

# **St Raphael's Hospice**

**Annual Report and Financial Statements  
31st March 2022**

## **Company Limited by Guarantee**

Company Registration Number; 11732567 (England and Wales)

Charity Registration Number: 1182636

**St Raphael's Hospice**  
**Annual Report and Financial Statements**  
**31st March 2022**

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Reference and administrative details of the charity and its trustees

<b>Trustees</b>	Mr Norman McWhinney Mr Alan Cogbill Sister Veronica Hagen Mr Paul Holmes Mr Roderick O'Connor Sister Kathleen O'Reilly Mr Joseph Ryan Dr Joy Tweed (resigned July 2022) Mrs Marian Norman (resigned December 2021) Mr Bernard Marley (appointed September 2021) Mr Grahame Damell (appointed November 2021) Ms Manjit Lall (appointed April 2022)	Chair Vice Chair; F&R, CQ&G  HR, F&R F&C F&R F&R CQ&G HR, F&C CQ&G F&C HR
<b>Committee Members</b>	Dr Caroline Chill Dr Eva Kalmus (appointed March 2022) Mr Steve Mulhall (appointed March 2022) Mrs Heather Howell (retired April 2021) Mr Ed Cook	CQ&G CQ&G F&C HR F&R
<b>Clerk to the Trustees</b>	Ms Anna Machin	
<b>Executive Team</b>	Mrs Gail Linehan Mr Nick Stevens Ms Rebecca Trower Ms Sara Jane Woods Dr Jenny Strawson (from April to September 2022) Dr Gaby Tamara-Rose (from September 2022) Mr John Groom (from April 2022)	Joint CEO Joint CEO Clinical Director Director of Income Generation Specialist Palliative Care Consultant Specialist Palliative Care Consultant Director of IT and Estates
<b>Medical Leadership Team</b>	Dr Gaby Tamara-Rose Dr Jenny Strawson Dr Naomi Collins (from July 2021)	Specialist Palliative Care Consultant Specialist Palliative Care Consultant Specialist Palliative Care Consultant
<b>Company registration number</b>	11732567	
<b>Charity registration number</b>	1182636	
<b>Registered office</b>	St Raphael's Hospice, London Road, Cheam, SM3 9DX	
<b>Telephone</b>	020 8099 7777	
<b>Email</b>	<a href="mailto:enquiries@straphaels.org.uk">enquiries@straphaels.org.uk</a>	
<b>Website</b>	<a href="http://www.straphaels.org.uk">www.straphaels.org.uk</a>	
<b>Auditor</b>	Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG	
<b>Principal bankers</b>	National Westminster Bank plc, 93 Central Road Worcester Park, Surrey, KT4 8DZ	
<b>Investment Managers</b>	Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU	
<b>Committees</b>	Clinical Quality and Governance Committee (CQ&G) Finance and Resources Committee (F&R) Fundraising and Communications Committee (F&C) Human Resources Committee (HR)	

## Chair and Joint CEOs' Report

This was the first full year of operation for the newly independent charity following the transfer of the hospice activity from the Congregation of the Daughters of the Cross of Liege on 31st October 2020. These financial statements therefore show a full twelve months of activity for 2021-22 but only five months of activity in the comparable figures for 2020-21.

This year saw continued disruption arising from the coronavirus pandemic as, notwithstanding the strong take-up of vaccinations which reduced the severity of the virus, infection levels remained very high at times and precautions and mitigations remained in place.

We are very grateful to all our staff team and volunteers for how they have persevered throughout the year in all their roles to ensure that our services to the people of Merton and Sutton have been maintained at the highest possible standard. Many have been willing to adjust their working patterns, locations and hours to meet the need and this demonstrates an attitude which exemplifies all that we hope to stand for.

We have been pleased to receive feedback from the new, and independent, Medical Examiner's Office which has illustrated what a difference our team have made to those we support at a critical time. One family said that they "could not have hoped for a better place for (their mum) to be" and this is a great encouragement to us all as it shows that our determination to provide a combination of expertise, compassion and kindness continues to be effective.

Alongside the management of the coronavirus pandemic impacts, we have continued to pursue our programme of change to deliver our "EVE" strategy; focussing first on the qualities of all our services by aspiring for *excellence* in all that we do; then by seeking ways to raise our *visibility* with the communities we serve to provide reassurance that we will be there when needed; and then by increasing our *engagement* with these communities so that we can learn more about how we can adapt to serve them more effectively and offer the opportunity for connecting with us through partnering, volunteering and fundraising.

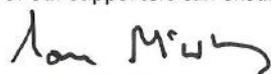
During the year, we continued to refresh our hospice buildings with significant improvements made to our in-patient unit (IPU). To facilitate this, the unit was closed for the latter half of July and throughout August. We are very grateful to our neighbouring hospice, Royal Trinity, who accepted some of our in-patients and to St Christopher's and Princess Alice who expressed their willingness to be supportive should it become necessary. Our own team also worked flexibly to support patients in their own homes whilst the refresh was successfully completed, on time and on budget.

In July we welcomed Dr Naomi Collins who completed the team of three specialist palliative care consultants with Dr Jenny Strawson and Dr Gaby Tamura Rose. Together with our specialty doctors, they have worked in collaboration with Princess Alice Hospice and with Kingston Hospital to share on-call duties, further strengthening links with our neighbouring teams. We have also met regularly with CEOs of other local hospices to share insights, information and concerns and to plan further ways in which we can collaborate efficiently and to the advantage of our beneficiaries.

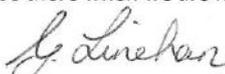
The level of clinical staffing was a major theme of the year and mirrored both the national and the sector shortage of qualified nurses. Compounded by coronavirus-related absences, our team covered the vacancies we operated with by working additional or different hours and we are thankful to them for this. In order to help address the difficulty in recruitment and also to increase our ability to retain our excellent staff, we took the decision to align pay to the NHS Agenda for Change (AfC) scales with Outer-London weighting. This has added £300k to our annual payroll but ensures that we are competitive in the market for short-supply expertise.

Although, like other hospices, we continue to operate under the historic anomaly of partial NHS funding (in our case we receive around £1 for each £3 spent on clinical service delivery), we are grateful that colleagues in South West London CCG were able to grant an additional £500k to help offset the impacts of the coronavirus pandemic. We also gratefully received £247k of NHSE COVID-19 support via Hospice UK and commend the latter for how they have raised the profile of hospice funding and the fragile nature of the sector.

This year we were delighted to receive over £1.5m in generous legacies; funds which are essential to our sustainability but which are also wholly uncertain. We are pressing on with our plans to seek more regular and reliable income through our lottery and charity shops, from our wonderful donors and from the wider community. In an environment of rising costs, only the generosity of our supporters can ensure that we will be there when we are needed long into the future.



Norman McWhinney  
Chair



Gail Linehan  
Joint CEO



Nick Stevens  
Joint CEO

## St Raphael's Hospice

### Trustees' Report 31st March 2022

The Trustees, who are also the directors of the charitable company for the purposes of company law, present their report and the financial statements of St Raphael's Hospice for the year ended 31 March 2022.

The financial statements are presented in accordance with the accounting policies set out on pages 20 to 23 therein and comply with the Memorandum and Articles of Association of St Raphael's Hospice and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### Achievements for the year

In 2021-22 Our Team undertook <b>3,700 visits to patients homes</b> (2021: 3,000)	In 2021-22 Our In Patient Unit cared for <b>160 patients</b> (2021: 174)	In 2021-22 Our Community Team made <b>30,700 calls</b> to patients, families and professionals (2021: 27,500)
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#### Managing the impact of the coronavirus pandemic

Whilst the impact of the coronavirus pandemic on public health diminished during this financial year following the roll-out of the vaccination programme, the prevalence of the virus remained very high at times. Many of the precautions taken during the previous year remained in place, flexed according to the rates occurring locally at the time. Footfall and visiting, whilst less constrained than in 2020-21, were still limited for much of the year. Other mitigations, such as mask wearing, social distancing and working from home continued to be in place.

With the background of a national shortage of clinical staff, we found recruitment very difficult and ran with a number of vacancies throughout the year, particularly within the IPU setting. This was compounded by the ongoing impacts of the pandemic where many staff needed to isolate for periods because they or their close family had the virus, notwithstanding that over 95% of our team were protected from serious illness through the vaccination programme. Staff continued to be flexible and willing to fill gaps in the rotas, often working additional hours to ensure we could remain open. Following on from the rigours of the first year, this has left the team weary but unbowed.

The impact also affected our retail teams where coronavirus-related absence and vacancies meant that there was a constant challenge to keep shops open and stocked. The team rose to the challenges and showed a willingness to work in different locations at short notice in order to maximise our retail income.

The Hospice has benefitted from further grants that have been made available to the sector through NHSE (NHS England) and administered by Hospice UK, for which it is very grateful. It also benefitted from some ongoing furlough grants for staff and business grants from the local authorities where we have shops. We were grateful to the South West London CCG which also supported the Hospice with additional grant funding to tackle the challenges of the pandemic.

#### In our report for last year there were three major strands to the plan for 2021-22:

1. Embedding Excellence
2. Raising Visibility
3. Widening Engagement

##### 1. Embedding Excellence

- The critical element of our drive for excellence in all that we do is our team. During this financial year we completed the recruitment of our medical team with the third consultant, Dr Naomi Collins, joining in July 2021. Our three specialists work as a "peer team" and take on different responsibilities on an 18 month rotation, allowing them each to broaden their experience across clinical audit, general management, education and other areas where the charity and our sector colleagues can benefit from their expertise. We also increased hours for one of our two Specialty Doctors, ensuring that our medical cover is thorough at all times. The team have collaborated with Princess Alice Hospice and with Kingston Hospital to share on-call duties. This has been assimilated successfully and is a model of efficient co-operation we hope to evolve over time.

## **St Raphael's Hospice**

### **Trustees' Report 31st March 2022**

- We have welcomed several new staff members into our Community Services team and we have also revised how services are delivered by assigning caseloads across three locations, each headed by a location lead. After a successful trial period, which saw improved continuity of patient experience and contact, this has been adopted as our standard going forward. In response to local needs our Community team stretched to rota two staff across the weekends and we successfully applied for grant funding from SWL CCG in order to recruit to an additional role to support this.
- We continued the work to improve our Hospice buildings and environment in 2021-22. Our in-patient unit (IPU) closed for six weeks during July and August to allow for a thorough refresh. The walls in all patient areas were repaired and repainted; the flooring was replaced and levelled to aid access to newly re-laid private patio areas with new patio furniture; digitally managed lighting was installed and the digital/audio/visual capability was upgraded to enable patients and their families to access services that they might be used to at home; a new air-handling system was installed to improve ventilation for patient bathrooms and other areas. A new reception area was opened up within the IPU to provide a focal point for visitors and we have added a photo board of staff to aid recognition and to help personalise our relationships. We engaged with a charity providing artworks for healthcare settings to brighten the public areas and were gifted a large, framed print by a local professional photographer. During the time of closure some of our patients were cared for in their homes, with some IPU staff supporting Community colleagues, whilst others were generously received by our neighbouring hospice, Royal Trinity Hospice.

