

ST. COLUMBA'S HOSPICE CARE ANNUAL REPORT & ACCOUNTS

Year ended 31st March 2023

Company number SC048700 Charity number SC003634

ST. COLUMBA'S HOSPICE CARE

CONTENTS

For the year ended 31 March 2023

Governors' Report (Incorporating the Strategic Report)	2
Independent Auditor's Report	16
Consolidated Statement of Financial Activities	21
Charity Statement of Financial Activities	22
Consolidated and Charity Balance Sheets	23
Consolidated and Charity Statement of Cash Flows	24
Notes to the Accounts	25

The Governors are pleased to present their report together with the consolidated accounts of the charity and its subsidiary companies for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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).

The Hospice issues two documents: this one, the Annual Report and Accounts, complies with statutory requirements for such a document and will be of most interest to those readers who would like information on how the Hospice has discharged its responsibilities during the year just passed and the associated activities and finances. A second one, the Impact Report, reflects on our achievements for the past year and looks forward with details on the Hospice's plans for the future and may be of more interest to the general reader.

REFERENCE AND ADMINISTRATIVE DETAILS

President

The Countess of Rosebery
Vice-Presidents
Mr G B Archer, DL
Mrs D Balfour
Mr G M Burnside, WS
Mr I C Adam, CA
Dr N Bryson, MA, MSc, DPhil, FFA

Board of Governors

Sub-Committees

Chair		
Mr D N Dunsire, WS	(R,D,I,T)	
Vice Chair		
Mr N R Lanzl	(A,I,R)	
Honorary Secretary		
Miss L Kerr, WS (appointed 24 May 2022)	(I,R)	
Mr D N Dunsire, WS (retired as Secretary 24 May 2022)		

Governors

Prof D Cameron, BA(Hons), MA(Cantab), MSc, MD, FRCP (I	Edin) (E)
Mrs A Cowie, MSc, BA, Dip HE, RGN, RCNT, RNT	(A, E)
Dr S L Keir, MB, BChir, MD, FRCPE	(R,E)
Mr J G Macrae, CA, CPFA	(A,I,D,R)
Miss L Masson	(T)
Mrs L M Selman, BSc (Hons), FFA	(A,I)
Dr S Tothill, MBChB, FRCGP, MFHom, DRCOG	
(retired 28 October 2022)	(R)
Mr D Brown (appointed 23 August 2022)	(T)
Ms K Penman-Paterson (appointed 23 August 2022)	(T)
Mr U Cameron (appointed 23 August 2022)	(A,I)

Note	designating membership of sub-committees		
Α	Audit and Risk Committee	T	St Columba's Trading Ltd
1	Investment Committee	D	St Columba's Hospice (2007) Ltd
R	Remuneration & Nominations Committee	E	Education & Research Committee

REFERENCE AND ADMINISTRATIVE DETAILS (cont'd)

Senior Leadership Committee

Mrs J Stone, MSc, RGN, RNT Dr D J F Brown, MBChB, MRCP, MD

Mrs D Partington, MSc, BSc, DipHE, PGCert

Mrs J Taylor, BSc (Hons), CA, FCIPD

Mr J Heggie, MA (Hons), MInstF(Cert)

Mr S Walker

Dr E Haraldsdottir, BSc, MSc, PhD (seconded to

QMU 1 Jan 2022 and resigned 1 June 2022)

Director of Education and Research

Director of Income Generation

Deputy Chief Executive Officer and Clinical Services

Chief Executive Officer

Medical Director

Director of Finance

Director of Operations

Director

SC048700 Company number

SC003634 Charity number

Challenger Lodge **Registered Office**

Boswall Road Edinburgh EH5 3RW

Telephone 0131 551 1381

The Royal Bank of Scotland plc **Principal Bankers**

36 St Andrew Square Edinburgh EH2 2AD

Solicitors Lindsays

> Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE

Azets Audit Services Auditor

Exchange Place 3 Semple Street Edinburgh EH3 8BL

Sarasin & Partners LLP **Investment Managers**

Juxon House

100 St Paul's Churchyard London EC4M 8BU

Royal London Asset Management Ltd

55 Gracechurch Street London EC3V 0RL

Subsidiary Undertakings

St Columba's Trading Limited is a wholly owned subsidiary company. The company's principal activities are the administration of a weekly prize draw and the sale of merchandise.

St Columba's Hospice (2007) Limited is a wholly owned subsidiary company. Its principal activity was to design and build a new hospice for St Columba's Hospice Care. On 1 April 2019 the company became dormant.

OBJECTIVES

St Columba's Hospice Care is constituted as a charitable company limited by guarantee and, in terms of its Memorandum and Articles, its principal objective is to promote the relief of suffering by:

- · establishing and maintaining hospice inpatient, community and supportive care services
- promoting evidence-based practice and research into palliative care and the education and training of medical, nursing and allied health professionals in this area
- encouraging the provision of spiritual and pastoral support for all connected to the Hospice's activities, whether as patients, families, volunteers or staff.

