,657,463</b>	<b>1,395,082</b>

No member of the Board of Trustees received any emoluments or reimbursed expenses (prior year: nil)

The average monthly head count was 62 (prior year 56).

Total remuneration paid in respect of key management personnel was £ 320,446 (2021/22:£290,384) which includes employer's National Insurance and Pension contributions. The figure for 2022/23 includes the CEO, Head of Finance and Operations, Head of Clinical Services and Head of Income Generation.

	2023	2022
<b>£60,000 to £69,999</b>	<b>2</b>	<b>2</b>
<b>£100,000 to £110,000</b>	<b>-</b>	<b>1</b>

## 11 Net Income

Net income is stated after charging :

		2023 £	2022 £
<b>Operating lease rentals:</b>			
	Shops	94,000	96,154
	Equipment	11,374	20,479
Depreciation and profit on disposal	Owned Assets	88,664	77,827
Auditors' remuneration		10,550	10,000

## 12 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling withing section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

## 13 Tangible Fixed Assets

		Freehold property £	Fixtures and Fittings £	Medical Equipment £	Other £	Total £
<b>Cost</b>						
	At 1 April 2022	2,914,262	327,061	49,036	49,794	3,340,153
	Additions	-	17,817	4,064	16,406	38,287
	Disposal	-	-	-	-	-
	<b>At 31 March 2023</b>	2,914,262	344,878	53,100	66,200	3,378,440
<b>Depreciation</b>						
	At 1 April 2022	874,617	288,058	41,485	33,678	1,237,838
	Charge for the year	55,085	19,780	3,533	10,266	88,664
	Eliminated on disposal	-	-	-	-	-
	<b>At 31 March 2023</b>	929,702	307,838	45,018	43,944	1,326,502
<b>Net book value</b>						
	At 1 April 2022	2,039,645	39,003	7,551	16,116	2,102,315
	At 31 March 2023	1,984,560	37,040	8,082	22,256	2,051,938

**14 Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Prepayments	50,509	42,108
Accrued Income	179,229	457,594
Tax recoverable	56,392	60,862
Other Debtors	231,213	252,939
<b>Total</b>	<b>517,343</b>	<b>813,503</b>

**15 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	33,675	42,982
Taxation and social security	31,354	29,522
Deferred Income	20,481	24,509
Other creditors and accruals	188,542	116,340
<b>Total</b>	<b>274,052</b>	<b>213,353</b>

Deferred Income relates to income received in advance

## 16 Obligations Under leasing Agreements

2023				2022		
	Land and Buildings	Plant and Machinery	Total	Land and Buildings	Plant and Machinery	Total
	£	£	£	£	£	£
Expiring						
Within 1 year	91,333	4,840	96,173	94,500	11,766	106,266
Between 1 and 5	125,688	13,343	139,031	138,688	17,939	156,627
In more than 5 years	2,875	38	2,913	-	532	532
Total	219,896	18,221	238,117	233,188	30,237	263,425

## 17 Restricted Funds

	2023				2022			
	Balance at start of year £	Income £	Expenditure £	Balance at end of year £	Balance at start of year £	Income £	Expenditure £	Balance at end of year £
Hospice at home	-	255,812	255,812	-	67,105	267,139	334,244	-
Day Hospice	-	6,000	6,000	-	-	-	-	-
Hospice Counselling room	6,460	-	240	6,220	6,700	-	240	6,460
Hospice roof tiles	6,105	-	227	5,878	6,332	-	227	6,105
Security	8,097	-	-	8,097	8,097	-	-	8,097
Clinical Training	-	-	-	-	-	450	450	-
NHS refurbishment grant	483,069	-	13,235	469,834	496,304	-	13,235	483,069
NHS England Grant	-	-	-	-	-	241,830	241,830	-
Infection control	10,622	-	10,622	-	74,682	83,895	147,955	10,622
Garden	7,845	-	209	7,636	8,054	-	209	7,845
Young people's services	-	5,742	5,742	-	240	7,825	8,065	-
Building the future	511,247	-	12,173	499,074	523,420	-	12,173	511,247
Children's bereavement service	40,137	36,236	75,620	753	-	84,209	44,072	40,137
Clinical room	-	-	-	-	-	-	-	-
Transitional care	-	6,305	6,305	-	-	15,000	15,000	-
<b>Total</b>	<b>1,073,582</b>	<b>310,095</b>	<b>386,185</b>	<b>997,492</b>	<b>1,190,934</b>	<b>700,348</b>	<b>817,700</b>	<b>1,073,582</b>

The Hospice at Home Fund was established in 1998 to fund the Hospice at Home Service.

The Hospice Counselling Room Fund was established in 1998 to provide a counselling room within the Hospice.

The Hospice Roof Tile Fund was established in 1998 to raise money for the Hospice roof.

The Security Fund was established in 2020 to improve security at the Hospice following a break-in.

The NHS Refurbishment Grant Fund was established in 2008 with a grant received to refurbish the Hospice.

The NHSE grant fund was set up in 2021 when the NHSE awarded funding to allow the hospice to make available bed capacity and community support. This funding has been extended to 31st March 2022.

The Infection control fund was set up in 2021 to be used for infection control measures.

The Garden Fund was established in 2009 to landscape and furnish the hospice garden.

The Young People's Services Fund was established in 2014 to support the needs of children and young people.