#### **2. Raising Visibility**

- Having recruited a part time Digital Assistant, we have improved our social media presence and responsiveness and ensured our website content is kept up to date. We also recruited to the part time Editorial Assistant post which is designed to enable St Raphael's to provide strong copy for press and advertising (such as the advertorial in "My Merton Magazine") as well as within our own publications like The Raphaelite. These posts have freed our Communications Manager to focus on the strategy and work closely with teams throughout the charity.
- Our new portfolio of information leaflets progressed to publication together with a bespoke St Raphael's folder which can be used to present them, and other literature, to patients and their families and also as part of staff induction and fundraising.

#### **3. Widening our Engagement**

- We widened the reach of our Wellbeing Centre by launching a new "Living Well" programme aimed at people living with or caring for those with a life-limiting, progressive or chronic illness, even if not referred to our Specialist service. This has grown steadily over the year from small beginnings and aims to educate, empower and enable people to live life to the full and as independently as possible.
- We recruited to a new Compassionate Neighbours role to prepare for rolling out the programme at St Raphael's. The scheme, described as a "social movement" works alongside existing social networks that already provide "neighbourly care and support", providing access to skilled support and training, signposting and advice. We have been grateful to other local hospices, who have run this programme for several years, for their guidance and support in this new venture.
- Our Psychological support team continued to link with Roehampton University to provide supervised placements for a number of final year student counsellors to offer sessions for our patients' families. We extended our service to cover six days per week and re-commenced the bereavement groups led by Sr Ann Venita who also provides spiritual support to our in-patients and their families. The refresh of our buildings also provided new counselling rooms for the team to work from and for others to use for confidential conversations.
- Alongside collaborative ventures with our neighbouring hospices, we have continued to be active in planning meetings and implementation workshops as part of the transformation of the NHS delivery system. Clinical Commissioning Groups (CCGs) are being subsumed into the new Integrated Care System (ICS) and our region is represented by Sutton Place and Merton Place within the South West London ICS. We have interfaced positively to ensure that the Hospice is fully recognised in the planning and we have joined with other local hospices to ensure we are united in presenting our needs and opportunities to the South West London ICS which we all support.
- We welcomed many volunteers back to the hospice as the strictures of the pandemic allowed. In the spring we hosted over 40 members of the Ismaili Community together with several leaders of Sutton Place who volunteered to dig over parts of our grounds and plant hundreds of plants and bulbs that they had provided in order to brighten up the grounds. We also advertised our constant need for more volunteer support across all areas. Our appeal for retail volunteers yielded 100 new active volunteers and we have been reassured to see our fundraising volunteer teams begin to operate again as people become more willing to meet up and hold events.

## St Raphael's Hospice Trustees' Report 31st March 2022

### *Financial review*

The results of the previous financial year are not fully comparable with the current year because of the transfer of operating assets and liabilities into St Raphael's Hospice charity by the Congregation of the Daughters of the Cross of Liège (DoC) which took place on 31 October 2020. There were only five months from 1 November 2020 to 31 March 2021 when there was full operating activity and the related financial transactions running through the entity. There was also the £3.4m transfer value which appears in the Statement of Financial Activities (SOFA) in the prior year. In addition a grant of £3.6m was made to the charity by DoC in order to support the five year plan to achieve a sustainable future for the Hospice. This has been treated as deferred income (and included in creditors on the balance sheet) to be released over the life of the project with £667k released in the current financial year (2020-21: £280k).

Net income for the year ended 31 March 2022 was £581k compared with £5.1m for the year ended 31 March 2021 which arose after including the £3.4m transfer noted above.

The charity's total income for the year was £7.6m (2020-21: £8.1m, including the transfer) which included legacies amounting to £1,533k (2020-21: £1,790k); £247k relating to the NHSE COVID-19 Hospice Support Scheme (2020-21: £817k) and £24k from UK Govt COVID-19 Furlough Scheme (2020-21: £135k). The charity was thankful for the grant of £500k from the SWL CCG for pandemic support (2020-21: £200k). Costs of charitable activities amounted to £4.6m (2020-21: £2.0m for five months of activity) and cost of raising funds to £2.4m (2020-21: £1.0m for five months of activity).

Acquisition and disposals of fixed assets during the year are recorded in the notes to the balance sheet.

The charity's cash balance at the end of the year amounted to £4.4m (2020-21: £6.6m) of which £2.7m related to the deferred income creditor (2020-21: £3.3m). During the year the charity invested £2m from cash reserves into marketable investments.

The operating assets and liabilities of the Hospice activity were gifted by DoC to the St Raphael's Hospice charitable entity with a value of £3.4m including cash of £2.7m. In addition a grant of £3.6m was made to the charity by DoC in order to support the five year plan to achieve a sustainable future for the Hospice.

### *Reserves policy*

Total funds at 31 March 2022 amounted to £5.9m (2020-21: £5.3m) including designated funds of £1.2m (2020-21: £1.2m). The designated fund is represented by the net book value of tangible fixed assets which are used in the day to day work of the Hospice and amounts set aside for fixed asset acquisitions in the next twelve months, and hence, the fund is not available for working capital commitments.

Free reserves are that element of unrestricted funds which are available for future spending and are therefore calculated by taking the total unrestricted funds of the charity and deducting any balances not available for future spending, including designated funds which have been set aside by the Trustees for a particular purpose. The Trustees have decided that the required level of free reserves should be between three and six months' operating expenditure which is between £1.8m and £3.6m.

The free reserves at the end of the year amounted to £4.4m (2020-21: £3.8m) and therefore the Trustees are happy that this is sufficient for the charity's foreseeable needs.

### *Investment policy*

The Trustees have an Investment Policy which meets the Charity's obligations under the Charities SORP FRS102 to ensure an effective system for the investment of cash, the transmitting of timely and reliable cash flow forecasts to the Trustees and ensuring the compliance with relevant statutory and regulatory requirements. The Policy is fully compliant with the requirements set out in 'CC14: Charities and investment matters: a guide for trustees' published by the Charity Commission.

The Trustee Board holds overarching oversight of, and accountability for, the charity's approach to cash management, investment and reserves. The Finance & Resources Committee is responsible for reviewing and monitoring the charity's cash in hand, cashflow forecasts, approach to investments and related performance on a regular basis. St Raphael's Hospice employs the services of investment managers, (currently Sarasin & Partners), who provide updates on the performance of St Raphael's Hospice's investments and advice on how returns can be achieved in line with the charity's overarching approach.

In accordance with the constitutional objects of the charity, the Trustees have instructed the investment manager to be sensitive to the ethics and religious principles of the Catholic Church. They are instructed to try to avoid any investments in contravention of these and to highlight areas of potential sensitivity. The investment managers are also encouraged to engage actively with the underlying companies on these issues. Particular concern will be attached to issues related to the protection of human life and human rights, as well as discrimination against any sectors of society.

## St Raphael's Hospice Trustees' Report 31st March 2022

### *Going Concern*

The Board and the Finance and Resources Committee regularly review the short and medium term financial forecasts and consider various scenarios and assumptions. The results for this financial year have exceeded expectations but the longer term economic consequences of the coronavirus pandemic and the war in Ukraine remain uncertain, particularly given the inflationary pressure being experienced. The Trustees have considered the impact that this may have on individual donors' ability to support the hospice and remain satisfied that there are sufficient funds in place to continue operating and to meet liabilities as they fall due for the foreseeable future. The Board's view, therefore, is that the Hospice's balance sheet is sufficiently robust to provide resilience and that our reserves should allow the Hospice time to respond effectively and in a timely manner if income projections significantly deteriorate.

### **Plans for 2022-23**

Embedding excellence now forms part of the foundation for all activity at St Raphael's Hospice. An excellent service is what is needed by all the residents of Merton and Sutton whether as a direct beneficiary or by way of reassurance that, should we ever be needed, we will be there for each and every person. The focus of our strategy will now move on to "raising visibility" and "widening engagement" in order to raise the money that is required to make this level of service sustainable long into the future.

#### **1. Raising Visibility**

- We will commence a Campaign with the purpose of raising awareness of who we are and what we do and including a direct ask for financial and volunteer support. We will engage with a design agency to plan the campaign and we will aim to agree a suitable strapline that will be thought provoking and challenging in a way that will resonate positively with our current supporters and those whom we hope will support us in the future. Advertising will take place over a period of around 12 months via social media channels, on radio and via print media such as bus backs and at bus stops. We will also use the same material for in house posters and literature that can be used in the hospice, by supporter groups and in our shops.
- We will pilot a fundraising event which enables us to connect with new potential supporters. "Woof Fest" will be a canine centered day of fun and activities for all the family and will link in with our summer 2022 photo competition themed around life being enhanced by our pets. We hope that both these will broaden awareness of who we are and what we do, enabling us to approach people to become our supporters of the future.
- We will aim to open two new retail shops within the geographic boundaries of our service, including one in Leopold Road, Wimbledon Park. These will raise our profile with residents in these areas as well as add financial contribution to our retail activity.

#### **2. Widening our Engagement**

- We will continue to broaden the reach of our Wellbeing Centre and the "Living Well" programme by increasing the awareness of the service amongst the GP networks of Merton and Sutton so that people can be referred to the service as part of "social prescribing".
- Our Wellbeing Centre offer will also be extended by the opening of the new "Men's Den", a 30ft log cabin, installed voluntarily by a local building company, to provide a space for men to meet to share experiences and pursue hobbies in a supportive and practical way.
- We will launch the Compassionate Neighbours programme in Merton and Sutton and provide training and drop-in support for the volunteers we engage with. This will tie in with Wellbeing Centre and Men's Den services in that it is supporting a wider group of our community who do not need specialist palliative care, but where our expertise, experience and approach is valuable in enabling all to live life as well as is possible within the confines of their illness.
- To meet demand, we will recruit a further part time counsellor to our Psychological support team and also seek to build upon the number of final year students on supervised placements who currently provide sessions for our patients' families. We will also develop a new "Bereavement Journey" to provide a flexible structure to support people through the most difficult times of reconciling with and managing the reality of grief and loss. This will dovetail with and add to the specialist professional intervention provided by our counsellors and psychotherapists.
- We currently have 4,810 lottery players, many of whom have supported the Hospice loyally for many years. As this represents under 2% of the adult population of Merton and Sutton, we believe that this support base can be increased. To achieve this, we will appoint a specifically trained specialist agency to recruit additional lottery players and, potentially, regular donors.