Our services offer care to patients irrespective of their diagnosis and encompass any advanced lifelimiting disease. The purpose of hospice care is to improve the quality of life of those in our care, whilst extending support to their families and carers. The Hospice is open to all who may be in need of its care and referral can be made by colleagues from across health and social care as well as from people who need our support. There is no charge made for any of our clinical services. The Hospice is an independent Scottish charity with a fully integrated team of professional, support and administrative staff, who are supported by approximately 540 volunteers who are involved in all departments throughout the Hospice, our community and our charity shops.

The Hospice has always recognised that it has a responsibility to share its knowledge and experience with professional colleagues. Placements within the Hospice are arranged and an external education programme is organised for students, doctors, nurses, clergy and allied health professionals. In addition, the Hospice is a well-recognised research-active hospice contributing to new knowledge in palliative care.

STRATEGIC REPORT

The Governors are pleased to present their strategic report for the year ended 31 March 2023.

ACHIEVEMENTS AND PERFORMANCE

Our strategy "Adapting to a Changing World" is about responding to the needs of our community, innovating to create more community support and looking at how we can reach as many people as possible across our area. This year, we faced increasing need for our services, a volatile financial landscape and a significant annual deficit budget requiring fundamental decisions about what services to provide and how to resource those services. Through strategic workshops with the Board of Governors and Senior Leadership Committee, we designed and prioritised developments to shift the balance of care from bed based inpatient care to providing care as close as possible to people's own home in line with national strategy and research evidence. As anticipated, we have seen a reduction in inpatient bed activity as our community based care has grown but, under our new strategy, we have seen a 48% increase in the number of people we support across all clinical services (2022/23: 1,279; 2019/20: 865).

We are now providing a 15 bed inpatient model (2021/22: 20) with a mixture of single and shared rooms on one floor (Cedar Ward). This shift enabled us to divert further resources to our newly branded 'Hospice at Home' service so that we can now offer the same range of support in people's homes as they can expect as an inpatient. Our pilot of five 'Virtual Beds' was launched enabling people to receive more intensive support than was previously available at home with people being routinely assessed by both our medical and nursing team every day, seven days per week. We also enhanced our counselling, bereavement and family support services with an additional trained counsellor recognising the significant increase in the need and complexity of bereavement support following the Covid 19 pandemic.

ACHIEVEMENTS AND PERFORMANCE (cont'd)

Over the last year, we held culture workshops with our team, ensuring their voices are heard and valued, and that hospice values are reflected in the day to day experience of our workforce. We have also introduced a new 'shared leadership' model. The main aim being to provide a fresh perspective in leadership by merging teams together with a common purpose in line with the Hospice strategy. This has improved communication, enhanced integrated working and will help to develop future leaders. We are delighted to share that the Hospice was awarded Gold status after our recent Investors in People assessment recognising our shared values and the strengths of our inclusive approach to developing strategy.

Embracing technology as a communication tool over recent years has resulted in a model of hybrid working for staff and provided a greater choice and flexibility for those who use our services. This year, technology has facilitated wider recruitment of Governors from across the UK attracting more age and gender diverse people and those with caring responsibilities.

Over the past 12 months, we faced significant financial challenge with income generation remaining curtailed post the Covid 19 pandemic, costs escalating due to the cost of living and energy crisis and volatile investment markets. The Hospice was budgeting for a deficit as part of its strategy to use reserves to maximise services. In practice, income was higher than expected due to exceptional legacy income but this was offset by a reduction in the value of our investments.

We are now looking to the long term sustainability of St Columba's Hospice Care and the wider hospice sector, by working in partnership with hospices across Scotland and the Scottish Government to develop a sustainable statutory funding framework to support our charitable activities. Strong relationships with the other Scottish Hospice CEOs has already created a cohesive approach to negotiating with the Scottish Government around the significant financial challenges we are all currently facing. This is at a time when the demand for palliative care is at an all-time high and expected to increase by 10,000 people across Scotland by 2040.

Our charitable activities have been renamed to reflect the new developments in the year. The first point of contact is the Access team who triage and respond to all referrals received and proactively support people and their care providers during their transition into our care by ensuring they have access to specialist symptom advice and support with their wellbeing needs. In 2022/23, the number of unique patient referrals processed has increased by 22% (1,050 to 1,279) building on the 16% increase in the previous year. In the last 12 months, the team responded to 1,239 advice calls, an increase of 45% on last year (2021/22: 853). Most calls related to pain and symptom control, closely followed by social, spiritual and psychological concerns. The Access team costs are allocated as direct costs across the clinical charitable activities of Inpatient Care, Hospice at Home and Patient and Family Support Services.

