

St Nicholas Hospice (Suffolk)

Annual Report and Financial Statements

Year ended 31 March 2019



because
you matter

St Nicholas
Hospice Care

A Registered Charity No. 287773

Inspected and rated

Outstanding ☆



CareQuality
Commission



Registered with
**FUNDRAISING
REGULATOR**



Contents

4	Trustees' Report
4	Welcome
5	• Trustees and Advisors
6	• Introduction from CEO
8	• Strategic report
10	• Plans for future periods
12	• Financial review
16	• Vision, mission and values
18	Charitable activities
18	• Hospice services
18	• Who uses and benefits
19	• How we respond to requests for help and meet demand
19	• Stories of Equip, Provide, Strive
32	• Clinical quality assurance
34	Structure, governance and management
40	Our people
44	Income generation
46	Going concern
47	Statement of Trustees' Responsibilities
48	Independent Auditors Report
52	Consolidated Statement of Financial Activities
54	Group and Charity Balance Sheets
56	Group and Charity Cash Flow Statement
58	Notes to the Financial Statements

Trustees' Report

for the year ended 31 March 2019

Trustees and advisors

Board of Trustees

Mr C. Simpson ^{1 5}	Chairman
Mrs S. Hayter ³	Vice Chair
Mrs M Masson ¹	Honorary Treasurer
Mrs M. Miles ²	
Revd Canon M. Vernon ⁴	Resigned 25 April 2019
Mrs A. Langdon ²	
Mr M. Leith ^{2 3}	Resigned 25 April 2019
Mr I. Morgan ⁴	
Mr C Minett ³	
Mrs T Wright ²	
Mrs D Buddery	Resigned 12 September 2018
Mrs K Chandler-Smith ⁴	

Secretary and registered/principal office

Rachel Spencer, St Nicholas Way, Hardwick Lane, Bury St Edmunds, Suffolk, IP33 2QY

Chief Executive

Dr Barbara Gale MBE⁵

Directorate

Georgina Bissell – Fundraising and Marketing Director
Jane Doughty – Human Resources Director, resigned 31 May 2018
Suzanne Hughes – Human Resources Director, Health and Safety Lead appointed 1 January 2019
Debra Garside – Clinical Services Director, Registered Manager, Accountable Officer
Rachel Spencer – Finance Director and Deputy Chief Executive, Company Secretary, SIRO

Data Protection Officer

Sara Taylor

Auditors

RSM UK Audit LLP, Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk, IP32 7FA

Solicitors

Ellisons Solicitors incorporating Gross & Co, 84 Guildhall Street, Bury St Edmunds, Suffolk, IP33 1PR

Bankers

Barclays Bank plc, 20/21 Cornhill, Bury St Edmunds IP33 1DY

Investment managers

Rathbones Investment Management Limited, 159 New Bond Street, London, W1S 2UD
Standard Life Wealth, 30 St Mary Axe, London, EC3A 8EP
Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU

Registered Charity number: 287773

Registered Charity name: St Nicholas Hospice (Suffolk)

Other name used: St Nicholas Hospice Care

Company number: 1748046

¹ Finance and Investment Committee member ² HR Committee member ³ Clinical Committee member

⁴ Income Generation Committee member ⁵ Director of St Nicholas Hospice Trading Ltd

Introduction from the Chief Executive Officer

We are proud to present this year's annual report which details our achievements and our plans for the future as we approach our 35th year.

Last year we described the need to adapt and develop our hospice model and infrastructure to meet the growing need in our community and ensure financial stability. This is particularly relevant as national reports highlight the plight of the first hospice in England to go into liquidation and Hospice UK's recent report highlights that 61% of hospices are using their reserves to cover expenditure costs.

Through listening to people's experiences of dying, caring, death and grief, we have been inspired to amend our vision and mission statements and have developed a new hospice strategy which shifts our main focus from directly providing services to equipping people in our community.

Our plans are underpinned by a financial strategy, which ensures that we focus on financial sustainability over the longer term. Our strategy will ensure that we:

Equip everyone to live with dying, death and grief

Provide direct support

Strive for 'something better' through innovation

This year we continued to develop and test ideas which relate to what people we interviewed said was important to them. This report describes our pilot which started this year in Mildenhall and the initial response from the community.



Dr Barbara Gale MBE,
Chief Executive Officer

Charles Simpson
Chair



Strategic Report

In 2018

we said we would:

Revise our strategy

Continue with our work to develop an innovative and financially sustainable model of hospice care, which is capable of supporting more people and communities.

Work with partners to develop compassionate communities, where people feel confident and able to support those dying, caring and bereaved.

Develop our people to be equipped for the future.

Improve efficiencies in all support systems.

Continue to increase income from retail, events and In Memory.

Ensure internal and external understanding of our services now and in the future.

By March 2019

we had:

- Used the insights we had gained through talking with those facing death and grief to develop our new vision and mission, which informed a new strategic plan.
- Developed a range of ideas for testing, which included a pilot in the Mildenhall area, nurse-led beds, and different ways of working with a care home.
- Started a pilot to test ideas which would help the community be better equipped to support each other as they face dying, caring or grief.
- Ideas included working with local groups, businesses, as well as ideas which encouraged people to be better informed and establish networks of support.
- Involved our people in the development and creation of our new model of hospice care
- Introduced additional smaller bite sized and lunch-time training sessions that allowed greater flexibility for our people to learn and to be better equipped for the future.
- Continued to upgrade our infrastructure and systems, including introducing a new self-service HR system and developing new financial planning tools.
- Started a new retail strategy, increasing net profit by 25% in the first year.
- Developed our events portfolio to include more 'paid for places' in existing events to offer more choice to our donors
- Concentrated on in memory stewardship to make the most from every donation we received.
- Analysed our existing activities to enable us to understand the impact of future changes to our cost base.



Plans for future periods

Over the next years we will continue to follow the 'Listen Learn Adapt' method and involve people, families, staff, volunteers and external stakeholders in the development of a new model of hospice care ensuring the hospice can respond to the needs of people in our community and remain financially sustainable. This will include making our current work more efficient whilst innovating new ways of delivering our services, which could lead to new funding opportunities. In addition, we will continue to work to update and improve our infrastructure and governance systems.

If evaluation of the pilot shows that it has successfully tested parts of the model, we will continue our work in Mildenhall after April 2019 and use the evidence of the impact to plan how we extend this work across our area for different communities.

Our people are core to the successful delivery of this strategy and our aspiration is that St Nicholas Hospice Care is recognised as a great place to work, to learn and to grow. A place where everyone matters, where everyone is encouraged, energised and enabled to play their part in delivering our vision.

The new model we develop this year will describe how we will equip everyone to live with dying, death and grief, provide direct support and strive for something better.

To meet our **strategic aims** to:

Equip

everyone to live with dying, death and grief

Provide

direct support

Strive for 'something better' through innovation

In 2019/20 we will:

We will do this through:

Develop a model which will ensure that people:

- Can talk about dying, death and grief
- Are informed about and prepared for dying, caring, death and grief
- Have the skills to cope with dying, caring, death and grief
- Feel inspired to help people living with dying, caring, death and grief

Continuing to

- Encourage people to support the Hospice
- Educate our community
- Facilitate community support groups
- Equip people to talk about death
- Equip people with legal and financial advice

We will also test ideas to:

- Equip people to develop support networks, either individually or as a community
- Equip people with practical skills
- Equip young people to live with dying, death and grief

Develop a model which will ensure that:

- People living with dying, death and grief have access to hospice specialist support, wherever they are and whenever they need it
- Professionals supporting people living with dying, death and grief have access to advice and support

Continuing to provide:

- Bereavement support
- Emotional and spiritual support
- Therapeutic support groups
- Ways to support the Hospice
- Direct care

We will also test ideas to:

- Provide a flexible service
- Use beds differently
- Provide new ways of offering advice

Develop a model will ensure that:

- The charity is well run
- We make the most of donations and resources

Continuing to:

- Develop our people (to be their best)
- Embed a health and safety culture
- Improve our governance and financial framework
- Upgrade our infrastructure
- Invest in technology

This year we will also:

- Strive for new ways of working
- Strive to conduct research to influence others
- Strive to create new ways to support the hospice

Financial review

Overall, the Group returned a deficit of £1.531m compared to a deficit of £0.876m in the previous year. The deficit position reflects the challenging environment within which we continue to operate, with increasing costs and demand for our services. It also reflects the planned investments we are making in developing our services to reach more people in a more affordable way in the future.

Income

Income of £6.088m was in line with last year (£6.109m).

Income from charitable activities has reduced again in this financial year from £1.241m in 2018/19 to £1.161m (-7%). This reflects the full effect of the cuts in NHS grant funding which were phased over two years and represent an ongoing reduction of grant income of £236k per year as the local CCG strives to return to a balanced budget. We remain committed to working in partnership with our local CCGs to continue to provide our services and reduce the overall burden on the NHS. We have a five-year contract in place from 1 April 2017 with our main partner, the West Suffolk CCG.

The trading activities of the Charity and its trading subsidiary have increased the income generated (5%) compared with 2017/18. Fundraising income remained strong despite the increased charity competition in the local area and legacy income of £1.283m was similar to last year, in line with our five year average policy and remained a significant income stream.

It is planned that the trading activities continue to increase their contribution to the funds of the Charity in future years through growth in our House Clearance service and improving the profitability of our shops.

Expenditure

Expenditure has increased by £0.68m from £6.931m to £7.611m (9%). The majority of this increase is the ongoing investment being made in developing a new approach to the services we offer so we can reach more people in a more cost effective manner.

Expenditure has also increased due to rising costs and pay, including investment in resources to ensure the Charity continues to meet the growing regulatory requirements which the Charity is subject to.

Further investment has been made in our trading activities, reflecting the investment made in e-commerce and house clearance services which should yield increased returns in future years.

Investments

There has been a decrease in the investments during the year, as it was necessary to liquidate £0.5m of investments to facilitate the cash flow during the last quarter of the financial year. It should be noted that cash balances fell during the year as although notifications of legacy donations was strong, receipt of cash is unpredictable and we have not been able to replenish cash levels.

The Hospice has a diversified investment portfolio comprising listed equities and unit trusts, fixed interest securities and cash. This is managed by independent investment managers appointed by the Board of Trustees. Following presentations from investment companies during the year, the Board of Trustees, through the Finance, Investment and Income Generation Committees, agreed that the investments held by Standard Life Wealth should be transferred to Sarasin & Partners LLP. It was also agreed that the other half of the portfolio should remain with Rathbone Brothers PLC. Due to the volatility of investment markets, and to limit the Hospice's exposure to any extreme market movement, the transfer of investments from Standard Life Wealth to Sarasin & Partners LLP was completed in three separate sales, rather than a full disinvestment. The decision to sell the two tranches in late March was beneficial to the Charity as the equity markets in particular continued to rise during March. The sale of the third and final tranche was completed and reinvested by Sarasin & Partners LLP in April 2019.

The Hospice investment policy is:

- Over the long term maintain and increase the real capital value of the investment funds
- Achieve returns from a diversified portfolio

of equities, fixed interest securities and cash within a medium to low risk/reward profile agreed by the Finance and Investment Committee.

Where appropriate and within the investment objectives the Trustees will attempt to invest in ethical and socially responsible organisations. The Finance and Income Generation Committee agreed that the investment account had performed satisfactorily given the market conditions.

Reserves

Total reserves at the end of the year amounted to £9.773m (2018: £11.304m) of which £0.306m (2018: £0.291m) were restricted. The charity also benefits from the Earl of Euston 2009 Endowment Fund of £45k. The attributed income (£847) from this fund was used in furtherance of the objects of the Hospice. The total value of designated funds is £5.478m

During the year, the Trustees reviewed the reserves policy giving consideration to the risk, probability and likely impact on the Charity's continuing ability to meet its long-term charitable objectives as a result of any decline in income, as well as the on-going need for working capital for the day-to-day activities of the charity. The Trustees also took into consideration the risks associated with the Charity's key income streams and the future needs of the Community that the Hospice serves.

In determining whether the policy remains appropriate, the Trustees consider the following factors:

- What is the exposure to loss of income? Is it realistic to assume a loss of 100% of the Hospice's income in one go? If not, how much of a reduction would threaten the ongoing viability and therefore what cover is required to be held in reserves?
- What additional funding might be accessed with lower reserves?
- How much further investment needs to be made internally to ensure the Hospice can evolve to meet demands?
- What other risks need to be considered?
- How does the Hospice ensure it can fulfil its obligations to make best use of funds and not hold excessive levels? What projects or additional services would be supported if new or additional funds become available?

As a consequence the Trustees revised the required level of general reserves, excluding designated funds, from approximately one year

of total running costs to six months' worth of total running costs. General reserves, excluding designated funds, at the end of the year totalled £3.945m, or the equivalent of just over six months worth of total running costs. Free reserves at the end of the year totalled £0.917m (2018: £2.010m)

This ensures that the organisation can continue to support beneficiaries in periods of financial downturn, but also enables funds to be invested for future Hospice services and revenue generating projects.

