



Florence  
Nightingale  
HOSPICE CHARITY

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# Report of the Trustees and Consolidated Financial Statements

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For the Year Ended 31 March 2022

Company Registration Number: 06187174  
Registered Charity No. 1119499

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## Reference and administrative details

<b>Company registration number</b>	06187174
<b>Charity number</b>	1119499
<b>Registered office</b>	Unit 2 Walton Lodge Walton Street Aylesbury Bucks HP21 7QY
<b>Board of Trustees</b>	Mr P Bridgman Mr P Cotton Mrs D Earnshaw Mr M Fabes Mr S Jones Mr J Leggett Ms J Naismith Ms S Plumridge Mr N Ratcliffe (Chairman) Mr C Shennan Dr A Watt
<b>Chief Executive</b>	Mrs J Turner
<b>Bankers</b>	Lloyds Bank plc Market Square Aylesbury Bucks HP20 1TD
<b>Auditors</b>	Azets Audit Services Suites B & D Burnham Yard Beaconsfield HP9 2JH
<b>Investment advisors</b>	Schroder & Co. (trading as Cazenove Capital) 1 London Wall Place London EC27 5AU
<b>Website address</b>	<a href="http://www.fnhospice.org.uk">www.fnhospice.org.uk</a>

# Report of the trustees

## Report of the trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 March 2022.

## Objectives and activities for the public benefit

The Charity's vision is to provide the best hospice care for local people in Buckinghamshire and bordering areas, both within a Hospice setting and in the community.

## Objectives and aims

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

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

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

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

## Working in the Hospice

- In-Patient Unit: the Charity commissions additional staffing to cover absences thereby protecting and maintaining appropriate staffing levels within the 12 bed In-Patient Unit.
- Day Hospice: the Charity commissions a Day Hospice which aims to improve the personal wellbeing of patients through symptom management advice, psychological and therapeutic support, diversional techniques and complementary therapies.
- Lymphoedema Clinic: the Charity commissions this service which provides specialist assessments of patients' symptoms (such as swelling, pain, loss of function of a limb and skin infections) and treatment through massage and specialist compression bandaging.
- Discharge Liaison Nurse: the Charity provides this post which assesses and co-ordinates the timely discharge of patients from the Hospice and, where necessary, plans packages of palliative care on discharge; therefore facilitating patients' preferred place of care.
- Triage Nurse: the Charity provides a Triage Nurse who manages patients requiring telephone support, and also makes first contact with patients referred to assess their needs and to start symptom control as soon as possible.
- Capital costs: the Charity provides specific clinical equipment and also the refurbishment of parts of the Hospice building as identified by the clinical leads. The Charity provides for the upkeep of the Hospice's

## Report of the trustees

courtyard garden, therapeutic and diversionary materials and additional food and beverages provided for patients and visitors.

### In the community

- FNN@Home: the Charity commissions a team of qualified nurses and carers who administer palliative care across the Aylesbury Vale in patients' homes so they can receive the same level of care and medical attention as they would receive in the In-Patient Unit at the Hospice. FNN@Home was established in 2019 and incorporates the Healthcare Assistants formerly known as Nightingale 24/7.
- Community Palliative Care Team: the Charity commissions additional resource in this team of senior nurses who support patients at their homes in the Aylesbury Vale.
- Florrie's Children's Team: the Charity provides this team which provides respite and care for children with life-limiting illness in their own homes in addition to offering support to parents and siblings.
- Bereavement Support: the Charity commissions additional resource in this team and provides over 40 Volunteer Bereavement Listeners who support adults and children pre- and post-bereavement.

### Other

- Education: the Charity purchases specialist training and professional development for Hospice professionals through the Henderson Fund which was created in memory of husband and wife, Karen and Jim Henderson. Karen was a former Matron at the Hospice and Jim a former Trustee of the Charity, and their combined contribution to the development of the Hospice was enormous.
- Volunteers: the Charity also meets the costs of the Volunteers who contribute to hospice care and income generation, specifically mileage costs incurred whilst driving patients.

### Structure, governance and management

#### Governance

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

#### Organisational structure

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

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

Dr Alan Watt (Chair until the AGM held on 22 September 2021 but remains on the Board)  
Mr N Ratcliffe (Chair from 22 September 2021)  
Mr M Bennett (Retired 22 September 2021)  
Mr P Bridgman  
Mr P Cotton  
Mrs D Earnshaw  
Mr M Fabes  
Mr S Jones  
Mr J Leggett  
Ms J Naismith  
Ms S Plumridge

## Report of the trustees

Mr C Shennan (Co-opted 16 March 2022)

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

The Governance sub-committee meets quarterly, or as required, to address governance issues. Trustees in attendance are John Leggett (Chair), Noel Ratcliffe, Alan Watt and Peter Cotton.

Trustee reviews were conducted in the year. Trustees met either Mr Ratcliffe or Dr Watt to discuss their experience of being on the Board and their thoughts on how the Charity delivers on its purpose and relates to the Florence Nightingale Hospice as delivery partner. Findings were discussed at Governance Committee and the main Board. This exercise was considered to be very worthwhile and will be repeated in 2022/23.

In the year Governance Committee also reviewed and revised the Charity's complaints procedure and, as recommended to all charities, considered the lessons learned section of the Charities Commission's Inquiry into the failure of Kids Company which was published in February 2022.

The Finance and Audit committee meets quarterly, or as required, to review and monitor management reports and cash flow and evaluate new income generation initiatives with the Chief Executive, Head of Finance, Head of Fundraising and other members of the senior management team as appropriate. Trustees in attendance are Simon Jones (Chair), Noel Ratcliffe, Sarah Plumridge and Chris Shennan.

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

Dr Watt stepped down from the Chair role at the AGM in September 2021 but remains on the Board for the remaining year of his permitted term to support his successor. Noel Ratcliffe, who has been a Trustee of FNHC since 2016, was selected by Trustees to be the new Chair. Mr Ratcliffe is a nurse by training and worked in palliative care for 9 years including as Director of Nursing for Iain Rennie Hospice at Home and Director of Clinical Services at the Peace Hospice. More recently he has been GP Practice Manager at the Norden House Surgery, Winslow, where he led the complex project to merge three GP Practices before retiring in 2021.

Michael Bennett retired from the Board in September 2021 after completing a full 12-year term, including a period as Chair. We are extremely grateful for the huge contribution Mr Bennett made to stewarding the Charity during a period of growth which has seen the Charity's support of the Hospice grow enormously.

Chris Shennan FCCA joined the Board in March 2022. Mr Shennan is Managing Director of APS Accountancy, a well-regarded local practice which he started in 2011, working with SMEs. He has supported the Charity for several years in a fundraising capacity.

Dr Watt will reach the end of his maximum 12-year term at the AGM in October. Dr Ruth Mason is joining from August 2022 as the expert on General Practice. She has recently retired from the Norden House Surgery in Winslow where she has been a Partner since 1991. Dr Mason believes strongly in the benefits of high-quality palliative care for patients and their families.

In 2022/23 the Charity will be advertising for two additional Trustees with HR/cultural change and Fundraising expertise, to further develop the Board's skills.

Florence Nightingale Hospice Charity is a member of Hospice UK, the Fundraising Regulator, the Chartered Institute of Fundraising, the Fundraising Preference Service, the Charity Retail Association, the National Council for Voluntary Organisations and the Association of Chief Executives of Voluntary Organisations. During the year the CEO kept up to date with developments in the hospice and wider charity sector by attending national and regional sessions led by Hospice UK and other groups including an informal group of charities commissioning NHS Hospice services formed in 2020.

## Report of the trustees

The Charity complies with all recommended codes of practice and does not outsource any form of fundraising to commercial companies.

