

**CHARITY NO: SC010159**

**COMPANY NO: SC299663**

**ST ANDREW'S HOSPICE (LANARKSHIRE)  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**



**ST ANDREW'S HOSPICE (LANARKSHIRE)**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

**Trustees**

Mr Stephen Giusti  
Mr Joseph Cairney  
Sister Rita Dawson  
Mr Matt Donnelly  
Mrs Marian Gardner  
Mrs Marcella MacLean  
Mr George McCall  
Mr Harry McMenamin  
Sister Jacinta Rankin

**Chief Executive**

Joy Farquharson

**Principal Office**

1 Henderson Street  
Airdrie  
Lanarkshire  
ML6 6DJ

**Charity Number:**

SC010159

**Company Number:**

SC299663

**Independent Auditors**

Wylie & Bisset (Audit) Limited  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers**

Royal Bank of Scotland plc  
80 Main Street  
Coatbridge  
ML5 3DZ

**Solicitors**

Ness Gallacher  
Stewarton Chambers  
95 Stewarton Street  
Wishaw  
ML2 8AG

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1<sup>st</sup> January 2019).

## **STRATEGIC REPORT**

### **Objectives and aims**

St Andrew's Hospice is established for charitable purposes only. The Hospice is open to all people without distinction of race, gender, sexual orientation, religion or belief. To ensure that no one is excluded and in common with hospices worldwide, all services are provided free of charge to the patients.

The objectives of the charity are the relief of sickness and disability in furtherance of the aims, charisma and ethos of the Religious Sisters of Charity, in particular by

- a) The provision of palliative nursing, medical and other care services for those in need;
- b) The provision of pastoral care services;
- c) The provision of education and research into any aspect of care services provided by the Hospice;
- d) The provision of services to members of the Religious Sisters of Charity who are in need.

### **Significant activities**

St Andrew's Hospice aims to provide the highest standard of specialist palliative care to the people of Lanarkshire. The Hospice does this through its; Inpatient Unit, Outpatient Department, Wellbeing Programme and Compassionate Lanarkshire (CLAN) services. In addition, the Hospice provides a range of support services for patients and their families, including pastoral and spiritual support, bereavement counselling, counselling in anticipatory grief and social welfare advice. The Hospice also provides education and training in palliative and end of life care to health and social care professionals based on 'Enriching & Improving Experience' - a national palliative and end of life care training initiative.

This report covers another challenging year for St Andrew's Hospice and the wider community of Lanarkshire. The year began in April 2022 with Scotland beginning to recover slowly from the impact of the Covid-19 pandemic. The Hospice continued to take a cautious approach - the safety of our patients, their loved ones and our staff and volunteers remained paramount throughout the period. We reopened our Shop, Café and Chapel within the main building but encouraged all visitors to do a Lateral Flow Test (LFT) prior to visiting. All Staff - clinical and non-clinical continued to do daily LFT tests. Visiting was still restricted with each patient having eight designated visitors until June 2022 when we started to lift all restrictions cautiously. However, face masks remained in place within patients' rooms till well into 2023. In late Summer of 2022, our Outpatient Department saw a real surge in the confidence of patients and their willingness and desire to return to face to face sessions; however, we maintained a blended approach for those who preferred remote services.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

Our Bereavement Services have seen a significant increase in referrals as a result of the devastating losses experienced throughout the pandemic. We continue to offer a choice of virtual or face to face bereavement counselling. We were delighted to recommence our Bereavement Support Group in Autumn 2022 which is the preferred choice of support for many people and helps manage the waiting list. Plans were also in place to recommence our Children's Support Group in the Spring thanks to a grant from Miss Margaret B Reekie's Charitable Trust and International Beverage – Spirit in the Community.

Compassionate Lanarkshire (CLAN), our National Lottery Community Fund and South Lanarkshire Integrated Joint Board (SL IJB) funded community project came to an end in October 2022. Following review and evaluation of the three-year project, we were successful in applications to the Community Lottery Fund and to SL IJB for a further funding for 3 years which commenced on the 1st November 2022. The team continue to visit patients' homes as required but also signpost and support remotely.

The Hospice is indebted to all those, who despite the cost of living crisis across the UK, continue to support the work done by St Andrew's. The people and businesses of Lanarkshire continue to develop and run amazing and imaginative fundraising activities, including the donation of goods and consumables, which allows us to continue supporting patients and families who need specialist palliative care.

During this period, NHS Lanarkshire has commenced the process to review its Palliative Care Strategy with representatives from St Andrew's Hospice as key participants and contributors. While the new Strategy is being developed, the Hospice continues to deliver on the Strategic Commissioning Plan (SCP) set out by South Lanarkshire's Integrated Joint Board (IJB) for 2019-22 including the following:

- a) Identify opportunities to support and improve people's pathways of care.
- b) Help deliver the full breadth and depth of care needs of EOLC patients and their families, loved ones and carers.
- c) Help improve the early identification of those with palliative care needs, as a gateway to establishing support in line with what matters to the person.
- d) Have conversations about 'What Matters to Me' with those affected, leading to a shareable plan – most often an Anticipatory Care Plan.

#### **Staffing**

Recruitment and retention of staff has been a challenge over the past year. Some staff have reconsidered their career/life choices following the pandemic and this, coupled with uncertainty around funding from the NHS, as well as there being a wide choice of jobs/roles available across the health and care sector have had an impact. We have experienced difficulty in recruitment, not only with clinical roles but also within our income generation team where it is challenging to remain competitive in the current market. Therefore despite the challenging financial environment the Hospice finds itself in, the Board of Trustees agreed to implement a pay award for staff equivalent to that offered to NHS staff under Agenda for Change to ensure we can retain and recruit quality staff.

#### **Volunteers**

Following the reduction of our pool of volunteers, during the pandemic, the Hospice has been focused on increasing the number of volunteers to pre-pandemic levels. As a result of a number of recruitment campaigns, we are seeing steady recovery. We have increased the number of volunteers from 550 at the end of the last financial year to approximately 600 at the end of March 2023. Interest in our roles is on the increase and we have expanded the types of roles that are available to volunteers with 11 departments benefiting from their invaluable support.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

The majority of volunteers provide support in our shops and recruitment to retail roles is continuing. There have also been increases in volunteers supporting Fundraising, Complementary Therapy, Befriending and the Children's Bereavement Group. We are actively recruiting for volunteer drivers to support our Outpatient and Facilities teams.

The contribution of our volunteers is invaluable and without their support, the Hospice would require to raise at least an additional £1 million annually. A review of our volunteer practices is underway and will focus on attraction and retention, reward and recognition and the streamlining of our internal processes.

## **Achievement and performance**

### **Charitable activities**

#### **Review of activities**

The principal activity of the charity is the operation of the Hospice for the care of people with life-limiting conditions and their families. The localities that the Hospice serves are: North Lanarkshire (with the exception of Cumbernauld & Kilsyth) and the Clydesdale locality of South Lanarkshire. Care is provided free to patients, and referrals are accepted from GPs, Hospital Consultants and Palliative Care Clinical Nurse Specialists (CNSs) in Lanarkshire, the three acute hospitals and the community. For some Outpatient Services and Bereavement Support patients/carers can self-refer.

The pandemic continued to cause significant disruption up to the Summer of 2022. Therefore our COVID Response Team, which had been formed in March 2020, continued to oversee the Hospice's response to the pandemic including all aspects of the COVID management of Hospice services. The team continued to meet very frequently (COVID Huddle), chaired by the CEO or their Deputy and review any updated guidance from Scottish Government or Public Health Scotland and agreed how it would be applied and implemented within the Hospice. The main focus of the COVID Response Team and the Senior Management Team was to continue to offer as many of our services as it was safe to offer. New services that had started as a result of the pandemic have continued and now form part of core services including the use of digital technology and our Hospice Hearty Meals initiative. We have also been successful again at securing grants/funding to continue services such as Music Therapy.

#### **Inpatients**

During the period 1st April 2022 to 31st March 2023, the Inpatient Unit (IPU) had a total of 383 referrals and 270 admissions. This is an increase of 20 referrals and 33 admissions respectively compared to the previous year.