Inpatient Care

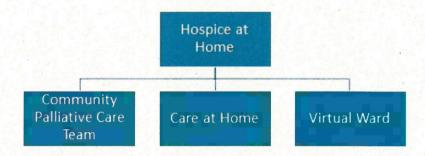
In 2022/23, there were 295 admissions to the inpatient unit (2021/22: 246). This was a 20% increase in admissions compared to the previous year despite bed capacity varying between 11 and 20 beds over the 12-month period and represents a 32% decrease in overall admissions activity over the life of our current strategy (2019/20: 434). The average occupancy was 82% (2021/22: 86%).

Following a generous donation, we now have a well-equipped patient transport vehicle enabling swift and comfortable transfer of patients to and from the Hospice supporting timely admissions and discharges.

Hospice at Home (previously known as Community Services)

All of our community services now work collaboratively under a new service title of 'Hospice at Home'. This change was made to demonstrate our commitment that people will receive the same access to hospice care in their own home that is available within the Hospice building.

Hospice at Home (previously known as Community Services) (cont'd)



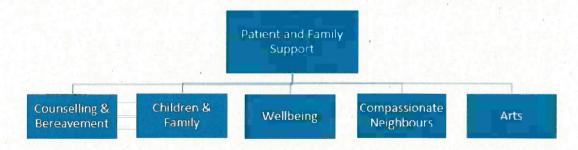
In 2022/23 Hospice at Home supported 365 people at the end of their lives to remain in their own homes when they died (2021/22: 260). This is a further 40% increase on last year and reflects an overall increase of 159% since we launched our current strategy (2019/20: 141).

Our Community Palliative Care Team consists of two multi-professional teams covering the North of Edinburgh. In 2019, the entire team was 6 whole time equivalent (wte) clinical specialist and staff nurses. This year, the team has grown to 8 wte clinical nurse specialists, 4 wte staff nurses, 2 wte specialty doctors and 1 wte palliative medicine consultant demonstrating the significant shift in resources. The number of individual people who the team have been able to support has increased by 15% to 901 (2021/22: 784) and has risen by 33% since we launched our current strategy (2019/20: 680).

Our Care at Home team supported 231 people in Edinburgh (2021/22: 387) with 3,254 visits and 90 people in East Lothian with 2,113 visits. Direct comparison with previous year is unhelpful as we extended the service to East Lothian in May 2022 (with an additional 6 wte clinical support workers employed) plus the previous year also saw additional inpatient staff resources being redeployed to Care at Home for 4 months to support NHS Lothian winter pressures.

In response to emerging need for enhanced palliative care at home for people with more complex needs, we began a pilot of a virtual ward on 1st March this year with a further 6 wte registered nurses redeployed. The pilot ran until 31st May and a formal evaluation is underway to determine success, learning and potential to upscale if future funding is available.

Patient and Family Support Services (previously known as Family Support Services)



Our Counselling and Bereavement services have never been in greater demand as the impact of the Covid 19 pandemic has led to a significant increase in the need for bereavement support. The team continue to offer a blended model of virtual and face to face support, ensuring choice for those who access their service as well as maximising accessibility and efficiency of service delivery. In 2022/23, the team have received 376 (2021/22: 260) adult referrals and provided a total of 1,348 (2021/22: 976) sessions. This is a 38% increase in the number of counselling sessions and a 45% increase in adult referrals on last year. It also represents a 300% increase in referrals since 2020.

Patient and Family Support Services (previously known as Family Support Services) (cont'd)

Our Children and Families team received 49% more referrals this year (2022/23: 152; 2021/22: 102) and provided more than double the number of sessions (2022/23: 873; 2021/22: 416). This is a 158% increase in referrals and 341% increase in the number of sessions since we launched our current strategy (2019/20: referrals: 59, sessions: 198). In addition, the team continue to influence across Lothian and nationally through schools' projects, collaborations with others hospices, professional education, networking at local and national level and national initiatives such as the Bereavement Charter.

The Wellbeing Service was launched in April 2022 and has now been adapted so that we can also deliver it in an outreach model through local community collaboration projects going forward, enabling those who would otherwise be unable to access the service due to geography or other limitations to be introduced to Hospice care. In 2022/23, 262 people have benefited from 1,169 attendances and 224 people benefited from 367 complementary therapy sessions.

Our arts team continue to provide individual and group sessions for patient and families as well as live music sessions, cultural events and arts based staff support. They also continue to influence nationally and internationally through an annual Arts Symposium, national community of practice, journal articles, book chapters and conference presentations.

Our Compassionate Neighbours volunteers offer their time, kindness and company to local people who may be socially isolated, lonely or have a life limiting condition. We match people together according to their hobbies, interests and geography in the hope of developing genuine, caring friendships which will help grow a mutual sense of belonging and ultimately build stronger, more connected communities. Over the last 12 months, our team has supported 1,673 one to one interactions with people in our community; an increase of 80% since last year (2021/22: 928)

Education, Research and Learning (previously known as Education and Research)

As a University Hospice, we continue to work in partnership with Queen Margaret University. We have continued to publish articles in journals and book chapters across nursing, medicine, social work and the arts in palliative care thereby influencing practice in a national and international context. The cost of internal education and practice development which is crucial to support the innovative work of the Hospice is now included under this activity instead of inclusion under support costs. The staff in the Education & Practice development team work closely together and their work is inter-linked.