### Recruitment and appointment of new Trustees

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

### Induction and training of new Trustees

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

### Related parties

Florence Nightingale Hospice Shops (FNHS) Limited is the wholly owned trading subsidiary of Florence Nightingale Hospice Charity. As a result of donated goods, the charity received donations under the gift aid scheme of £258,000 (2021: £55,000). Accordingly, the total surplus generated from retail related activities for the year amounted to £363,141 (2021: deficit of £113,958).

Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised. Mrs Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports. FNHC has benefited from contributions to our funds of £2,601,279 since that time. For many years five Hospices have been supported through this company. Since 2019-20, Associate Partners are being recruited to expand the partnership and its long-term income potential. East & North Hertfordshire Hospitals' Charity and Harlington Hospice joined as Associate Partners in 2021.

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

### Risk management

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

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

Since early 2020 the most significant risks facing the Charity have been those posed by the Covid-19 pandemic. This has affected multiple areas of operation including the safety and wellbeing of staff, volunteers and supporters, the impact on income generation from fundraising and retail, and of course the delivery of Hospice services. The risks posed by possible future waves of Covid-19 (or other pandemics and emergencies) to business continuity remain high on our Risk Register. However, the measures taken to respond to the pandemic in the 2020-22 period mean that we feel more confident about effective responses. Mitigations would be likely to include:

## Report of the trustees

- Maintaining a focus on good governance, for example by reviving the Emergency Committee of Chair and Chairs of sub-Boards authorised to make decisions, while keeping the other Trustees connected.
- Assessing the impact on the Charity's finances and responding accordingly.
- Adjusting income generation activity to the most appropriate and postponing or stopping unnecessary activities.
- Devising a crisis communication plan for staff, volunteers and supporters.
- Supporting staff who might need to work differently.

Following the Charity Commission advice to the sector, we are amending our Memorandum and Articles of Association at the 2022 AGM to allow online meetings.

The pandemic has exacerbated the risk of insufficient Hospice care being available for those who need it. This is because of the disruption to healthcare and the reported late diagnoses of severe illness for some people, in addition to the existing pressures related to a growing and ageing population. We are addressing this risk with our partners at Buckinghamshire Healthcare NHS Trust by reviewing the current palliative care services and augmenting them or investigating new ways of delivering care. (See more below on page 9).

The current economic downturn and cost of living crisis risks the Charity's income generation and potentially our ability to meet the future costs of hospice services. We are addressing this risk by improving and diversifying fundraising approaches, making shops more profitable and acquiring new ones, raising profile through events and marketing, seeking the help of volunteers to benefit from their skills; whilst also controlling costs and seeking value for money. Another mitigation is holding sufficient reserves. The Charity revised its Reserves Policy last year in the light of the pandemic which showed fragility to some income streams. The new Reserves Policy better protects the Charity's significant long-term commitment to fund existing Hospice services and other long term financial commitments e.g., the leases on shops and head office. It also protects investment in additional Hospice related services over the medium to long term.

The current job market is also posing the risk that a failure to recruit and retain high performing staff could lead to loss of income, poor morale and threaten operations and reputation. We are mitigating against this with measures aimed at existing staff (such as a focus on developing a positive organisational culture as we grow, good internal communications, chances for staff to hear from the frontline Hospice team about the difference the Charity is making through the commissioning of services, and annual benchmarking of pay and benefits). We are also assessing our recruitment process to ensure that it is efficient and roles are advertised widely.

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

- Poor financial management and practices risk income and reputation.
- The Charity breaches Health and Safety best practice risking the personal safety of staff, volunteers or the public, thus affecting the Charity's reputation and leading to financial compensation.
- Inadequate vetting and reference procedures for relevant staff and volunteers leads to safeguarding and reputational risks.
- The Charity's fundraising programme for 2022 includes a production of 'Nativity the Musical'. We have sought specialist advice to produce a Child Protection policy and risk avoidance processes as this project includes children from age 6 upwards attending auditions, autumn half term rehearsals and a performance on 30th October at the Waterside theatre in Aylesbury.

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



# Report of the trustees

## Achievement and performance

### Main objectives for the Florence Nightingale Hospice Charity in 2021-22

Objectives for year	Achievements over the past year
<p>To continue the provision of high-quality specialist palliative care delivered by the Florence Nightingale Hospice both in the Hospice building and in the community.</p> <p>To explore if other palliative care services need to be provided or if any capital improvements need to be made at the Hospice to benefit patients &amp; staff.</p> <p>To set a 3-year strategy for the Charity's operations.</p> <p>To further develop the financial and operational oversight of FNHC commissioned services and projects undertaken by Buckinghamshire Healthcare NHS Trust. This will include jointly producing a Service Level Agreement for each service provided.</p>	<p>The Charity has increased provision of hospice care during the year thus enabling a range of services to be delivered for local people at the Florence Nightingale Hospice (FNH) and in the community.</p> <p>During 2021-22, 314 patients were cared for by the In-Patient Unit. The Charity also commissioned palliative care in the community which supported 994 people. 746 people were supported by our Community Palliative Care Specialist services, including FNH@Home and Florrie's Children's Team. 255 people were supported by the Lymphoedema Clinic. 44 people were supported by the Day Hospice. These hospice services received 209 written accolades last year thanking staff for the excellent care that they had received.</p> <p>The services offered by FNH continued to be affected by Covid-19 to varying degrees. For example, the team needed to handle very sensitively the restrictions on the number of visitors allowed into the Hospice building as required by NHS guidance. It was positive news though that many services were able to operate more normally. Respite patients could be admitted into the In-Patient Unit again. The Day Hospice service resumed, and its team received an award from Buckinghamshire Healthcare NHS Trust for how they had imaginatively adapted their services to cope with the pandemic restrictions.</p> <p>The FNH@Home service, comprising qualified nurses and Healthcare Assistants, was set up in 2019 to serve the Aylesbury Vale area. Despite the inevitable difficulties faced in establishing a new hospice at home service during the pandemic, the Charity is delighted that it is already regarded as an essential part of the expert palliative care available in the area. FNH@Home has continued its pilot during 2021-22 and was reviewed at a steering group in July 2021. Due to the increasing caseload and complexity of patients cared for, the Charity took the decision to boost the team with an additional Band 5 nurse.</p> <p>The Bereavement service provided invaluable support throughout the Covid-19 pandemic, supporting hundreds of people across the county through their grief at a time when traditional family and friend support networks were limited. During 2021/22, once Covid restrictions were lifted, new volunteer Listeners were recruited by the Charity and face-to-face Bereavement Support meetings and the drop-in Bereavement support cafe were re-started.</p>

# Report of the trustees

	<p>The service benefited from a grant from NHS Charities Together which meant that the Bereavement Listening Lead could increase her hours and a Deputy be recruited. This will enable the service to respond more quickly to requests for support as well as proactively reaching out to vulnerable and marginal groups who may benefit from bereavement support.</p> <p>A project costing £7,000 to refurbish the Lymphoedema clinic was completed. The room had not been updated since construction in 2000, so needed substantial refurbishment to create a better environment for patients and to store equipment appropriately.</p> <p>The Florence Nightingale Hospice senior management team has recently reviewed how the services it delivers have fared as we emerge from the pandemic which disrupted healthcare so significantly. Other pressures that pre-date the pandemic are also having a major impact, including an increasing and ageing population, patients often having more than one complex condition, and an ageing workforce with expert staff retiring or approaching retirement. Using available funds, Trustees will be making decisions very soon about using some of the Charity's free reserves in order to augment or provide additional services to address these demands. Service Level Agreements will be revised in the light of these decisions.</p> <p>While the aim was to produce a 3-year strategy for the Charity in 2021-22, it was decided to wait for the service review first. The strategy will now be completed in 2022-23. Trustees are keen for this to articulate the Charity's ambitious approach to providing the best Hospice care for local people in Buckinghamshire and borders, to develop more proactive services for groups that currently may not benefit from Hospice care and to raise the necessary funds to support sustainable services.</p>
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## Report of the trustees

To enable income from the Charity's Retail operation to recover and increase: through our current portfolio of shops, online sales and by acquiring & opening additional shops.