Occupancy during the year was 92% based on 24 available beds during the period, an increase compared to 86% for the previous year. Average length of stay for 2022/23 was 26.3 days which is an increase from 25.8 days the previous year. The significant precautions put in place last year in relation to how the Inpatient Unit functioned during the peak of the pandemic continued for the majority of the year. These changes included closing off communal spaces such as patient/family sitting rooms and minimising, wherever possible, contact between different patients and/or their visitors. Our visiting guidance was continually reviewed and amended in line with national guidance. Visiting restrictions began to relax from Summer 2022 which has had a positive effect on patients, families and staff. Although we have maintained compassionate visiting at all times throughout the pandemic, particularly at end of life, it has been wonderful to see the return of visiting without restrictions so that people can be adequately supported during this difficult time.

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### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

We have continued to ensure that patients and their families are well informed of any changes as they occur in relation to COVID precautions. Digital Champions, first established in the IPU during the pandemic, are now well established and continue to facilitate and empower patients to fully engage with technology for activities and communication.

#### **Outpatients**

During the past 12 months, the majority of patients have returned to face to face services which as well as ensuring they access the services they require, helps to reduce loneliness and isolation for many people. Patients continue to be referred by healthcare professionals for our Wellbeing Programme which has seen attendance of between 10-15 patients per day in the past 12 months. Our Wellbeing Programme along with our various exercise programmes, Complementary Therapy Drop-In Groups, Carers Groups etc seen over 2,300 attendances.

In 2023, we are planning to undertake a mini refurbishment of the Outpatient Department to enhance users' experience of the space and ensure the facilities can be accessed and utilised by everyone. The refurbishment will bring the department up to similar specification as the IPU, allowing easier access through the department and to outside spaces for wheelchair users and allow us to offer more sessions/classes for the benefit of patients and their families.

Our Hospice Hearty Meals (HHM) a successful community project which was set up in response to the COVID-19 pandemic and subsequent lockdowns has continued over the past 12 months with funding from Irving Memorial Trust. Home cooked meals, which are prepared by the SAH Catering Team, are delivered 3 times per week for patients/clients/carers in the community who are struggling to access and prepare nutritional meals. This project has received excellent feedback from those who have utilised it. Over this year, the HHM project has delivered nearly 1,400 meals across Lanarkshire to those most in need. Patients who have received a nutritious meal 3 times per week have expressed the health and wellbeing benefits they have experienced and carers have valued the respite they provide, with some carers stating it gave them more valuable and meaningful time with their loved one before they died. As well as supporting patients living in the community, the HHM project has also been utilised for supporting patients returning home after an inpatient stay who have minimal support at home or live alone. This project has been fully funded by grants received from external sources.

#### **Community/ Compassionate Lanarkshire (CLAN)**

CLAN is a pan-Lanarkshire project in partnership with Strathcarron and Kilbryde Hospices. SAH is the lead organisation and has strategic responsibility and accountability for the overall project. A Project Steering Group is in place with representation from all three Hospices plus South Lanarkshire Integrated Joint Board (SL IJB). CLAN aims to support vulnerable and isolated individuals and their carers in Lanarkshire, who are affected by life-limiting illnesses including cancer, heart disease, COPD and progressive neurological conditions. This support can help people to stay at home longer, reduce social isolation, support relatives and carers and is also used to signpost people to other services/organisations. The original CLAN project ended in October 2022 and was replaced by CLAN 2 which commenced in November 2022 after we were successful in achieving funding for a period of 3 years from the National Lottery Community Fund and from South Lanarkshire Integrated Joint Board. This allows us to apply the learning from CLAN to the new project using a revised model of service delivery.

Over this year, the St Andrew's element of CLAN/CLAN 2 has received a total of 221 referrals, however many of these referrals result in us not only supporting the patient but also their carer/s. Over the 12 month period, there have been over 2,500 contacts - either face to face or by telephone - with clients and their carers to support them continuing to live in their own communities.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

Our befriending service continues to be popular and to be beneficial to patients and their carers. Currently there are 34 active volunteer befrienders and we are processing new applicants. It is an invaluable service for both patients and carers who report great benefits from this support. Complementary Therapies are also offered in patients' homes by appointment.

Mindfulness resources are available to people who wish to explore mindfulness techniques in person or at home. These include: mindfulness diaries, mindfulness colouring, mindfulness puzzles, mindfulness games, mindfulness/memory jars and listening books.

#### **Bereavement Support and Counselling**

The Bereavement Support and Counselling Service seeks to provide help to people experiencing bereavement, including those with no previous connection to the Hospice. Following the pandemic, we have successfully continued with a blended model of face to face and virtual sessions. The blended model has allowed us to offer further choice to clients, however many still prefer to attend for face to face counselling.

We have received 336 referrals over the 12-month period and delivered a total of 1315 counselling sessions over the 12-month period. Our Bereavement Support Group recommenced in October 2022 and a total of 44 people have participated. We have plans in place to restart a Children's Bereavement Support Group in Spring 2023. We have seen a significant increase in those dealing with personal grief or situations they have found themselves in as a result of the pandemic.

#### **Pastoral / Spiritual & Social Care**

The spiritual needs of our patients and families remain at the forefront of all that we do. We are proactive in supporting patients and families to deal with issues of transitional loss, anticipatory grief and spiritual wellbeing. The trend in younger and extremely complex patients being admitted to the Hospice has emphasised more than ever the critical need for this role within the Hospice. The Spiritual Care Team continue to be regularly called upon to preside over the funerals of patients and to support families at this difficult time. Often those that use this service have no live church connection and put their trust in us with this final and very important event.

#### **Education**

The Education Department is slowly recovering post-Covid. It is only towards the end of this financial period that we have been able to return to face to face training. We have continued online learning throughout for staff ensuring that all mandatory and statutory training remained available.

We have continued to provide clinical education and have supported regular placements within the Inpatient Unit for Student Nurses, Paramedics, Trainee Doctors, Pharmacists and others with the aim of building the skills of those staff working with palliative patients across Lanarkshire. We receive excellent feedback from those that have spent time in the Hospice.

Our Palliative Care Modules in partnership with Glasgow Caledonian University (GCU) have been significantly affected by the pandemic but are due to recommence in February 2024

#### **Facilities & Estates**

Our Facilities Team have had to adapt to changes in line with infection control procedures, product allergen labelling and Legionella (Health Facilities Scotland National Guidance). We have adjusted work patterns and processes to allow the team to accommodate this without increasing costs where possible.

The Facilities Team work closely with our Outpatient Team to deliver the Hospice Hearty Meals project which is a real asset to our service users and enhances the wider public profile of the Hospice.



## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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The estate is being protected via agreed Planned Preventative Maintenance inspections of our vital infrastructure and the plans for our Outpatient Dept. refurbishment are in place. Close scrutiny is being placed on historical challenges such as elevator use and maintenance, the condition of our road surfaces and drainage and phased improvements to the roof condition. Life cycle planning and costs are planned and small projects to improve grounds and gardens are in hand.

We are scoping the investment in our vehicle estate to enhance our carbon footprint performance, but this is against a backdrop of challenged budgets and increasing costs. This includes considering EV charging and pay to use options.

The cost of living crisis and the resulting increases in utilities, food and consumables have put significant pressures on our Facilities Team budget.

#### **Liaison with other agencies**

The Hospice continues to be a member of the Scottish Hospice Leadership Group which has been particularly valuable over the past 12 months as we have entered into discussions with Scottish Government on a new funding framework for hospices in Scotland which is fair, equitable and sustainable.

We also continue to be members of the Scottish Partnership for Palliative Care and Hospice UK. Ongoing links with other Scottish hospices have proven to be very valuable during the pandemic and beyond, especially in relation to the opportunity to share learning.

In addition, St. Andrew's participates with the majority of other Scottish hospices in a National Hospice Fundraising Forum (Scotland's Hospices Together) to benefit from economies of scale and collaborate on national fundraising initiatives. In addition, St. Andrew's Hospice works closely with St. Margaret of Scotland Hospice (Clydebank) and St. Joseph's Hospice (Hackney) - the other two hospices in the U.K. founded by the Religious Sisters of Charity.