As part of the Trustees' review this year, no additional funds have been designated as the Trustees deem the current designations to be sufficient to support development of our services and income streams. These comprise the following funds:

- New Building and Maintenance Fund.
- Service Development.
- IT Investment.
- Income Generation Initiatives.

St Nicholas Hospice Care owns the hospice building and has a peppercorn lease with West Suffolk Hospital for the land. Currently within the accounts we hold a designated fund which represents the original cost of the building and the remainder of the original foundation fund, against which we offset the annual depreciation of the hospice building.

The New Building and Maintenance Fund was set up in 2015/16 to plan for any future relocation of the West Suffolk Foundation Trust Hospital. As the work of the Charity is so closely linked with the hospital, we need to plan now for the potential impact of any such move as it is likely we would need to build a new hospice elsewhere. To ensure prudent management of the Charity's funds for this future requirement the Trustees designated £2m from reserves during the 2015/16 financial year, and a further £250k in 2016/17. Due to the financial out-turn for 2017/18 and 2018/19, the Trustees have decided not to allocate any further funds to this.

The Service Development fund, which was originally set up as the 'Hospice Community Services Fund' in December 2012 has been drawn down during the year to support the development work for Service Design and will continue to be used to support this project over the coming year. £608k remains.

The 'Income Generation Projects Fund' was also used during the year for investment in

e-Commerce and House Clearances. £399k remains.

The IT Systems fund has been used to support pilot work on improving the reporting functionality of our patient records system, upgrades to IT infrastructure and systems, alongside new systems to improve our efficiency and access to information. We will continue to update our IT equipment, and explore how technology can support the development of new service delivery models and improve efficiency of processes. £167k remains.



Trustees Report

The Board of Trustees present their annual report on the affairs of the charity, together with the financial statements for the year ended 31 March 2019.

Background

St Nicholas Hospice Care has been supporting the people of West Suffolk and Thetford since 1984. This catchment area includes a population of approximately 270,000 (240,000 in West Suffolk and 30,000 in Thetford area).

Every year we support nearly 2,000 local people, delivering care to people in their own homes as well as in outpatient sessions, day therapy

and our inpatient ward. Services are not just for patients, but for their family and friends too, and include everything from specialist medical care to bereavement support and practical help. We also work with other community services that can help and provide a variety of training and education to local professionals and carers about palliative care and bereavement.

Our vision

For everyone to matter in life and death.

Our mission

For everyone to be informed, equipped and able to live with dying, death and grief.

Our values

Compassion

From our people you can expect care, warmth, kindness and honesty.

Listen

We listen to what is important to you. What you tell us will be understood and not judged.

Team spirit

We work together with respect, friendship, trust and a touch of laughter.

Learn

We lead and develop, sharing knowledge and skills generously.

Resilience

Our attitude towards change and the future has the courage to move and grow with life's changes.



Objectives and Activities

Charitable activities

The Charity reviews its objectives and activities annually, identifying achievements and outcomes and ensuring that the activities relate to the aims and objectives that have been set.

Hospice services

Our services are provided free to patients and their families and friends; however, some educational sessions do require payment. A clinical team led by the Clinical Services Director and the Senior Consultants in Palliative Medicine delivers the clinical services. The Clinical Services Director is also the Registered Manager, Clinical Information Governance Lead and Accountable Officer (for Controlled Drugs). One of the Consultants in Palliative Medicine is the Caldicott Guardian.

We have developed a flexible and experienced skill mix of people, ranging from employed staff such as palliative care clinicians, therapists and carers, to our broad mix of volunteers who provide support to all our services and organisational functions and work across all settings. This enables us to focus on proactive care planning and management, which aids effective people centred decision-making.

Our services ensure that specialist palliative care is available to people wherever they are whether at home, in a care home, in hospital or with no home. Some 88% of people receiving hospice care are at home. However, we also support people in many different settings, from the Hospice itself in Bury St Edmunds, which includes a 12-bedded inpatient and day unit, to our Haverhill Hub and Open House sessions in the centre of communities. This ensures people can access advice and support in friendly settings.

Our services include:

- **Direct clinical care and support to patients, families and the bereaved comprising:**
 - Community based clinicians,
 - A 24-hour, seven days a week advice line giving advice, information and informal support to lay and professional people,
 - Inpatient unit,
 - Consultant sessions at West Suffolk Hospital Foundation Trust,
 - Orchard Centre and Independent Living, and
 - Bereavement support for children, young people and adults.
- **Outreach activities, which are often in partnership with other organisations, enabling people to access support and advice in their communities, including:**
 - Local services – drop-in sessions in local towns and villages
 - Hospice Neighbours
 - Community initiatives, and
 - Partnerships.
- **Education and training for people, families and professionals about caring and supporting people at the end of life and in bereavement, including:**
 - Training for carers in nursing homes,
 - Clinical professionals,
 - Clinical and school students,
 - Training for hospital clinicians, and
 - Community groups.

Who uses and benefits from the Hospice's service?

Our purpose is to benefit

- People in the final chapters of their life and their families and friends who are affected during illness and bereavement, including bereaved children and young people.
- The local community by enhancing their role, ability and confidence to support each other when facing death and bereavement.

Our services are available to people living within the West Suffolk and Thetford areas (South Norfolk). Whenever possible, we will also help people outside our immediate catchment area if it is their choice.

We promote self-referral or contact from family or friends on behalf of people. We actively encourage people and their families to contact us early so we can help them live well and maintain their independence. Our services are there to

support anyone who needs us in the final chapter of their life, from the point of diagnosis onwards, not just in the last year or months of life.

Additionally, the Hospice works with teenagers, young people, and their families. Hospice staff collaborate with East Anglia's Children's Hospices to meet the needs of young people in transition from children's to adult services, in order to promote continuity.

How do we respond to requests for help and meet demand?

Our First Contact Service assesses new referrals within 24 hours (Monday to Friday); providing a prompt and sensitive assessment of need. Direct referrals to the medical or nursing teams outside of normal working hours (evenings/weekends) are managed on a priority basis within 24 hours.

Any enquiry made about our services at reception will be signposted to the appropriate department. Walk-in, un-booked and open access support is also available through informal group sessions.

Integral to all that we do

24-hour advice for professionals, people, families and carers, advice in relation to medical, nursing, emotional, spiritual, psychosocial, and bereavement issues.

Education provided to external agencies and communities. This is in addition to staff and volunteers working at the Hospice.

Volunteers working in a variety of different roles at the Hospice and in local communities caring for and supporting individuals, families and carers.

In **2018/19**
we supported
2,456
people and
643 deaths
in West Suffolk
and Thetford

Referrals received from

400

West Suffolk Hospital
Foundation Trust

308

Self or family referral

254

GP

163

Other hospital

44

Community Nursing Team

1

Social services

7

Care home

106

Other source

58

Internal referral



Judy Greenwood's Hospice journey began with her volunteering at our first day centre Turret Close in Bury St Edmunds. In October 2018, she was back in touch with the Hospice after her husband Philip needed our end-of-life care and support.

Judy and her family received support from the Hospice's Community Nursing Team, Family Support Team, Chaplain Service and she is now attending the Open House sessions.

"The Hospice's Community Nursing Team never let me down. They helped us get the equipment we needed for Philip to stay at home, for example a bed was delivered. We then made his room feel lovely with photos and fairy lights."

"We had a really good discussion on what he

Judy and Philip



The Hospice's Community Nursing Team never let me down. They helped us get the equipment we needed for Philip to stay at home, for example a bed was delivered. We then made his room feel lovely with photos and fairy lights.



would like and where he would like to die and at that stage he hadn't seen the Hospice so we arranged to go on a tour."

Judy said: "It was a very fruitful one and a half hour tour and Philip was impressed by the bathrooms, people having lunch and laughing in the bistro.

"It was also very moving for me and my daughter Pippa and I become tearful when Philip asked me "is this where you will come after I die". I said yes and he was happy with that. "

Philip returned home after the tour and continued to receive care and support from the Community Nursing Team.

Judy said: "Philip was able to keep his dignity during this time and the team gave him so much care and thought."

In January 2019, Philip went to stay on the Hospice's inpatient ward thinking it would only be for a 'few days respite' but unfortunately he had an infection and went downhill very quickly and died surrounded by his family.

Judy said: "During his first few days on the ward, he looked so happy, sitting there eating his plum crumble. It was wonderful and the family were able to stay in the spare bedroom.

"We were all with Philip when he died peacefully without pain. It was the way he wanted it.

"Chaplain Sharon told us that we could stay by his bedside as long as we wanted and we were given a pot of tea and a plate of biscuits. We then left the team to prepare Philip for our farewell. A nice touch was a small posy placed on his pillow."



by the Clinical
Community Team



**871 day therapy
attendances** at the
Orchard Centre



Raymond's Hospice journey began three years ago when he was diagnosed with cancer of the food gullet and Asbestosis (a long-term lung condition).

At that point, health professionals told 73-year-old Raymond of Mildenhall, he only had a month to live.

Three years later and Raymond is still being supported by the Hospice's Community Nursing Team, Specialist Palliative Care Doctors, the Family Support Team and the Physiotherapy Team.

Raymond said: "There are not enough words to describe how brilliant the Hospice staff are to me."

After his diagnosis, Raymond's GP referred him to the Hospice's Positive Living Group. The group which meets at the Orchard Day Centre is designed to offer coping strategies and support to anyone who has received a diagnosis of a

Community
support
groups

Direct care

Emotional
support

EQUIP

PROVIDE

STRIVE

Raymond's story



*There are not enough words
to describe how brilliant the
Hospice staff are to me.*



life-shortening illness. The group runs over a four week period and is led by Hospice healthcare professionals.

Raymond's wife Shirley was able to join the group, but she felt her faith, family and friends were able to give her the emotional and practical support she needed at the time and they still continue to do so. However, Shirley does value the support she receives from the Hospice Community Nursing Team and describes them as 'easy to talk to' and 'they know where you are coming from'.

Raymond enjoyed attending the Positive Living Group, especially taking part in arts and crafts activities.

He said: "The group helped me rekindle my drawing skills and the volunteers and staff had all the patience in the world.

"My brain was in a tizzy at that time and I wasn't interested in making friends. My wife is the only friend I need."

Raymond continued with the group for four weeks and now a volunteer from the Family Support Team visits him at home on a regular basis.

Raymond, a retired stonemason, and the volunteer enjoy chatting about their shared interest in architecture and discovered they had both worked on St Paul's Cathedral in London.

The Community Nursing Team also visits Raymond on a regular basis to see how he is getting on and will spend time chatting to him.

Raymond said: "The team sorts my mental side out and answers any questions I might have about my medication. The Hospice Doctor came to my home when I was in terrible pain and we went over everything to see what could be done."

The support he has received from the Hospice has made Raymond's end-of-life easier to deal with, as he says: "I am not afraid of dying, I just want to make sure it is pain-free.



2 families
6 were
8 helped

Approximately

5,500

Hospice
Neighbour visits



Hospice Neighbours



Life can feel overwhelming for people living with or caring for a person experiencing dying, death and grief. That is when our Hospice Neighbours are on hand to offer companionship, practical support and a listening ear.

Hospice Neighbours is a community-based project led by a team of compassionate and caring volunteers who provide support to people across West Suffolk and Thetford.

Hospice Neighbours, Mary Andrew and David Winters, have visited Cedric and his father, Derek, in their home every week for the last 18 months. Cedric, who cares for Derek at home, said: "When you are in my situation you really appreciate any help you can get. Mary and David are a big help."



Talking
about
death

Developing
support
networks

Emotional
support

EQUIP

PROVIDE

STRIVE

David's story

“

You don't have to be part of the Hospice or any organisation, just look after your neighbour next door or three doors along.

”

They come and sit with Dad for an hour or so every week which means I can leave the house knowing that he is ok.”

“Their help allows me to get out and have some space to myself. I usually go down to the local café, do the shopping or go to medical appointments.”

“I am very lucky to have them both. It also gives Dad other people to talk to. Dad worked with horses most of his life and Mary and David have their own horses so they enjoy chatting about them.”

Quotes from David Winter, Hospice Volunteer of one year

“You don't have to be part of the Hospice or any organisation, just look after your neighbour next door or three doors along.”

“When I was younger, living with my Grandma,

we knew everyone for 20 doors around and we would help each other out. Nowadays people are a lot more insular and a lot of people don't even know their next-door neighbour.”

Glenn Hubbard, Hospice Neighbours Manager, said: “Dying, death and grief are social processes, and we are really fortunate to have genuine engagement and warmth from Hospice Neighbours, and from local communities, who are ready and willing to be involved.

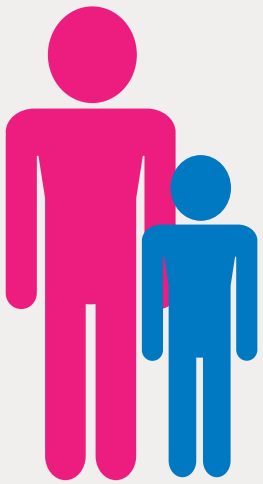
This helps extend our reach to those people at the end of life, with hospice care seen as a behaviour and not necessarily a building. We have also found that our Hospice Neighbours naturally make connections with people and build those local networks which really helps to provide the normality that people have said is so valuable to them.”