## **St Raphael's Hospice**

### **Trustees' Report 31st March 2022**

#### **Plans for 2022-23, continued**

- We will continue the process of growing volunteers across all areas, including department and specialist skills volunteers, retail and Supporter Group volunteers. The marketing campaign will include a strand relating to volunteering and we will repeat the advertising on a rolling basis.

#### **Structure, governance and management**

##### **Constitution**

St Raphael's Hospice is a charitable company limited by guarantee (11732567) incorporated on 18 December 2018 in England and Wales. It is registered as a charity with the Charity Commission (1182636). Its governing document is its Memorandum and Articles of Association.

##### **Charitable objects**

The object of the charity is the relief of illness and suffering in accordance with the teaching, rites and practices of the Catholic Church, by:

1. The provision of palliative care, treatment or relief of people of all ages with active, progressive or advanced illness on the basis of need regardless of their religious, cultural or ethnic background;
2. The provision of care and support to those who have experienced loss and bereavement, in particular families, friends and carers;
3. Conducting, promoting or commissioning research into the care, treatment and relief of people suffering from advanced, active and progressive illness and by providing for the dissemination of the results of such research; and
4. The provision of education and training for professionals and volunteers engaged in palliative care.

##### **Public benefit**

The Trustees give careful consideration to the Charity Commission's guidance on public benefit when setting the Hospice's aims and objectives and planning activities. St Raphael's Hospice contracts with Merton and Sutton Clinical Commissioning Groups (CCGs) to provide support to people whose GP practice is based within the London Boroughs of Merton and Sutton, a population of around 420,000. Access to our services is on the basis of need and open to anyone via referral from a healthcare professional, or, in the case of bereavement support and the new Living Well programme, self-referral. There is no charge to patients or their families for any of our care services. In addition to the direct benefit there is an indirect benefit to all residents who can be reassured that the Hospice will be there for them or for their loved ones, should they ever need it.

Referrals for hospice services are accepted for people with a life limiting condition who are entering the last twelve months of life and who require specialist palliative and end of life care. For instance, they may need help with:

- Symptom control
- Psychological or spiritual issues
- Terminal care
- Difficult decisions, advanced care planning, or conversations about managing end of life care
- Support for family or friends
- Clinical and nursing care provided by the Community team alongside practical and companionship support provided by Hospice at Home or by our volunteer Hospice Neighbours in their home.
- Wellbeing and Living well services for patients and other self-referred community members together with their carers.

The Hospice supports adults in Merton and Sutton who have been referred to the Hospice and have agreed to that referral. If they do not have the mental capacity to do so we will consider how we can help meet their best interests within the context of legislation such as the Mental Capacity Act, Mental Health Act and Deprivation of Liberty guidance.

Families, carers or those close to a patient accepted for hospice services can be referred or access certain services in their own right, when they are affected by the patient's illness or death. These include bereavement support and counselling, attendance at the Men's Den, Living Well and other sessions held in the Wellbeing Centre.

## **St Raphael's Hospice**

### **Trustees' Report 31st March 2022**

#### ***The Trustees***

The Board of Trustees (which constitutes the Board of Directors for the purposes of the Companies Act) comprises a minimum of five and a maximum of twelve trustees, of whom a majority must be Catholic. They should meet as a Board at least five times per year. The Board is guided in its governance by an independent, qualified Clerk who performs Company Secretarial functions. The Board delegates powers and responsibilities to the following committees: Clinical Quality and Governance, Finance and Resources, Fundraising and Communications and Human Resources (which is also the Remuneration Committee). Terms of reference define responsibilities and delegated authority and are reviewed regularly by the Board.

The membership of committees is made up of Trustees, independent advisors who are selected for their specialist expertise and senior managers of the charity. Minutes of committee meetings are circulated to the Board and Committee Chairs provide a report to the Board on major issues and decisions.

There is a framework for Board self-review and skills audit which draws upon the Charity Governance Code for smaller charities and the outcomes of the self-evaluation are used to inform plans for Board and Committee agendas, training opportunities, and further recruitment. There is a formal process for the recruitment of new Trustees and/or Committee Members who are needed to fill skills gaps and vacancies as they arise. External advertising in suitable media is employed with a formal interview process taking place before a candidate is proposed to the Board. A simple majority decision of the Board is required under the constitution in order for an appointment to proceed.

New Trustees and Committee Members attend an induction evening to be briefed on the charity and meet colleagues and they are provided with Charity Commission guides. They are required to undertake mandatory training on a regular basis using the charity training portal, Duty of Candour and level 2 Safeguarding for Adults training is also available and encouraged with one Trustee required to undertake level 3 Safeguarding in order to serve as the Board's Safeguarding Lead.

The Trustees recognise that St Raphael's Hospice serves the whole, diverse population of Merton and Sutton and are proactive in seeking to represent the whole community effectively. Training in EDI (equality, diversity and inclusion) has taken place on two occasions in the last 12 months for Trustees and staff and a new steering group formed to ensure EDI has a platform across the whole organisation. We are engaging at senior level with leaders of different communities and faiths across our geography in order to learn and adjust our services accordingly. We are also developing a more general community service through our Wellbeing Centre and the Compassionate Neighbours programme (launching in January 2023) part of which is designed and expected to increase our ability to connect with and to serve the whole of our diverse population.

The Trustees are also conscious of our broader responsibility to care for our community by caring for our environment. We were early adopters of professional quality battery operated gardening equipment which reduces noise and fumes for our patients and vibration risks for our team. They are also low maintenance and have lower running costs. In the same vein we have an all-electric van for our Retail distribution and another for our facilities and OT teams (distributing equipment to patients in their homes). We have installed an electric charging point and operate a hybrid pool car for all staff to use on Hospice business. Our recent refresh has upgraded the Hospice lighting to digital technology and we are planning to install additional solar panels to those we already have in order to contribute into the National Grid and save funds over time.

The charity has purchased insurance to protect itself from any loss arising from the neglect or default of its Trustees and Employees and to indemnify the Trustees or other Officers against the consequences of any neglect or default on their part. This forms part of the organisational insurance premium which amounted to £1,619 and provides public and employer cover up to a maximum of £10m.

#### ***Key Management Personnel***

Key management personnel comprise the trustees, and the Executive Team. The Board of Trustees is responsible for the running of the charity and delegates the operational activity to the Executive Team (which comprises the Joint- CEOs, Clinical Director, Director of Income Generation and the Director of IT and Estates (with effect from 1 April 2022)) whose pay is reviewed annually by the Remuneration Committee. Salary levels are set with regard to similar roles in other local charities, including other hospices. The Lead Consultant (on rotation) is also a member of the Executive Team but their pay follows the NHS pay formula.

#### ***Limitation of liability***

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantors at 31 March 2022 was 10 (2021: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**St Raphael's Hospice  
Trustees' Report 31st March 2022**

**Principal risks and uncertainties**

The management of risk remains a key priority for the Hospice. Risk assessments are undertaken for every aspect of its operation ranging from clinical risk assessments, which are undertaken on a continual basis, through health and safety assessments for everyday tasks to comprehensive assessments of all aspects of major fundraising events.

Staff continue to be dedicated to the prevention, identification and reporting of incidents, accidents and near misses. The Hospice has an effective feedback infrastructure including governance and clinical management meetings that review the actions and learning points identified in previous incidents to ensure that improvement remains continuous. The reporting system is supported by the electronic patient record which remains a corroborative source for the reporting of patient incidents.

The Board of trustees review the corporate level risk register, prepared by the Executive Team, on a regular basis and each Committee reviews the relevant risk register for that discipline. The principal risks facing the Hospice and the steps being taken to mitigate them are as follows:

<p><b>Income - insufficient income is raised to deliver our charitable activities: The Hospice needs to raise around 75% of the total running costs from voluntary sources, with the remaining 25% being granted by the NHS. There is a continual risk that insufficient income is generated to cover this gap and there is a particular reliance on high levels of legacy income which is outside the control of the charity.</b></p> <p><i>The Trustees and the Executive team have set a target level of operating cash that is designed to enable it to manage the fluctuations of income year on year. It is diversifying its income streams and is pro-active in seeking new ways to raise additional regular income. In addition to this level of reserve, the Hospice also has a deferred income balance of £2.7m (which is represented by cash at bank) which is intended to offset the forecast shortfalls arising over the next four years whilst the charity undertakes its strategy of EVE. This strategy is designed to increase income and achieve a sustainable level of regular funding that does not rely upon exceptional legacy levels (which is currently assumed to be annual total legacies in excess of £1m).</i></p>
<p><b>People - inability to recruit and retain specialist staff against a backdrop of an aging staff profile and widespread shortage of qualified staff.</b></p> <p><i>The Trustees and the Executive team monitor morale, staff benefits, remuneration and engagement through staff reflections, exit interviews, regular Heads of Department meetings and aim for open communication throughout the team. Internal training and development opportunities are designed to maximise work satisfaction and flexibility in working hours is facilitated wherever possible. We aim to ensure that work-life balance is positive, working environment is improving, our staff/patient ratio is lower and all clinical staff receive supervision. We match NHS Agenda for Change salary levels and have improved other terms and conditions.</i></p>
<p><b>Economic environment - The consequential impacts arising from the coronavirus pandemic and the war in Ukraine, including inflationary pressure, have added pressure to national and individual budgets which impacts the Hospice cost base and the ability of our community to afford the support we need. This risks the sustainability of the Hospice.</b></p> <p><i>The Trustees and the staff team are committed to finding innovative ways to reach the communities we serve with a message of excellence and reassurance coupled with sharing of the need for income generation. We continue to believe that the unique and vital role of hospices will ensure that future funding does grow to meet the needs. In the meantime we have sufficient funds to manage the coming years effectively.</i></p>
<p><b>IT and Data - The Hospice is reliant upon its IT infrastructure, systems, data management and web connectivity in delivering its service. All these systems are at risk of failure or interruption through malicious or accidental intervention, putting patient services and data at risk.</b></p> <p><i>A robust back-up system is in place with a 2-3 hour turnaround for critical patient information. Our experienced and expert team are supplemented by a 24/7 support service with an expert consultancy that was involved with the installation and configuration of our systems. Risk is spread by the use of multiple servers and a failover power source. Anti-virus &amp; anti-malware software is used on all servers &amp; computers, updated in real-time. Firewalls control unauthorised entry from the internet and web-filtering software prevents users from accessing unsafe websites. Staff are educated to avoid risks from phishing attacks backed up by regular simulations to ensure compliance. Mandatory training includes cyber security for all staff.</i></p>

**Clinical Quality Assurance**

Great importance is given by the Trustees to the Hospice's clinical governance arrangements. The Clinical Quality and Governance Committee meets four times each year and monitors the activities of the sub-committees and receives detailed reports from Clinical Director and feedback from the Medical Consultants. In addition to providing an opportunity to thank the managers and their staff for their contributions to the success of the Hospice, the Committee is able to demonstrate engagement and accountability, to manage patient safety, to gain insight and to manage the risks facing the Hospice.