SAH continues to contribute to the Hospice UK benchmarking programme which records data in 3 specific areas (tissue viability, medicines incidents and falls) Results from this benchmarking continue to show improvement and indicate that St Andrew's Hospice continues to perform well over the indicators measured

SAH continues to be well represented on the NHSL Specialist Palliative Care Improvement Group as well as the NHS Lanarkshire Palliative Care Strategy Group. SAH also works closely with Strathcarron Hospice and Kilbride Hospice to deliver the CLAN project as previously described in the community section above.

We continue to work closely with South Lanarkshire's Integrated Joint Board (SLIJB), the lead commissioner of Palliative Care Services for both North and South Lanarkshire. Quarterly performance reports are submitted and these reports, along with the Hospice's financial performance are reviewed at quarterly contract monitoring meetings. Funding discussions have been challenging with SL IJB over the past 12 months, especially in relation to the Agenda for Change pay award to NHS staff. This significant pay award was not reflected in the funding uplift from the SLIJB for 2022/23 or for 2023/24.

We also continue to work closely with our third sector colleagues and the CEO regularly attends the Third Sector Chief Officers Group in South Lanarkshire. Our Outpatient and Community Team also work closely with other third sector organisations such as Lanarkshire Carers, MS Scotland etc. to signpost patients to additional services which may be of support to them.

**ST ANDREW'S HOSPICE (LANARKSHIRE)****Operational and Strategic Report of the Trustees for the year ended 31 March 2023****Fundraising activities**

In the last two Annual Reports, we described the impact COVID had on our fundraising. With normality returning from Spring 2022, we were able to return to most of our activities with the Schools' Ben Nevis event being the only activity we could not run due to COVID reasons. As a result, our income generated from fundraising bounced back to better than pre-COVID levels. Donations and legacies rose from £1,673,481 last year to £1,742,774 an increase of £69,293. Gift Aid income (from both Fundraising and retail) increased from £203,284 last year to £209,057 this year, an increase of £5,773. Income from Fundraising events increased from £826,440 to £1,341,091 an increase of £514,651.

The big challenge however as we left COVID behind was the cost of living crisis faced by our supporters. The rising rate of inflation, especially in food and energy costs, coupled with rising interest rates did put a squeeze on our income in certain areas, most notably our weekly Lottery. In May, we saw a huge jump in drop-offs of existing players, although thankfully this did settle. But at exactly the same time, we saw a drastic reduction in the number of new players signing up, a drop of around 75% in the normal number of new players. Although income from Lottery is still growing, such growth was lower than anticipated. Lottery income grew from £1,089,105 last year to £1,128,615, an increase of £39,510. Although income has not grown as much as we would have liked, the lower recruitment is offset by having lower donor recruitment costs. Expenditure on Lottery reduced from £501,948 last year to £393,136 this year, a reduction of £108,812. Net income is actually up on last year and Lottery income is still a very important income stream in that diverse portfolio.

The challenge demonstrates the wisdom we had in developing a wide and diverse portfolio of fundraising activities as some events such as our Summer Ball and Annual Ball continue to bring in large sums of money. Fundraising costs rose from £321,476 last year to £686,419, a rise of £364,943; this reflected both an increase in the number and scale of events to pre-COVID levels e.g. an overseas trek, but were also affected by jumps in inflation.

Our Retail operations also had a successful year in the high street with a rise of sales income from £1,029,669 last year to £1,239,327, an increase of £209,658. Part of this was due to being fully open for all of the year, given the decline of the prevalence of the COVID-19 virus, and partly because we started implementing a new 3-year Retail Strategy approved by the Board in January 2023. However, we do face challenges on the costs side given the increased costs such as fuel and salary to keep pace with inflation to retain staff. So shop expenses increased from £630,945 last year to £704,916 this year, an increase of £73,971.

**Financial review**

The financial position of the Hospice has been a huge focus over the 12-month period, what with the remobilisation from the pandemic. The substantial grants available in the prior year were not available to us this financial year, so we were working towards getting our fundraising and retail teams back to the position they were in pre-pandemic. This has been complicated with the current cost-of-living crisis the country is dealing with. We are continually grateful to the population of Lanarkshire for their unwavering support year after year.

**Financial position**

The financial activities of the charity are as set out in the attached financial statements. During the period under review, the overall income was £9,393,355 (2022: £10,652,715).

The net expenditure for the year was £639,448 (2022: net income of £1,797,241) after allowing for losses on investments of £302,838 (2022: gains of £184,711). The net expenditure was offset by planned utilisation of designated funds of £222,062. After expenditure on restricted and designated funds the net unrestricted expenditure for the year was £89,873.

**ST ANDREW'S HOSPICE (LANARKSHIRE)****Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

The total of the accumulated Unrestricted General Fund at 31 March 2023 was £4,192,819 (2022: £4,669,415).

***Designated Funds***

With a commitment to continued recovery and remobilisation from the pandemic and addressing the current challenge to match NHS salaries, the Trustees have designated the following funds for 2023/24:

Fund 1: Remobilisation £0 (£167,000 used in 2022/23, £320,000 transferred to Fund 5)

Fund 2: Recovery £0 (£45,000 used in 2022/23)

Fund 3: Future proofing of IT infrastructure £139,938 (£10,062 used in 2022/23)

Fund 4: Upgrade of Outpatients Dept. £125,000

Fund 5: Pay Award Funding gap £320,000 (transferred from Fund 1)

**Principal funding sources**

NHS Lanarkshire is the single largest funder providing 33% of our total income. Our grant agreement identifies areas of core business where the NHS provides 50% of funding. However, developments in some clinical areas and in fundraising have been fully funded by the Hospice or external grants. The change in funding uplift for 2022/23 and 2023/24 is significant and means NHSL no longer provide 50% of core business costs.

**Investment policy and objectives**

In May 2014, the Trustees enlisted the services of Brewin Dolphin Ltd to establish a portfolio for reserves of £2,000,000. Following review and a scoping exercise to measure the market, the Trustees agreed in late 2021 to move the Investments portfolio from Brewin Dolphin Ltd to Rathbones Investment Management Ltd. In addition to the total balance, we also invested a further £500,000 in February 2022.

The investment objective for long-term reserves is to generate a return in excess of inflation whilst generating an income to support the ongoing activities of the charity.

The investment objective for short-term reserves is to preserve the capital values with a minimum level of risk.

Assets should be readily available to meet unanticipated cash flow requirements.

The closing market value for this portfolio, as at 31 March 2023, was £3,201,692 (2022: £3,038,296).

**Reserves policy**

The target of the Hospice within this year is to increase our reserves in line with OSCR recommendation of around 6 months. The overall financial position remains healthy at the end of the year. The Hospice has free reserves of £4,192,819 (2022: £4,669,415) covering 5.3 months (2022 – 5.6 months) operating costs.

**Going concern**

The charity has cash resources with some finance debt connected to the significant refurbishment project. The Board of Trustees during 2022/23 did pay back a sum of money to the refurbishment loan of £250,000. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and repay the finance debts. They continue to believe the

**ST ANDREW'S HOSPICE (LANARKSHIRE)****Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

going concern basis of accounting appropriate in preparing the annual financial statements. There are no known, material uncertainties regarding the charity's ability to continue as a going concern.

**Principal risks and uncertainties**

The Trustees have a duty to identify and review the risks to which the charitable company is exposed.

Structures are in place to oversee the operational risks that the Hospice is subject to and these are managed through the Integrated Governance Committee, which, as a sub-committee of the Board of Trustees, reports into that Board. Reporting into the Integrated Governance Committee are the following sub committees; Clinical Risk Audit & Quality, Medicines Management, Infection Control, Health & Safety, Patient Experience, Information Governance, Education and Fundraising. In addition, the Senior Management Team meet monthly to consider ongoing operational issues as well as ensure the strategic plan is progressing and the Hospice wide risk register is reviewed and updated.

The major strategic risks and uncertainties for the charity are;

1. The continuation of the current financial arrangement and partnership with South Lanarkshire's Health and Social Care Partnership (See "liaison with other agencies" page 7).
2. The recovery and development of fundraising activities in a difficult ongoing financial climate following the pandemic
3. The ongoing challenging financial climate, especially in relation to utility and food costs for the Hospice itself as well as members of the community who may usually participate in our fundraising events or organise their own
4. Increased demand for clinical and bereavement services as a result of the pandemic
5. The current recruitment issues being experienced by all employers and the financial implication of recruiting and retaining good quality staff
6. The loss of volunteers due to the pandemic and resulting need to recruit new volunteers .