Life's Questions

sessions held
between April 2018
and March 2019

Attendances



164

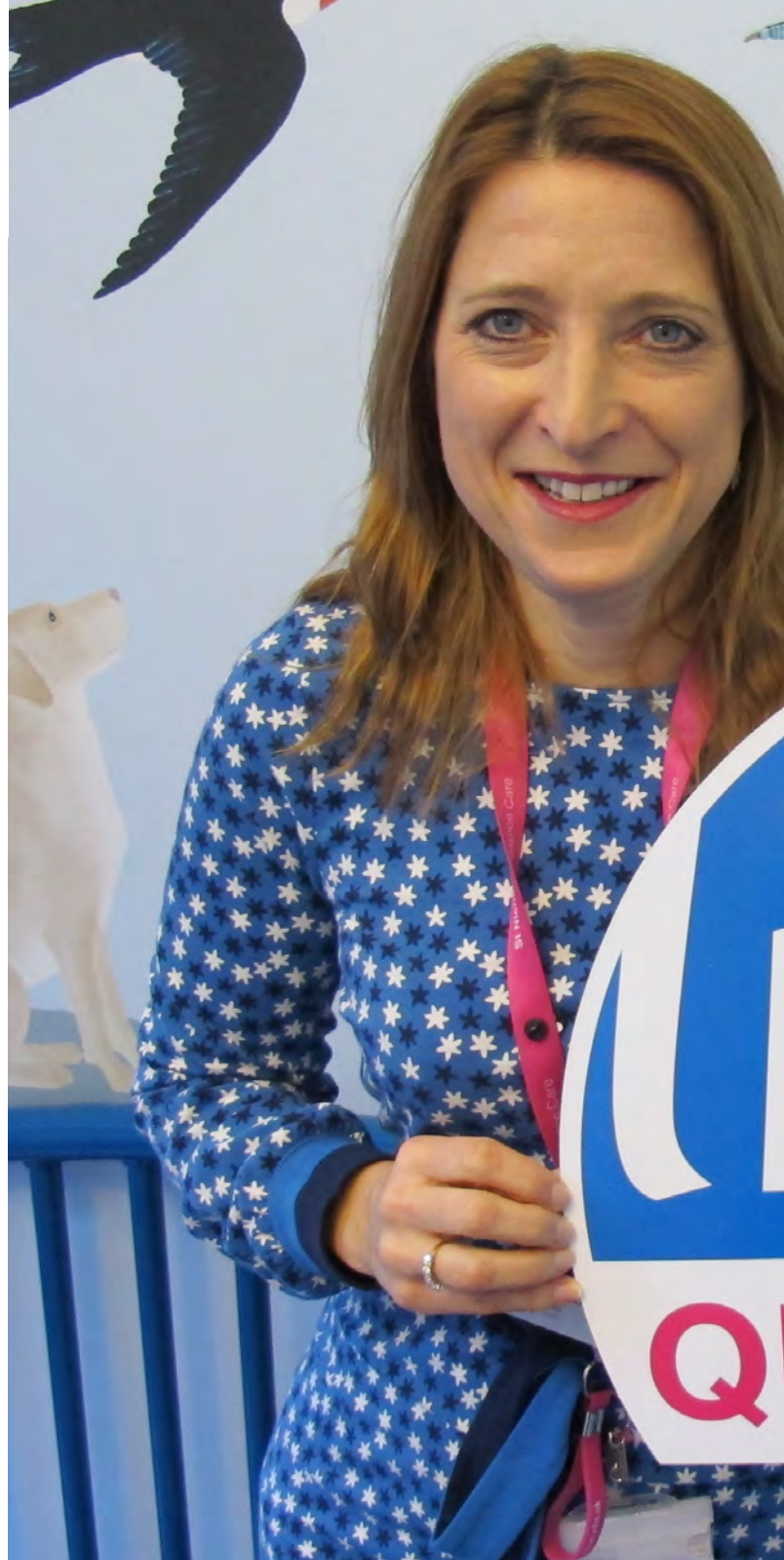
adults

261

children



awareness
sessions



Life's Questions is a chance for younger people to discuss life's challenges openly. It offers the time and space to talk freely around topics of loss, death, divorce, life, funerals and grief. Through open discussion, teenagers can feel empowered to support themselves and others with difficult conversations.

Launched in 2017 in the kitchen of Hospice Educator, Lisa Paterson, this Hospice initiative



Equipping
young
people

Educating
our
community

Equipping
practical
skills

EQUIP

PROVIDE

STRIVE

Equipping young people



has begun to grow through significant interest from schools. The sessions have been adapted to suit larger groups of teenagers in school assemblies and smaller groups.

To continue growing the amount of people we reach we have recruited and trained 20 volunteers to help facilitate Life's Questions in schools. They either are mostly from outside of the organisation having heard about the sessions through social media, attending a session in a school or are actively aware of the Hospice's work.

Lisa Patterson, Hospice's education lead said:

"Life's Questions is about getting young people to recognise that everyone is different and that everyone copes with things in different ways. The sessions are non-judgemental and we talk about different kinds of loss, not just death, but perhaps people moving away or families splitting up."

Training includes:

- What to say and not say
- Grief and bereavement
- Facilitate a table, ground rules and boundaries
- Safeguarding

8 workshops

For staff feedback and ideas development

56 ideas generated

Developed from **6** themes and **16** concepts produced during Listen Learn Adapt

9 ideas in testing

12 ideas in pre-testing development



Over 2018/19 Hospice service design work continued with Livework to develop and further explore our expertise. This involved additional interviews in October 2018 to capture what is important to the people who use our expert care services. Many of these stories highlighted the importance of our high quality and lovely environment, and the amount of time we spend with people listening to them and their needs. Livework supported workshops to synthesise what people said, develop ideas further and develop prototypes for testing.



Innovating Hospice Services



During 2018/19 we have started developing and testing many new ways of working. A pilot project has been undertaken in Mildenhall, a small market town in West Suffolk. The Mildenhall pilot was agreed to test developing ideas and support a compassionate community using an Asset Based Community Development (ABCD) approach. We tested asking the community what they felt our role was there and how we could help. We concentrated on making community connections in the town. Additional work in Mildenhall has focused on encouraging people to think about their networks of support, where to

get help and creating memorable moments.

As part of our expertise in service design, in March we started to use our beds differently by operating some nurse-led beds alongside our doctor-led beds. This means that patients who do not need to see a doctor every day for pain or symptom control will be mostly cared for by the nursing team. We ran an eight week pilot with Mabbs Hall Care Home in Mildenhall to explore how we can support care homes in a different way, combining our community development work with our specialist hospice expertise.

Mabbs Hall



On November, 1 2018, the Hospice held a community event and invited people to have conversations with us about compassionate communities and how we could be part of that. Carers from Mabbs Hall Care Home attended the event and the connection with the Hospice was made. The Hospice had not been into Mabbs Hall for three years prior to this event. One of the carers, Emma, left the event with a thought in her mind – that her nan was elderly and when she dies, she would like to be the person who lays her out, dresses her and makes sure that her final wishes are carried out. Emma and her nan have had that conversation and arrangements are made. Now more of the family want the same, enabling conversations about death, dying and grief.

Mabbs Hall invited the Hospice to help them facilitate an open community drop-in, where people can meet in the day room and enjoy some company and refreshments. Several open mornings have taken place and they are continuing with varying numbers attending.

Angel, the manager said: “it was very helpful to have the first meet up Thursday, it’s like a chain, we all know what everyone else does.”

As part of the expert work in development, Hospice in care homes was an idea prototyped for testing. This would mean hospice nurses visiting a care home and working in a different way. Asking the home and staff; what they would like from us? How can we help/equip them better? As a result of our new connection with them, Mabbs Hall allowed us to test ideas for equipping care homes in a different way by working alongside the homes’ carers, families and residents to train and educate on end-of-life care. This work has led to the Hospice developing new tools, procedures and resources for working with care homes. We were able to connect Mabbs Hall to their local GP surgery Gold Standards Framework meetings. Also, another care home in Mildenhall has approached the Hospice’s Education Team to request involvement in our testing work, which will start in May 2019.

Case study

Local charities and other organisations now visit Mabbs Hall regularly.

Mabbs Hall care assistants connect with the Hospice at community event for the first time in three years.

The care assistants left the event with thoughts.



Connect to other charities/services

SNHC community meeting

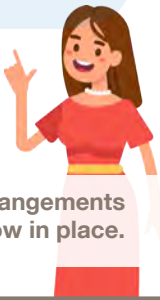


Staff member telling their story

"I want to give others a chance to know what to do when someone is dying"

"When my Nan dies I would like to be the person who lays her out, dresses her and makes sure that her final wishes are carried out."

The arrangements are now in place.



How the Hospice supported a care home to establish its place in the community by connecting people and professionals.

Connected to local GP meetings



Hospice connects Mabbs Hall to their local GP surgery meeting for end of life.

SNHC shares expertise

A shared community space



Supported by the Hospice, Mabbs Hall open their doors for the community to drop-in. People meet in the day room and enjoy company and refreshments.

People who went to school together more than 60 years ago have been reintroduced.

Because of the new connection, Mabbs Hall welcomed the Hospice to test some of its ideas for equipping care homes in a different way.

We worked alongside the homes carers, families and residents to train and educate on end of life care. Mabbs Hall now have more confidence in end of life

Clinical quality assurance

Incidents and Audits: There were no serious incidents reported in 2018/19. St Nicholas Hospice Care continues to apply scrutiny to all incidents, and during 2018/19 we introduced a Red Flag process which enables us to look at incidents that could have caused harm if not prevented.

If an incident was deemed to have the potential of patient harm, investigating this immediately and holding a day two meeting with those concerned, ensured we took immediate learning from the situation and communicated quickly and openly with the patient and which is then shared with all relevant staff during training and communication meetings.

Applying Scrutiny: All incidents reviewed and any themes emerging have a plan of action. Each quarter these action plans are the focus at Patient Safety and Quality Meetings (now known as **Clinical Quality and Governance Group**).

Safeguarding: The new Suffolk Safeguarding Framework February 19, describes the need for everybody to take responsibility for safeguarding. The Framework requires all agencies and organisations to implement a robust training programme for all staff and volunteers.

Medicines management Group: The Coded Drugs quarterly audits remained very positive all year with the Lead Pharmacist at West Suffolk Foundation Trust declaring our practice and protocols in drug storage and accounting as “exemplary”.

St Nicholas Hospice Care was a pilot centre for a major education workbook on opioid conversions for all Registered Nurses and Doctors. A baseline assessment was conducted for those taking part and was considered by all to be very successful, meeting the aim of increasing staff knowledge and confidence and that Controlled Drug incidents would continue to fall as a result.

Measuring Outcomes: We continue to develop and introduce tools to measure the impact of our

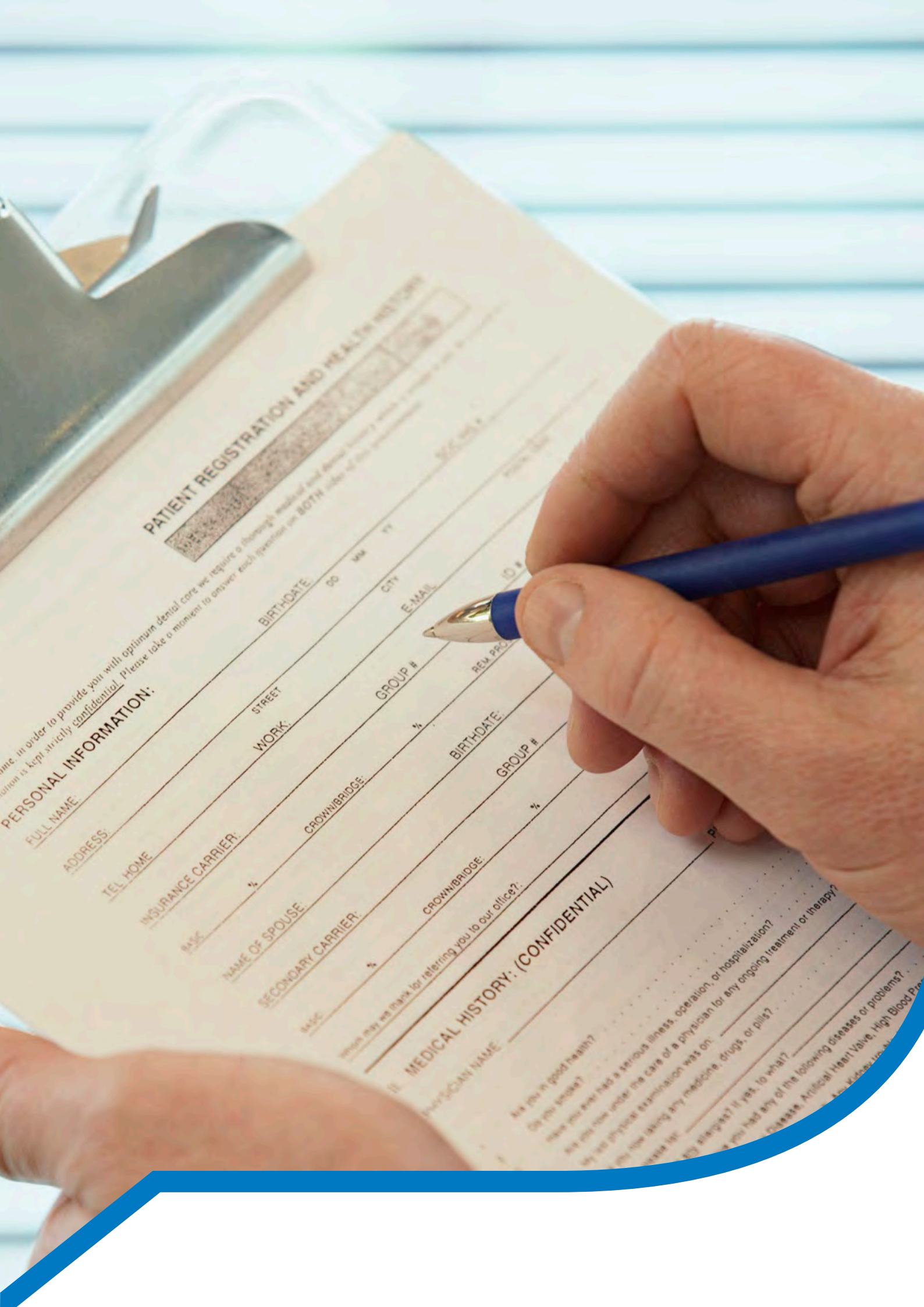
services. The Integrated Palliative Care Measure (IPOS) is an internationally recognised tool that is designed to help clinicians recognise phase of illness and the impact of interventions.