The Building the Future Fund was launched in 2014 with an NHS capital grant to raise funds for capital build and young people's services.

The Children's Bereavement Service Funds was established in 2016 to provide counselling and bereavement support for children and young people.

The Clinical Room Fund was set up in 2017 to assist with funding the fitting of a clinical room.

The Day Hospice Fund was established in 2023 to fund the Day Hospice Service.

## 18 Unrestricted - designated fund

On 21 March 2021, the Trustees elected to create a designated fund. The Designated Fund represents the value of unrestricted fixed assets use to further the Charity's aims and not readily available for funding hospice expenditure or future deficits.

## 19 Analysis of net assets between funds

	2023				2022			
	Unrestricted Funds £	Unrestricted - Designated £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Unrestricted - Designated £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	1,063,296	988,642	2,051,938		1,079,333	1,022,982	2,102,315
Investments	485,752	-	-	485,752	494,819		-	494,819
Current assets	3,199,032	-	8,850	3,207,882	3,288,497	-	52,597	3,341,094
Creditors falling due in less than	(274,052)	-	-	(274,052)	(211,356)	-	(1,997)	(213,353)
<b>Total</b>	<b>3,410,732</b>	<b>1,063,296</b>	<b>997,492</b>	<b>5,471,520</b>	<b>3,571,960</b>	<b>1,079,333</b>	<b>1,073,582</b>	<b>5,724,875</b>



We are pleased to acknowledge the following support for the services listed. This list does not encompass all our supporters and is limited to those who have donated amounts of £5,000 or above.

We wish to thank all of our supporters for their generosity without which we would be unable to continue to provide our services:

		£
Stratford-upon-Avon Town Trust	General Fund	35,000
BBC Children in Need	Children and Family Support Service	26,357
The John and Mary Ann Foundation	General Fund	25,000
The Shakespeare Hospice Friends Group	General Fund	21,006
The Rigby Foundation	Hospice at Home	20,000
The Albert Hunt Trust	General Fund	20,000
Seamus & Carol Halton	General Fund/ Hospice at Home	15,000
Heide Doherty	Day Hospice/Children and Family Support Service	10,000
The John and Mary Ann Foundation	General Fund	10,000
WM Morrison Supermarkets plc Charitable Trust	Children and Family Support Service	9,380
Stratford- upon- Avon Golf Club	General Fund	7,831
Rotary Club Of Stratford -upon- Avon	Hospice at Home	6,700
NFU Mutual Insurance Society Limited	General Fund	6,379
The Thomas J Horne Memorial Trust	General Fund	6,000
Baron Davenport's Charity	General Fund	5,000
The DMF Ellis Charitable Trust	Transitional Care	5,000
The February Foundation	General Fund	5,000

## 20 Related party transactions

There were no related party transactions during the financial year ended 31st March 2023 or in the prior year.

**21 Investments****Listed investments**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Market value as at 01 April 2022	494,819	-
Additions	-	500,000
Unrealised loss in year	(9,067)	(5,181)
<b>Market value as at 31 March</b>	<b>485,752</b>	<b>494,819</b>

100% of the Investment is in the COIF Charities Ethical Investment Fund.

**22 Reconciliation of net movements in funds to net cash flow from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(253,355)	883,022
<b>Adjustments:</b>		
Depreciation and loss on	88,664	79,244
Bank interest	(24,453)	(2,787)
Add unrealised loss on	9,067	25,181
Decrease/(increase) in stocks	(1,663)	-
(Increase)/decrease in debtors	296,160	(639,368)
(Decrease)/increase in	60,699	54,711
<b>Net cash used in operating activities</b>	<b>175,119</b>	<b>400,003</b>

**23 Analysis of cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash in hand	2,612,781	2,451,496
	<b>2,612,781</b>	<b>2,451,496</b>

## 24 Pension Commitments

### Retirement benefit schemes

The hospice operates three pension schemes for the benefit of its employees. The assets of the pension schemes are held separately from those of the charity in independently administered funds.

#### Scheme one

Certain of the hospice's employees are eligible to join the National Health Service pension scheme. The scheme is a defined benefit multi-employer scheme administered for the benefit of NHS employers, General Practices, and other bodies allowed under the direction of the Secretary of State. The charity is unable to identify its share of the underlying notional assets and liabilities of the scheme, and accordingly has accounted for the scheme as if it was a defined contribution scheme. The employer's contributions to the scheme for the current year were based on a contribution rate of 14.38% of pensionable pay (2022 – 14.38%) with employees contributing at varying rates in accordance with NHS revised contribution rules. The pension cost for the year as included in the Statement of Financial Activities includes contributions payable by the charity to the NHS scheme during the year of £39,334 (2022 - £42,450).

The most recent full actuarial valuation of the NHS pension scheme was as at 31 March 2016, which was undertaken by the government actuary.

The notional deficit of the scheme as per this most recent valuation was £19.4bn.

#### Scheme two and three

A defined contribution pension scheme is operated by the Hospice. The pension cost for the year includes contributions payable by the charity to the scheme of £33,787 (2022 - £26,258).

## 25 Other Gains and Losses

	2023 £	2022 £
Net loss on investments	9,067	5,181
Reduction in value of property for re-sale	-	20,000
	<u>9,067</u>	<u>25,181</u>

## 26 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets Instruments measured at fair value through profit or loss	<u>485,752</u>	<u>494,819</u>
	<u>485,752</u>	<u>494,819</u>