The Trustees are satisfied that the partnership working with SLIJB/NHS Lanarkshire and the current income generation strategies are sound and that risks to the charity are minimised.

**Future plans**

The Trustees Strategy Sub-Group has continued to meet regularly to review strategic developments and report to the full Board of Trustees. The Group has overseen the plans for the OPD refurbishment as well as being involved in future income generation planning.

Following the launch of our new Strategic Plan in 2022 we have continued to work towards our detailed aims and objectives over the past 12 months. In addition, we have also undertaken a detailed review of our Retail Operation and developed a Strategic Retail Plan for the next three years to maximise the returns and continue development.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

Therefore, our 5 Strategic aims remain as:

1. We will continue to improve the way palliative and end of life care is delivered
2. We will ensure we manage the Hospice as effectively and efficiently as possible
3. We will identify gaps in palliative and end of life care that need sustainable investment and service
4. We will ensure everyone who delivers palliative and end of life care has the knowledge and skills to do so
5. We will ensure we have the digital infrastructure and a robust communication plan which supports delivery of services and income generation which is fit for the future

The full 2022-2025 Strategy can be found on our website at: <https://www.st-andrews-hospice.com/healthcare-professionals/quality-governance/#tab-id-5>

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The company was incorporated on 27th March 2006, established by a Memorandum and Articles of Association.

The members of the charitable company are all members of the Religious Sisters of Charity.

Permission was granted by the Registrar of Companies to omit the word "limited" from the company name.

New Articles of Association and a governing document of the charitable company were accepted on 31 August 2012.

### **Recruitment and appointment of new trustees**

The Directors of the charitable company are also charity trustees for the purposes of charity law. The trustees have authority to appoint any person to be a trustee at any time. That person, however, will hold office only until the next Annual General Meeting at which point they will be formally elected.

### **Organisational structure / Decision making**

The Board of Trustees is responsible for the overall direction and management of the charity and meets regularly. The Board appoints a Chief Executive who is responsible for the day to day management of the charity along with the other members of the Senior Management Team.

The Senior Management Team (SMT) currently comprises: Chief Executive, Deputy Chief Executive/Head of Clinical Services, Head of Fundraising, Consultant in Palliative Care ( NHSL), Director of Mission, Head of Finance, Head of People, and the Facilities Manager. Senior Management Team meetings are held formally monthly. A formal agenda is followed and actions planned and documented and approved minutes are available.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

#### **Induction and training of new trustees**

All trustees of the charity are already very experienced in charity management. They are all aware of and fully committed to the work of the Hospice as well as to the Hospice's ethos, mission and values which continue to be those of the Religious Sisters of Charity. In addition, they all receive an induction pack containing details of their responsibilities and are offered regular update seminars on the same subject.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Key management remuneration**

The trustees consider that the Chief Executive and the Deputy Chief Executive/Head of Clinical Services roles comprise the key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis.

The remuneration policy for all employees is to match the skills, experience and qualifications of each position consistent with a framework allowing for market levels in the sector within the locality of the Hospice.

##### **Wider network / Related organisations**

St Andrew's Hospice (Lanarkshire) is an independent charity and has no subsidiaries or any interests in other companies or charities.

The members of the charitable company are all members of the Religious Sisters of Charity who founded the Hospice in 1986. The ethos and values of the Sisters of Charity remain the core values of the Hospice - those of: Human Dignity, Compassion, Justice, Advocacy and Quality in the care provided for the most vulnerable in our communities.

The Hospice operates within the national policy context around the provision of specialist palliative care in Scotland and complies with the Public Service Reform (Scotland) Act 2010.

The Hospice is registered and inspected by Healthcare Improvement Scotland (HIS).

The Hospice meets the best practice guidelines of the Nursing and Midwifery Council for nursing care.

The Hospice is a member of the Scottish Partnership for Palliative Care and a member of Hospice UK, the Scottish and UK-wide representative bodies, respectively, for palliative care. At a local level the Hospice works closely with SLIJB / NHS Lanarkshire and its staff; in the three University hospitals, the other two hospices supporting Lanarkshire residents (Kilbryde and Strathcarron), the Community Specialist Palliative Care Team, GP surgeries, care homes and other care centres across Lanarkshire.

##### **Risk management**

The trustees have examined the major risks to which the charity is exposed. In particular, they examined those related to Operations, Governance, Finance, Compliance and External Factors which may have an impact on the charity. They are satisfied that systems are in place in order to mitigate exposure to the major risks. The trustees will continue to review their policies in the light of issues raised during the charity's on-going risk assessment.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Operational and Strategic Report of the Trustees for the year ended 31 March 2023**

#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of St Andrew's Hospice (Lanarkshire) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the charitable 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.

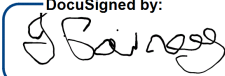
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on its website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 6th September 2023, including approval of the Strategic Report contained within the report, in their capacity as directors, and signed on their behalf by:

DocuSigned by:  
  
C9316949877345E...

Mr Joseph Cairney  
Trustee

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Independent Auditor's Report to the Trustees and Members of St Andrew's Hospice (Lanarkshire) for the year ended 31 March 2023**

#### **Opinion**

We have audited the financial statements of St Andrew's Hospice (Lanarkshire) (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities (incorporating an income and expenditure account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### **Basis for opinion**

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

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

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

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

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

#### **Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify



## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Independent Auditor's Report to the Trustees and Members of St Andrew's Hospice (Lanarkshire) for the year ended 31 March 2023**

such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report (incorporating the directors' report and the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

#### **Responsibilities of trustees**

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Independent Auditor's Report to the Trustees and Members of St Andrew's Hospice (Lanarkshire) for the year ended 31 March 2023**

our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations; and
- Submission of gift aid claims.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries; and
- Overstated gift aid claims.

#### **Audit response to the risks identified;**

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, the audit committee and legal advisors concerning actual and potential litigation and claims;

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

### **Independent Auditor's Report to the Trustees and Members of St Andrew's Hospice (Lanarkshire) for the year ended 31 March 2023**

- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business;
- Substantive testing of gift aid claims.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

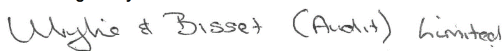
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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*Claire Dalrymple FCCA (Senior Statutory Auditor)*

*6<sup>th</sup> September 2023*

*168 Bath Street  
Glasgow  
G2 4TP*

*For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor*

*Wylie & Bisset (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

**ST ANDREW'S HOSPICE (LANARKSHIRE)**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2023**  
(including an Income and Expenditure account)

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Designated Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Designated Funds 2022 £	Total Funds 2022 £
<b>Income and endowments from:</b>									
Donations and legacies	4	1,825,855	125,976	-	1,951,831	2,952,846	387,425	807,000	4,147,271
Charitable activities	5	3,556,158	-	-	3,556,158	3,441,590	-	-	3,441,590
Other trading activities	6	3,778,734	-	-	3,778,734	2,964,735	-	-	2,964,735
Investments	7	106,632	-	-	106,632	69,439	-	-	69,439
Other Income	8	-	-	-	-	-	29,680	-	29,680
<b>Total Income</b>		<b>9,267,379</b>	<b>125,976</b>	<b>-</b>	<b>9,393,355</b>	<b>9,428,610</b>	<b>417,105</b>	<b>807,000</b>	<b>10,652,715</b>
<b>Expenditure on:</b>									
Raising funds	9	1,085,059	-	-	1,085,059	972,193	-	-	972,193
Charitable activities	10	6,126,809	103,087	572,464	6,802,360	5,832,553	363,981	389,480	6,586,014
Other trading activities	11	1,819,206	-	-	1,819,206	1,462,570	-	-	1,462,570
Investment management costs	12	23,340	-	-	23,340	19,408	-	-	19,408
<b>Total Expenditure</b>		<b>9,054,414</b>	<b>103,087</b>	<b>572,464</b>	<b>9,729,965</b>	<b>8,676,204</b>	<b>363,981</b>	<b>389,480</b>	<b>9,040,185</b>
<b>Net movement in funds before gains and losses on investments</b>									
		212,965	22,889	(572,464)	(336,610)	1,141,886	53,124	417,520	1,612,530
Net (losses)/gains on investments		(302,838)	-	-	(302,838)	184,711	-	-	184,711
<b>Net (expenditure)/income</b>		<b>(89,873)</b>	<b>22,889</b>	<b>(572,464)</b>	<b>(639,448)</b>	<b>1,326,597</b>	<b>53,124</b>	<b>417,520</b>	<b>1,797,241</b>
Transfers between funds	23	(386,723)	-	386,723	-	(74,435)	(19,085)	93,520	-
<b>Net movement in funds</b>		<b>(476,596)</b>	<b>22,889</b>	<b>(185,741)</b>	<b>(639,448)</b>	<b>1,252,162</b>	<b>34,039</b>	<b>511,040</b>	<b>1,797,241</b>
<b>Funds reconciliation</b>									
Total Funds brought forward	23	4,669,415	213,295	7,524,118	12,406,828	3,417,253	179,256	7,013,078	10,609,587
<b>Total Funds carried forward</b>	<b>23</b>	<b>4,192,819</b>	<b>236,184</b>	<b>7,338,377</b>	<b>11,767,380</b>	<b>4,669,415</b>	<b>213,295</b>	<b>7,524,118</b>	<b>12,406,828</b>