All of the shops reopened after the final lockdown on 12<sup>th</sup> April 2021, so had almost a whole year's trading in 21/22.

The Retail team was in good shape following a restructure in autumn 2020, and significant recruitment in the final months of 20/21. This included the appointment of an experienced Area Manager and a Senior Showroom Manager to help manage the safe reopening of shops and drive the income growth required.

Due to the training and preparations made for reopening in the final quarter of 20/21, the shops were able to trade well from reopening. Footfall quickly recovered to pre-pandemic levels and sales were consistently strong throughout the whole of 21/22.

There was high sales performance across most of the portfolio, with almost all of the shops and Showroom performing very well above 19/20 and the budget set. As well as the considerable hard work and efforts of the Retail team, this is a result of a number of factors, including the relocations in Haddenham and Showroom; management changes across a lot of the shops, and stronger volunteer teams, all of which put Retail in a strong position to benefit from the increased popularity of charity shop shopping.

In 21/22, we budgeted for an ambitious Retail turnover which was 25% higher than the pre-pandemic year in 19/20. The year ended with a turnover 12% higher than budget, and 40% higher than 19/20.

We had allowed for opening up to 3 new shops in 21/22 but were unable to find any suitable available units. The situation started to improve towards the end of the year, and we have already identified several potential units allowing the Retail expansion into South Buckinghamshire. The first of these is a shop opening in Marlow on 19<sup>th</sup> August.

Overall, 21/22 was a very successful year for Retail, which is extremely welcome after the challenges of 20/21. The key objectives for 22/23 will be to deliver further income growth, with a particular focus on new shops, online sales, and Gift Aid; and a continuing focus on the support, development and engagement of the Retail team of staff and volunteers.

## Report of the trustees

To increase income generation from Fundraising by continuing to diversify income streams and reintroducing public fundraising when restrictions allow.

21/22 was a strong year for fundraising, being the best year for gross and net fundraising income achieved at the Charity.

This was achieved by a strong performance in traditional areas of events and community fundraising. Examples include Not the Midnight Walk raising over £90,000 as well as smaller activities such as the Schools Santa Dash, virtual Run 50 and Walk 100 as well as Open Gardens, with each raising over £5,000.

The Charity's volunteer fundraising groups also had a strong year, with the Haddenham Community Support Group raising over £6,000. The charity continues to rely on committed and passionate volunteers across Buckinghamshire to deliver its fundraising commitments.

The income diversification programme also performed strongly. Trust and Grant fundraising received 8 donations each exceeding £10,000. In Memory income was also £40,000 ahead of budget, due in part to the very successful 'Forever Flowers' display at Waddesdon Manor, with 499 snowdrops sold in just six weeks. These metal flowers made a lasting impression, with the public display lasting for two weeks before the flowers were packaged away and sent to their owners.

Nightingale's Rainbow is now complete. This very large and impressive steel and tile rainbow at Stoke Mandeville Hospital is a fitting tribute to the thousands of acts of kindness which took place in Buckinghamshire during the COVID 19 pandemic. Already, patients, staff and visitors tell us how the rainbow makes them feel, particularly during the night when each colour is lit. More than 4,000 tiles have been purchased to date. To read some of the truly humbling messages of thanks they contain, and buy a tile to leave your own message, visit [www.nightingalesrainbow.org.uk](http://www.nightingalesrainbow.org.uk)

## Report of the trustees

To attract additional Volunteers to support the Hospice and income generation following some long-standing members of the team standing down because of the pandemic.

Volunteering was very disrupted during the worst phase of the pandemic in 2020 and 2021 with the Hospice limiting on site attendance, our shops needing to shut and public fundraising curtailed. The Trustees would like to thank our volunteers for returning when that became possible, and for their continuing commitment and dedication.

Work was done to review the specialist volunteering roles at the Hospice and to offer updated training. Attracting additional volunteers was also a priority in 2021-22 and continues to be so. We now have two Volunteer Engagement Managers who lead the recruitment, retention, and engagement of volunteers across the Charity. They are the main contacts for all volunteering matters and work on improving the overall volunteer experience, to ensure the Charity and Hospice offer happy, productive and fulfilling environments for volunteers. They also support Charity and Hospice staff to work effectively with the volunteer team. A Volunteer Forum has been restarted. This enables volunteers to exchange views and share ideas about their area of volunteering, thus helping to ensure we are meeting the needs of our volunteers.

After a two-year gap caused by covid restrictions, we were delighted to be able to host a summer party in July 2022 to thank our volunteers in person. We are also marking long service with certificates and badges.

We are extremely grateful to the Rothschild Foundation for part funding one of the Volunteer Engagement Manager roles for three years. One of the objectives of their grant is to recruit additional volunteers from communities and groups who are currently under-represented. These include those with disabilities, minority ethnic communities, ex-offenders, and younger people. We have been exploring these areas by working alongside schools, HMP Springhill and building links with the local Community Service officer. As well as this we are reaching out to religious groups, disability teams and attending local job and volunteer fairs in order to attract as many volunteers as possible from all backgrounds.

## Report of the trustees

<p>To implement improvements to the Charity's IT systems and hardware in order to drive business efficiencies.</p>	<p>The IT modernisation programme is advancing well. All databases and documents are now stored on the cloud and all office-based staff use a laptop, which allows a much more flexible approach to working.</p> <p>The Charity's new IT supplier, Alcom IT, has updated hardware and software, and also increased the security of our internet. Improved wifi has been installed in all shops. The Charity has also moved to internet telephony.</p> <p>Following a process of implementation, the charity moved to a new, cloud based, CRM/database called Donorfy. This new system is much more user-friendly and accessible. It also integrates with online suppliers, such as Eventbrite and Stripe. This has removed the need for a great deal of manual data entry, saving time and increasing accuracy.</p> <p>In the year we also moved to the ADP combined HR and payroll system.</p> <p>A shortlisting process for a new website supplier was carried out and work to design a new, more accessible website, that integrates with the Donorfy CRM, is under way.</p>
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### Main objectives for the Florence Nightingale Hospice Charity in 2022-23

- To provide excellent Hospice care for people in Buckinghamshire and bordering areas. We will do this by commissioning services from the Florence Nightingale Hospice and potentially other providers, to be delivered both in the Hospice building and in the community. Service Level Agreements will be reviewed for all commissioned services in 2022/23.
- To explore whether:
  - additional palliative care services need to be provided,
  - proactive initiatives should be devised to offer Hospice care to those who aren't reached currently and
  - capital improvements need to be made at the Hospice to benefit patients & staff.
- To finalise a 3-year strategy for the Charity's operations.
- To deliver further income growth from the Charity's Retail operation, with a particular emphasis on new shops, online sales, and Gift Aid; as well as a focus on the support, development and continued engagement of the Retail team of staff and volunteers.
- To increase income from Fundraising through the diversification programme, with a particular focus on increasing income from Charitable Trusts, Major Gifts, In Memory and Legacy fundraising. In addition, to continue the approach of 'fewer, bigger' events, including a high-profile event at the Waterside Theatre, and developing a new mass-participation event.
- To support all the Volunteers who offer their time and expertise to support the Hospice and Charity, and to recruit additional ones to assist with Hospice services and the growth of the Charity. This will include recruiting volunteers from communities and groups who are currently under-represented.

## Report of the trustees

- To continue with the Charity's IT modernisation programme by embedding the use of the new CRM and reviewing our Finance system, to drive business efficiencies.
- To produce a new more accessible website that explains Hospice services and promotes the Charity's income generation.