Impact measurement in Bereavement: The Family Support Team have implemented the **Adult Attitude to Grief Scale**. This audit tool shows a positive interpretation of the impact of bereavement counselling and support.

Impact measurement for emotional and psychological support for Adults: The **Adult Attitude to Health Scale** is a tool designed to demonstrate the value and ‘distance traveled’ from emotional and psychological support offered to adults.

The Patient Experience Questionnaire: Mailed to a random sample of eighty-two people using our services in the last 12 months. Thirty were returned (27%) Twenty-eight of those reported positive feedback.

The User Advisory Group: We continue to engage people who have used our services or those with an interest in palliative and end of life care to help inform our services and practice. Members of the group discussed and informed three important areas of work. **Service Design**, **Safeguarding Framework**, and involvement in helping us prepare for our next **CQC** inspection, particularly in relation to us providing a **Responsive Service**.



PATIENT REGISTRATION AND HEALTH HISTORY

PERSONAL INFORMATION:

FULL NAME

ADDRESS

TEL HOME

INSURANCE CARRIER

NAME OF SPOUSE

SECONDARY CARRIER

BIRTHDATE

STREET

WORK

CROWNBRIDGE

GROUP #

BIRTHDATE

GROUP #

CROWNBRIDGE

GROUP #

MEDICAL HISTORY: (CONFIDENTIAL)

PHYSICIAN NAME

Are you in good health?

Do you smoke?

Have you ever had a serious illness, operation, or hospitalization?

Has your physical examination ever been abnormal?

Are you now taking any medicine, drugs, or pills?

Do you have any allergies?

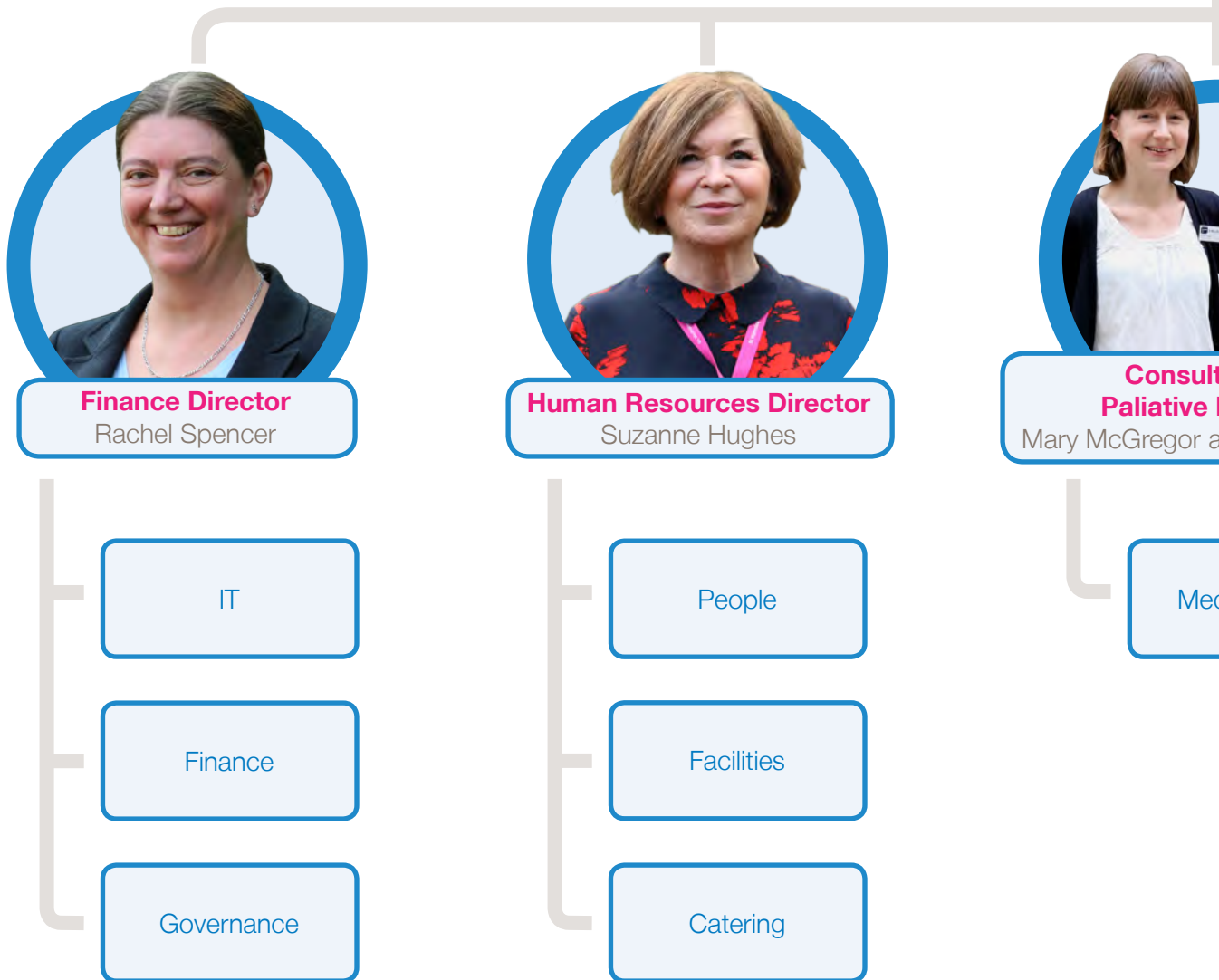
Have you had any of the following diseases or problems?

Diabetes, Arterial Heart Valve, High Blood Pressure, etc.

Structure, governance and management



Chief Executive
Barbara





Executive Officer
a Gale

Personal Assistant
to CEO and
Trustees



**Ants in
Medicine**
and Sarah Mollart



Clinical Services Director
Debra Garside



**Fundraising and
Marketing Director**
Georgina Bissell

Medical Team

Education and
Outreach

Quality and Service
Development

Care and Support
Services

Fundraising

Marketing

Retail

The Trustees confirm that they have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

1. Management and decision-making

St Nicholas Hospice (Suffolk) is a company limited by guarantee and is governed, under its memorandum and articles of association, through a 57- strong membership association made up from persons from the community. The Association in turn appoints and monitors the performance of the Trustees. It delegates the effective Governance of the Charity to the Board of Trustees and receives reports at least once per annum. The full Board of Trustees meets quarterly to review performance and delivery of the strategic plan. Additional meetings and away days are held to cover specific areas of focus, review strategy and direction, and the governance arrangements in place.

2. Register of members

The register of members is available for inspection free of charge, at the registered office of the charitable company.

3. Our workforce and management structure

The management and leadership of the Hospice is led by the Chief Executive who chairs a weekly Directorate meeting with the Palliative Care Consultants, Clinical Services, Finance, Fundraising and Marketing, and Human Resources Directors. The Directorate meets regularly with the Operational Managers' Forum to ensure good cross organisation planning and management. The Chief Executive meets formally with the Chairman of the Board of Trustees and / or Vice Chairman at least twice a month.

On 31 March 2019 the Charity employed 179 staff, over half of whom were part-time (equating to 142 full time equivalents), and 676 formal volunteers. The average headcount during the year was 190 (179 in 2017/18)

4. Board of Trustees committees

During the year, the Board has continued to operate four committees with specific terms of reference and functions delegated by the Board and with a Trustee as Chairman appointed by the Board - Clinical Committee, Finance and Investment Committee, Human Resources Committee, and the Income Generation Committee. These committees include co-opted members with relevant experience from the Association and the majority of Trustees aside from the Chair serves on at least one Sub

Committee. The meetings are attended by the Chief Executive and relevant Director, other Directors attend when requested.

The Board is currently reviewing the terms of reference for the committees to ensure they continue to be fit for purpose. Since September, the Finance and Investment and Income Generation Committees have held joint meetings.

The committees review directorate KPIs, monitor risk, incidents, complaints, health and safety and manager's recommendations for developments. The Chair of each committee reports back to the Board about matters discussed at each meeting.

1. The Clinical Committee oversees all clinical matters with particular reference to palliative care and clinical standards and medicines management. It monitors performance and quality. The meetings are attended by the Chief Executive, the Clinical Services Director and the Consultant in Palliative Medicine.
2. Finance and Investment Committee oversees all financial aspects of the Charity's activities. It reviews the budget and monitors performance against it. It also considers the appointment, resignation or dismissal of the external auditors and approves their annual fee. The meetings are attended by the Chief Executive, and the Finance Director. The committee reviews the:
 - Charity's investment strategy and monitors investment performance,
 - Audited financial statements of the Charity and recommends them to the Board, and
 - Reports from the external auditors and monitors management actions to implement recommendations made in reports from the auditors.
3. The Human Resources Committee reviews and monitors remuneration and employment policy and recommends to the Board of Trustees the annual employee percentage salary increase. The meetings are attended by the Chief Executive and the Human Resources Director.
4. The Income Generation Committee oversees the retail, fundraising and marketing strategy, policy and performance and reports its findings and recommendations to the Board. The meetings are attended by the Chief Executive and the Fundraising and Marketing Director.

The Board of Trustees fulfil their key role and function in overseeing and directing the affairs of the Charity, ensuring that it is well run and delivering the charitable outcomes for which it was established. The above committees are part of that process. The day-to-day running of the Hospice is entrusted to the Chief Executive who delegates that work through the Directorate and Management Team to the staff and volunteers deployed across the Charity's services.

Trustee recruitment and induction

All current Board members have been appointed to the Board of Trustees based on their experience, expertise, and community involvement and for their commitment to and passion for the work of St Nicholas Hospice Care and the hospice movement in general. The Association at its AGM confirms all appointments to the Board.

The Board Chairman and committee Chairs oversee the process of succession planning, recruitment and induction of Trustees and recruitment of Association Members serving on the Board Committees and will also meet with all prospective Trustees. Their work will include an ongoing skills audit and looking at different methods of recruitment.

As part of their induction, Trustees receive introductory information including planning and financial documents, national guidance about being a Trustee and information relevant to the Hospice. They see the work of the Charity first hand and are given ample opportunities to engage with the Charity's activities, services, staff and volunteers – and with service users as appropriate. Prospective Trustees will normally attend at least one Trustee meeting, before being asked to enter the formal processes of application and acceptance. Once approved new Trustees will usually identify particular areas of interest and will spend time in those areas.

Our Trustees

The Board of Trustees is made up of between no less than seven and no more than 12 Trustees (excluding the Life President).

During the year, the following Trustee resigned:
Mrs Diane Buddery

In addition, the following Trustees resigned on 25 April 2019:

Revd Canon M. Vernon
Mr Malcom Leith

All three of these have given much support to the Charity and their input and expertise has been of great value.

The Board is reviewing its requirements and will conduct a recruitment process in autumn 2019. In accordance with the Charity's Articles of Association, which state that a third of the Board of Trustees retire by rotation, the following Trustees, being eligible, have been invited to offer themselves for re-election at the next Annual General Meeting:

Mr Charles Simpson
Mrs Susan Hayter
Mr Ian Morgan

For the purposes of the Companies Act 2006 members of the Board of Trustees are deemed to be the Directors. However the Charity has a number of senior employees with the title of Director who are not Directors within the meaning of the Companies Act 2006.