ACTIVITIES AND PLANS FOR FUTURE PERIODS

At the centre of our strategy is a commitment to 'adapting to a changing world' and we have successfully reshaped our services in order to meet the needs of as many people as possible in our community. We plan now to focus on embedding the redesigned models of care into practice, evaluating their impact and working with our health and social care partners to ensure those who need our support are aware of what we offer and that they can easily access what they need.

Our communications activity will continue to evolve and develop in light of new channels and preferences. Investing and embracing digital technology will widen access to our services, while aiding efficiency and effectiveness in how we work. In 2023/24, we will be investing in a new HR and payroll system with automated workflows which should release the teams to focus on people and culture development.

We will be progressing our environmental strategic aims, including transitioning to electric vehicles, reviewing our energy provision and engaging our workforce in energy efficient working, in order to contribute to the national environmental strategy.

ACTIVITIES AND PLANS FOR FUTURE PERIODS (cont'd)

We will continue to work in partnership with our health and social care colleagues across Lothian and nationally to share expertise and resources, providing person centred support. In particular, we will explore further research and educational opportunities with Queen Margaret University and the University of Edinburgh. We have committed to involvement in two international research studies specifically relating to the impact of cancer on the individual towards the end of life. The opportunity to share learning and knowledge to the wider professional world will be embraced through our coordination and contributions at conferences and within publications.

We hope to finalise and sign a new contract with NHS Lothian for 5 years, providing more financial stability for the future. Finally, we will begin our stakeholder consultations to design our next strategy in order to continue to innovate our services.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governors, who are all non-executive directors of St Columba's Hospice Care, are responsible for ensuring that the Hospice continues to provide care of a high quality at a reasonable cost and free at the point of delivery, that it complies with all relevant legislation and that the assets of the Hospice are well managed and wholly applied to the pursuit of the Hospice's charitable objectives.

Board of Governors

David Dunsire remains appointed as Chair of the Board with Nick Lanzl as Vice-Chair and Lynsey Kerr was appointed as Honorary Secretary.

Sally Tothill retired after 8 years on the Board. The Board would like to thank her for all of her years of invaluable service to the Hospice and wish her luck for all her pursuits in the future. The Board are delighted that David Brown, Kirstie Penman and Uilleam Cameron were appointed to the Board.

A new Advisory Group for Income Growth has been set up to discuss, develop and steer a strategy that will increase income for St Columba's Hospice Care. The group shall look at growth potential across all key areas of Hospice income, which will include voluntary income, shops, trading income, statutory funding and business development.

Governor Induction and Training

The recruitment of Hospice Governors (subject to a maximum of 20) is solely the responsibility of the Board of Governors itself. The Governors' policy is to seek to include on the Board senior representatives of the major professional areas involved in the work of the Hospice (including medicine, nursing and education), together with representatives of the local community and relevant areas of legal, financial and business expertise.

An induction programme on the work of the Hospice is provided to new Governors, together with general information on the role and responsibilities of charitable trustees (including the Scottish legislative framework). New Governors are invited to meet with each of the senior managers within the Hospice to explore in more depth their areas of work and the strategic objectives they are working towards. Personal support, assistance and encouragement to each newly appointed Governor is provided by a more experienced Governor, on a one to one basis, during the first twelve months in office by way of a Governor mentoring scheme. A number of team engagement events are now offered to all Governors to facilitate a deeper understanding of how the Hospice works.

STRUCTURE, GOVERNANCE AND MANAGEMENT (cont'd)

Management

The Board appoints a Chief Executive to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority from the Board for all operational matters including finance, employment and clinical activity within terms of delegation approved by the Governors. The Chief Executive is supported in her operational role by a Senior Leadership Committee consisting of the Medical Director, Deputy CEO, Director of Income Generation, Director of Finance and Director of Operations. The Senior Leadership Committee provide reports to the five meetings of the **Board of Governors** each **year**. **In addition, there are Audit and Risk, Education and Research**, Investment, Remuneration and Nomination Committees and the Trading Board which meet throughout the year. The Board also hold two strategy events per year to review the current strategic plan and focus on the priorities for the future.

Remuneration

All Governors give their time freely and no Governor received remuneration or expenses in the year.

The Hospice has implemented a job evaluation system for pay called 'Agenda for Change' (AfC), which mirrors the system in place across NHS Scotland. A job evaluation system measures the demands of jobs throughout the Hospice using the same criteria. This ensures that there is 'equal pay' for roles of 'equal value' throughout the organisation. In general, jobs which are rated as 'equivalent' by a job evaluation scheme are placed in the same pay band. Equal pay has been a statutory entitlement since 1970, when the Equal Pay Act came into force.

The Hospice has committed to paying staff at least the Living Wage as set annually by the UK Living Wage Foundation. The Living Wage rate is endorsed by The Scottish Poverty Alliance, an initiative founded by The Scottish Government, working in partnership with the UK Living Wage Foundation.