### Financial review

The results for the year ended 31 March 2022 are given in the Consolidated Statement of Financial Activities together with the Consolidated Balance Sheet giving details of the assets and liabilities. The comparative figures are for the year ended 31 March 2021.

The Charity made a profit before investment gains or losses of £1,390,361, compared to a deficit in 2021 of £378,356, an increase of £1,768,717. Net income after significant investment gains/(losses) was £1,827,252 (2021: £624,052).

Legacy income received in the year was £1,488,510 (2021: £107,518). In common with other charities Legacies are recognised when certain criteria are achieved: the Charity is advised by the personal representative of an estate that the payment will be made, the receipt is probable and the amount involved can be quantified with reasonable certainty.

The cost of services commissioned from Buckinghamshire Healthcare NHS Trust increased by £67,455 to £954,693. (The Charity had in fact budgeted for the higher sum of £1,020,208 but vacancies in the Hospice team, mainly related to pandemic effects, meant that some costs were lower). In addition, a further £21,722 was provided for specific Hospice projects and purchases (2021: £97,238). Overall expenditure on charitable activities increased by £104,149 to £1,220,211 (2021: £1,116,062).

There was a significant spend on IT modernisation. As noted, the Charity invested in new hardware and systems, and paid for support for the implementation at an overall cost of £26,562.

The Charity's bank balance as at 31 March 2022 was £375,488 (2021: £212,802). This includes committed funds to cover the Quarter 4 payment to Buckinghamshire Healthcare NHS Trust for £244,049 which was paid in July 2022.

### Post Balance Sheet Events

Previously our Charity/NHS partnership was not eligible for the Government's NHS Covid-19 Hospice compensation scheme which commenced in 2020 and was administered by Hospice UK. £255 million was made available to protect independent hospices from the financial implications of the pandemic. Our Charity helped to establish an informal group of Charities which partner with NHS Hospices in 2020, partly to lobby for access to this funding. We were pleased to be invited by Hospice UK to apply to the final tranche of Covid emergency funding (£100m) to enable hospices to provide additional support to their communities over the winter of 2021/22 and to ensure acute services were not overwhelmed by the Omicron COVID-19 variant. At this point we are still waiting for news about whether a grant will be awarded.

In July 2022 we completed on a lease for an additional shop in West Street, Marlow which was fitted out and opened in August. As explained on page 10, other shops are under negotiation as part of our strategy to increase income to provide further hospice care.

### Investments Performance Review

The Charity's investment portfolio is managed by Cazenove Capital Management Limited. The assets are invested in accordance with the investment managers 'progressive' mandate, this being a portfolio which can invest in an array of asset classes including but not limited to equities, fixed income, commercial property,

## Report of the trustees

portfolio funds and hedge funds primarily through Common Investment Funds and Open-ended Investment Companies, to provide both income and capital appreciation. Investment parameters are set within this mandate for each asset class. The Charity does not invest in tobacco companies.

The Florence Nightingale Hospice Charity portfolio continues to remain well diversified within the confines of the mandate. The Charity's investments were revalued at 31 March 2022 at a market value in accordance with the accounting policies resulting in significant unrealised gain of £436,891 (2021: unrealised gain of £1,002,408).

The portfolio has had a very strong period versus its benchmarks (almost 6% ahead of the ARC index), benefitting from the more sustainable stance adopted in a period when oil stocks in particular performed poorly, although this has clearly not been the case in more recent months. The quality bias and shift to a more defensive stance over the course of this year has helped protect assets in the recent sell-off and the portfolio is only showing a marginal negative return so far in 2022. The value of the investments at 31 March 2022 was £5,370,478 (2021: £5,183,035).

The main focus is on long term capital growth rather than income generation, although £71,471 was received in the year and reinvested by our Investment Manager.

The income on our investments was 1.46% on £4,867,542 total value (20-21: £96,246 on £4,604,000). The Total Return on the portfolio over the 12-month period to 31st March 2022 was 10.4% (versus 12.98% for the FTSE All Share and 4.64% for the ARC PCI Growth Index).

The care of the investment portfolio comes under the remit of the main Board though it has been agreed that in future the detail will be reviewed by the Finance Committee. The Finance Committee will be undertaking a review of the Investment Policy during 2022/23. A Cazenove Capital management representative attends the Board twice yearly to review the performance of the Charity's investments.

### Reserves policy

As noted in our 2020-21 Accounts, the Trustees have reviewed the Charity's Reserves policy in light of recent experience during the pandemic, the long-term financial commitments of the Charity, and the Trustees' desire to commission additional Hospice related services in the medium to long term. A reserves policy was formulated, informed by the Charity Commission's Guidance on reserves (CC19). The policy has been reviewed as part of the preparation of these Accounts.

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The starting point for calculating the amount of free reserves held is therefore the amount of unrestricted funds held by a charity. However, some or all of the unrestricted funds of a charity may not be readily available for spending. This is because spending those funds may adversely impact on the charity's ability to deliver its aims. In accordance with the Charity Commission guidance, the items that should be excluded from free reserves are:

Commitments that have not been provided for as a liability in the accounts:

- The Florence Nightingale Hospice Charity generally has in place a series of three-year contracts with Buckinghamshire Healthcare NHS Trust (BHT) for the provision of various services at or connected to the Florence Nightingale Hospice. These contracts have staggered dates and therefore on average have eighteen months to two years unexpired term; and
- The Charity has long term financial commitments on the leases on its shops and head office premises.
- Designated funds set aside to meet essential future spending, such as funding a project that could not be met from future income:
- A recent example of this was the FNH@Home service.



## Report of the trustees

The remaining unrestricted reserves, 'free reserves', should be adequate to cover fluctuations in the Charity's finances brought about by the unpredictability of income sources or unexpected costs that might arise. The recent pandemic has shown that some of the Charity's income streams are susceptible to fluctuation e.g., shop income, which along with the unpredictable nature of legacy income, results in a degree of volatility of income.

The trustees continue to believe that the Charity should aim to hold free reserves of between six and twelve-months running costs, alongside designated reserves to cover the long-term financial commitments and future essential project funding.

Designated reserves at 31 March 2022 were £4,992,887 (2021: 3,945,773). The increase in our designated reserves reflects our investment in the development of hospice care including three additional community nurses, a Lymphoedema nurse, a Therapy Support Worker and the Deputy Bereavement service Lead. In addition, we are investing in further shops, mainly in south Buckinghamshire, to generate sustainable income for the long term.

Target free reserves are in the range £860,000 - £1,720,000. At 31 March 2022 free reserves were £2,221,815, partly caused by the welcome increase in legacy income. Trustees are comfortable that this exceeds the higher end of our target free reserves at this point. As noted on page 9, the Charity will be producing a three-year strategy in 2022/23 that will set out its ambition to provide additional services to meet the increasing need for Hospice care caused mainly by demographic changes. We envisage calling on the free reserves in response to this strategy.

### Fundraising standards information

The Fundraising Strategy, which identifies our income streams and the approach taken for each activity in line with the Code of Fundraising Practice, was reviewed and approved by the Trustees as part of budgeting in February 2022.

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

All fundraising activity is carried out within the terms of the Charity's Vulnerable Person Policy, which places a strict duty on staff as regards to appropriate communication and behaviour. The charity prevents unreasonable intrusion and persistent approaches by excluding recently bereaved individuals from mass communications for 1 year. Supporters also receive a maximum of four fundraising appeals a year. Supporters also have the ability to opt-in or opt-out of fundraising communications. As frontline fundraisers routinely work with bereaved individuals, regular bereavement training is compulsory for all fundraising staff and forms part of the induction process of new fundraisers.