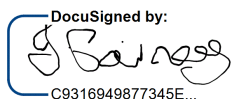
The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**ST ANDREW'S HOSPICE (LANARKSHIRE)****BALANCE SHEET AS AT 31 MARCH 2023**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets:</b>			
Tangible assets	<b>16</b>	7,830,939	8,082,810
Investments	<b>17</b>	<u>3,201,692</u>	<u>3,038,296</u>
<b>Total Fixed assets</b>		<b>11,032,631</b>	<b>11,121,106</b>
<b>Current assets:</b>			
Stocks	<b>18</b>	67,777	59,897
Debtors	<b>19</b>	697,709	1,245,167
Cash at bank and in hand	<b>26</b>	<u>1,847,620</u>	<u>1,951,036</u>
<b>Total Current assets</b>		<b>2,613,106</b>	<b>3,256,100</b>
<b>Liabilities:</b>			
Creditors falling due within one year	<b>20</b>	<u>(968,974)</u>	<u>(772,013)</u>
<b>Net Current assets</b>		<b>1,644,132</b>	<b>2,484,087</b>
<b>Liabilities:</b>			
Creditors falling due in more than one year	<b>21</b>	(909,383)	(1,198,365)
<b>Net assets</b>		<b><u>11,767,380</u></b>	<b><u>12,406,828</u></b>
<b>The funds of the charity:</b>			
Unrestricted funds	<b>23</b>	4,192,819	4,669,415
Restricted funds	<b>23</b>	236,184	213,295
Designated funds	<b>23</b>	7,338,377	7,524,118
<b>Total Charity funds</b>		<b><u>11,767,380</u></b>	<b><u>12,406,828</u></b>

Approved by the trustees on 6<sup>th</sup> September 2023 and signed on their behalf by:

DocuSigned by:  
  
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Name: Mr Joseph Cairney

Company no: SC299663

**ST ANDREW'S HOSPICE (LANARKSHIRE)****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDING 31 MARCH 2023**

	<b>Note</b>	<b>Total Funds 2023 £</b>	<b>Total Funds 2022 £</b>
<b><i>Cash flows from operating activities:</i></b>			
<b>Net cash provided by/(used in) operating activities</b>	<b>25</b>	689,309	(104,335)
<b><i>Cash flows from investing activities:</i></b>			
Purchase of tangible fixed assets		(98,531)	(52,300)
Purchase of fixed asset investments		(1,141,329)	(2,022,964)
Proceeds from the sale of fixed asset investments		675,095	1,891,137
Interest received		9,439	297
Dividend income		97,193	69,142
<b>Net cash (used in) investing activities</b>		(458,133)	(114,688)
<b><i>Cash flows from financing activities:</i></b>			
Loan and overdraft repayments in year		(288,192)	(41,220)
Interest paid		(46,400)	(24,202)
<b>Net cash (used in) financing activities</b>		(334,592)	(65,422)
<b>Change in cash and cash equivalents in the year</b>		(103,416)	(284,445)
Cash and cash equivalent brought forward	<b>26</b>	1,951,036	2,235,481
<b>Cash and cash equivalents carried forward</b>	<b>26</b>	1,847,620	1,951,036

<b>Analysis of Net Debt</b>	<b>1 April 2022 £</b>	<b>Cash Flow £</b>	<b>Non- Cash Changes £</b>	<b>31 March 2023 £</b>
Cash at bank in hand	1,951,036	(103,416)	-	1,847,620
	1,951,036	(103,416)	-	1,847,620
<b>Borrowings</b>				
Debt due within one year	(42,327)	288,192	(288,982)	(43,117)
Debt due after one year	(1,198,365)	-	288,982	(909,383)
	(1,240,692)	288,192	-	(952,500)
<b>Total</b>	710,344	184,776	-	895,120

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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

#### **1. Accounting Policies**

##### **(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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

##### **(b) Funds structure**

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal. Further details of each fund are disclosed in note 23.

##### **(c) Income recognition**

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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

#### **1. Accounting Policies (continued)**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 22).

#### **(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

- Expenditure on charitable activities includes Specialist Palliative Care and other activities undertaken to further the purposes of the charity and their associated support costs;
- Raising funds – other trading activities includes fundraising costs, shop costs and lottery costs;
- Investment management costs – costs associated with the management of the charity's investment portfolio

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

#### **(e) Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. Refer to the Operational and Strategic Report of the Trustees for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.



**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****1. Accounting Policies (continued)****(f) Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on time spent. The allocation of support and governance costs is analysed in note 13.

**(g) Tangible fixed assets and depreciation**

All assets costing more than £5,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

	Basis
Freehold property	3% straight line
Furniture and fittings	20% straight line
Motor vehicles	25% straight line

**(h) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**(i) Stock**

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

**(j) Debtors**

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

**(k) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**(l) Creditors and provisions**

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

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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

#### **1. Accounting Policies (continued)**

##### **(m) Realised gains and losses**

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

##### **(n) Pensions**

A number of hospice employees have opted to remain in the National Health Service Superannuation Scheme. This is a defined benefit scheme administered independently from the hospice and the directors understand that the scheme was adequately funded at the balance sheet date. The contributions payable to the scheme are charged to the Statement of Financial Activities in respect of the relevant accounting period.

The National Health Service Pension Scheme is available to staff of more than one employer and it is not possible to identify each institution's share of the underlying assets and liabilities of the scheme. In these circumstances Financial Reporting Standard 102, provides for contributions to such schemes to be accounted for as if it were a defined contribution scheme. As such the cost recognised within the hospice Statement of Financial Activities will be equal to the contribution payable to the scheme for the year.

The hospice also operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

##### **(o) Contingent liabilities**

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

##### **(p) Operating leases**

The charity classifies the lease of properties as operating leases; the title to the properties remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

##### **(q) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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

#### **1. Accounting Policies (continued)**

##### **(r) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **(s) Taxation**

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

##### **(t) Judgements and key sources of estimation and uncertainty**

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Depreciation of fixed assets** – fixed assets are depreciated over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of senior management, with reference to assets expected life cycle.

**Allocation of expenditure between activities** – Support costs are allocated between charitable activities and governance based on the time spent by senior management on undertaking the charity's activities.

#### **2. Legal status**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

#### **3. Related party transactions and Trustees' expenses and remuneration**

The members of the charity are representatives of the Order of the Religious Sisters of Charity. £27,027 (2022: £26,402) was paid to the Order in respect of Sister Catherine Egan, Director of Patient & Public Liaison.

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****3. Related party transactions and Trustees' expenses and remuneration (continued)**

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2022: £nil). Expenses paid to the Trustees in the year totalled £nil (2022: £nil).

During the year five trustees (2022: 3) made donations totalling £1,700 (2022: £1,271).