The current financial crisis has impacted on our workforce with the publicity around the NHS pay award creating uncertainty and angst amongst many of them. The Hospice took the opportunity to hold forums with our staff and to invite them to share their thoughts on what pay award should be offered and why. Approximately 25% of the workforce took the time to attend in person or email their thoughts which were used to inform our decision making. The decision was made to mirror the NHS pay rates as of April 2023 thereby maximising staff recruitment and retention potential going forward.

All staff are currently paid under the Hospice pay scales except for the Senior Leadership Committee and three other managers who have 'spot' salaries, and whose remuneration is reviewed and determined by the Remuneration and Nominations Committee on an annual basis. The Medical Director's remuneration is linked to the equivalent NHS Scotland pay band for equivalent posts in the health service. The Remuneration and Nominations Committee considers the pay of senior staff annually. In view of the nature of the charity, the Governors benchmark against comparable salary information from other similar-sized hospices, private industry and the public sector.

The average number of employees during the year was:

	2023	2022
Full-time	92	97
Part-time	151	146
	243	243
Full-time equivalent	188	181

STRUCTURE, GOVERNANCE AND MANAGEMENT (cont'd)

Risk management

In the exercise of their responsibilities the Governors place a high degree of importance on the Hospice's system of internal control. The Hospice's Risk Management Strategy involves the identification of the major risks to which the Hospice is exposed and the procedures to be followed in controlling and monitoring these risks.

A risk management review process is in place to identify major risks and to review the systems to minimise these risks. The Audit and Risk Committee, consisting of a number of Hospice Governors and senior leaders, monitors the risk management process and reports its findings to the Board of Governors. The risk management process is designed to enable the Board of Governors to conclude whether the major risks to which the Hospice is exposed have been identified and reviewed, and systems established to mitigate these risks.

PRINCIPAL RISKS AND UNCERTAINITIES

The risks to the charity have all been reviewed in light of the impact of Covid 19, the current cost of living crisis and national energy crisis.

Risk	Mitigation
Impact of inflation and energy price increases on costs	Payroll is the Hospice's largest cost representing more than 75% of costs. The Hospice has matched the NHS pay rates from April 2023, in order to recruit and retain staff but this has also added significantly to expenditure going forward. The rising cost of utilities, goods and services has also impacted on the hospice expenditure despite the good fortune of securing a five year fixed cost on gas prior to the current energy crisis.
	The Hospice will need to budget carefully and also look to increase its income if it wishes to continue the expenditure required to provide the current level of services. Additional funding is being discussed with the Health Board and Scottish Government, and the Board has established a new Advisory Group on Income Growth.
Increasing gap between statutory funding and cost of service provision	While NHS Lothian has increased their contribution to the running costs of the Hospice, the gap between statutory funding and expenditure continues to grow. We are working in partnership with hospices across Scotland and the Scottish Government to develop a sustainable statutory funding framework to support our charitable activities.
Reduction in investment income and capital losses in the investment portfolio	The investment portfolio is invested globally for the long term. The investment fund has seen significant gains and losses in the past few years. The charity reserves are retained in order to cover such periods of loss and will continue to be maintained at sufficient levels to ensure charitable activities can continue with confidence despite periods when investment markets fall.
Reduction of fundraising income	Fundraising income is gradually recovering post Covid 19 but donors are now being impacted by the cost of living crisis such that fundraising income may take another 1-2 years to recover. The Hospice's fundraising strategy aims to diversify income streams and spread risk by ensuring there is a wide spread of strategies to raise income utilising Hospice shops, Hospice lottery, events, individual giving strategies and working with local communities and businesses.

FINANCIAL REVIEW

Income

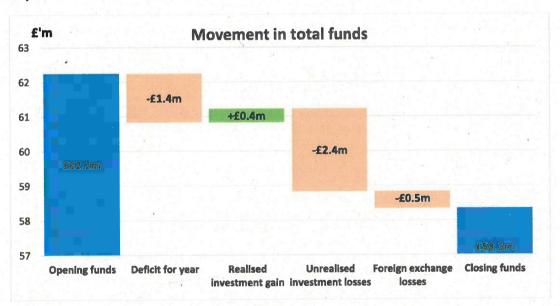
During the financial year ended 31 March 2023, the total income of the group was £10.33m. This represents an increase of 8.6% compared with the previous year (2021/22: £9.52m, 9% increase). Voluntary income has two main components: donations and legacies. Donations have decreased to £1.20m (2021/22: £1.26m) and legacy income increased to £4.34m (2021/22: £0.93m). Legacy income has averaged £2.4m over the last 10 years so this year is exceptional but it also shows how volatile this source of income can be with last year unusually low. The funding from NHS Lothian has increased this year to £2.55m (2021/22: £2.40m) but in real terms NHS funding is not matching increased costs. Other trading activity income increased to £1.54m (2021/22: £1.21m). No government grants were received this year (2021/22: £3.05m) but last year included £2.5m of Scottish Government Deficit Funding to compensate for reduced fundraising income during Covid 19.