The Charity has not received any complaints regarding its fundraising efforts in the year ended 31 March 2022 or to the date of this report.

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

### Going Concern

The Covid-19 pandemic had a profound impact on the Charity's income streams and operations in 2020 and 2021. We set a cautious budget for 2021/22 because of the continuing uncertainties (such as the possibility of further lockdowns) but as explained in this Report, we are pleased to report that income generation

## Report of the trustees

exceeded expectations with Retail and Fundraising reporting their most profitable year. Our shops traded consistently well from the point that they reopened in mid-April 2021 and also benefited from Government Restart grants of £29,820 and a business continuity insurance payment of £48,728. Fundraising also performed very strongly. Major donor, Trusts & Foundations and In Memory income streams were particularly profitable and we were able to introduce in-person community and events fundraising from the summer of 2021. Relatively low legacy income had been received in 2020/21, probably as a result of delays to the Probate system and solicitor's practices being affected by the pandemic. However, in 2021/22 the Charity was very grateful to receive £1,488,510 in legacy payments/notifications as well as further legacy notifications post year end.

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. While the periodic reoccurrence of Covid-19 cases poses some risks to operations, the Charity can call on the experience of handling the pandemic in 2020-22. This and our free reserves mean Going Concern remains the appropriate basis.

### Volunteers

The Charity benefits from the support of around 450 volunteers of all ages who use their skills and experience to work alongside Charity staff on retail and fundraising activities, and with the Hospice team providing patient and family support directly.

As noted above, in common with all Charities which benefit from volunteers to deliver services and assist with income generation, the normal pattern of regular volunteering was very disrupted in 2020 and 2021. The Trustees would like to thank our volunteers for returning when that became possible, and for their continuing commitment and dedication. We also welcome new volunteers who have joined us more recently.

Without the time, expertise and compassion of our volunteers we could not support and enhance the lives of local patients and families or raise the funds needed to secure vital palliative care services for our community. We are extremely grateful for their huge contribution.

### Staff

The Trustees would like to thank all of the staff of Florence Nightingale Hospice Charity for their hard work and the dedication shown over the year. The Charity team commission Hospice services and help promote the importance of excellent palliative care, as well as raising and administering the funds needed.

Trustees would also like to record their sincere thanks to all of the staff of Florence Nightingale Hospice who continued to deliver skilled and compassionate care for local people despite the continuing challenges posed by the Covid-19 pandemic and other pressures.

In particular we congratulate Liz Monaghan, Matron for Palliative and End of Life Care, who received the prestigious Chief Nursing Officer's Silver Award in March 2022 for being an outstanding, kind and caring leader.

### Pay policy for senior staff

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

In the year, the Senior Management Team consists of the Chief Executive and the Heads of Retail, Fundraising, Finance and HR & Volunteering. Mrs Penny Bradshaw resigned as Head of HR & Volunteering

## Report of the trustees

in June 2022. Volunteering is now reporting into our Head of Retail who is very experienced in this area, and an HR Manager is being recruited.

A new committee comprising the Chairman, Chairs of the sub-committees and the CEO was formed in the summer of 2021 to review pay and reward for all staff. It considered the results of an independent benchmarking of pay rates. Ensuring that the Charity's salaries are comparable with similar-sized local organisations is one of our strategies for dealing with the current competitive job market which poses risks to the recruitment and retention of staff.

### Statement of Trustees' responsibilities

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

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

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

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

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

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

### Statement as to disclosure of information to auditors

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

### Auditors

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

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

Approved by the Board of Trustees on 31 August 2022 and signed on their behalf by:



Noel Ratcliffe  
Chair of Trustees

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

## Opinion

We have audited the financial statements of Florence Nightingale Hospice Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, Charity balance sheet, Consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2022 and the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

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

## **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the group and charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the group and charitable company that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the group and charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **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's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

Paul Creasey (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services, Statutory Auditor  
Beaconsfield

Date: *31 August 2022*

## Principal accounting policies

### General Information

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

### Summary of significant accounting policies and key accounting estimates

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

### Public benefit

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

### Going concern

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

### Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

### Income

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

### Donations and gifts

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

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

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

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

## Principal accounting policies

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value

is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

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

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

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

### Investment Income

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

### Government Grants

The Charity has received government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants is recognised at fair value when the charity has entitlement after any Performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

### Expenditure

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

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

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

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



## Principal accounting policies

### Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable

value, after due regard for obsolete and slow-moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

### Tangible fixed assets

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

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

Capital expenditure over £1,000 is capitalised.

Tangible assets are stated at cost less accumulated depreciation.

### Investments

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

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

### Other financial instruments

#### a) Trade creditors

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

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

#### b) Other debtors

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

#### c) Cash and cash equivalents

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

### Leases

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

### Taxation

The Charity can take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the Charity's subsidiary company because the

## Principal accounting policies

directors of this company have indicated that they intend to make donations each year to the Charity equal to the taxable profits of the company under the Gift Aid scheme.

### **Fund accounting**

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

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

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

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

### **Pension costs and other post-retirement benefits**

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

### **Estimations**

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

## Consolidated statement of financial activities

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Income</b>						
Donations, Legacies and Grants	1	2,189,450	-	349,012	2,538,462	1,163,274
Income from other trading activities	2	1,737,371	-	-	1,737,371	689,801
Other income		-	-	-	-	150
Income from investments	3	71,471	-	-	71,471	96,305
<b>Total income</b>		<b>3,998,292</b>	<b>-</b>	<b>349,012</b>	<b>4,347,304</b>	<b>1,949,530</b>
<b>Expenditure</b>						
Costs of raising funds:						
Fundraising	4	495,143	-	-	495,143	301,350
Shops Trading	4	1,112,486	-	-	1,112,486	825,050
Support staff costs	4	112,252	-	-	112,252	102,275
Expenditure on charitable activities	5	928,513	-	291,698	1,220,211	1,116,062
<b>Total resources expended</b>		<b>2,648,394</b>	<b>-</b>	<b>291,698</b>	<b>2,940,092</b>	<b>2,344,737</b>
Taxation	11	(16,851)	-	-	(16,851)	16,851
<b>Net income before gains/ (losses) on investments</b>		<b>1,333,047</b>	<b>-</b>	<b>57,314</b>	<b>1,390,361</b>	<b>(378,356)</b>
Unrealised gains/(losses) on investment assets	13	436,891	-	-	436,891	1,002,408
<b>Net income/expenditure</b>		<b>1,769,938</b>	<b>-</b>	<b>57,314</b>	<b>1,827,252</b>	<b>624,052</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>	17	<b>1,769,938</b>	<b>-</b>	<b>57,314</b>	<b>1,827,252</b>	<b>624,052</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 <sup>st</sup> April		1,498,991	3,945,773	32,719	5,477,483	4,853,431
<b>Total funds carried forward at 31<sup>st</sup> March</b>	17	<b>3,268,929</b>	<b>3,945,773</b>	<b>90,033</b>	<b>7,304,735</b>	<b>5,477,483</b>

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

## Consolidated balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets</b>						
Tangible assets	12	271,519	-	-	271,519	299,188
Investments	13	377,589	4,992,887	-	5,370,476	5,183,035
		<u>649,108</u>	<u>4,992,887</u>	<u>-</u>	<u>5,641,995</u>	<u>5,482,223</u>
<b>Current assets</b>						
Stocks	14	6,261	-	-	6,261	2,893
Debtors	15	1,621,002	-	-	1,621,002	376,816
Cash at bank and in hand		285,455	-	90,033	375,488	212,802
		<u>1,912,718</u>	<u>-</u>	<u>90,033</u>	<u>2,002,751</u>	<u>592,511</u>
<b>Creditors</b>						
Amounts falling due within one year	16	(340,011)	-	-	(340,011)	(597,251)
<b>Net current assets / (liabilities)</b>		<u>1,572,707</u>	<u>-</u>	<u>90,033</u>	<u>1,662,742</u>	<u>(4,740)</u>
<b>Total assets less current liabilities</b>		<u>2,221,815</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,304,735</u>	<u>5,477,483</u>
<b>Net Assets</b>		<u>2,221,815</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,304,735</u>	<u>5,477,483</u>
<b>Funds</b>						
Unrestricted funds					2,221,815	1,498,991
Designated funds					4,992,887	3,945,773
Restricted donations					90,033	32,719
<b>Total funds</b>	17				<u>7,304,735</u>	<u>5,477,483</u>