Risk and internal control

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. Trustees are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide assurance that:

- Its assets are safeguarded against unauthorised use or disposition,
- Proper records are maintained and financial information used within the Charity, or for publication, is reliable, and
- The Charity complies with relevant laws and regulations.

As part of the Charity's risk management process the Trustees acknowledge their responsibility for the Charity's system of internal control and reviewing its effectiveness. The Trustees recognise that such a system is designed to manage rather than eliminate the risk of failure to achieve the Charity's objectives and can only provide reasonable, not absolute, reassurance against material misstatement or loss.

The system of financial controls designed to mitigate risk include an operational plan, an annual budget and regular updated forecasts including cash flow. Regular scrutiny is given by the Trustees to monitoring actual performance against the budget and forecasts and to the formal delegation of authority to spend within

clearly defined authorisation limits. The Charity is currently undertaking a strategic review of our services and delivery models to ensure we continue to serve our local communities in the best possible way.

St Nicholas Hospice Care operates in a highly regulated and complex environment. Clinical quality and safety is paramount for our patients and staff, as is ensuring we raise funds in an appropriate way and that care for people's data correctly. These operational risks are managed through the Charity's policies, staff training and development, and governance arrangements. Strategically, the main risks for the Charity continue to be meeting the growing demand from our local population and developing sufficient income to meet increasing costs.

Demand

The need for our services is already greater than we can meet, despite increasing the resources available. The continued pressures on other charitable and government bodies coupled with financial cuts means that demand on our services has increased during the year as we continue to be called upon to fill the growing gaps in the care system. We anticipate this will continue to increase due to demographic changes and continuing pressure on public services. We know that we cannot recruit sufficient additional resources to meet this demand due to pressures on our own financial position and therefore we need to develop services which are flexible, scalable and affordable, yet also make a difference to all the people that need us. The trustees have therefore continued to use some funds from reserves to support development of a more sustainable model of care which enables us to support everyone that needs us now and in the future.

Income Generation

The current economic climate continues to be uncertain, with macro-economic risks affecting our investment portfolio and inflation. In mitigation, the Trustees have ensured the Charity remains in a strong financial position by maintaining sufficient reserves. The income portfolio is diverse and we constantly seek new opportunities to improve income or find new sources of income, with a particular focus on transactional funding opportunities, such as the lottery and events.



Our people

Recruitment

Recruitment formed a significant part of our focus for 2018/19 with 37 new appointments overall.

Beyond anticipated turnover, the other key reasons were due to recruiting for service design backfill (and subsequent backfill of internal appointments), recruiting into new fundraising roles in line with a new structure and other new roles to support expanding or changing organisational requirements.

The SystmOne Coordinator was a challenging role to recruit to, securing the right level of expertise on a part-time basis.

We also appointed a new HR Director who has a background of operational, change and HR leadership in various different sectors, all of which will add value as we look to move forward with our service model. Our new HR Director joined us in January 2019, and has the aspiration that St Nicholas Hospice Care is recognised as a great place to work, to learn and to grow. A place where everyone matters, where everyone is encouraged, energised and enabled to play their part in delivering our vision. A people strategy has been developed and we have already started to put plans in place to work towards our aspiration.

Average headcount figures for 2018/19 were 190 compared to 179 in 2017/18. The full time equivalent figures for the same periods are 154 (2018/19) and 142 (2017/18). This represents a 8.5% increase in FTE. The increase in headcount and FTE is explained by the fact that during 2017/18 there were a number of vacant posts which have been successfully recruited to in 2018/19, five new fixed term contract posts were agreed to support project work including Service Design and three new roles have been established as part of the investment in the development of the income generation strategy.

New HR System

A new HR system (Compass) was implemented following an on target and efficient transfer of all

data. Its features include an on boarding facility for new staff, self-service, work flow notifications, reporting and a recruitment module. All staff received hands on training and have received continued user support training and guidance.

Remuneration and benefits

Employee Costs were £5.399m compared to £4.840m last year. This reflects investments in Service Design and income growth, as well as a pay award of 1.5%.

Some 48 members of staff were in the NHS pension scheme (principally clinical staff), 28 staff in the Aegon Group Personal Pension Plan and 110 staff in the auto-enrolment compliant scheme also provided by Aegon.

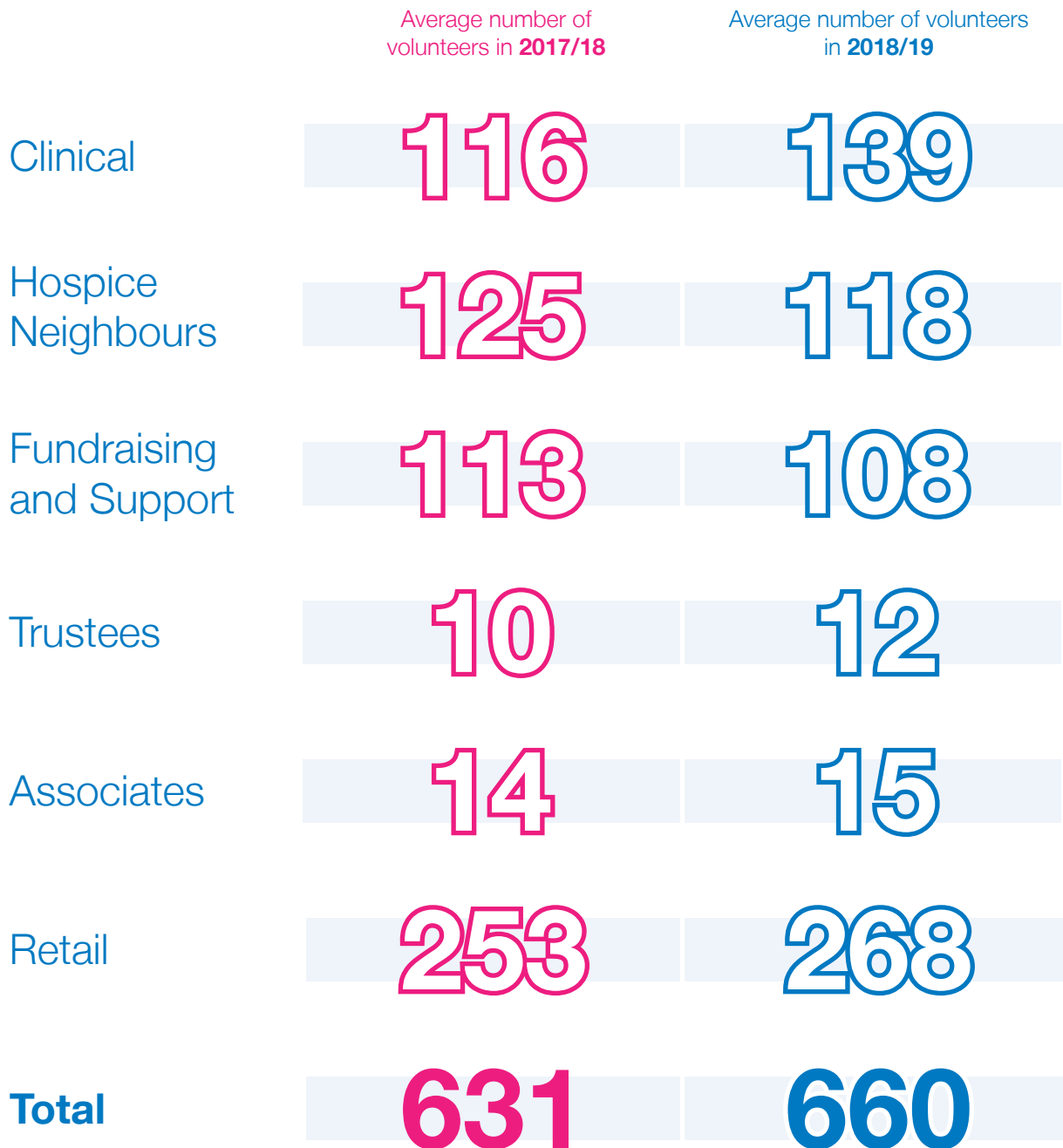
The employer's contributions vary from 14.38% for those in the NHS scheme, 7% for those in the Group Personal Pensions Scheme and 5% for those in the auto-enrolment scheme.

Development of staff

The key focus areas for 2018/19 have been to continue to support the training requirements as a result of ongoing health and safety changes, upskilling on our HR system as we move towards the self-service experience, as well as putting together induction plans for a large influx of new members of staff. A programme of clinical and non-clinical Mini-Bite sessions have been delivered by members of our own staff on particular areas of their expertise. We have also been responsive to training for data security and governance requirements.

Volunteering

At the end of 2018/19, we had 676 registered volunteers. There continues to be a vast number of ad hoc voluntary support from people that help at major fundraising events such as Girls Night Out and Battle of the Knights, as well as people who hold specific events on behalf of the Hospice, such as open garden events amongst many others.



Communication

The internal staff forum continues to play an important part of our communication with our people and is an important means for cascading our communications plans for internal and external audiences.

During 2018, we again surveyed staff and volunteers using a Hospice UK endorsed survey company, called Birdsong Charity Consulting. Some 138 staff and 148 volunteers responded to the survey.

The survey reviewed seven areas of people management practices and compared overall

results with other hospices and the wider charity sector. In our overall results, St Nicholas Hospice Care benchmarked higher than other hospices and the wider charity sector.



I am satisfied with my job



I am proud to work for this charity



I believe in the aims of this charity



I would recommend this charity as an employer



I plan to be working for this charity in a year's time



0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%



Income generation

Alongside our vision that everyone matters in life and death, our income generation team have focused on making every donation matter. Whether you are donating money, goods or time, we want to make the most of every gift we receive.

Saying thank you

To make the most this year, we have focused on the importance of individual and personal relationships with our supporters. We have also created new ways for young people to support us.

Tea Party

Loyal supporters of the lottery raised their teacups to celebrate its 20th birthday.

The party, which was attended by members of the lottery who have been playing since day one, was the Hospice's way of saying thank you for their continued support.

The weekly draw, which celebrated its 20th birthday in June, has raised around £7.4 million since it started and gives players the chance to win prizes ranging from £10 to £1,000 every Friday.

Our young fundraisers

In 2018 we offered more fundraising initiatives that young people could enjoy

Battle of the Knights and Pumpkin Parade

We introduced a junior race at Battle of the Knights, offering places for 8-15-year-olds for the first time. We also held a 'Pumpkin Parade' aimed at under 8's, in the Hospice's grounds

More than £1,500 was also raised after 100 Beaver scouts from Bury St Edmunds took part in their own sponsored walk.

Inspired by the hospice's annual fundraising event Girls Night Out, the Beavers donned bunny ears and pyjamas for the walk around the town's Nowton Park.

Thinking about our environment

We have also become more responsible about the impact our fundraising has on the environment. At Girls Night Out, we encouraged walkers to bring their own refillable water bottles to significantly cut down on plastic waste. We also ran our first paperless raffle, reducing the need to use a large amount of paper. Our retail teams continued to work closely with a waste recycling centre, resulting in 85% of our waste from House Clearances being recycled.



Fundraising Compliance Report

St Nicholas Hospice Care relies heavily on volunteer fundraisers to raise the money we need to support people living with dying, death and grief. The Hospice could not continue without the efforts of the many hundreds of people that support us in this way. We also employ a professional Fundraising Team to ensure that we raise money as efficiently and effectively as possible. This team is also supported by a company who are paid to attract lottery members on our behalf, and also a self-employed person engaged for this purpose.

We constantly monitor the effectiveness of all professional fundraising activity so we can make the most of every donation we receive.

We produce detailed monthly returns about our gambling activity and also carry out independent checks and audits of the companies and self-employed people that represent us. We closely monitor how much it costs us to fundraise and the return we achieve, and use indicators like net profit and return on investment to constantly review and innovate our fundraising activity to make sure our fundraising is as effective and sustainable as possible.

St Nicholas Hospice Care are members of many regulatory organisations who help us comply with professional fundraising standards. These include memberships to Fundraising Regulator, Gambling Commission, Hospice Lotteries Association and the Institute of Legacy Management. We continue to comply and meet the standards required of these memberships.

We received no complaints through the Fundraising Regulator, and investigated four other complaints and concerns which came to us directly in relation to fundraising activity.

We continue to use a legitimate interest basis to process data for most of our fundraising activity. This means that we regularly review the frequency and appropriateness of our communications, and take a bespoke and individual approach when communicating with our supporters. When undertaking some fundraising activity, like the lottery, we conduct vulnerability checks and also have a self-exclusion form on our website.



**GAMBLING
COMMISSION**



Registered with
**FUNDRAISING
REGULATOR**



Going concern

Like many other charities, the Hospice faces the challenge of providing an equitable service which can respond flexibly to the changing and growing needs expressed by people in the local community, as well as ensuring it the charity remains financially sustainable.

The Trustees have considered the following areas specifically in their consideration of going concern:

Service model

This year has seen significant progress made in the development of an Equip, Provide, Strive Strategy to meet the needs expressed by local people facing death and grief. This approach will see St Nicholas Hospice Care take a stronger role to improve the experiences of more people in the community as well as develop new ways of providing direct care and support.