Expenditure

The expenditure for the year was £11.74m representing an increase of 5.5% compared to the previous year (2021/22: £11.13m). Staff costs were less than expected as a result of delays in staff recruitment but otherwise expenditure was in line with cost increases and planned service development.

Net Movement in Funds

The net movement of funds, after taking account of movements on investment values, was a deficit of £3.90m (2021/22: surplus of £0.1m). The investment losses for the year are £2.0m compared with gains of £2.07m in the previous year. Investment gains and losses are stated as a combination of realised and unrealised movements. In addition, foreign exchanges losses reduced the funds in the current and last year.



The net expenditure, before losses or gains on investments, of £1.40m (2021/22: £1.61m) gives the operational deficit on day-to-day activities. This deficit was planned in order to ensure reserves are used to maximise Hospice services and was lower than expected due to the high level of legacy income.

RESERVES AND RESERVES POLICY

Total group funds have decreased by £3.9m and at the year-end stood at £58.3m (2022: £62.2m) comprising: twelve restricted funds; six designated funds; and one general reserve. Restricted funds are derived from income given to the Hospice for a specific purpose by the donor and can only be used under particular conditions. Last year, two endowment funds which were set up many years ago in memory of family members were transferred to restricted funds in agreement with the descendants of the donors.

The other restricted income funds were established to improve the lives of patients and their families and to support and develop staff members. Restricted funds include those for:-

- the running of a children and family bereavement service;
- · the purchase of equipment to create and enjoy music playlists;
- music therapy posts to enhance the wellbeing of patients;
- · the purchase of new specialist equipment;
- · the development of the counselling services;
- the building of a new bicycle shelter and purchase of an electric bike for community services;
- the provision of mental health awareness for managers;
- the development of the Hospice at Home service;
- the support of staff wellbeing by providing space to decompress and relax;
- the provision of nurse training and development as well as training and development of all staff;
- the purchase and running of a patient transport vehicle;
- Community nurses posts.

There are two new funds this year to fund garden improvements and also to contribute to the development of the new Patient Wellbeing service. There were £264k of new donations to the existing funds and four of the funds have now been fully spent such that there are eight funds to carry forward to next year.

Designated funds are those unrestricted funds which have been set aside by the Governors for an essential spend or future purpose. The designated Fixed Asset Fund, which represents the carrying value of the Hospice buildings and other fixed assets, now stands at £12.7m (2022: £13.6m).

St Columba's Hospice Care plans to continue to provide a palliative care service for patients in the Edinburgh and Lothian area. The requirement for this service has been reaffirmed by Lothian Health Board. The Governors therefore consider it prudent to have a level of reserves going forward to ensure the medium and long term strategic objectives of the organisation can be met despite the uncertainty over future income from the following:

- Investment gains and losses can vary significantly in a specific year as a result of stock market conditions even if growing over the long term;
- Lothian Health Board, while acknowledging the need for a palliative care service, is faced with financial pressures and has limited resources available to support all its services:
- Legacy income is unpredictable and varies significantly each year, due to changes in the number of donors and the link to property and equity values;
- Fundraising activity is spread over a variety of activities but is not guaranteed income;
- Recent experience of world events leading to escalating costs and volatility in financial markets.

The designated Investment Income and Growth Fund £36.3m (2022: £38.9m) represents the value of the investment portfolio. The fund, designated by the Governors, is held in investments in order to retain its real value through capital growth and to generate income and gains to fund at least £1.5m of services each year. This is a key part of the Hospice funding model. The Governors review the value of the Investment Income and Growth Fund regularly, in light of circumstances, to balance investing in services and maintaining security of operations. It should be noted that the fund includes £1.5m (2022: £3.8m) of unrealised investment gains and the value of this fund will fluctuate considerably depending on the performance of the investment portfolio. The fund has reduced as a result of investment losses during the year.

RESERVES AND RESERVES POLICY (cont'd)

Two designated funds were created in August 2021 by the Board in order to expand Community and Family support services to meet the increasing needs in Edinburgh and to expand the Care at Home service in East Lothian. These funds are being used to fund additional posts in existing services in Edinburgh and to create new posts in East Lothian. These funds have been re-named during the year in line with the re-named charitable activities and the expansion of the Compassionate Neighbours has transferred from Hospice at Home to Patient and Family Services.

The Governors have designated two funds for implementing the Children and Family Bereavement service and the Art Strategy which will supplement the restricted funds raised via fundraising. The Children and Family Bereavement fund is now expended and the Arts Strategy fund will be spent in the coming year.

The general unrestricted fund £7.5m (2022: £7.4m) represents the 'free reserves' of the group. The 'free reserves' will be used to provide support for any deficit in short term funding of the Hospice.