The Committee receives the minutes of the following Hospice committees and questions and challenges the relevant senior staff:

- The Quality Improvement Committee focusses on multiple aspects of clinical, and corporate governance including data clinical audit, clinical and corporate effectiveness including guideline and policy development, practice development and NICE Quality Standards / CAS / MHRA clinical safety alerts, clinical incident management, patient/user feedback, organisational and regulatory assurance, infection control and complaints.

## St Raphael's Hospice Trustees' Report 31st March 2022

### *Clinical Quality Assurance, continued*

- Drugs and Therapeutics Committee focusses on all medicine issues including management of Control Drugs (CDs), Medicines Incident Analysis, staff competency, service and practice developments e.g. nurse prescribing and patient self-administration, policy and guideline review, and medical gases. Each meeting is attended by an independent pharmacist who also audits all aspects of medicines management every fortnight. The Chief Pharmacists from Merton and Sutton CCGs are invited to attend or send representatives, and receive the minutes of the committee's meetings as routine. The minutes are included in the Merton and Sutton Medicines Management Committee. To inform the management of medicines the Accountable Officer (CD AO) attends the regional Accountable Officer Local Intelligence Network meetings; incidents involving controlled drugs are discussed with the committee.
- Health and Safety Committee (which includes Water Quality as a regular agenda item) receives reports from managers involved in health and safety matters across the range of Hospice activities and reviews incidents to ensure good practice evolves and improves on a continual basis.

### *Care Quality Commission (CQC)*

The most recent inspection of the Hospice by the CQC was in November 2019. The subsequent report was published in April 2020. Whilst noting a number of areas of outstanding practice, the report also recommended that the carpet in the IPU be replaced and that the navigation of the electronic notes system be improved. Actions to comply with these recommendations have been taken and the flooring was renewed as part of a wider IPU refresh in late summer 2021. The complete text is available from the CQC website or via the CQC "widget" on the Hospice website's homepage.

We are pleased that the quality of care was recognised as being "Good" in all of the 5 domains of care; namely that our services are safe, effective, caring, responsive to people's needs and well-led.

### *Complaints*

All complaints or comments about the service provided are taken very seriously by the Hospice. Complaints are dealt with in line with the Complaints Policy and are fully investigated and reflecting on complaints is one of the ways we seek to maintain standards and improve practices. All complaints are reported to the CQ&G Committee and onwards to the Board of Trustees. A new incident reporting system, Datix, was successfully launched in 2021. This has provided a simple and transparent mechanism for recording incidents across all parts of the charity, monitoring measures taken to address them and changes implemented to reduce risks of recurrence.

### *Employees*

St. Raphael's Hospice is an Equal Opportunities Employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are constantly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees will be given equal opportunity and where appropriate and possible, special training to enable them to progress both within and outside the organisation. St. Raphael's Hospice is committed to a programme of action to make this policy effective and to ensure that it is brought to the attention of all employees.

The workforce is predominantly female with men making up 14% of the total. This ratio is maintained amongst the upper pay quartile where 12% are men. Our pay gap favours our female employees with the mean pay for women being 6% above the mean pay for men. The median pay has a greater disparity, being 32% higher than men. This latter figure arises because a higher proportion of our male colleagues (23% of the total) work within the lower pay quartile, particularly in our retail and facilities teams.

### *Pay*

During the course of the year it became clear that St Raphael's was struggling to recruit to clinical vacancies and risked losing existing team members because it did not meet the NHS levels of salary as prescribed under Agenda for Change (AfC). At the Trustee Board on 22nd September 2022, the Trustees approved aligning the clinical salaries with AfC rates including the Outer London Weighting allowance. It was estimated that this would add £250k of cost to the charity each year. Future pay increases would follow the NHS decisions. The decision was implemented with effect from 1st October 2022. As a result the clinical pay is now on a par with our competitors in the market and is transparent and consistent across all teams.

The annual pay review, which was prepared by the Executive and ratified by the Board on 26 January 2022, affected only non-clinical staff members as the clinical team had been aligned to AfC rates and increments. In the light of the increasing rate of inflation, the fact that no pay increase had been awarded in the prior year and with recruitment proving particularly difficult following the coronavirus pandemic and "Brexit", a 5% award was made (2020-21: 0%).

Staff on minimum wages received a higher award equivalent to 15%. This moved the lowest pay level from £8.91 to £10.25 and beyond the new minimum wage of level £9.50. This was done in recognition of the vital role played by our team and the high cost of living in the outer London area.

**St Raphael's Hospice  
Trustees' Report 31st March 2022**

**Employee profile**

At the year end the Hospice had 132 contracted employees (2020-21: 140) of whom 48 were full time and 84 part-time (2020-21: 47 and 93). The Hospice also has 30 active bank staff who do not want to commit to working specific regular hours and are offered work as and when the need arises (2020-21: 25).

At the year end the Hospice clinical staff had the following age profile. This presents a risk as a significant number are approaching retirement over the course of the next five years. The risk has been reducing over the last several years with fewer in the 53-62 age band. The average age has fallen marginally from 51 in 2020 to 49 in 2022.

Clinical Staff By Age	under 33	33-42	43-52	53-62	63 and over
As at 31 March 2022	6	9	21	19	4
As at 31 March 2021	5	9	18	27	2
As at 31 March 2020	5	6	16	30	4

**Volunteers**

St Raphael's Hospice relies on a large number of volunteers who freely contribute their time and expertise. They impact and add value to all areas of our work and this is hugely appreciated. The risks associated with the pandemic, the closure of shops and the need to restrict footfall across all sites, led to many volunteers being stood down for the duration. Nonetheless, there was still a considerable contribution to core services including our reception, our gardens, administration and our Trustee group. This contribution has begun to increase again, although still behind pre-pandemic levels, and there were 669 volunteer roles undertaken in the year, amounting to 34,337 hours of time (2020-21: 247 roles and 9,557 hours). This provides an estimated financial value of between £400,000 and £500,000 (2020-21: between £100,000 and £150,000 for the five month period under this governance).

The breakdown of volunteer roles for the Hospice activity the year was as follows:

Volunteer Numbers	2021-22	2020-21
Reception	38	31
Office and Administration	28	55
Ward and Patient-facing	17	7
Flowers and Gardens	12	8
Psychological Support	14	10
Hospice Neighbours and Biographers	21	11
Orangery Café	14	6
Trustees and Committees	14	11
Training and Mentoring	3	2
Occasional Volunteers	45	16
<b>Hospice Total</b>	<b>206</b>	<b>157</b>
Shops	167	54
Fundraising Administration	7	5
<b>Subtotal</b>	<b>380</b>	<b>216</b>
Supporter Groups and Events	66	31
Occasional Events Volunteers	223	-
<b>Total</b>	<b>669</b>	<b>247</b>

**Fundraising**

St Raphael's Hospice employs an experienced fundraising and donor management team under the leadership of the Director of Income Generation. We also have two commercial contracts with third-party fundraisers. Salvia Fundraising acts on our behalf by fundraising from Trusts, Foundations and The Big Lottery Fund whilst Sterling Lotteries runs our weekly draw and our two raffle draws each year. At the end of this reporting year we had 4,810 weekly players (2020-21: 5,229) with 7,035 chances to win (2020-21: 7,558).

St Raphael's Hospice Community Fundraising Team also manages 7 volunteer Supporter Groups (2020-21: 8). These are committees which fundraise in their local area on behalf of the Hospice by organising events, attending fairs, placing collection cans, banking funds and supporting Hospice-run activities. The coronavirus pandemic caused much activity to cease, but we have seen this begin to reverse and our groups currently contain 66 members (2020-21: 31). They are all issued with an information pack which includes a banner, leaflets etc. This contains guidance including how each group should be run, what support to expect from the Community Fundraisers, the process of joining a group, suggested areas of activity and what is expected from members, how to bank funds and the process of distributing collection cans. Each Supporter Group member receives a photo ID badge to allow them to fundraise and collect legally on behalf of St Raphael's.

## St Raphael's Hospice Trustees' Report 31st March 2022

### *Fundraising, continued*

We are signed up to the Institute of Fundraising and we follow its Code of Practice, whilst also complying with the Charity Commission guidance, "CC20: Charity Fundraising". During the period of this report there were no complaints or reported failures in compliance with the Fundraising Regulator or other regulatory bodies (2020-21: none).

St Raphael's also benefits from the support of individual fundraisers who carry out activities in aid of the Hospice. At first point of contact they are asked to complete an online event form to ensure contact details are retained and intentions are made clear. A fundraising pack is sent which includes legal advice, e.g. gambling laws surrounding raffles. The office keeps in regular communication with these fundraisers and ensures funds raised are received by the Hospice as swiftly as possible.

There were no complaints received in the period to be reported to the Gambling Commission in our return (2020-21: none).

We have continued to ensure that we protect vulnerable people from undue pressure to donate or support our charitable work we adhere to the following Fundraising Promise:

- We will always tell you about how you are making a difference to the lives of our patients, their families and friends
- We will always take action if others acting on our behalf fail to meet our high standards.
- We will never phone you unless you have expressed an interest in our work
- We will always check first that you are happy to speak to us when we phone
- We will never sell your data to anyone else or share it without your permission
- If you tell us you don't want to hear from us again, or want to hear from us less, we will always respect that

### *Auditors*

Following the resignation of the previous auditors Buzzacott LLP, the Trustees appointed Haysmacintyre LLP to the vacant office of auditor in accordance with section 485(3) of the Companies Act 2006. Haysmacintyre LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006, unless the company receives notice under section 488(1) of the Companies Act 2006.

### *Trustees' responsibilities statement*

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice).