**4. Income from donations and legacies**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Donations and legacies	1,742,774	1,673,481
Gift aid	209,057	203,284
Business Support Grants	-	81,250
Treasury funding	-	2,189,256
	<u>1,951,831</u>	<u>4,147,271</u>

Income from Business Support Grants includes £nil (2022: £81,250) received from North Lanarkshire Council towards the running costs of the Hospice retail stores. Treasury funding income represents £nil (2022: £2,189,256) received from the Scottish Government in respect of Covid-19 funding. There are no unfulfilled conditions or contingencies associated with these grants.

**5. Income from charitable activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Specialist palliative care	3,556,158	3,441,590
	<u>3,556,158</u>	<u>3,441,590</u>

Income from charitable activities includes £3,556,158 (2022: £3,441,590) received from NHS Lanarkshire towards the running costs of the Hospice services. There are no unfulfilled conditions or contingencies associated with this grant.

**6. Income from other trading activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fundraising events	1,341,091	826,440
Shop income	1,239,327	1,029,669
Lottery income	1,128,615	1,089,105
Café	26,140	4,836
Education income	38,169	14,235
Hospitality income	5,392	450
	<u>3,778,734</u>	<u>2,964,735</u>

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****7. Investment income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Dividend income	97,193	69,142
Deposit account interest	9,439	297
	<u>106,632</u>	<u>69,439</u>

**8. Other Income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Coronavirus Job Retention Scheme	-	29,680
	<u>-</u>	<u>29,680</u>

Income from the Coronavirus Job Retention Scheme includes £nil (2022: £29,680) received from the UK Government. There are no unfulfilled conditions or contingencies associated with these grants.

**9. Expenditure on raising funds**

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Raising grants and donations	-	1,085,059	1,085,059
	<u>-</u>	<u>1,085,059</u>	<u>1,085,059</u>

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Raising grants and donations	-	972,193	972,193
	<u>-</u>	<u>972,193</u>	<u>972,193</u>

**10. Analysis of expenditure on charitable activities**

	<b>Specialist Palliative Care</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Staff & consultant cost	4,869,961	4,869,961
Non payroll clinical costs	409,142	409,142
Premises costs	618	618
Other costs	6,181	6,181
Depreciation	155	155
CLAN	66,557	66,557
Governance costs (note 13)	321,957	321,957
Support costs (note 13)	1,127,789	1,127,789
	<u>6,802,360</u>	<u>6,802,360</u>

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****10. Analysis of expenditure on charitable activities (continued)**

	<b>Specialist Palliative Care £</b>	<b>2022 £</b>
Staff & consultant cost	4,711,397	4,711,397
Non payroll clinical costs	390,938	390,938
Premises costs	6,468	6,468
Other costs	3,957	3,957
Depreciation	6,299	6,299
CLAN	152,947	152,947
Governance costs (note 13)	264,015	264,015
Support costs (note 13)	1,049,993	1,049,993
	<u>6,586,014</u>	<u>6,586,014</u>

**11. Expenditure on other trading activities**

	<b>Direct Costs £</b>	<b>Support Costs £</b>	<b>2023 £</b>
Café provisions and consumables	23,302	11,433	34,735
Fundraising costs	460,490	225,929	686,419
Shop expenses	472,899	232,017	704,916
Lottery costs and prizes	263,739	129,397	393,136
	<u>1,220,430</u>	<u>598,776</u>	<u>1,819,206</u>

	<b>Direct Costs £</b>	<b>Support Costs £</b>	<b>2022 £</b>
Café provisions and consumables	5,676	2,525	8,201
Fundraising costs	222,491	98,985	321,476
Shop expenses	436,672	194,273	630,945
Lottery costs and prizes	347,394	154,554	501,948
	<u>1,012,233</u>	<u>450,337</u>	<u>1,462,570</u>

**12. Investment management costs**

	<b>2023 £</b>	<b>2022 £</b>
Investment manager fees	23,340	19,408
	<u>23,340</u>	<u>19,408</u>

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****13. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

<b>2023:</b>						
<b>Cost type</b>	<b>Total Allocated 2023</b>	<b>Raising funds</b>	<b>Palliative care</b>	<b>Trading activities</b>	<b>Governance related</b>	<b>Basis of apportionment</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Staff costs	1,842,831	632,707	559,544	389,028	261,552	Staff costs
Premises costs	655,613	189,257	333,578	85,549	47,391	Staff costs
Other costs	275,332	85,119	129,593	35,211	25,247	Staff costs
Depreciation	350,247	140,099	105,074	70,049	35,025	Staff costs
<b>Total</b>	<b>3,124,023</b>	<b>1,047,182</b>	<b>1,127,789</b>	<b>579,837</b>	<b>369,215</b>	

<b>2022:</b>						
<b>Cost type</b>	<b>Total Allocated 2022</b>	<b>Raising funds</b>	<b>Palliative care</b>	<b>Trading activities</b>	<b>Governance related</b>	<b>Basis of apportionment</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Staff costs	1,581,077	559,347	559,367	259,388	202,975	Staff costs
Premises costs	509,829	157,144	241,005	70,957	40,723	Staff costs
Other costs	254,765	71,368	134,667	27,826	20,904	Staff costs
Depreciation	383,181	153,273	114,954	76,636	38,318	Staff costs
<b>Total</b>	<b>2,728,852</b>	<b>941,132</b>	<b>1,049,993</b>	<b>434,807</b>	<b>302,920</b>	

<b>Governance costs:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration	9,558	7,686
Support costs (see above)	369,215	302,920
	<b>378,773</b>	<b>310,606</b>

Breakdown of governance and support costs by activity;

<b>2023:</b>	<b>Support costs</b>	<b>Governance</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Raising funds	1,047,182	37,877	1,085,059
Specialist palliative care	1,127,789	321,957	1,449,746
Trading activities	579,837	18,939	598,776
	<b>2,754,808</b>	<b>378,773</b>	<b>3,133,581</b>

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****13. Allocation of governance and support costs (continued)**

<b>2022:</b>	<b>Support costs</b>	<b>Governance</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Raising funds	941,132	31,061	972,193
Specialist palliative care	1,049,993	264,015	1,314,008
Trading activities	434,807	15,530	450,337
	<u>2,425,932</u>	<u>310,606</u>	<u>2,736,538</u>

**14. Analysis of staff costs and remuneration of key management personnel**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries and wages	5,330,385	4,822,758
Social security costs	512,237	437,150
Other pension costs	238,987	230,970
Total staff costs and employee benefits	<u>6,081,609</u>	<u>5,490,878</u>

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Key management personnel remuneration	<u>176,703</u>	<u>162,663</u>

The number of employees whose employee benefits fell within the following bands are as follows:

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
£60,001 - £70,000	1	1
£70,001 - £80,000	1	2
£80,001 - £90,000	1	-

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>236</u>	<u>226</u>

Included within salaries and wages are redundancy payments totalling £nil (2022: £ nil).

**15. Net income/(expenditure) for the year**

This is stated after charging:	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation	350,402	389,480
Interest paid	46,400	24,202
Auditor's remuneration:		
Audit fees	<u>9,558</u>	<u>7,686</u>



**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****16. Tangible Fixed Assets**

	<b>Freehold Property £</b>	<b>Fixtures and fittings £</b>	<b>Motor Vehicles £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 April 2022	9,823,404	375,980	134,054	37,980	10,371,418
Additions	11,412	41,742	33,448	11,929	98,531
At 31 March 2023	9,834,816	417,722	167,502	49,909	10,469,949
<b>Depreciation</b>					
At 1 April 2022	1,794,161	343,009	134,054	17,384	2,288,608
Charge for the year	294,887	35,606	557	19,352	350,402
At 31 March 2023	2,089,048	378,615	134,611	36,736	2,639,010
<b>Net book value</b>					
At 31 March 2023	7,745,768	39,107	32,891	13,173	7,830,939
At 31 March 2022	8,029,243	32,971	-	20,597	8,082,810

Freehold Property includes a balance of £125,000 of donated land which cannot be disposed of.