INVESTMENT POLICY

The investments of the Hospice comprise an investment portfolio and a cash portfolio. The aim of the investment portfolio is to maintain its real value and provide funds to support the Hospice, through achieving a blend of capital and income growth. The cash portfolio provides further cashflow to fund services as the value and timing of legacy, fundraising and contract income can vary each month. The Investment Policy was amended during Covid 19 to increase the value of the cash portfolio when funding and investment markets were so uncertain. The plan is now to gradually reduce the cash portfolio back to its previous value of £3m.

The Hospice has no material investment holdings in markets subject to exchange controls or trading restrictions. The main risk to the Hospice from financial instruments is from investing in markets and for the potential of capital values to fall. The Hospice recognises this risk and, taking a long term view, can tolerate periods of weakness. The Hospice manages these, and other such investment risks, by retaining professional advisors and operating an investment policy that provides for a high degree of diversification across investment asset classes that are quoted on recognised stock exchanges.

The investment portfolio is managed by Sarasin & Partners whose objectives during the reporting period were to provide a total return in excess of the Retail Price Index +3.5% over a rolling five-year period and to maintain the 'real' value of the Hospice's investment portfolio after allowing for the contribution to the Hospice's expenditure. The portfolio is managed on a total return basis to maximise the investment returns to the Hospice. Cash disbursements based on 3% of the average value of the portfolio over the past 5 years are paid monthly to the Hospice to fund services as the investment income is reinvested. The investment managers have significant expertise in Environmental, Social and Governance (ESG) investing and aim to select investments which are likely to have a positive long term impact on society and the environment which hopefully will generate positive returns. All portfolio investments are given an ESG score. Sarasin engage with investors, seek change in company behaviour and actively participate in public policy debate to shape the investment landscape.

The investment portfolio is a managed as a segregated portfolio with an agreed investable range of 60% - 85% in Equities, 5% - 25% in Fixed Interest, 0% - 10% in Commercial Property, 0% - 10% in Alternatives and 0 - 10% in Cash. Additionally, there are to be no direct investments in companies whose main business is to produce or manufacture tobacco.

INVESTMENT POLICY (cont'd)

The cash portfolio consists of Royal Bank of Scotland fixed term deposits and a portfolio managed by Royal London Asset Management Ltd. The Royal London Asset Management Ltd cash is divided between 3 funds, namely, Short Term Money Market; Cash Plus Fund and Enhanced Cash Plus Fund. The Short Term Money Market holds cash, money market instruments, short dated government securities and covered bonds with average maturity dates of 2-3 months. The Cash Plus Fund is similar but has longer average maturity dates of 3-4 months. The Enhanced Cash Plus fund also includes corporate bonds and has longer maturity dates averaging 8 months. Some cash was transferred to the fixed term deposits with Royal Bank of Scotland as a result of higher interest rate environment and to provide a steady return compared to the more volatile investment markets.

Investment Value

The value of the Hospice investments as at 31st March 2023 was £43.2m (2022 £48.0m), being split £36.27m (2022 £38.9m) in the investment portfolio and £6.96m (2022 £9.1m) in the cash portfolio.

Investment Performance

For the year to 31st March 2023, the performance of the investment portfolio was -5.1% (2021/22 +5.2%) in comparison to the market benchmark -3.0% (2021/22 +9.8%). Over the longer term, the portfolio has achieved a five-year annualised return, net of costs, of +6.2% (2021/22 +7.6%) which is below the target return of +9.2% (RPI+3.5%) (201/222 +7.2%), the benchmark return of +10.5% (2021/22 +9.4%) and the Charity Peer Group Index return of +7.5% (2021/22 + 5.6%).

The investments made a significant decrease in value of £3.5m in the first quarter before recovering to a degree to end the year with a loss of £2.5m. Investment markets have been impacted by the ongoing Ukraine/Russia conflict and increased monetary policy which has seen a steady increase in interest rates in an attempt to lower rising inflation. This highlights the need for investment gains and losses to be excluded from day to day budgeting due to being so volatile. It also shows the importance of following a long term investment strategy, backed up by maintaining sufficient cash reserves to cover any cash requirements in the short term such that cash need not be realised when investments have fallen.

For the twelve months to 31st March 2023, the income earned on the investment and cash portfolios was £0.70m (2021/22 £0.67m) with £0.60m (2021/22 £0.63m) generated by the investment portfolio.

In the current year, the cash portfolio held in the Royal London short term investments made a £17k realised loss (2021/22 £78k gain); and generated £85k of income (2021/22 £34k). The new fixed term deposit account will earn a 3.25% interest rate.

The Investment Committee of the Hospice meets with the investment manager at least twice a year to discuss performance and investment requirements. With markets being so volatile, there has been increased dialogue and analysis with the manager. The portfolio objective has now been updated to the Consumer Price Index +4.5%. As part of good governance, the Investment Committee have agreed an external review of the investment manager in 2023/24.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of St Columba's Hospice Care for the purposes of company law) are responsible for preparing the Governors' Report (incorporating the Strategic Report) and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the results of the group for that period. In preparing these accounts, the Governors are required to:

- · select suitable accounting policies and then apply them consistently;
- · observe the methods and principles in the Charities SORP;
- · make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity and the group will continue in business.