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

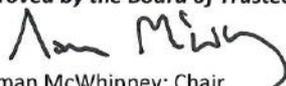
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company which enables them to ensure that the financial statements comply with the requirements of 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 confirm that:

- So far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- They have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**Approved by the Board of Trustees and signed on its behalf by:**

  
Norman McWhinney: Chair  
Date: 26/10/22

**St Raphael's Hospice**  
**Annual Report and Financial Statements**  
**31st March 2022**

**Independent auditor's report to the members of St Raphael's Hospice**

**Opinion**

We have audited the financial statements of St Raphael's Hospice for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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

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

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) 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 included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

**St Raphael's Hospice**  
**Annual Report and Financial Statements**  
**31st March 2022**

**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 Trustees' Report (which incorporates 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 by the charitable company; or
- the financial statements are not in agreement with the accounting records and returns; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees for the financial statements**

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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Care Quality Commission, Charity Commission, Fundraising regulations, Employment law and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue, management bias in accounting estimates and the statement of opening balances. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

**St Raphael's Hospice  
Annual Report and Financial Statements  
31st March 2022**

**Independent auditor's report to the members of St Raphael's Hospice, continued**

**Auditor's responsibilities for the audit of the financial statements, continued**

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

**Use of our report**

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



Siobhan Holmes (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG

Date: 4 November 2022

St Raphael's Hospice  
Annual Report and Financial Statements  
31st March 2022

Statement of Financial Activities including an income and expenditure account

	Notes	Unrestricted			Total funds Year to 31 March	Total funds Year to 31 March (being 5 months of operations)
		General	Designated	Restricted		
		fund	fund	funds	2022	2021
		£'000	£'000	£'000	£'000	£'000
<b>Income and expenditure</b>						
<b>Income from:</b>						
Donations and legacies	2	2,949	-	517	3,466	2,819
Other trading activities	3	1,533	-	-	1,533	289
Investments		4	-	-	4	2
Charitable activities						
Clinical Commissioning Groups	4	1,615	-	650	2,265	637
Other income	4	51	-	247	298	959
<b>Total income excluding assets transferred from the Daughters of the Cross</b>		<b>6,152</b>	<b>-</b>	<b>1,414</b>	<b>7,566</b>	<b>4,706</b>
<b>Assets transferred from the Daughters of the Cross</b>	18	-	-	-	-	3,405
<b>Total income</b>		<b>6,152</b>	<b>-</b>	<b>1,414</b>	<b>7,566</b>	<b>8,111</b>
<b>Expenditure on:</b>						
Raising funds	5	2,406	-	-	2,406	1,005
Charitable activities	6	3,439	-	1,157	4,596	2,029
<b>Total expenditure</b>		<b>5,845</b>	<b>-</b>	<b>1,157</b>	<b>7,002</b>	<b>3,034</b>
Net gains / (losses) on investments	11	17	-	-	17	-
<b>Net income / (expenditure) before transfers</b>		<b>324</b>	<b>-</b>	<b>257</b>	<b>581</b>	<b>5,077</b>
Transfers between funds	15-16	270	(38)	(232)	-	-
<b>Net movement in funds</b>		<b>594</b>	<b>(38)</b>	<b>25</b>	<b>581</b>	<b>5,077</b>
<b>Reconciliation of funds:</b>						
Fund balances brought forward at 1 April 2021		3,802	1,214	275	5,291	214
Fund balances carried forward at 31 March 2022	15-17	4,396	1,176	300	5,872	5,291

All of the charity's activities during the above two financial periods derived from continuing operations. A full comparative statement of financial activities is shown at note 23 to the financial statements.

St Raphael's Hospice  
Annual Report and Financial Statements  
31st March 2022

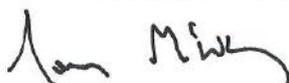
Balance Sheet

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Tangible assets	10		725		562
Fixed Asset Investments	11		2,017		-
			<b>2,742</b>		<b>562</b>
<b>Current assets</b>					
Debtors	12	1,978		2,086	
Cash at bank and in hand		4,356		6,620	
		<b>6,334</b>		<b>8,706</b>	
<b>Creditors: amounts falling due within one year</b>	13	<b>(1,551)</b>		<b>(1,597)</b>	
<b>Net current assets</b>			<b>4,783</b>		<b>7,109</b>
<b>Creditors: amounts falling due after more than one year</b>	13		<b>(1,653)</b>		<b>(2,380)</b>
<b>Total net assets</b>			<b>5,872</b>		<b>5,291</b>
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Income funds					
Restricted funds	15		300		275
Unrestricted funds					
Designated funds	16		1,176		1,214
General fund	17		4,396		3,802
<b>Total funds</b>			<b>5,872</b>		<b>5,291</b>

Approved by the Board of Trustees on:

26/10/22

and signed on its behalf by Mr Norman McWhinney (Chair):



St Raphael's Hospice, a charitable company limited by guarantee; Company Registration Number: 11732567 (England and Wales); Charity Registration Number: 1182636

St Raphael's Hospice  
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31st March 2022

Statement of Cash Flows

	Notes	Year to 31 March 2022 £'000	Year to 31 March 2021 £'000
Net cash provided by operating activities	A	64	3,903
<b>Cash flows from investing activities:</b>			
Investment income		4	2
Purchase of tangible fixed assets		(332)	(135)
Purchase of investments		(2,000)	-
Sale of investments		-	-
Write off of tangible fixed assets		-	100
Cash transferred from the Congregation of the Daughters of the Cross of Liege		-	2,702
<b>Net cash provided by (used in) investing activities</b>		<b>(2,328)</b>	<b>2,669</b>
<b>Change in cash and cash equivalents in the year</b>	B	<b>(2,264)</b>	<b>6,572</b>
<b>Cash and cash equivalents at 1 April 2021</b>	B	<b>6,620</b>	<b>48</b>
<b>Cash and cash equivalents at 31 March 2022</b>	B	<b>4,356</b>	<b>6,620</b>

A: Reconciliation of net movement in funds to net cash provided by operating activities

		Year to 31 March 2022 £'000	Year to 31 March 2021 £'000
<b>Net movement in funds (as per the statement of financial activities)</b>		<b>581</b>	<b>5,077</b>
<b>Adjustments for:</b>			
Depreciation charge / amounts written off		169	58
Investment income		(4)	(2)
Net (gain)/loss on investments		(17)	-
Decrease/(Increase) in debtors		108	(1,065)
(Decrease)/Increase in creditors		(773)	3,240
Transfer from the Congregation of the Daughters of the Cross of Liege		-	(3,405)
<b>Net cash provided by operating activities</b>	A	<b>64</b>	<b>3,903</b>

B: Analysis of changes in net debt

	2021 £'000	Cash flows £'000	2022 £'000
Cash at bank and in hand	6,620	(2,264)	4,356
<b>Total</b>	<b>6,620</b>	<b>(2,264)</b>	<b>4,356</b>

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**1 Accounting Policies**

**General Information**

St Raphael's Hospice is a private company limited by guarantee in England and Wales (company number 11732567) and a charity registered in England and Wales (charity number 1182636). The registered office is St Raphael's Hospice, London Road, Cheam, SM3 9DX.

**Basis of accounting**

The financial statements have been prepared for the year ended 31 March 2022.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value, unless otherwise stated in the relevant accounting policy note.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102, updated 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

St Raphael's Hospice is a charity which is a public benefit entity as defined in FRS 102.

The financial statements are prepared in sterling and are rounded to the nearest thousand pounds.

**Critical accounting estimates and areas of judgement**

The most significant areas of adjustment and key assumptions that affect items in the financial statements are in respect of:

- the recognition and deferral of income;
- assessing the probability of receiving legacies of which the Charity has been notified;
- estimating the value of the gift in kind of properties occupied under a peppercorn rental agreement with the Congregation of the Daughters of the Cross of Liege;
- determining expected future income and expenditure flows for the purpose of assessing going concern.

With respect to the next reporting period, the general economic environment, the potential for a continuing impact from the coronavirus pandemic, the consequences of the Russian invasion of Ukraine and the inflationary pressures being felt in the economy are all factors that may affect future income flows and the carrying value of assets held by the Charity.

**Assessment of going concern**

As stated in the Trustees' Report, the Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and they have made this assessment in respect of a period one year from the date of the approval of these financial statements.

The Trustees have considered the impact of the current and projected economic and inflationary uncertainties on the Hospice's operations, with a particular focus on its effect on the Hospice's financial position including the Hospice's income, expenditure and reserves. Whilst the Hospice is reliant upon the generosity of the community of Merton and Sutton in order to raise sufficient funding and is conscious of the impact of the economic environment on people's ability to be generous, it is felt that it has sufficient cash resources to continue operations for the foreseeable future.

The Trustees have concluded that there are no material uncertainties related to events or conditions that would cast significant doubt on the ability of St Raphael's Hospice to continue as a going concern. This is because they believe that they have sufficient reserves and resources to withstand any temporary drop in income or any additional unexpected liability.

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**Income recognition**

Income comprises donations, legacies, gifts in kind for donated services and facilities, lottery income, income from retail sales, grants from Clinical Commissioning Groups and other organisations together with the Government's Coronavirus Job Retention Scheme and the NHSE Covid Hospice Support Grant.

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Donations and transfers from other registered charities amounting to donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. 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 and not recognised 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.

Legacies are included in the statement of financial activities when there has been a grant of probate, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Lottery income is recognised during the period in which the lottery draw is held.

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.

Grants from government, other agencies and voluntary bodies have been included as income from charitable activities where these are akin to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Income from retail grants, (including the Coronavirus Job Retention Scheme) is credited to the statement of financial activities when the Charity is entitled to receive the funds and when the amount receivable can be quantified.

Shop income arises from the sales of donated goods at charity shops within the Surrey and Greater London areas. Donated goods are normally distributed very soon after receipt by the charity. Stocks held at the reporting date are immaterial. Under these circumstances, the cost of valuing all donated goods upon receipt by the charity outweighs the benefit to the users of the accounts of providing this information. Consequently, donated goods are included within income when sold or distributed and no value is placed on stock of such items at the year end.

In accordance with the Charities SORP FRS 102 no financial valuation of volunteer time is recognised in these financial statements, refer to the "Volunteers" section of the Annual Report for further details.

Deferred income includes a cash grant given by the Congregation of Daughters of the Cross of Liège towards strategic investment in the new charity. This was granted as part of the transfer arrangements in order to bridge the anticipated funding gap that will arise over a period of five or more years as the charity invests in its strategy of "EVE" (excellence, visibility and engagement). The deferred income will be released to the Statement of Financial Activity in line with its use.