These financial statements were approved by the Board of Trustees on ...31<sup>st</sup> August 2022....and were signed on their behalf by:



Noel Ratcliffe  
Chairman of Trustees

## Charity balance sheet

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets</b>						
Tangible Assets	12	26,879	-	-	26,879	11,147
Investments	13	377,589	4,992,887	-	5,370,478	5,183,037
		<u>404,468</u>	<u>4,992,887</u>	<u>-</u>	<u>5,397,357</u>	<u>5,194,184</u>
<b>Current assets</b>						
Debtors	15	2,160,559	-	-	2,160,559	843,764
Cash at bank and in hand		28,286	-	90,033	118,319	179,323
		<u>2,188,845</u>	<u>-</u>	<u>90,033</u>	<u>2,278,878</u>	<u>1,251,340</u>
<b>Creditors</b>						
Amounts falling due within one year	16	(299,027)	-	-	(299,027)	(579,024)
<b>Net current assets</b>		<u>1,889,818</u>	<u>-</u>	<u>90,033</u>	<u>1,979,851</u>	<u>444,063</u>
<b>Total assets less current liabilities</b>		<u>2,294,286</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,377,208</u>	<u>5,638,247</u>
<b>Net Assets</b>		<u>2,294,286</u>	<u>4,992,887</u>	<u>90,033</u>	<u>7,377,208</u>	<u>5,638,247</u>
<b>Funds</b>						
Unrestricted funds:					2,294,286	1,659,755
Designated funds:					4,992,887	3,945,773
Restricted donations					90,033	32,719
<b>Total funds</b>	17				<u>7,377,208</u>	<u>5,638,247</u>

These financial statements were approved by the Board of Trustees on... 31<sup>st</sup> August 2022... and were signed on their behalf by:



Noel Ratcliffe  
Chairman of Trustees

## Consolidated Cash flow statement

	2022 £	2021 £
<b>Cash flows from operating activities:</b>		
Net cash provided / (used in) by operating activities (analysed below)	<u>(61,002)</u>	<u>(683,094)</u>
	<u>(61,002)</u>	<u>(683,094)</u>
<b>Cash flows from investing activities:</b>		
Purchase of tangible fixed assets	(26,562)	(266,976)
Proceeds from sale of fixed assets	800	-
Purchase of investments	(934,081)	(1,755,796)
Proceeds from sale of investments	1,183,531	1,980,445
<b>Net cash used in investing activities</b>	<u>223,688</u>	<u>(42,327)</u>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>162,686</b>	<b>(725,421)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u>212,802</u>	<u>938,223</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>375,488</u></u>	<u><u>212,802</u></u>

**Note:**

<b>Reconciliation of net movement in funds</b>	2022 £	2021 £
Net movement in funds for the reporting period (as per the statement of financial activities)	1,827,252	624,052
Adjustments for:		
Depreciation charges	53,432	46,714
Loss on disposal of fixed asset	-	-
Unrealised investment gains	(436,891)	(1,002,408)
Movement in stocks	(3,368)	2,117
Movement in debtors	(1,244,186)	24,043
Movement in creditors	(257,241)	(377,612)
<b>Net cash provided by / (used in) operating activities</b>	<u><u>(61,002)</u></u>	<u><u>(683,094)</u></u>

**Analysis of changes in net funds**

	2021 £	Cash Flows £	2022 £
Cash and cash equivalents	<u>212,802</u>	<u>162,686</u>	<u>375,488</u>

## Notes to the financial statements (continued)

### 1 Donations, Legacies and Grants

	2022	2021
	£	£
Donations (including In Memory and grants from Charitable Trusts)	1,020,132	630,942
Legacies	1,488,510	107,518
<b>Government grants:</b>		
Furlough receipts for Charity	-	29,860
Furlough receipts for Shops	485	138,130
Local Authority Covid-19 Shops Grants	29,335	256,824
	<u>2,538,462</u>	<u>1,163,274</u>

### 2 Income from other trading activities

	2022	2021
	£	£
Fundraising from mass-participation and community events	367,035	216,140
Shop income	1,168,909	255,809
Lottery	201,427	217,852
	<u>1,737,371</u>	<u>689,801</u>

### 3 Income from investments

	2022	2021
	£	£
Bank interest received	144	59
Dividends received	71,327	96,246
	<u>71,471</u>	<u>96,305</u>

### 4 Costs of raising funds

	2022	2021
	£	£
<b>Fundraising</b>		
Direct staff costs (note 7)	249,760	203,189
Fundraising expenses and promotion	107,507	26,503
Support other costs	137,876	71,658
	<u>495,143</u>	<u>301,350</u>
<b>Shops Trading</b>		
Staff costs (note 7)	643,720	501,456
Other costs	468,766	323,594
	<u>1,112,486</u>	<u>825,050</u>
Support staff costs (note 7)	<u>112,252</u>	<u>102,275</u>

## Notes to the financial statements (continued)

### 5 Expenditure on charitable activities

	2022 £	2021 £
Grant funding to staff and services delivered by Florence Nightingale Hospice	<b>954,692</b>	887,238
	<b>954,692</b>	887,238
Capital Improvements	-	36,882
Direct costs - Paravan	<b>1,286</b>	3,649
Direct costs – Specialist Palliative Care Education and Training	-	681
Other direct costs	<b>84,602</b>	26,167
Staff costs (note 7)	<b>64,263</b>	66,781
Governance (note 6)	<b>115,368</b>	94,664
	<b>1,220,211</b>	1,116,062

### 6 Governance costs

	2022 £	2021 £
Staff costs (note 7)	<b>43,342</b>	37,328
Legal and professional fees	<b>56,210</b>	47,356
Auditors' remuneration	<b>12,516</b>	9,230
Auditors' remuneration for non-audit services	<b>3,300</b>	750
	<b>115,368</b>	94,664

### 7 Allocation of staff costs

2022:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2022 Total £
Payroll	<b>240,158</b>	<b>643,552</b>	<b>40,551</b>	<b>63,752</b>	<b>111,705</b>	<b>1,099,718</b>
Recruitment & Training	<b>8,816</b>	-	<b>1,544</b>	-	-	<b>10,360</b>
Other staff costs	<b>786</b>	<b>168</b>	<b>1,247</b>	<b>511</b>	<b>547</b>	<b>3,259</b>
	<b>249,760</b>	<b>643,720</b>	<b>43,342</b>	<b>64,263</b>	<b>112,252</b>	<b>1,113,337</b>
2021:	Fundraising £	Shop £	Governance £	Charitable Activities £	Support £	2021 Total £
Payroll	201,215	501,456	37,328	65,186	102,275	907,460
Recruitment & Training	1,598	-	-	1,033	564	3,195
Other staff costs	376	-	-	562	47	985
	<b>203,189</b>	<b>501,456</b>	<b>37,328</b>	<b>66,781</b>	<b>102,886</b>	<b>911,640</b>

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



## Notes to the financial statements (continued)

### 8 Net income

Net income is stated after charging

	2022	2021
	£	£
Auditors' remuneration: Parent company	5,725	5,350
Auditors' remuneration: Group (Including Parent company)	12,516	9,230
Auditors' remuneration for non-audit services	3,300	750
Depreciation	53,432	46,714
Operating lease payments – land and buildings	263,310	220,460

### 9 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 (2021: £nil).

#### Trustees' expenses

There were no expenses reimbursed to the Trustees in the year ended 31 March 2022 (2021: £nil).