Modernisation

The Hospice has set a strategic aim to strive for something better through innovation, to ensure that the Charity is well run and makes the most of donations and resources. This requires a modernisation of systems and infrastructure, which the Hospice has already started to invest in.

Income Generation

St Nicholas Hospice Care has a diverse range of income generating activities including grants and donations, investment, fundraising, retail, event and lottery income. While some of these income streams are inherently volatile, the Charity has policies in place to manage these risks including specific investment and reserves policies, which are explained in the Trustees Report. The ongoing use of designated funds to improve existing or develop new income streams will add to this diversification and enable the Charity to continue serving our local population.

NHS Grant Funding

West Suffolk Clinical Commissioning Group (WSCCG) is the main single NHS funder and continues to support the work of the Charity, with a five-year funding agreement in place from 1 April 2017 to March 2022 with an annual value of £945k.

Reserves

At the end of the financial year 2018/19, the Charity has unrestricted funds totalling £9.423m which exceeds the target of six months of total running costs in total. £5.478m of these have been designated, leaving the equivalent of approximately 52% of this year's running costs as general funds. This allows for investment in services, income generation and infrastructure to further the Charity's aims and objectives as well as providing funds to mitigate against economic uncertainty.

The Trustees have considered the financial position of the Charity, in light of the above, the investment portfolio, the 2019/20 budget and the planned outcomes of Service Design. As a consequence, the Trustees believe the Charity is well placed to manage its business risks successfully through these difficult and uncertain times.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and consider there to be no material uncertainties in making this judgement. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the Trustees are required to:

Select suitable accounting policies and then apply them consistently

- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

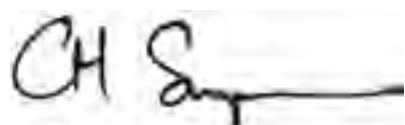
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements and other information included in the annual report, may differ from legislation in other jurisdictions.

Statement as to disclosure of information to the Auditor

In accordance with company law, as the charity's Trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the charity's auditor is unaware
- We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of the information.

This Annual Report was approved by the Trustees on 26 September 2019



Charles Simpson
Chair

Independent Auditors Report

For the year ended 31 March 2019



Opinion

We have audited the financial statements of St Nicholas Hospice (Suffolk) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



CLAIRE SUTHERLAND (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants,
Abbotsgate House, Hollow Road,
Bury St Edmunds, IP32 7FA

Date 7 October 2019

Consolidated Statement of financial activities

(incorporating the income and
expenditure statement)

for the year ended 31 March 2019

		2019				2018			
	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Income from :									
Grants, donations and legacies:									
Donations		958,769	143,703	-	1,102,472	972,858	192,165	-	1,165,023
Legacies		1,278,736	4,602	-	1,283,338	1,272,218	-	-	1,272,218
Grants		2,500	-	-	2,500	-	-	-	-
		2,240,005	148,305	-	2,388,310	2,245,076	192,165	-	2,437,241
Charitable activities	2	1,160,687	-	-	1,160,687	1,240,524	-	-	1,240,524
Other trading activities:									
Shops and café income		1,400,880	-	-	1,400,880	1,330,135	-	-	1,330,135
Lottery		489,502	-	-	489,502	494,619	-	-	494,619
Fundraising		450,045	6,641	-	456,686	398,705	-	-	398,705
Other Income	3	48,037	-	-	48,037	49,436	-	-	49,436
		2,388,464	6,641	-	2,395,105	2,272,895	-	-	2,272,895
Investments	4	142,718	-	847	143,565	157,530	-	1,022	158,552
Total Income		5,931,874	154,946	847	6,087,667	5,916,025	192,165	1,022	6,109,212
Expenditure on:									
Raising funds									
Raising grants, donations and legacies		(492,086)	-	-	(492,086)	(460,404)	-	-	(460,404)
Other trading activities		(2,149,645)	-	-	(2,149,645)	(1,961,210)	-	-	(1,961,210)
Investment management		(53,821)	-	-	(53,821)	(70,756)	-	-	(70,756)
		(2,695,552)	-	-	(2,695,552)	(2,492,370)	-	-	(2,492,370)
Charitable activities									
In patient care		(2,086,708)	(12,079)	(847)	(2,099,634)	(1,978,419)	(20,231)	(1,022)	(1,999,672)
Day care		(326,701)	(28,878)	-	(355,579)	(312,229)	(14,450)	-	(326,679)
Community services		(1,693,141)	(74,780)	-	(1,767,921)	(1,349,528)	(168,752)	-	(1,518,280)
Family support and bereavement		(413,120)	(18,070)	-	(431,190)	(343,295)	(21,991)	-	(365,286)
Education & research		(253,938)	(6,963)	-	(260,901)	(227,066)	(2,067)	-	(229,133)
		(4,773,608)	(140,770)	(847)	(4,915,225)	(4,210,537)	(227,491)	(1,022)	(4,439,050)
Total expenditure	5	(7,469,160)	(140,770)	(847)	(7,610,777)	(6,702,907)	(227,491)	(1,022)	(6,931,420)
Net (losses) /gains on investments	11	(8,725)	-	926	(7,799)	(53,655)	-	(621)	(54,276)
Net movement in funds	8	(1,546,011)	14,176	926	(1,530,909)	(840,537)	(35,326)	(621)	(876,484)
Reconciliation of funds:									
Total funds brought forward		10,968,575	291,533	44,185	11,304,293	11,809,112	326,859	44,806	12,180,777
Total funds carried forward		9,422,564	305,709	45,111	9,773,384	10,968,575	291,533	44,185	11,304,293

Balance Sheet

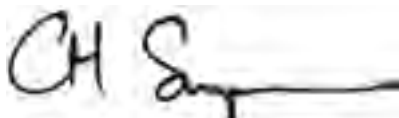
as at 31 March 2019



		Group		Charity	
	Note	2019	2018	2019	2018
		£	£	£	£
Fixed assets					
Tangible assets	10	2,458,594	2,479,819	2,458,594	2,479,819
Investments	11	6,393,554	6,814,506	6,428,560	6,849,512
		8,852,148	9,294,325	8,887,154	9,329,331
Current assets					
Stock		29,290	29,397	-	-
Debtors	12	620,089	1,101,125	644,649	1,126,750
Cash at bank and in hand		831,521	1,438,967	800,737	1,381,178
		1,480,900	2,569,489	1,445,386	2,507,928
Creditors: amounts falling due within one year	13	559,664	559,521	610,976	549,470
Net current assets		921,236	2,009,968	834,410	1,958,458
Net assets		9,773,384	11,304,293	9,721,564	11,287,789
The funds of the charity					
Restricted income funds	14	305,709	291,533	305,709	291,533
Unrestricted funds:					
Designated fund	15	5,477,719	5,927,956	5,477,719	5,927,956
General fund	15	3,944,845	5,040,619	3,893,025	5,024,115
Endowment fund	16	45,111	44,185	45,111	44,185
Total funds	17	9,773,384	11,304,293	9,721,564	11,287,789

A separate Statement of Financial Activities (SOFA) is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The gross income of the charity for the year was £5,740k and the net movement in funds was a deficit of £1,566k.

The financial statements were approved and authorised for issue by the Board of Trustees on 26 September 2019.



Charles Simpson

Chairman

The notes on pages 41 to 56 form part of these financial statements.

Cash flow statement

for the year ended 31 March 2019



	Note	2019 £	2018 £
Cash flows from operating activities:			
Net cash used in operating activities	20	(1,002,637)	(409,785)
Cash flows from investing activities:			
Dividends and interest from investments		139,199	156,038
Interest received		4,366	1,005
Proceeds from the sale of tangible fixed assets		2,500	-
Payments to acquire tangible fixed assets		(164,027)	(115,224)
Proceeds from the sale of investments		2,836,228	2,091,133
Purchase of investments		(2,497,494)	(637,687)
Net cash provided by investing activities		320,772	1,495,265
Change in cash and cash equivalents in the year		(681,865)	1,085,480
Cash and cash equivalents at the beginning of the year		1,704,115	618,635
Cash and cash equivalents at end of the year	21	1,022,250	1,704,115

Notes forming part of the financial statements

for the year ended 31 March 2019

1 Accounting policies

Basis of preparation

St Nicholas Hospice (Suffolk) is a private company limited by guarantee, and is registered, domiciled and incorporated in England. The registered office of the charity is Hardwick Lane, Bury St Edmunds, Suffolk, IP33 2QY.

The financial statements are prepared under the historical cost convention, with the exception of investments which are stated at market value, and in accordance with applicable accounting standards and the Companies Act 2006. The financial statements also comply with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 and the Charity SORP (FRS 102).

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 £.

Group accounts

The consolidated financial statements incorporate the accounts of the charity and those of its trading subsidiary, St Nicholas Hospice Trading Limited for the year ended 31 March 2019.

Income

Income is included in the Statement of Financial Activities when the charity is entitled to the income, the amount can be quantified with reasonable accuracy and there is probability of receipt.

Income from NHS contracts and other grants is included on a receivable basis.

Legacies, grants and donations are included when the aforementioned recognition criteria have been met.

Dividends and interest on fixed interest securities are included in the accounts when due.

Lottery income is accounted for in respect of those draws that have taken place in the year.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis (that is, recognised once there is a legal or constructive obligation committing the charity to the expenditure), and has been classified under the headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

- Costs of raising funds are those costs incurred in seeking voluntary contributions and in trading activities and do not include the costs of disseminating information in support of the charitable activities.
- Charitable activities include expenditure associated with the provision of hospice services and include both the direct costs and support costs relating to these activities.
- Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Hospice. Such costs have been allocated to activity cost categories on a headcount basis.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Volunteers

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 note 7 to the accounts and within the Trustees report.

Tangible fixed assets and depreciation

Fixed assets costing more than £500 are capitalised, with the exception of computer equipment which is capitalised where assets cost over £100 and capital project related expenditure all of which is capitalised irrespective of value.

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:-

Leasehold buildings	- remaining term of lease
Furniture and equipment	- 10% - 50% per annum
ICT Equipment	- 10% - 50% per annum
Motor vehicles	- 20% per annum

1 Accounting policies (*continued*)

Fixed assets donated

Donated assets provided for use by the charity are taken to income and capitalised in the accounts at their estimated market value when donated.

Investments

In the Group Balance Sheet, Investments are stated at market value, less any provision for impairment. The Statement of Financial Activity includes gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses represent the difference between the market value at the previous balance sheet date and the eventual sale proceeds or the acquisition price if bought and sold within the same year. Unrealised gains and losses represent the difference between market value at the previous balance sheet date or cost of any purchases during the year and the market value at the current balance sheet date.

In the Charity Balance Sheet, 'Investments' includes the investment in a subsidiary, which is recorded at cost.

Stocks

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

Pension costs

The charity contributes to a group personal pension plan and a defined benefit pension scheme. Contributions paid into these pension arrangements are charged to the Statement of Financial Activity when due.

A number of employees contribute to the NHS Superannuation scheme and certain other employees participate in personal pension plans. Whilst the NHS Superannuation scheme is a Defined Benefit Scheme, it is a multi-employer scheme for which the charity's share of the underlying assets and liabilities cannot be identified; it is therefore accounted for as a Defined Contribution Scheme in accordance with FRS 102. The charity's contributions to these schemes are therefore charged to the Statement of Financial Activity when due.

Employee benefits

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activity over the period in which the cost is incurred.

Impairment of fixed assets

The need for any fixed asset impairment write-down is assessed by comparison of the carrying value of the asset against the higher of net realisable value and value in use.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on the general fund and designated funds. They are available for use at the discretion of the Trustees in furtherance of the charity's objectives.

Designated funds are those funds designated for particular purposes or projects at the discretion of the Trustees.

Restricted funds are created when grants or donations are made for a particular purpose, the use of which is restricted to that purpose.

Endowment funds represent funds which must be held permanently by the charity, principally as investments. Income arising on each of the endowment funds can be used in accordance with the objects of each fund and is shown as income against that fund and allocated to costs as appropriate. Any material gains or losses arising on the investment forms part of the fund.

1 Accounting policies (continued)

Taxation

The income and gains of the charity are exempt from corporation tax to the extent that they are applied to its charitable objectives. Recoverable income tax is accrued within the financial statements.

Debtors

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

Creditors

Creditors are recognised where the charity 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 discounts due.

Cash at Bank and in hand

Cash at bank and cash in hand includes cash and short term liquid investments with a short maturity of three months or less.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method, apart from listed investments, which are held at fair value, derived as noted within the investments accounting policy.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are not considered to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical areas of judgement

The Trustees do not consider that there are any critical areas of judgement applied in the preparation of these financial statements.