**Donated services and facilities**

Donated services and facilities are recognised in income and expenditure when the charity has control over the item, 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 the economic benefit can be measured reliably.

The charity benefits from the use of the hospice buildings and grounds which are leased to it by the Congregation of the Daughters of the Cross of Liege at a peppercorn rent. The value of this gift in kind has been estimated by the Trustees following the receipt of professional valuations for the market rent of the administrative building (759 London Road) and the St Bede's Conference Centre and the capital value of the hospice building and grounds. A 5% rate of return on the capital value has been used to estimate the annual rental value.

The Trustees consider that the valuation of goods donated for resale at the point of receipt is impractical due to the high volume of low value items and the administrative costs involved in valuation. Goods donated for resale are therefore recognised at the point of resale.

## **Notes to the Financial Statements**

### **Expenditure and the basis of apportioning costs**

Expenditure is recognised once there is a legal or constructive obligation to transfer resources to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and includes any VAT that cannot be recovered under the s33c VAT refund scheme. This scheme is specific to charities which are wholly operating as Hospices and allows recovery of VAT incurred on the non-business activities (hospice service delivery and most fundraising) as well as the usual business activities (retail etc). In turn that allows for a high proportion recovery of VAT on "apportioned activity", that which serves to support the entire enterprise. VAT cannot be recovered on exempt activity (events, education and lottery).

Expenditure comprises the following:

- a. The cost of raising funds includes fundraising and publicity expenditure which comprises costs associated with fundraising and shop overheads, publicity, advertising and event staging. It also includes a share of support costs, including governance costs.
- b. The cost of charitable activities comprises all the costs of operating the Hospice, including all staff, supplies and property costs. It also includes a share of support costs, including governance costs.

### **Tangible fixed assets**

Tangible fixed assets are shown on the balance sheet at cost, less accumulated depreciation.

All assets which cost in excess of £5,000 and have an expected useful life exceeding one year are capitalised.

Depreciation is calculated at the following annual rates on a straight-line basis in order to write off each asset over its estimated useful life:

• Computer and other equipment	20 - 33.33%
• Shop fixtures and fittings	33%
• Motor vehicles	25%

Improvements to long leasehold property is depreciated evenly over the period of the lease.

### **Fund accounting**

Any restricted funds are monies raised for, and their use restricted to, a specific purpose or are donations subject to donor-imposed conditions.

The designated funds are those which represent the value of tangible fixed assets or monies which may be used towards meeting the charitable objectives of the Hospice but which have been designated for a specific purpose by the Trustees.

The general fund represents free reserves and comprises those monies which may be used towards meeting the charitable objectives of the Hospice at the discretion of Trustees.

Both the general fund and designated funds are unrestricted.

### **Leased assets**

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

### **Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount paid in advance. They have been discounted to the present value of the future cash receipt where such discounting is material.

### **Cash**

Cash is held in bank accounts or in hand and money available on demand or term deposits with an expiry date within three months of the balance sheet date.

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**Creditors**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount St Raphael's Hospice anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Pension Costs**

St Raphael's Hospice operates a defined contribution pension scheme. The amounts charged represent the employers' contributions payable to the scheme in the year.

St Raphael's Hospice also participates in the NHS pension scheme, a defined benefit scheme which is underwritten by the UK Treasury. The liabilities of the scheme are not calculated and there is no attribution of liability to the participant organisations, including the Hospice. Accordingly, the contributions are accounted for as if it were a defined contribution pension scheme.

**Employee Costs**

St Raphael's Hospice holiday year operates from April to March. A week's worth of holiday that is earned in one year but not utilised in that year can be carried over to the following year. The cost to the charity of that holiday carry-over is estimated and accrued in the financial statements. During the coronavirus pandemic the restrictions on carrying holiday over were loosened and this is reflected in the accrual for the years ending 31st March 2022 and 2021.

St Raphael's Hospice values the loyal service of its staff and makes an award to staff who attain ten years of service. The award is repeated and enhanced at five year intervals thereafter. The potential cost to the charity is calculated for all staff who have reached the end of their fifth year of service in proportion to the time worked towards the next award milestone.

Notes to the accounts

2 Donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Donations	1,416	247	1,663	812	105	917
Gifts in kind	-	270	270	-	112	112
Legacies	1,533	-	1,533	1,790	-	1,790
<b>Total</b>	<b>2,949</b>	<b>517</b>	<b>3,466</b>	<b>2,602</b>	<b>217</b>	<b>2,819</b>

Gifts in Kind include a donation from the Congregation of the Daughters of the Cross of Liège which represents the estimated market value of the lease of the land and buildings used by the charity, provided by the Congregation at no cost to the charity. The market value of the rent for the property has been estimated at £270,000 for the year (2021 – £112,000 for period). The estimated value has been recognised within income as a donation, and an equivalent charge included within support costs.

In addition, the Hospice enjoys the benefit of volunteers for help in the running of the Hospice, fundraising and the shops. In accordance with the accounting policy, the value of these benefits has not been reflected in the financial statements.

3 Other trading activities

Year ended 31 March 2022	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Lottery income	423	-	423	205	-	205
Retail sales and related income	1,110	-	1,110	84	-	84
<b>2022 Total</b>	<b>1,533</b>	<b>-</b>	<b>1,533</b>	<b>289</b>	<b>-</b>	<b>289</b>

For the year ending March 2021, other trading activity relates to the five month period from 1st November 2020. Retail sales were severely impacted by the coronavirus pandemic and shops were closed for a large part of this period.

4 Income from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
CCG service funding	1,615	-	1,615	637	-	637
CCG Local COVID-19 funding	-	500	500	-	-	-
CCG Grants	-	150	150	-	-	-
<b>Income from Clinical Commissioning Groups (CCGs)</b>	<b>1,615</b>	<b>650</b>	<b>2,265</b>	<b>637</b>	<b>-</b>	<b>637</b>
NHS England COVID-19 funding	-	247	247	-	817	817
Coronavirus Job Retention Scheme	25	-	25	135	-	135
Other	26	-	26	7	-	7
<b>Other Income</b>	<b>51</b>	<b>247</b>	<b>298</b>	<b>142</b>	<b>817</b>	<b>959</b>

5 Expenditure on Raising Funds

Year ended 31 March 2022	Staff Costs £'000	Other Costs £'000	Support Costs £'000	Total £'000	of the total being	
					Unrestricted £'000	Restricted £'000
Fundraising	460	250	139	849	849	-
Lottery	43	146	10	199	199	-
Charity Shops	498	626	234	1,358	1,358	-
	<b>1,001</b>	<b>1,022</b>	<b>383</b>	<b>2,406</b>	<b>2,406</b>	<b>-</b>

Notes to the accounts

5 Expenditure on Raising Funds, continued

Year ended 31 March 2021	Staff Costs £'000	Other Costs £'000	Support Costs £'000	Total £'000	of the total being	
					Unrestricted £'000	Restricted £'000
Fundraising	177	57	72	306	306	-
Lottery	16	56	-	72	72	-
Charity Shops	182	318	127	627	627	-
	<b>375</b>	<b>431</b>	<b>199</b>	<b>1,005</b>	<b>1,005</b>	<b>-</b>

6 Expenditure on Charitable activities

Year ended 31 March 2022	Staff Costs £'000	Other Costs £'000	Support Costs £'000	Total £'000	of the total being	
					Unrestricted £'000	Restricted £'000
Hospice In-Patient Unit	1,464	531	373	2,368	1,716	652
"Hospice at Home" Community team	1,190	91	201	1,482	1,164	318
Psychological Support team	151	19	29	199	84	115
Education	86	34	18	138	129	9
Orangery	19	84	24	127	93	34
Volunteers	81	20	18	119	112	7
Wellbeing Centre	76	53	34	163	141	22
	<b>3,067</b>	<b>832</b>	<b>697</b>	<b>4,596</b>	<b>3,439</b>	<b>1,157</b>

Year ended 31 March 2021	Staff Costs £'000	Other Costs £'000	Support Costs £'000	Total £'000	of the total being	
					Unrestricted £'000	Restricted £'000
Hospice In-Patient Unit	667	208	164	1,039	487	552
"Hospice at Home" Community team	485	111	93	689	307	382
Psychological Support team	65	18	14	97	-	97
Education	58	10	5	73	69	4
Orangery	15	9	14	38	35	3
Volunteers	35	11	8	54	50	4
Wellbeing Centre	24	9	6	39	37	2
	<b>1,349</b>	<b>376</b>	<b>304</b>	<b>2,029</b>	<b>985</b>	<b>1,044</b>

Net Income is stated after charging

Auditor's remuneration	
Statutory Audit	17
Other work	1
Staff costs	4,830
Lease rental costs	332
Depreciation	149

See note 7 for an analysis of Support Costs which are allocated across activities on the following basis:

- Facilities costs – based on hospice floorspace with a portion to income generating activity.
- Quality costs – based on hospice headcount with a portion to income generating activity.
- Other Support costs – based on the headcount of each activity.

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7 Staff costs

<b>Charitable Activities</b>	<b>Salaries</b>	<b>NIC</b>	<b>Pensions</b>	<b>Agency</b>	<b>Other</b>	<b>Total</b>
<b>Year ended 31 March 2022</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Hospice In-Patient Unit	1,175	102	69	118	-	1,464
"Hospice at Home" Community team	988	102	100	-	-	1,190
Psychological Support team	133	13	5	-	-	151
Education	73	7	6	-	-	86
Orangery	19	0	0	-	-	19
Volunteers	73	6	2	-	-	81
Wellbeing Centre	70	4	2	-	-	76
	<b>2,531</b>	<b>234</b>	<b>184</b>	<b>118</b>	<b>-</b>	<b>3,067</b>

<b>Income Generation</b>	<b>Salaries</b>	<b>NIC</b>	<b>Pensions</b>	<b>Agency</b>	<b>Other</b>	<b>Total</b>
<b>Year ended 31 March 2022</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fundraising	404	38	16	-	2	460
Lottery	38	3	2	-	-	43
Retail Shops	457	31	10	-	-	498
	<b>899</b>	<b>72</b>	<b>28</b>	<b>-</b>	<b>2</b>	<b>1,001</b>

<b>Support Team</b>	<b>Salaries</b>	<b>NIC</b>	<b>Pensions</b>	<b>Total Staff Costs</b>	<b>Non-Staff Costs</b>	<b>Total Support Cost</b>
<b>Year ended 31 March 2022</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Executive Office and Communications	256	29	11	296	175	471
HR	76	7	4	87	38	125
IT and Facilities	203	20	8	231	79	310
Finance	66	6	4	76	23	99
Quality	62	6	4	72	2	74
	<b>663</b>	<b>68</b>	<b>31</b>	<b>762</b>	<b>317</b>	<b>1,079</b>