There were expenses of £172 (2021: £nil) incurred in respect of a trustee's leaving meal and gift.

#### Donations from trustees

Donations from trustees totalled £1,811 in the year ended 31 March 2022 (2021: £845)

### 10 Staff costs

	2022	2021
	£	£
Wages and salaries	985,533	825,615
Social security costs	81,295	55,449
Pension costs	32,890	26,396
	<u>1,099,718</u>	<u>907,460</u>

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

	2022	2021	2022	2021
	FTE	FTE	No.	No.
Fundraising	24	26	41	35
Administration	2	3	2	7
Governance	1	1	1	1
Charitable activities	5	3	5	2
	<u>32</u>	<u>33</u>	<u>49</u>	<u>45</u>

One employee earned more than £60,000 but not more than £70,000 during the year (2021: nil).

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £273,416 (2021: £275,472).

Total redundancy payments amount to £0 (2021 - £59,833) and related to restructuring.

## Notes to the financial statements (continued)

### 11 Taxation

The taxation charge represents deferred tax adjustments in relation to tax losses incurred by the trading subsidiary.

### 12 Tangible fixed assets

Group	Short leasehold improvements £	Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
<b>Cost</b>					
At 1 April 2021	41,935	379,923	30,259	80,392	532,509
Additions	-	-	-	26,562	26,562
Disposals	(800)	-	-	-	(800)
At 31 March 2022	<u>41,135</u>	<u>379,923</u>	<u>30,259</u>	<u>106,954</u>	<u>558,271</u>
<b>Depreciation</b>					
At 1 April 2021	30,367	110,980	26,609	65,365	233,231
Charge for the year	2,107	39,655	3,650	8,019	53,432
On disposal	-	-	-	-	-
At 31 March 2022	<u>32,474</u>	<u>150,635</u>	<u>30,259</u>	<u>73,384</u>	<u>286,751</u>
<b>Net Book Amount</b>					
At 31 March 2022	<u>8,661</u>	<u>229,288</u>	<u>-</u>	<u>33,570</u>	<u>271,519</u>
At 31 March 2021	<u>11,568</u>	<u>268,943</u>	<u>3,650</u>	<u>15,027</u>	<u>299,188</u>
<b>Charity</b>					
		Fixtures and fittings £	Vans £	Computer Equipment £	Totals £
<b>Cost</b>					
At 1 April 2021		12,109	18,245	33,729	64,083
Additions		-	-	25,521	25,521
At 31 March 2022		<u>12,109</u>	<u>18,245</u>	<u>59,250</u>	<u>89,604</u>
<b>Depreciation</b>					
At 1 April 2021		10,742	14,596	27,598	52,936
Charge for the year		771	3,649	5,368	9,788
At 31 March 2022		<u>11,513</u>	<u>18,245</u>	<u>32,966</u>	<u>62,724</u>
<b>Net Book Amount</b>					
At 31 March 2022		<u>596</u>	<u>-</u>	<u>26,284</u>	<u>26,880</u>
At 31 March 2021		<u>1,367</u>	<u>3,649</u>	<u>6,131</u>	<u>11,147</u>

## Notes to the financial statements (continued)

### 13 Fixed asset investments

Group		Listed Investments £	Shares in participating interests £	Totals £
<b>Market value</b>				
At 1 April 2021		5,166,356	16,679	5,183,035
Additions		934,081	-	934,081
Disposals		(1,183,531)	-	(1,183,531)
Investment gains / (losses)		436,891	-	436,891
At 31 March 2022		<u>5,353,797</u>	<u>16,679</u>	<u>5,370,476</u>
<b>Net book value</b>				
At 31 March 2022		<u>5,353,797</u>	<u>16,679</u>	<u>5,370,476</u>
At 31 March 2021		<u>5,166,356</u>	<u>16,679</u>	<u>5,183,035</u>
<b>Charity</b>	<b>Shares in group undertakings £</b>	<b>Listed Investments £</b>	<b>Shares in participating interests £</b>	<b>Totals £</b>
<b>Market value</b>				
At 1 April 2021	2	5,166,356	16,679	5,183,035
Additions	-	934,081	-	934,081
Disposals	-	(1,183,531)	-	(1,183,531)
Investment gains / (losses)	-	436,891	-	436,891
At 31 March 2022	<u>2</u>	<u>5,353,797</u>	<u>16,679</u>	<u>5,370,478</u>
<b>Net book value</b>				
At 31 March 2022	<u>2</u>	<u>5,353,797</u>	<u>16,679</u>	<u>5,370,478</u>
At 31 March 2021	<u>2</u>	<u>5,166,356</u>	<u>16,679</u>	<u>5,183,037</u>

The historical cost of listed investments (for Group and Charity) held at the year-end was £3,971,951 (2021: £4,015,539).

The Company's investments at the balance sheet date in the share capital of group undertakings and participating interests comprise the following:

#### The Hospice Lottery Partnership Limited

At 31 March 2022 the charitable company owned fourteen shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales, carrying out fundraising for six hospices including Florence Nightingale Hospice Charity. Florence Nightingale Hospice Charity has held an interest in The Hospice Lottery Partnership Limited since its incorporation in 1997. The directors consider this an investment as they have no significant influence and have no management rights in the strategic, tactical or operational decisions made by The Hospice Lottery Partnership Limited. The value of the investment in the company is recognised at

## Notes to the financial statements (continued)

cost as the equity investment is unquoted and the value cannot be measured reliably. The group does not intend to dispose of the investment in the foreseeable future.

### Florence Nightingale Hospice Shops Limited

Nature of business: Operating Charity shops

<b>Class of share:</b>	<b>% holding</b>	<b>2022 £</b>	<b>2021 £</b>
Ordinary	100		
Aggregate capital and reserves		<u>(72,471)</u>	<u>(160,761)</u>

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

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

	<b>2022 £</b>	<b>2021 £</b>
Turnover	<b>1,120,611</b>	249,561
Cost of sales	<b>(56,739)</b>	(24,948)
Gross profit	<b>1,063,872</b>	224,613
Administrative expenses	<b>(1,037,392)</b>	(794,967)
Other operating and interest income	<b>78,661</b>	401,396
Net profit/(loss) before taxation	<b>105,141</b>	(168,958)
Tax on profit/(loss)	<b>(16,851)</b>	16,851
Profit/(loss) for the financial year	<b><u>88,290</u></b>	<u>(152,107)</u>
The aggregate of the assets, liabilities and reserves was:		
Assets	<b>584,012</b>	424,478
Liabilities	<b>(656,483)</b>	(585,239)
Reserves	<b><u>(72,471)</u></b>	<u>(160,761)</u>

<b>14 Stocks</b>	<b>2022 £</b>	<b>2021 £</b>
Group	<b><u>6,261</u></b>	<u>2,893</u>

## Notes to the financial statements (continued)

### 15 Debtors: Amounts falling due within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Amounts owed by group undertakings	-	615,500	-	567,013
Prepayments and accrued income	92,388	31,254	122,778	58,699
Deferred tax asset	-	-	16,851	-
Other debtors	1,528,614	1,513,805	237,187	218,052
	<u>1,621,002</u>	<u>2,160,559</u>	<u>376,816</u>	<u>843,764</u>

### 16 Creditors: Amounts falling due within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade creditors	11,891	4,761	455,435	455,451
Taxation and social security	-	-	13,385	6,960
Other creditors	328,120	294,266	128,431	116,613
	<u>340,011</u>	<u>299,027</u>	<u>597,251</u>	<u>579,024</u>