2 Income from charitable activities

	2019	2018
	£	£
In patient care	534,972	609,207
Day care	39,399	47,924
Community services	431,318	423,542
Family support & bereavement	75,882	80,764
Education and research	79,116	79,087
	1,160,687	1,240,524

3 Other income

	2019	2018
	£	£
Catering income	46,114	43,780
Other income	1,923	5,656
	48,037	49,436

4 Investment income

	2019 £	2018 £
Dividend – equities	113,916	129,372
Interest – fixed interest securities	25,283	28,391
Bank interest	4,366	789
	143,565	158,552

5 Analysis of expenditure

	Direct Costs £	Support Costs (note 6) £	2019 Total Costs £	2018 Total Costs £
Costs of raising grants, donations and legacies	385,903	106,183	492,086	460,404
	385,903	106,183	492,086	460,404
Other trading activities				
Shop and café costs	1,272,655	298,564	1,571,219	1,471,276
Lottery costs	193,110	16,672	209,782	231,081
Events costs	209,345	56,846	266,191	210,652
Other income	81,332	21,121	102,453	48,201
	1,756,442	393,203	2,149,645	1,961,210
Investment management costs	52,266	1,555	53,821	70,756
	2,194,611	500,941	2,695,552	2,492,370
In patient care	1,542,463	557,171	2,099,634	1,999,672
Day care	229,057	126,522	355,579	326,679
Community services	1,432,252	335,669	1,767,921	1,518,280
Family support & bereavement	332,390	98,800	431,190	365,286
Education and research	196,437	64,464	260,901	229,133
	3,732,599	1,182,626	4,915,225	4,439,050
Total	5,927,210	1,683,567	7,610,777	6,931,420

6 Analysis of support costs

	Admin, Finance & IT £	Human Resources £	Maintenance and Domestics £	Catering £	Governance Costs £	2019 Total £	2018 Total £
Cost of raising grants, donations and legacies	53,896	29,596	11,209	-	11,482	106,183	79,225
Other trading activities	217,737	119,566	14,242	-	41,658	393,203	301,956
Investment management costs	-	-	-	-	1,555	1,555	1,731
	271,633	149,162	25,451	-	54,695	500,941	382,912
In patient care	155,202	85,226	137,571	133,277	45,895	557,171	450,836
Day care	18,005	9,887	47,389	44,426	6,815	126,522	106,990
Community services	179,055	98,324	15,675	-	42,615	335,669	259,165
Family support & bereavement	39,546	21,716	27,648	-	9,890	98,800	67,120
Education and research	29,614	16,263	12,742	-	5,845	64,464	48,369
Charitable services	421,422	231,416	241,025	177,703	111,060	1,182,626	932,480
Total	693,055	380,578	266,476	177,703	165,755	1,683,567	1,315,392

7 Employee Costs

	2019 £	2018 £
Wages and salaries	4,622,455	4,156,614
Social security costs	408,797	364,365
Pension costs	347,234	316,592
Other employee benefits	20,500	2,250
	5,398,986	4,839,821

Termination payments amounted to £20,500 (2018: £2,250) and no funding was received relating to this payment.

Full time equivalent employees during the year were 154 (2018: 142) and analysis of the headcount was:

	2019 Number	2018 Number
Direct charitable services	108	109
Fundraising services	52	50
Support services	30	20
	190	179

The number of employees whose total employee benefits excluding pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2019 Actual Number	2018 Actual Number
£60,000-£69,999	1	-
£70,000-£79,999	2	2
£80,000-£89,999	1	1
£90,000-£99,999	1	1
Total	5	4

Pension costs relating to those staff earning over £60,000 totalled £49,595 in 2019 (2018: £39,125).

The Hospice considers that the key management personnel of the group and charity comprise of six of the senior management team – who are the Chief Executive and five other key directors. The total employee benefits of the key management personnel of the Hospice were £518,715 (2018: £499,738).

The Hospice had an average of 660 volunteers as at 31 March 2019 (2018: 682) who provided their services in the following areas:

	2019 Number	2018 Number
Retail	268	253
Clinical	139	116
Hospice Neighbours	118	125
Fundraising and support services	108	113
Trustees	12	10
Associates	15	14
	660	631

8 Net movement in funds

	2019 £	2018 £
Net movement is stated after charging/(crediting):		
Depreciation	185,252	197,987
Auditor's remuneration		
-Statutory audit of charity and group	13,285	13,285
-Statutory audit of subsidiary	3,295	3,220
-Tax advisory	2,400	2,500
-Other services	11,353	9,759
(Profit)/loss on sale of fixed assets	(2,500)	3,271
Operating lease rentals	<u>210,732</u>	<u>392,321</u>

9 Taxation

St Nicholas Hospice (Suffolk) is a registered charity and as such is exempt from taxation on its income and gains falling within 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.

10 Tangible fixed assets (Group and Charity)

	Long Leasehold Buildings £	Furniture and Equipment £	ICT Equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2018	3,955,561	1,258,810	310,177	77,280	5,601,828
Additions	72,930	41,997	49,100	-	164,027
Disposals	-	(11,798)	-	(10,000)	(21,798)
At 31 March 2019	4,028,491	1,289,009	359,277	67,280	5,744,057
Depreciation					
At 1 April 2018	1,705,575	1,166,647	224,638	25,149	3,122,009
Charge for the year	93,863	38,592	38,840	13,957	185,252
Disposals	-	(11,798)	-	(10,000)	(21,798)
At 31 March 2019	1,799,438	1,193,441	263,478	29,106	3,285,463
Net book value					
At 31 March 2019	2,229,053	95,568	95,799	38,174	2,458,594
At 31 March 2018	2,249,986	92,163	85,539	52,131	2,479,819

The long leasehold expenditure represents:

- The building costs of the Hospice on land at Macmillan Way, Bury St Edmunds for which a 60 year lease at a peppercorn rent was entered into on 15 August 1991
- The refurbishment of the In Patient Unit during 2008
- Office reconfigurations in 2013
- Improvements to the Orchard Day Centre on the Hospice site
- Expenditure on new and existing shops
- The development of an Outreach Centre at the Burton Centre in Haverhill.

All fixed assets of the charity are used for charitable purposes.

11 Investments

A) Summary	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
At start of the year	6,549,358	8,057,080	6,549,358	8,057,080
Additions	2,497,494	637,687	2,497,494	637,687
Disposals	(2,836,228)	(2,091,133)	(2,836,228)	(2,091,133)
Realised (losses) / gains	(133,192)	56,034	(133,192)	56,034
Unrealised gains / (losses)	125,393	(110,310)	125,393	(110,310)
	6,202,825	6,549,358	6,202,825	6,549,358
Cash held as part of the investment portfolio	190,729	265,148	190,729	265,148
Equity investment in subsidiary	-	-	35,006	35,006
	6,393,554	6,814,506	6,428,560	6,849,512
B) Analysis of investments			2019	2018
			£	£
Equities			4,246,190	4,614,640
Fixed interest securities			1,956,635	1,934,718
Cash held as part of the investment portfolio			190,729	265,148
Total group			6,393,554	6,814,506
Equity investment in subsidiary			35,006	35,006
Total charity			6,428,560	6,849,512
C) Historical cost of investments			2019	2018
			£	£
Rathbones			3,555,972	3,432,160
Aberdeen Standard Capital			1,433,541	2,819,289
Sarasin & Partners			690,000	-
Total group			5,679,513	6,251,449
Equity investment in subsidiary			35,006	35,006
Total charity			5,714,519	6,286,455

D) Trading subsidiary

The charity holds 100% of the issued share capital of St Nicholas Hospice Trading Limited (company number 02176804), a company incorporated in the UK. The principal activity of St Nicholas Hospice Trading Limited during the year was the sale of the bought in goods and house clearances.

The company gifts its taxable profits to St Nicholas Hospice (Suffolk) under gift aid and the aggregate capital and reserves of St Nicholas Hospice Trading Limited at 31 March 2019 were £91,326 (2018: £59,008).

All items of income or expenditure reported on the Group Statement of Financial Activities have been shown after the removal of intra group transactions.

11 Investments (continued)

The trading results for the year ended 31 March 2019 and 31 March 2018 are show below:

	2019 £	2018 £
Turnover	348,079	343,563
Cost of sales	(177,847)	(189,384)
Gross profit	170,232	154,179
Operating expenses	(87,676)	(106,386)
Profit on ordinary activities before interest	82,556	47,793
Interest payable on concessionary loan to hospice	(625)	(625)
Net trading profit	81,931	47,168
Assets	126,995	98,001
Liabilities	(35,669)	(38,993)
Net assets	91,326	59,008
Represented by:		
Capital	35,006	35,006
Reserves	56,320	24,002
Net assets	91,326	59,008

12 Debtors

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	10,612	8,205	10,472	8,205
Taxation recoverable	37,690	37,681	37,690	37,681
Other debtors	2,903	3,128	2,903	3,128
Prepayments	271,650	277,294	271,650	277,294
Accrued income	35,294	98,553	34,994	98,553
Accrued legacies	261,940	676,264	261,940	676,264
Amount due from subsidiary undertaking	-	-	-	625
Loan due from subsidiary undertaking	-	-	-	25,000
	620,089	1,101,125	619,649	1,126,750
Amounts due greater than one year:				
Loan due from subsidiary undertaking	-	-	25,000	-
	620,089	1,101,125	644,649	1,126,750

A loan to the subsidiary undertaking to fund working capital was granted on 16 November 2013 secured by a fixed charge over goodwill and a floating charge over all assets of the company. Interest is charged at 2.5%. The balance was repaid in full in the year.

In the year, the charity entered into a new loan agreement to the subsidiary undertaking which is secured by a fixed charge over goodwill and a floating charge over all assets of the company with interest charged at 2.5%. The balance on this loan will be repaid in full on 15 November 2028.

Included within prepayments is £125,351 in relation to a prepayment for a lease which falls due greater than one year.

13 Creditors: amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	129,674	159,351	126,615	154,783
Amounts due to subsidiary undertaking	-	-	61,981	3,318
Other taxes and social security	110,893	99,545	107,662	96,292
Other creditors	55,844	47,389	55,844	47,389
Accruals	151,751	147,022	147,489	143,809
Deferred income – lottery	76,513	72,102	76,513	72,102
Deferred income - other	34,989	34,112	34,872	31,777
	559,664	559,521	610,976	549,470

Deferred income reconciliation – lottery

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Balance brought forward	72,102	77,983	72,102	77,983
Amounts released to income in the year	(72,102)	(77,983)	(72,102)	(77,983)
Amount deferred in the year	76,513	72,102	76,513	72,102
Balance carried forward	76,513	72,102	76,513	72,102

Deferred income reconciliation – other

	£	£	£	£
Balance brought forward	34,112	21,410	31,777	17,793
Amounts released to income in the year	(34,112)	(21,410)	(31,777)	(17,793)
Amount deferred in the year	34,989	34,112	34,872	31,777
Balance carried forward	34,989	34,112	34,872	31,777

Deferred income relates to income for future events and lottery subscriptions paid in advance.

14 Restricted funds (Group and Charity)

	Balance at 31 March 2018	Income	Expenditure	Transfers	Balance at 31 March 2019
	£	£	£	£	£
In patient care	165,946	10,284	(11,926)	-	164,304
Day care	116,397	31,438	(28,878)	-	118,957
Community services	6,109	71,725	(74,780)	-	3,054
Family support and bereavement	256	17,964	(18,070)	-	150
Education and research	2,825	8,535	(6,963)	-	4,397
Hospice building boiler fund	-	15,000	(153)	-	14,847
	291,533	154,946	(140,770)	-	305,709

	Balance at 31 March 2017	Income	Expenditure	Transfers	Balance at 31 March 2018
	£	£	£	£	£
In patient care	183,175	3,002	(20,231)	-	165,946
Day care	120,646	10,201	(14,450)	-	116,397
Community services	18,920	155,941	(168,752)	-	6,109
Family support and bereavement	226	22,021	(21,991)	-	256
Education and research	3,892	1,000	(2,067)	-	2,825
	326,859	192,165	(227,491)	-	291,533

14 Restricted funds (Group and Charity) (continued)

In-Patient Care restricted fund incorporates;

The In-Patient Unit Refurbishment fund, specifically for the purpose of the refurbishment of the In-Patient Unit at the Hospice. The money has been expended and is represented within the leasehold land and buildings and furniture and equipment (Note 10).

The Beds fund specifically received and partly expended for the purchase of electric beds for the Hospice. Those beds that have already been purchased are represented within furniture and equipment (Note 10).

The Sylvan Ward Fund specifically received towards the revenue funding for the running cost of the in-patient unit.

Day care restricted fund incorporates;

The Garden, Orchard, Bradbury Green and Family Room Refurbishment fund specifically for the purpose of the refurbishment of those areas and includes funding from previous years including a capital grant from the Department of Health to deliver tangible physical improvements enhancing care provision to the garden, Chapel, Bradbury Green and Orchard Day Therapy areas. This funding has now been fully expended apart from a small amount remaining in respect of the enhancements to the Family Room and is either represented within leasehold land and buildings and equipment (Note 10) or revenue expenditure relating to garden works, which has been proportionately allocated against patient areas that benefit from the work undertaken.