For the year ended March 2021, all activity relates to the period from 1st November 2020 to 31st March 2021

<b>Charitable Activities</b>	<b>Salaries</b>	<b>NIC</b>	<b>Pensions</b>	<b>Agency</b>	<b>Other</b>	<b>Total</b>
<b>Year ended 31 March 2021</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Hospice In-Patient Unit	519	50	34	63	1	667
"Hospice at Home" Community team	414	37	33	-	1	485
Psychological Support team	58	5	2	-	-	65
Education	38	4	3	-	13	58
Orangery	14	1	-	-	-	15
Volunteers	32	2	1	-	-	35
Wellbeing Centre	22	1	1	-	-	24
	<b>1,097</b>	<b>100</b>	<b>74</b>	<b>63</b>	<b>15</b>	<b>1,349</b>

<b>Income Generation</b>	<b>Salaries</b>	<b>NIC</b>	<b>Pensions</b>	<b>Agency</b>	<b>Other</b>	<b>Total</b>
<b>Year ended 31 March 2021</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fundraising	160	11	4	-	2	177
Lottery	14	1	1	-	-	16
Retail Shops	167	11	4	-	-	182
	<b>341</b>	<b>23</b>	<b>9</b>	<b>-</b>	<b>2</b>	<b>375</b>

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7 Staff costs, continued

<b>Support Team</b> <b>Year ended 31 March 2021</b>	<b>Salaries</b>	<b>NIC</b>	<b>Pensions</b>	<b>Total Staff Costs</b>	<b>Non-Staff Costs</b>	<b>Total Support Cost</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Executive Office	97	11	4	112	44	156
HR	37	3	2	42	30	72
IT and Facilities	89	9	3	101	29	130
Finance	32	3	2	37	21	58
Other	27	3	2	32	-	32
Hospice holiday accrual	55	-	-	55	-	55
	<b>337</b>	<b>29</b>	<b>13</b>	<b>379</b>	<b>124</b>	<b>503</b>

In common with other Hospices, St Raphael's employs experienced Specialty Doctors and Specialist Palliative Care Consultants on standard NHS rates of pay and this is reflected in the higher paid employees report. Due to the short period from 1st November 2020 during which the charity employed staff, there were no employees who earned over £60,000 in the year ending 2021.

The number of employees who earned £60,000 per annum or more (including benefits) during the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	4	-
£70,001 - £80,000	2	-
£80,001 - £90,000	2	-

During the year the charity made payments amounting to £14,454 in respect of two redundancies and £16,596 in respect of three other terminations of employment.

**Key management personnel**

Key management personnel comprise the trustees, the Joint- CEOs, the Clinical Director and the Director of Income Generation together with our three specialist palliative care consultants. One of the consultants takes the role of lead consultant on a rotational basis and is a member of the Executive Committee of the Hospice. They are not included in the key management personnel costs shown below.

None of the trustees received any remuneration in respect of their services during the year (2021: £nil). No out of pocket expenses were reimbursed to trustees during the year (2021: £nil).

The total employment cost (including taxable benefits and employer's pension and national insurance contributions) of the key management personnel of the charity were £371,805 (2021: £154,251).

8 Staff numbers

<b>Year ended 31 March 2022</b>	<b>Headcount</b>		<b>FTE</b>	
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
Hospice In-Patient Unit	36	23	34	26
"Hospice at Home" Community team	26	19	26	19
Psychological Support team	3	2	3	2
Education	2	1	2	2
Volunteers	2	1	2	1
Wellbeing Centre	4	2	4	2
Housekeeping and Orangery	19	8	22	9
Hospice administration	7	4	7	4
Medical team	7	5	10	5
<b>Charitable Activities</b>	<b>106</b>	<b>65</b>	<b>110</b>	<b>70</b>
Fundraising	14	13	12	10
Lottery	1	1	1	1
Retail Shops	27	22	25	18
<b>Income Generation</b>	<b>42</b>	<b>36</b>	<b>38</b>	<b>29</b>
Support Services	11	10	11	10
Executive and Finance	8	6	6	5
<b>Support Services</b>	<b>19</b>	<b>16</b>	<b>17</b>	<b>15</b>
<b>All Staff</b>	<b>167</b>	<b>117</b>	<b>165</b>	<b>114</b>

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8 Staff numbers, continued

Year ended 31 March 2022	Headcount		FTE		Headcount		FTE	
	2022		2022		2021		2021	
Permanent full time	50	50	38	38	38	38	38	
Permanent part time	87	55	104	68	104	68	68	
"Bank" variable hours	30	12	23	8	23	8	8	
	<b>167</b>	<b>117</b>	<b>165</b>	<b>114</b>	<b>165</b>	<b>114</b>	<b>114</b>	

In addition to our paid staff, St Raphael's Hospice benefitted from the support of 669 volunteers who contributed their time (2020-21: 247). Volunteer time is not accounted for in these financial statements.

9 Taxation

St. Raphael's Hospice is a registered charity and therefore benefits from not being liable for income tax or corporation tax on income derived from its charitable activities. As a Hospice it has taken advantage of the s33c VAT allowances which enable it to reclaim a large portion of its VAT paid. At the end of the year a refund is due for £69,000 (2021: £90,000) and this is included within debtors.

10 Tangible fixed assets

	Site Leasehold Improvements	Computer and other Equipment	Shop Fixtures and Fittings	Motor Vehicles	Retail Leasehold Improvement	Assets under Construction	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>							
At 1 April 2021	49	537	45	44	184	19	878
Transfer between classes	233	-	-	-	-	(233)	-
Additions	26	40	-	10	-	256	332
Disposals/Written-off	-	-	-	-	(40)	-	(40)
At 31 March 2022	<b>308</b>	<b>577</b>	<b>45</b>	<b>54</b>	<b>144</b>	<b>42</b>	<b>1,170</b>
<b>Depreciation</b>							
At 1 April 2021	2	247	19	8	40	-	316
Charge in year	8	83	9	13	36	-	149
Eliminated on disposal / write-off	-	-	-	-	(20)	-	(20)
At 31 March 2022	<b>10</b>	<b>330</b>	<b>28</b>	<b>21</b>	<b>56</b>	<b>-</b>	<b>445</b>
<b>Net book values</b>							
At 31 March 2022	<b>298</b>	<b>247</b>	<b>17</b>	<b>33</b>	<b>88</b>	<b>42</b>	<b>725</b>
At 31 March 2021	<b>47</b>	<b>290</b>	<b>26</b>	<b>36</b>	<b>144</b>	<b>19</b>	<b>562</b>

The land and buildings that are occupied by St Raphael's Hospice are owned by The Congregation of the Daughters of the Cross of Liège and are leased to the charity at a peppercorn rental. The value of the gift in kind is recognised in these financial statements, as described in the principal accounting policies at note 1.

Notes to the accounts

10 Tangible fixed assets, continued

	Site Leasehold Improvements	Computer and other Equipment	Shop Fixtures and Fittings	Motor Vehicles	Retail Leasehold Improvements	Assets under Construction	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>							
At 1 April 2020	49	-	-	17	-	102	168
Assets transferred from DoC	-	389	45	27	182	71	714
Transfer between classes	-	182	-	-	-	(182)	-
Additions	4	52	1	-	27	51	135
Disposals	(4)	(86)	(1)	-	(25)	(23)	(139)
At 31 March 2021	<b>49</b>	<b>537</b>	<b>45</b>	<b>44</b>	<b>184</b>	<b>19</b>	<b>878</b>
<b>Depreciation</b>							
At 1 April 2020	-	-	-	-	-	-	-
Acc' Deprn transferred from DoC	-	250	15	-	32	-	297
Charge in year	2	29	4	8	15	-	58
Eliminated on disposal	-	(32)	-	-	(7)	-	(39)
At 31 March 2021	<b>2</b>	<b>247</b>	<b>19</b>	<b>8</b>	<b>40</b>	<b>-</b>	<b>316</b>
<b>Net book values</b>							
At 31 March 2021	<b>47</b>	<b>290</b>	<b>26</b>	<b>36</b>	<b>144</b>	<b>19</b>	<b>562</b>
At 31 March 2020	<b>49</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>102</b>	<b>168</b>

Assets transferred from the Congregation of the Daughters of the Cross of Liege (DoC) were brought into the charity at their net book value as stated in the DoC's accounting records as at 31 October 2020 and will be depreciated over their remaining lives in line with the charity's accounting policy.

11 Investments

	2022 £'000	2022 Units 000's	2021 £'000	2021 Units 000's
<b>Marketable investments</b>				
<b>Sarasin Endowments Fund</b>				
Market value at start of year	-	-	-	-
Net additions at cost	1,400	1,163	-	-
Net gain/(loss) on revaluation/disposal	17	-	-	-
Market value at 31 March	<b>1,417</b>	<b>1,163</b>	<b>-</b>	<b>-</b>
<b>Liquid Assets</b>				
<b>ICS-Sterling Liquidity Fund</b>				
Market value at start of year	-	-	-	-
Net additions at cost	1,400	13	-	-
Disposals at market value	(800)	(7)	-	-
Market value at 31 March	<b>600</b>	<b>6</b>	<b>-</b>	<b>-</b>
	<b>2022 £'000</b>	<b>2021 £'000</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Total investments	2,017	-	-	-
Cost at 31 March	2,000	-	-	-
Marketable investments comprise				
Equities	1,417	1,163	-	-
Short term deposits and cash	600	6	-	-

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<b>12 Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Legacies receivable	992	1,577
Prepayments	206	200
VAT receivable	69	90
Coronavirus Job Retention Scheme payments receivable	-	58
NHSE COVID-19 Hospice Support Grant	153	145
CCG local COVID-19 Funding and other CCG grants	440	-
Other Debtors	118	16
	<b>1,978</b>	<b>2,086</b>

<b>13 Creditors</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year</b>		
Trade creditors	115	67
Social security and other taxes	100	92
Other creditors and accruals	245	314
Deferred income release of DoC grant	1,000	1,000
Lottery deferred Income	62	63
Other deferred Income	24	42
Provision for onerous lease commitments	5	19
	<b>1,551</b>	<b>1,597</b>

<b>Amounts falling due after more than one year</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Deferred income release of DoC grant	1,653	2,320
Provision for onerous lease commitments	-	60
	<b>1,653</b>	<b>2,380</b>

<b>14 Deferred Income</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>DoC Grant</b>	<b>Other</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brought forward at 1 April 2021	3,320	105	3,425	-
Introduced in the year	-	796	796	4,011
Released during the year	(667)	(815)	(1,482)	(586)
Carried forward at 31 March 2022	<b>2,653</b>	<b>86</b>	<b>2,739</b>	<b>3,425</b>

A cash grant of £3.6m, given by the Congregation of Daughters of the Cross of Liège (DoC) towards strategic investment in the new charity, has been included in deferred income. This will be released to the Statement of Financial Activity (SOFA) in line with the conditions of its use, as stipulated in the transfer arrangement between the Congregation and the charity. A sum of £667k was released to the SOFA in the current year (2021: £280k) and the release of a further £1m has been budgeted for the year to 31st March 2023 and is shown as "Creditors; amounts due in under one year" at note 13, above. The remaining balance of £1.65m is included under "Creditors; amounts due in more than one year" and is due to be released over the ensuing four to five years as the strategic plan progresses.