### 17 Movement in funds

#### Group

	At 1 April 2021 £	Net movement in funds £	At 31 March 2022 £
Unrestricted funds	1,498,991	722,824	2,221,815
Designated funds	3,945,773	1,047,114	4,992,887
Restricted funds	32,719	57,314	90,033
Total funds	<u>5,477,483</u>	<u>1,827,252</u>	<u>7,304,735</u>

#### Charity

	At 1 April 2021 £	Net movement in funds £	At 31 March 2022 £
Unrestricted funds	1,659,755	634,531	2,294,286
Designated funds	3,945,773	1,047,114	4,992,887
Restricted funds	32,719	57,314	90,033
Total funds	<u>5,638,247</u>	<u>1,738,961</u>	<u>7,377,208</u>

## Notes to the financial statements (continued)

### Designated funds have been established for:

The funding of:

- The Charity's contractual commitments to the services delivered by the Florence Nightingale Hospice, part of Buckinghamshire Healthcare NHS Trust, in 2022/23 and 2023/24,
- Two years estimated cost for new agreed services not currently contracted.
- An estimated £30,000 annual contribution to upgrading the Hospice building,
- Rentals due on the Charity's HQ building and its current portfolio of shops to the end of their leases, and
- An estimate of the rentals due on new shop leases likely to be acquired in 2022/23.

### Restricted funds

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

	At 1 April 2021 £	Monies received £	Expenditure in year £	At 31 March 2022 £
Staff Benefit	29,254	97,102	(99,241)	27,115
FNH@Home	-	133,850	(133,850)	-
Day Hospice	1,300	1,275	(2,575)	-
Lymphoedema	2,165	9,845	(12,010)	-
Florrie's Children's Team	-	22,056	(22,056)	-
Volunteering	-	10,000	(4,167)	5,833
Schools Project	-	4,500	(4,500)	-
IPU Community Fund	-	4,260	(4,260)	-
Bereavement Project	-	26,107	(9,039)	17,068
Discharge Liaison Nurse	-	40,017	-	40,017
	<u>32,719</u>	<u>349,012</u>	<u>(291,698)</u>	<u>90,033</u>

	At 1 April 2020 £	Monies received £	Expenditure in year £	At 31 March 2021 £
Staff Benefit	2,182	62,400	(35,328)	29,254
FNH@Home	132,936	14,893	(147,829)	-
Day Hospice	1,300	-	-	1,300
Lymphoedema	-	2,901	(736)	2,165
Florrie's Children's Team	10,853	1,561	(12,414)	-
	<u>147,271</u>	<u>81,755</u>	<u>(196,307)</u>	<u>32,719</u>

The Charity is grateful for support from Charitable Trusts and Foundations which have made grants during the financial year, a significant proportion to develop the FNH@Home service. Larger grants were received from the: Albert Hunt Foundation, Aylesbury Town Council, Captain Tom Foundation, Childwick Trust, Fullagher Trust, Inman Charity, Mike & Claire Griffin Trust, Mulberry Trust via Heart of Bucks, Sisters of The Holy Cross and Stratton No 2 Charitable Fund.

## Notes to the financial statements (continued)

### 18 Related party transactions

The group and the charitable company received income from The Hospice Lottery Partnership Limited of which it is a shareholder, totalling £201,427 in the year (2021: £217,852). At the year-end there was a balance of £nil owed from The Hospice Lottery Partnership Limited to the group and the charitable company (2021: £30,000).

Jo Turner (Chief Executive) is also a director of The Hospice Lottery Partnership Limited as the representative of the Charity. The Hospice Lottery Partnership Limited was established in 1997 and Florence Nightingale Hospice Charity is one of the three founding hospices it supports, benefitting from a contribution to our funds of £2,601,279 (2021: £2,399,852) since that time. There are now six hospices which are supported through this company. Florence Nightingale Hospice Charity owns shares in The Hospice Lottery Partnership Limited from which it receives a share of the profits raised.

When needed, the Charity utilises the services of Parrott and Coales LLP for legal advice and to process property leases. Mr J Leggett from Parrott and Coales LLP is a Trustee. The value of the amount spent by the Charity with Parrott and Coales LLP for legal work in the year was £5,502+VAT (2021: £12,312+VAT).

### 19 Operating lease commitments

As at 31 March 2022 the Charity had total commitments under non-cancellable leases as follows:

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Within one year	245,797	97,207	263,310	114,720
Between one and five years	624,994	142,039	761,328	211,156
In more than five years	243,672	4,049	353,135	21,549
	<u>1,114,463</u>	<u>243,295</u>	<u>1,377,773</u>	<u>358,015</u>

### 20 Outstanding membership liability

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

## Notes to the financial statements (continued)

### 21 Financial instruments

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Financial assets measured at fair value through net income/expenditure				
Fixed asset investments	<u>5,353,797</u>	<u>5,333,797</u>	<u>5,166,356</u>	<u>5,166,356</u>
Financial assets measured at amortised cost				
Fixed asset investments	<u>16,179</u>	<u>16,179</u>	<u>16,179</u>	<u>16,179</u>
Debt instruments measured at amortised cost				
Other debtors	1,528,614	1,513,805	254,038	218,052
Amounts owed by group undertakings	-	615,500	-	567,013
	<u>1,528,614</u>	<u>2,129,305</u>	<u>254,038</u>	<u>785,065</u>
Financial liabilities measured at amortised cost				
Trade creditors	11,891	4,761	455,435	455,451
Other creditors	328,120	294,266	128,431	116,613
	<u>340,011</u>	<u>299,027</u>	<u>583,866</u>	<u>572,064</u>

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

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Income and expenses				
Financial assets measured at fair value through net income/expenditure	<u>71,471</u>	<u>71,471</u>	<u>96,305</u>	<u>96,305</u>
Net gains and losses (including changes in fair value)				
Financial assets measured at fair value through net income/expenditure	<u>436,891</u>	<u>436,891</u>	<u>1,002,408</u>	<u>1,002,408</u>



## Notes to the financial statements (continued)

### 22 Comparative statement of financial activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £
<b>Income and endowments</b>				
Donations and legacies	1,081,519	-	81,755	1,163,274
Income from other trading activities	689,801	-	-	689,801
Other income	150	-	-	150
Income from investments	96,305	-	-	96,305
<b>Total income and endowments</b>	<b>1,867,775</b>	<b>-</b>	<b>81,755</b>	<b>1,949,530</b>
<b>Expenditure</b>				
Costs of raising funds:				
Fundraising	301,350	-	-	301,350
Trading	825,050	-	-	825,050
Support staff costs	102,275	-	-	102,275
Expenditure on charitable activities	919,755	-	196,307	1,116,062
<b>Total expenditure</b>	<b>2,148,430</b>	<b>-</b>	<b>196,307</b>	<b>2,344,737</b>
Taxation	16,851	-	-	16,851
<b>Net income/(expenditure) before gains and losses on investments</b>	<b>(263,804)</b>	<b>-</b>	<b>(114,552)</b>	<b>(378,356)</b>
Net gains/(losses) on investments assets	1,002,408	-	-	1,002,408
<b>Net income/(expenditure)</b>	<b>738,604</b>	<b>-</b>	<b>(114,552)</b>	<b>624,052</b>
Transfers between funds	(1,805,556)	1,805,556	-	-
Net movement in funds	(1,066,952)	1,805,556	(114,552)	624,052
<b>Reconciliation of funds</b>				
Total funds brought forward	2,565,943	2,140,217	147,271	4,853,431
<b>Total funds carried forward</b>	<b>1,498,991</b>	<b>3,945,773</b>	<b>32,719</b>	<b>5,477,483</b>