**17. Fixed and Current Asset Investments**

<b>Movement in listed investments</b>	<b>2023 £</b>	<b>2022 £</b>
Market value brought forward at 1 April 2022	3,038,296	2,721,758
Add: additions to investments at cost	1,141,329	2,022,964
Disposals at carrying value	(750,634)	(1,780,484)
Add net gain on revaluation	(227,299)	74,058
Market value as at 31 March 2023	3,201,692	3,038,296

Net cash invested in the year was £466,234 (2022: £699,336).

<b>Investments at fair value Comprised:</b>	<b>2023 £</b>	<b>2022 £</b>
Equities	3,201,692	3,038,296
<b>Total</b>	<b>3,201,692</b>	<b>3,038,296</b>

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****17. Fixed and Current Asset Investments (continued)**

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy sections of the Report of the Trustees.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. In terms of specific risks including foreign exchange and credit risks, the charity uses specialist investment managers to balance and limit the overall financial risk by operating a portfolio which provides a high degree of diversification of holdings within a fairly wide band of investment asset classes all of which are quoted on recognised stock exchanges. In addition, the charity does not make use of riskier derivatives or more complex financial instruments in this area. Liquidity risk is expected to be low as all assets are traded in markets with high trading volumes and not in any markets subject to exchange controls or trading restrictions.

**18. Stock**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Stock	67,777	59,897
	<u>67,777</u>	<u>59,897</u>

**19. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade Debtors	74	10,921
Sundry debtors	148,999	14,273
Legacy debtors	185,288	117,204
Tax and social security	22,591	18,379
Prepayments and accrued income	340,757	1,084,390
	<u>697,709</u>	<u>1,245,167</u>

**20. Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	43,117	42,327
Creditors control account	151,290	111,902
Social security and other taxes	275,516	122,879
Other creditors	31,896	29,865
Deferred income (note 22)	152,558	332,968
Accruals	314,597	132,072
	<u>968,974</u>	<u>772,013</u>

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****20. Creditors: amounts falling due within one year (continued)**

The bank loan is secured over the property of the charity. There is a bond and floating charge and 1st standard security.

North Lanarkshire Council holds a security (to the value of £70,000) over the land on which the hospice is constructed.

**21. Creditors: amounts falling due over one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Loans	909,383	1,198,365
	<u>909,383</u>	<u>1,198,365</u>
Analysed as:	<b>£</b>	<b>£</b>
Due within 1 year	43,117	-
Due within 1-2 years	43,922	43,117
Due within 2-5 years	865,461	1,155,248
	<u>952,500</u>	<u>1,198,365</u>

**22. Deferred income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April 2022	332,968	1,681,151
Amount released to income earned from charitable activities	(332,968)	(1,681,151)
Amount deferred in year	152,558	332,968
Balance as at 31 March 2023	<u>152,558</u>	<u>332,968</u>

Deferred income comprises donations and tickets sold for future events, along with deposits paid for lottery draws taking place in the year to 31<sup>st</sup> March 2024.

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****23. Analysis of charitable funds**

<b>Analysis of Fund movements</b>	<b>As at 1 April 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains / (losses) £</b>	<b>Transfers £</b>	<b>As at 31 March 2023 £</b>
<b>Unrestricted funds</b>						
Completed refurbishment project	4,848,426	-	206,757	-	288,192	4,929,861
Fixed asset designated fund	1,868,692	-	143,645	-	98,531	1,823,578
Remobilisation	487,000	-	167,000	-	(320,000)	-
Recovery	45,000	-	45,000	-	-	-
IT Infrastructure	150,000	-	10,062	-	-	139,938
Outpatients' department	125,000	-	-	-	-	125,000
Salary Award	-	-	-	-	320,000	320,000
<b>Total designated funds</b>	<b>7,524,118</b>	<b>-</b>	<b>572,464</b>	<b>-</b>	<b>386,723</b>	<b>7,338,377</b>
General funds	4,669,415	9,267,379	9,054,414	(302,838)	(386,723)	4,192,819
<b>Total unrestricted funds</b>	<b>12,193,533</b>	<b>9,267,379</b>	<b>9,626,878</b>	<b>(302,838)</b>	<b>-</b>	<b>11,531,196</b>
<b>Restricted funds</b>						
Community Team	494	1,010	510	-	-	994
Hospice Hearty Meals	-	5,574	1,379	-	-	4,195
Info tech	11,693	6,000	8,653	-	-	9,040
CLAN	-	66,557	66,557	-	-	-
Patient care	65,649	24,867	15,729	-	-	74,787
Home Grown	247	-	-	-	-	247
Childrens Support Services	2,445	14,592	632	-	-	16,405
Music Therapy	6,111	6,000	8,000	-	-	4,111
Hospice Harvesters	31	-	31	-	-	-
Hospice upkeep	1,405	-	-	-	-	1,405
Bloomin lovely flowers	220	1,376	1,596	-	-	-
Car Park	125,000	-	-	-	-	125,000
<b>Total restricted funds</b>	<b>213,295</b>	<b>125,976</b>	<b>103,087</b>	<b>-</b>	<b>-</b>	<b>236,184</b>
<b>TOTAL FUNDS</b>	<b>12,406,828</b>	<b>9,393,355</b>	<b>9,729,965</b>	<b>(302,838)</b>	<b>-</b>	<b>11,767,380</b>

**ST ANDREW'S HOSPICE (LANARKSHIRE)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****23. Analysis of charitable funds (continued)**

<b>Analysis of Fund movements</b>	<b>As at 1 April 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains / (losses) £</b>	<b>Transfers £</b>	<b>As at 31 March 2022 £</b>
<b>Unrestricted funds</b>						
Completed refurbishment project	5,013,964	-	206,757	-	41,219	4,848,426
Fixed asset designated fund	1,999,114	-	182,723	-	52,301	1,868,692
Remobilisation	-	487,000	-	-	-	487,000
Recovery	-	45,000	-	-	-	45,000
IT Infrastructure	-	150,000	-	-	-	150,000
Outpatients' department	-	125,000	-	-	-	125,000
<b>Total designated funds</b>	<b>7,013,078</b>	<b>807,000</b>	<b>389,480</b>	<b>-</b>	<b>93,520</b>	<b>7,524,118</b>
General funds	3,417,253	9,428,610	8,286,724	184,711	(74,435)	4,669,415
<b>Total unrestricted funds</b>	<b>10,430,331</b>	<b>10,235,610</b>	<b>8,676,204</b>	<b>184,711</b>	<b>19,085</b>	<b>12,193,533</b>
<b>Restricted funds</b>						
Music Therapy	8,750	8,500	11,139	-	-	6,111
Children's Support Services	1,420	1,125	100	-	-	2,445
Community Team	494	21,041	21,041	-	-	494
CLAN	12,740	140,207	152,947	-	-	-
Hospice Hearty Meals	24,232	21,014	45,246	-	-	-
Info tech	250	30,800	272	-	(19,085)	11,693
Retail temp closure grants	-	81,250	81,250	-	-	-
Patient care	6,176	79,043	19,570	-	-	65,649
Home grown	4	1,000	757	-	-	247
Car park	125,000	-	-	-	-	125,000
Complimentary Therapy	190	-	190	-	-	-
Hospice Harvesters	-	520	489	-	-	31
Hospice upkeep	-	1,405	-	-	-	1,405
Bloomin lovely flowers	-	1,520	1,300	-	-	220
Coronavirus Job Retention Scheme Income	-	29,680	29,680	-	-	-
<b>Total restricted funds</b>	<b>179,256</b>	<b>417,105</b>	<b>363,981</b>	<b>-</b>	<b>(19,085)</b>	<b>213,295</b>
<b>TOTAL FUNDS</b>	<b>10,609,587</b>	<b>10,652,715</b>	<b>9,040,185</b>	<b>184,711</b>	<b>-</b>	<b>12,406,828</b>

The Trustees have created the following designated funds:

Completed refurbishment fund – represents the book value of the clinical area refurbishment, net of the bank borrowing.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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

#### **23. Analysis of charitable funds (continued)**

Fixed asset designated fund – was set up during 2011 and represents the net book value of the remaining unrestricted assets held on the balance sheet.

Remobilisation - Although restrictions are gradually being removed, we have some fundraising activities/events which will not fully go ahead this year or we are implementing new working streams following the pandemic but they will not realise their full potential in this current financial year.