Other deferred income balances includes lottery subscriptions made for future lottery draws and to challenge event income raised in advance of the challenge taking place.

Notes to the accounts

15 Restricted Funds

The restricted funds are monies received for, and their use restricted to, the following:	At 1st April 2021	Income	Expenditure	Transfer between Funds	At 31st March 2022
	£'000	£'000	£'000	£'000	£'000
Bereavement support fund	-	110	(110)	-	-
DoC capital improvement grant	165	-	-	(165)	-
DoC gift in kind	-	270	(270)	-	-
NHSE COVID-19 Hospice Support Grant	-	247	(247)	-	-
CCG COVID-19 Support Grant	-	500	(500)	-	-
CCG grants	-	150	(8)	-	142
Other restricted donations	110	137	(22)	(67)	158
	275	1,414	(1,157)	(232)	300

	At 1st April 2020	Funds Introduced from DoC	Income	Expenditure	Transfer between Funds	At 31st March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Bereavement support fund	-	-	92	(92)	-	-
DoC capital improvement grant	-	204	-	-	(39)	165
DoC gift in kind	-	-	112	(112)	-	-
NHSE COVID-19 Hospice Support Grant	-	-	817	(817)	-	-
Other restricted donations	-	120	13	(23)	-	110
	-	324	1,034	(1,044)	(39)	275

The Bereavement support fund represents the funding of the psychosocial team and related costs.

The DoC capital improvement grant was given in order to progress certain capital projects including the IT upgrade (completed) and the IPU. The DoC gift in kind relates to the provision of the land and buildings on a 20 year lease at a peppercorn rental. The Gift in Kind recognises the valuation placed upon the use of the properties by an independent surveyor. The cost is also recognised in the financial statements.

The NHSE awarded funding to allow the Hospice to make available bed capacity and community support from November 2020 to March 2021 and from December 2021 to March 2022 to provide support to people with complex needs in the context of the coronavirus pandemic and to provide bed capacity and community support for the same purpose.

The CCG COVID-19 Support Grant relates to grants made by the South West London CCG which was designed to support the charity in the face of the loss of income arising from the impact of the coronavirus pandemic.

The CCG grants comprise two awards by South West London CCG. A grant of £120k was made to cover the additional costs of providing two Clinical Nurse Specialists for weekend and bank holiday cover. The grant will be utilised over a 24 month period. A grant of £30k was made towards the new patient administration project which is being planned in 2022 for delivery in 2023.

Other restricted donations represent other smaller restricted donations and legacies donated to the Hospice for specific purposes.

16 Designated Funds

	At 1st April 2021	Expenditure	Transfer between Funds	At 31st March 2022
	£'000	£'000	£'000	£'000
Fixed Asset Fund				
Acquired	562	332	(169)	725
Committed	100	-	(100)	-
Budgeted within 12 months	552	-	(101)	451
	1,214	332	(370)	1,176
	At 1st April 2020	Introduced from DoC	Transfer between Funds	At 31st March 2021
	£'000	£'000	£'000	£'000
Fixed Asset Fund				
Acquired	168	417	(23)	562
Committed	-	-	100	100
Budgeted within 12 months	-	-	552	552
	168	417	629	1,214

Notes to the accounts

16 Designated Funds, continued

The unrestricted funds of the Hospice include the following designated funds which have been set aside by the trustees for specific purposes. The fixed asset fund represents the net book value of tangible fixed assets, which are used in the day-to-day work of the Hospice and hence is not available for working capital.

The transfer in the fixed assets "acquired" fund represents the net movement of additions, disposals and depreciation in fixed assets over the year. "Committed" expenditure relate to additions which the charity is contractually obliged to complete and "Budgeted" relates to proposed additions that have been approved by the Board of Trustees.

17 Analysis of net assets between funds

	Restricted funds £'000	General Fund £'000	Designated fund £'000	Total 2022 £'000
Fixed assets	-	2,017	725	2,742
Current assets	300	5,583	451	6,334
Creditors: amounts falling due within one year	-	(1,551)	-	(1,551)
Creditors: amounts falling due after more than one year	-	(1,653)	-	(1,653)
<b>Total net assets</b>	<b>300</b>	<b>4,396</b>	<b>1,176</b>	<b>5,872</b>

	Restricted funds £'000	General Fund £'000	Designated fund £'000	Total 2021 £'000
Fixed assets	-	-	562	562
Current assets	275	7,779	652	8,706
Creditors: amounts falling due within one year	-	(1,597)	-	(1,597)
Creditors: amounts falling due after more than one year	-	(2,380)	-	(2,380)
<b>Total net assets</b>	<b>275</b>	<b>3,802</b>	<b>1,214</b>	<b>5,291</b>

18 Net assets transferred into the Charity

On 31 October 2020, the following assets were transferred to the Charity from the Congregation of the Daughters of the Cross of Liege:

	£'000
Tangible fixed assets	417
Debtors	1,021
Cash	2,702
Creditors: amounts falling due in less than 1 year	(735)
<b>Total</b>	<b>3,405</b>

19 Leasing commitments

*Operating leases*

At 31 March 2022 the Hospice had total commitments under non-cancellable operating leases for retail shops and related office and warehouse buildings as follows:

	Land and buildings 2022 £'000	Land and buildings 2021 £'000
Commitments falling due:		
Within one year	218	313
Within one to two years	177	230
Within two to five years	174	394
	<b>569</b>	<b>937</b>

Notes to the accounts

**20 Related party transactions**

St Raphael's Hospice was established as a work of The Congregation of the Daughters of the Cross of Liege ("DoC", charity number 1068661 and company number 3492921 ) in 1987 and its activities were reported as part of that entity. The activities and the operating assets and liabilities of the work were transferred into St Raphael's Hospice (charity number 1182636 and company number 11732567) on 31 October 2020 and from that point its activities are reported through this entity.

Two of the trustees of DoC are also trustees of St Raphael's Hospice (Sr Veronica Hagen and Sr Kathleen O'Reilly). One member of the Finance & Resources Committee is a paid adviser of the DoC (Mr Ed Cook).

The freehold of the land and buildings that comprise the St Raphael's Hospice site are owned by DoC. These have been leased to St Raphael's Hospice under three separate leases for the three plots (the Hospice, St Bede's and 759 London Road) each for twenty years and at a peppercorn rental of £100 per annum. A total of £300 was paid in the period in respect of these leases (2021: £150). The leases are valued at £270k per annum and a gift-in-kind is recognised in these financial statements for this amount (2021: £112k). The notional rental of £270k is also recognised in these financial statements (2021: £112K).

No grants were made by DoC during the year. (2021: £3.7m of which £3.6m related to the transfer agreement between DoC and St Raphael's Hospice). During 2020-21 DoC gifted the net assets of the activity of the Hospice at a book value of £3.4m (see note 18, above).

DoC continues to receive occasional income on behalf of the Hospice, such as legacies and some donations and these are passed through to St Raphael's Hospice without deduction. During the year there were 3 such transactions amounting to £812k (2021: 9 and £615k).

There were no other related party transactions.

**21 Capital commitments**

There were no capital commitments as at 31 March 2022 (2021: £100k).

**22 Pension commitments**

The Hospice makes contributions in respect of the current service of its employees to either the NHS pension scheme or Royal London.

The Royal London pension scheme is a defined contribution scheme, with contributions accounted for in the period in which they arise.

The contributions payable for the year were £115,707 (2021: £54,579 for the five month period).

The NHS pension scheme is a defined benefit scheme which is underwritten by the UK Treasury. The liabilities of the scheme are not calculated and there is no attribution of liability to the participant organisations, including the Hospice. Accordingly, it has accounted for its contributions as if it were a defined contribution scheme.

The contributions payable to the scheme for the year were £115,992 (2021: £40,656 for the five month period).

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23 Comparative Statement of Financial Activities

Year Ended 31 March 2021

	Notes	Unrestricted			2021 £'000	2020 £'000
		General	Designated	Restricted		
		fund £'000	fund £'000	funds £'000		
<b>Income and expenditure</b>						
<b>Income from:</b>						
Donations and legacies	2	2,602	-	217	2,819	214
Other trading activities	3	289	-	-	289	-
Investments		2	-	-	2	-
Charitable activities						
Clinical Commissioning Groups	4	637	-	-	637	-
Other income	4	142	-	817	959	-
						-
<b>Total income excluding assets transferred from the Daughters of the Cross</b>		<b>3,672</b>	<b>-</b>	<b>1,034</b>	<b>4,706</b>	<b>214</b>
<b>Assets transferred from the Daughters of the Cross</b>	18	<b>2,664</b>	<b>417</b>	<b>324</b>	<b>3,405</b>	<b>-</b>
<b>Total income</b>		<b>6,336</b>	<b>417</b>	<b>1,358</b>	<b>8,111</b>	<b>214</b>
<b>Expenditure on:</b>						
Raising funds	5	1,005	-	-	1,005	-
Charitable activities	6	985	-	1,044	2,029	-
<b>Total expenditure</b>		<b>1,990</b>	<b>-</b>	<b>1,044</b>	<b>3,034</b>	<b>-</b>
<b>Net income (expenditure) before transfers</b>		<b>4,346</b>	<b>417</b>	<b>314</b>	<b>5,077</b>	<b>214</b>
Transfers between funds	15-16	(590)	629	(39)	-	-
<b>Net movement in funds</b>		<b>3,756</b>	<b>1,046</b>	<b>275</b>	<b>5,077</b>	<b>214</b>
<b>Reconciliation of funds:</b>						
Fund balances brought forward at 1 April 2021		46	168	-	214	-
Fund balances carried forward at 31 March 2022		<b>3,802</b>	<b>1,214</b>	<b>275</b>	<b>5,291</b>	<b>214</b>