The Clinical Equipment fund was specifically received for and partially expended on palliative care equipment. The equipment that has already been purchased is represented within furniture and equipment (Note 10).

The Orchard Day Care fund was specifically received revenue funding towards the running costs of the Orchard Day Centre, which supports patients in achieving independence.

Community services restricted fund incorporates;

The Hospice Neighbours Project fund relates to revenue funding to maintain and grow a volunteer scheme to provide practical support to people in their own homes.

The Burton Centre Refurbishment fund relates to funding received in order to develop an Outreach Centre in Haverhill. The capital spent to date is represented within long leasehold and furniture and equipment.

The Burton Centre Garden – Big Lottery Fund Grant, relates to capital funding to redevelop the garden space for users of the Burton Centre.

The Burton Centre running costs fund relates to funding received and expended in the year towards the costs of operating the centre.

The Community Hospice Team fund relates to specific revenue funding received and expended in the year for the Community Hospice Team Service which includes Community Nurse Specialists and community based Nursing Assistants.

The Haven Café fund relates to a specific piece of funding received to upgrade the kitchen in the Haven Café.

The Refrigerator fund relates to specific funding which will be used to purchase a refrigerated display cabinet at Haven Café.

Family support and bereavement restricted fund incorporates;

The Nicky's Way fund relates to specific revenue funding received and expended in the year for the children's bereavement support service known as Nicky's Way.

The Miscellaneous Non Clinical Equipment fund includes the following specific funding for:

- The cost of a dolls house for Nicky's Way, the children's bereavement support service
- Equipment for Nicky's Way.

Education and Research restricted fund incorporates;

The HOPE course fund relates to revenue funding received for co-ordinating a course for cancer patients entitled 'Help Overcoming Problems Effectively'.

The Access to work fund relates to specific funding towards special IT equipment and training for individuals coping with Dyslexia. The IT equipment purchased is represented within furniture and equipment.

The Education for Hospice Staff fund relates to grants received and expended during the year towards clinical courses.

The My Care Wishes funding is a specific piece of funding received from the Clinical Commissioning Group to deliver advances care planning training to West Suffolk care homes.

14 Restricted funds (Group and Charity) (continued)

Hospice building boiler fund relates to specific funding towards a new boiler in the Hospice. The boiler purchased is represented within long leasehold buildings.

15 Unrestricted funds

Charity

	Balance at 31 March 2018 £	Income £	Expenditure £	Investment gains/ (losses) £	Transfers £	Balance at 31 March 2019 £
Designated funds						
Building fund	2,053,596	-	-	-	-	2,053,596
New building and maintenance fund	2,250,000	-	-	-	-	2,250,000
IT Systems fund	360,745	-	(193,337)	-	-	167,408
Service development fund	843,775	2,500	(238,224)	-	-	608,051
Income generation project fund	419,840	-	(21,176)	-	-	398,664
	5,927,956	2,500	(452,737)	-	-	5,477,719
General fund	5,024,115	5,631,533	(6,753,898)	(8,725)	-	3,893,025
	10,952,071	5,634,033	(7,206,635)	(8,725)	-	9,370,744

Group

	Balance at 31 March 2018 £	Income £	Expenditure £	Investment gains/ (losses) £	Transfers £	Balance at 31 March 2019 £
Designated funds						
Building fund	2,053,596	-	-	-	-	2,053,596
New building and maintenance fund	2,250,000	-	-	-	-	2,250,000
IT Systems fund	360,745	-	(193,337)	-	-	167,408
Service development fund	843,775	2,500	(238,224)	-	-	608,051
Income generation project fund	419,840	-	(21,176)	-	-	398,664
	5,927,956	2,500	(452,737)	-	-	5,477,719
General fund	5,040,619	5,929,374	(7,016,423)	(8,725)	-	3,944,845
	10,968,575	5,931,874	(7,469,160)	(8,725)	-	9,422,564

Charity

	Balance at 31 March 2017 £	Income £	Expenditure £	Investment gains/ (losses) £	Transfers £	Balance at 31 March 2018 £
Designated funds						
Building fund	2,053,596	-	-	-	-	2,053,596
New building and maintenance fund	2,250,000	-	-	-	-	2,250,000
IT Systems fund	395,000	-	(34,255)	-	-	360,745
Service development fund	943,959	-	(100,184)	-	-	843,775
Income generation project fund	419,840	-	-	-	-	419,840
	6,062,395	-	(134,439)	-	-	5,927,956
General fund	5,738,109	5,615,358	(6,275,697)	(53,655)	-	5,024,115
	11,800,504	5,615,358	(6,410,136)	(53,655)	-	10,952,071

15 Unrestricted funds (continued)

Group

	Balance at 31 March 2017 £	Income £	Expenditure £	Investment gains/ (losses) £	Transfers £	Balance at 31 March 2018 £
Designated funds						
Building fund	2,053,596	-	-	-	-	2,053,596
New building and maintenance fund	2,250,000	-	-	-	-	2,250,000
IT Systems fund	395,000	-	(34,255)	-	-	360,745
Service development fund	943,959	-	(100,184)	-	-	843,775
Income generation project fund	419,840	-	-	-	-	419,840
	6,062,395	-	(134,439)	-	-	5,927,956
General fund	5,746,717	5,916,025	(6,568,468)	(53,655)	-	5,040,619
	11,809,112	5,916,025	(6,702,907)	(53,655)	-	10,968,575

Building fund

This is a designated fund representing the construction costs of the original building to 31 March 2019 less depreciation charged thereon, together with funds transferred from the original foundation fund. During 2009/10 the balance on the capital appeal restricted fund (£511,529), which was held specifically for the purpose of the development and provision of accommodation for family bereavement and support services, was transferred into this fund.

New building and maintenance fund

This is a designated fund for the purposes of maintaining and updating the existing Hospice building and allocating funds for future building requirements.

IT systems fund

The charity has a number of IT systems and hardware which will require replacing over the next twelve to twenty-four months. The Trustees have designated funds for this and to develop greater reliance and functionality through new systems, in order to reduce duplication and manual data handling, whilst supporting the services we deliver now and in the future.

Service development fund

The purpose of this fund is to develop and pilot new service delivery models across our entire service offering in all settings. This will enable us to achieve the charity's strategic vision.

Income generation fund

The Trustees have set aside funds for income generation through shops and growing Lottery membership, as well as developing new income streams to continue to diversify the charity's portfolio in order to remain sustainable and resilient to economic challenges.

16 Endowment funds (Group and Charity)

	Balance at 1 April 2018 £	Income £	Expenditure £	Investment gains £	Balance at 31 March 2019 £
The Earl of Euston 2009 Fund	44,185	847	(847)	926	45,111

The income earned from the investment of the fund, £847, must be spent in accordance with the objects of the Charity.

The gain arising on the investment of the fund was £926 and the value of the fund was increased by this at 31 March 2019. The investment management charge attributable to the fund at £273 was immaterial and no adjustment has been made to the value of the fund

	Balance at 1 April 2017 £	Income £	Expenditure £	Investment gains £	Balance at 31 March 2018 £
The Earl of Euston 2009 Fund	44,806	1,022	(1,022)	(621)	44,185

17 Net assets by funds

Group	General Funds	Restricted Funds	Endowment Fund	Total Funds 31 March 2019 £
	£	£	£	£
Investments	6,348,443	-	45,111	6,393,554
Tangible fixed assets	2,157,561	301,033	-	2,458,594
Current assets	1,476,224	4,676	-	1,480,900
Creditors falling due within one year	(559,664)	-	-	(559,664)
	<u>9,422,564</u>	<u>305,709</u>	<u>45,111</u>	<u>9,773,384</u>

Charity	General Funds	Restricted Funds	Endowment	Total Funds 31 March 2019 £
	£	£	£	£
Investments	6,383,449	-	45,111	6,428,560
Tangible fixed assets	2,157,561	301,033	-	2,458,594
Current assets	1,440,710	4,676	-	1,445,386
Creditors falling due within one year	(610,976)	-	-	(610,976)
	<u>9,370,744</u>	<u>305,709</u>	<u>45,111</u>	<u>9,721,564</u>

Group	General Funds	Restricted Funds	Endowment Fund	Total Funds 31 March 2018 £
	£	£	£	£
Investments	6,770,321	-	44,185	6,814,506
Tangible fixed assets	2,188,286	291,533	-	2,479,819
Current assets	2,569,489	-	-	2,569,489
Creditors falling due within one year	(559,521)	-	-	(559,521)
	<u>10,968,575</u>	<u>291,533</u>	<u>44,185</u>	<u>11,304,293</u>

Charity	General Funds	Restricted Funds	Endowment	Total Funds 31 March 2018 £
	£	£	£	£
Investments	6,805,327	-	44,185	6,849,512
Tangible fixed assets	2,188,286	291,533	-	2,479,819
Current assets	2,507,928	-	-	2,507,928
Creditors falling due within one year	(549,470)	-	-	(549,470)
	<u>10,952,071</u>	<u>291,533</u>	<u>44,185</u>	<u>11,287,789</u>

18 Related party transactions

None of the charity trustees or persons connected to them received remuneration for the year (2018: nil).

Trustee indemnity insurance is included within total insurance costs of £50,275 (2018: £38,504). It is not possible to quantify the trustee indemnity element from the overall insurance cost.

Five trustees were St Nicholas Hospice Care Lottery subscribers in the year (2018: four), and in total paid £251 (2018: £260). Their winnings amounted to £10 (2018: £10).

During the year 20 trustees and associates (2018: 21) made donations totalling £3,455 (2018: £1,834).

18 Related party transactions (continued)

Transactions with the subsidiary undertaking were:

	2019 £	2018 £
Loan outstanding from the trading company to the charity	25,000	25,000
Current account balance from the trading company to the charity	61,981	3,318
Gift aid donation from the trading company to the charity	49,613	42,272
Recharged costs from the charity to the trading company	213,829	218,699
Recharged income from the charity to the trading company	142,093	159,471

19 Financial commitments

As at 31 March 2019, the charity had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	2019 £	2018 £	2019 £	2018 £
Operating leases which expire:				
Within one year	146,964	180,350	21,857	17,320
Later than one year but not later than five	404,257	478,141	38,194	30,245
Later than five years	64,245	137,244	-	-
	<u>615,466</u>	<u>795,735</u>	<u>60,051</u>	<u>47,565</u>

20 Reconciliation of expenditure to net cash flows from operating activities

	Group	
	2019 £	2018 £
Net expenditure	(1,530,909)	(876,484)
Adjusted for:		
Depreciation charges	185,252	197,987
Losses on investments	7,799	54,276
Dividends received from investments	(139,199)	(156,039)
Interest received	(4,366)	(1,005)
Loss on the sale of fixed assets	(2,500)	3,271
Increase in stocks	107	(14,106)
Decrease in debtors	481,036	281,200
(Decrease)/increase in creditors	143	101,115
Net cash used in operating activities	(1,002,637)	(409,785)

21 Analysis of cash and cash equivalents

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Cash at bank and in hand	831,521	1,438,967	800,737	1,381,178
Cash held as part of the investment portfolio	190,729	265,148	190,729	265,148
	<u>1,022,250</u>	<u>1,704,115</u>	<u>991,466</u>	<u>1,646,326</u>

22 Members guarantee

The charity has no share capital but is limited by guarantee. Every member of the charity is a guarantor and undertakes to contribute to the assets of the charity, in the event of it being wound up, such amounts as may be required. Each guarantor's liability is limited to £1.

23 Pension costs

A group personal pension plan is operated on behalf of certain employees. The assets are held separately from those of the charity in independently administered funds. The pension charge represents contributions payable by the charity to the plan at rates ranging from 5% to 7%. Contributions paid by the charity during the year amounted to £154,828 (2018: £140,568). Contributions outstanding at 31 March 2019 amounted to £25,486 (2018: £20,154) and were included within other creditors.

In addition, certain other employees previously employed by the National Health Service have, by arrangement, continued to be members of the NHS Pension Scheme, a multi-employer defined benefit scheme, whilst in the employment of St Nicholas' Hospice (Suffolk). Contributions paid by the charity during the year amounted to £192,406 (2018: £176,024). Contributions outstanding at 31 March 2019 amounted to £28,040 (2018: £24,723) and were included within other creditors.

The scheme is not designed to be run in a way that would enable NHS bodies to identify their share on the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the charity of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Employers' contributions to the NHS pension scheme were made at the rate of 14.38% (2018: 14.38%) and employee contributions ranged from 5% to 14.5%.

24 Financial instruments

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Financial assets:				
Debt instruments measured at amortised cost	310,749	786,151	335,309	811,776
Instruments measured at fair value through profit & loss	6,202,825	6,549,358	6,202,825	6,549,358
Total	<u>6,513,574</u>	<u>7,335,509</u>	<u>6,538,134</u>	<u>7,361,134</u>
Financial liabilities:				
Measured at amortised cost	337,269	353,762	391,929	349,300

25 Contingent Liabilities

The charity is registered within the VAT group with St Nicholas Hospice Trading Limited. The maximum potential liability at 31 March 2019 was £3,231 (2018: £3,253).