Recovery - Although the majority of restrictions have been lifted across Scotland, within healthcare there are still significant challenges to how we operate due to Covid, due to the vulnerability of our patient group. This manifests itself especially in relation to staff isolation or the need utilise additional staff if we are caring for positive patients. In addition, there is significant uncertainty around utilities, consumables, food and fuel costs due to the well documented energy crisis which is now also being exacerbated by the ongoing situation in Ukraine. As a healthcare provider, still operating with additional requirements for PPE, single rooms etc. these ongoing requirements and the uncertainty around them are likely to result in additional costs.

IT infrastructure - The pandemic has highlighted the requirement for a robust IT infrastructure both within the clinical and income generation setting. The requirement for staff to work from home and be able to access our systems put considerable pressure on our simplistic IT infrastructure. Our clinical records system 'CrossCare' is now in need of urgent updating and is no longer supported by the developer. We would plan to replace this. In addition, the pandemic has resulted in us receiving a much larger proportion of our donations electronically and via our website- which we are grateful for as it avoids cash handling. However, it has created an administrative challenge as we do not have the correct integration between our website, our payments systems and our fundraising systems which is resulting in significant manual administration and potential for delayed gift aid claims. We would plan to integrate these systems.

Outpatients dept - The Outpatient department was not part of the 2017/18 refurbishment and requires some modernisation work to upgrade it to the same standard as the refurbished IPU to ensure it remains fit for purpose for the next few years. This would include making the whole department fully DDA compliant as well as maximising the space to suit patient needs.

Salary award - The Trustees in reviewing the Designated funds have agreed to create a Fund 5 which will be to address the funding gap between the pay award and the uplift from SLIJB during the year 2023/24. This fund shall be for £320,000.

Restricted funds comprise:

Music Therapy - Music Therapy - Music therapy is provided for both inpatients and outpatients as a medium for communication and expression to improve health and wellbeing. Funding provided by Society of Deacons and free presses- £2,000, Miss E C Hendry Charitable Trust - £500, D'Oyly Carte Charitable Trust - £3,500 = £6,000.00.

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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

#### **23. Analysis of charitable funds (continued)**

CLAN - CLAN - Compassionate Lanarkshire (CLAN) is a partnership project between St Andrew's, Kilbryde and Strathcarron Hospices which aims to support vulnerable and isolated individuals and families in Lanarkshire affected by a life-limiting illness including; cancer, chronic obstructive pulmonary disease, heart disease and progressive neurological conditions. Joint funding from National Lottery Community Fund £66,557.00, and South Lanarkshire Integrated Joint Board.

Car Park – this relates to the car park donated to the Hospice in 2019. The land cannot be sold without the donor's permission.

Community Team - Income set aside to provide specifically for the care of patients within the Community.

Complimentary Therapy - Set aside to provide specifically for Complementary Therapy, provided by our Comp Therapy team. In the face of the pandemic, this has been primarily delivered virtually.

Hospice Harvesters – a gardening activity run by Outpatients and Wellbeing.

Hospice upkeep – A funding stream to help with general maintenance around the hospice, which extends to environmental improvements, beginning with a suite of new recycle bins throughout the building. Funding provided by Recover NL Environment Fund.

Bloomin Lovely Flowers – Funds received to be put towards flowers at reception.

Children Support Services - Purchase of games and books to support weekly Children Support Group for Children who have lost a close relative. Funding provided by Co-operative Community Fund - £3,591.99. Funding was also secured to fund a salary of a Specialist Children's Bereavement Counsellor – Miss Margaret B Reekie's Charitable Trust - £10,000 and International Beveridge – Spirit in the Community - £1,000.00.

Retail temp closure grants – Funding was provided to support costs due to closure during the coronavirus pandemic.

Home Grown - Set aside to provide specifically for Gardening at home for users who might not otherwise get the opportunity.

Coronavirus Job Retention Scheme income - Government support to pay employees wages during the COVID 19 pandemic.

Info Tech - We required to replace the majority of computers within the various departments throughout the Hospice. Funding was provided by the James Weir Foundation -£5,000.00 and £1,000 from Jeffrey Charitable Trust = £6,000.

Patient Care - We have been successful in obtaining a number of grants which directly contribute to patient care/services including:

- Bed linen (Sir Alec Black Charity £3,026)
- Replacement televisions for some rooms within our inpatient unit (Hospital Saturday Fund £2,000)
- Direct patient costs (MacMillan £2,000)

## **ST ANDREW'S HOSPICE (LANARKSHIRE)**

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

#### **23. Analysis of charitable funds (continued)**

- Replacement mattresses, pumps and over bed tables (North Lanarkshire Council Community Fund £1,000, MacDonalds Community Foundation £7,000)
- Bariatric bed and pump ( Hugh Fraser Foundation £10,995, and the pump was funded by the Schuh Trust £881)
- Steady aid for Outpatient Dept (Nisa MADL Fund £510.24)
- Cutlery for patient use (40 sets of cutlery from Worshipful Company of Cutlers)
- Art Therapy - commence a new art therapy project(Gordon Fraser Charitable Trust £500)
- Queen's Jubilee Celebration – To celebrate the occasion of the Queen's Jubilee we applied for funding to hold a party for patients, families, volunteers and staff. We were awarded £1,919.96 from the Queen's Jubilee Fund NLC.

Hospice Hearty Meals - This is a project that was set up to help provide nutritious meals to those that would otherwise miss out on a nutritious meal. Funding provided by Irving Memorial Trust - £2,500.00



**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****24. Net assets over funds**

<b>At 31 March 2023</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Designated Funds £</b>	<b>Total 2023 £</b>
Tangible fixed assets	952,500	125,000	6,753,439	7,830,939
Fixed asset investments	3,201,692	-	-	3,201,692
Stock	67,777	-	-	67,777
Debtors	697,709	-	-	697,709
Bank & Cash	1,151,498	111,184	584,938	1,847,620
Creditors due within one year	(968,974)	-	-	(968,974)
Creditors due in more than one year	(909,383)	-	-	(909,383)
	<b>4,192,819</b>	<b>236,184</b>	<b>7,338,377</b>	<b>11,767,380</b>

<b>At 31 March 2022</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Designated Funds £</b>	<b>Total 2022 £</b>
Tangible fixed assets	1,240,692	125,000	6,717,118	8,082,810
Fixed asset investments	3,038,296	-	-	3,038,296
Stock	59,897	-	-	59,897
Debtors	1,238,375	6,792	-	1,245,167
Bank & Cash	1,062,533	81,503	807,000	1,951,036
Creditors due within one year	(772,013)	-	-	(772,013)
Creditors due in more than one year	(1,198,365)	-	-	(1,198,365)
	<b>4,669,415</b>	<b>213,295</b>	<b>7,524,118</b>	<b>12,406,828</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****25. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/income for the year per the Statement of Financial Activities	(639,448)	1,797,241
Adjustments for:		
Losses/(gains) on investments	302,838	(184,711)
Depreciation charges	350,402	389,480
Interest received	(9,439)	(297)
Interest paid	46,400	24,202
Dividends received	(97,193)	(69,142)
Decrease/(Increase) in debtors	547,458	(768,388)
Increase/(Decrease) in creditors	196,171	(1,285,469)
(Increase) in stock	(7,880)	(7,251)
Net cash provided by/(used in) operating activities	<u>689,309</u>	<u>(104,335)</u>

**26. Analysis of cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,847,620	1,951,036
Total cash and cash equivalents	<u>1,847,620</u>	<u>1,951,036</u>

**27. Operating lease commitments**

At the balance sheet date the charity had outstanding commitment for future minimum lease payments under non-cancellable operating leases, which fall due as follows;

	<b>2023</b>	<b>2022</b>
	<b>Land and Buildings</b>	<b>Land and Buildings</b>
	<b>£</b>	<b>£</b>
Under 1 year	204,611	185,144
Between 2 and 5 years	998,507	984,062
	<u>1,203,118</u>	<u>1,169,205</u>

**28. Contingent Liability**

There is a potential liability arising in the future in respect of dilapidation claims on the retail premises which the charity lease. At the year-end date it was not possible to accurately quantify any amounts which may become due and therefore this has not been included in the financial statements.