The Governors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- · there is no relevant audit information of which the company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of
 any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Azets Audit Services have expressed their willingness to continue in office as auditor and will be proposed for reappointment at the Annual General Meeting.

This report has been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities Accounts (Scotland) Regulations 2006 and in accordance with the Companies Act 2006.

THE GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) HAS BEEN APPROVED BY ORDER OF THE BOARD

Mr D N Dunsire, WS

Chair

Dated: 22nd August 2023

Opinion

We have audited the financial statements of St Columba's Hospice Care (the parent charitable company) and its subsidiaries (the group) for the year ended 31 March 2023 which comprise the Consolidated and Parent Charitable Company Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Parent Charitable Company Balance Sheet, the Consolidated and Parent Charitable Company Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 group and charitable company in accordance with the ethical requirements that are relevant to our audit of **the financial** statements in the UK, including the FRC's Ethical Standard, and we have **fulfilled** our 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 audit opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Other information (continued)

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 Governors' 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 Governors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of the Governors

As explained more fully in the Governors' responsibilities statement set out on page 15, the Governors (who are the directors for the purposes of company law and trustees for the purposes of charity 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 Governors 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 Governors are responsible for assessing the group's and 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 Governors either intend to liquidate the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

The extent to which the audit was considered capable of detecting irregularities including fraud

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team
 remained alert to instances of non-compliance throughout the audit.

The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- · reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and the Governors as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

Use of our report

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

Our audit work has been undertaken so that we might state to the charitable company's members and Governors, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members and Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Aut Services.

Jennifer Alexander (Senior Statutory Auditor)
For and on behalf of
Azets Statutory Auditor
Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh, EH3 8BL

Date: 22 August 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

For the year ended 31 March 2023

		2023			2022		
	Notes	Restricted	Unrestricted	2023 Total	Restricted	Unrestricted	2022 Total
	NOISS	funds	funds	1 1	funds	funds	
		3	£	£	£	£	£
Income from:			and the	To detection	2020	3.500 (40)	. 10.00.00
Donations and legacies	2	263,692	5,280,587	5,544,279	167,991	2,019,482	2,187,473
Other trading activities	3		1,540,573	1,540,573		1,212,160	1,212,160
Government Grants	4					3,054,096	3,054,096
Income from charitable activities							
NHS Lothian		1 7 7 2	2,551,355	2,551,355	_	2.399.984	2,399,984
111.1-1-111111		-	2,331,355	2,331,333		£,033,304	2,000,004
Education and research		×	2,101	2,101	-	, s ,	15
Investment income	5	· ·	696,468	696,468		666,451	666,451
Total Income		263,692	10,071,144	10,334,836	167,991	9,352,173	9,520,164
Expenditure on:							
Costs of raising funds							
Raising funds		1,125	1,736,027	1,737,152	1,331	1,622,856	1,624,187
Investment management costs		.,	198,472	198,472	_	191,977	191,977
Cost of charitable activities			,,,,,			13-1-1	38.0.48.10
Inpatient Care		24.195	5,503,615	5,527,810	33,804	6,214,100	6,247,904
Hospice at Home		166,480	2,612,796	2,779,276	26,271	2,119,971	2,146,242
Patient & Family Support Services		79,642	927,099	1,006,741	9,899	421,163	431,062
Education, Research & Learning		2,451	487,425	489,876	546	485,284	485,830
Total expenditure	6	273.893	11,465,434	11,739,327	71,851	11,055,351	11,127,202
Net (Expenditure)/Income before (losse /gains on investments	98)	(10,201)	(1,394,290)	(1,404,491)	96,140	(1,703,178)	(1,607,038)
Net (losses)/gains on investments		-	(2,003,181)	(2,003,181)	, - '-	2,069,640	2,069,640
Net (expenditure)/income		(10,201)	(3,397,471)	(3,407,672)	96,140	366,462	462,602
Other recognised (losses)/gains:							
Foreign exchange (losses)/gains		-	(491,833)	(491,833)		(314,147)	(314,147)
Net movement in funds		(10,201)	(3,889,304)	(3,899,505)	96,140	52,315	148,455
Total funds brought forward		215,668	62,024,276	62,239,944	119,528	61,971,961	62,091,489

All incoming revenues and resources expended derive from continuing activities.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

For the year ended 31 March 2023

		2023			2022		
	Notes	Restricted funds	Unrestricted funds	2023 Total	Restricted	Unrestricted funds	2022 Total
		3	3	£	£	£	£
Income from:							
Donations and legacies	2	263,692	5,280,587	5,544,279	167,991	2,019,482	2,187,473
Other trading activities	3	n - 13	1,307,343	1,307,343		1,062,864	1,062,864
Government Grants	4	-	-31- J.	40 Tax	1	3,054,096	3,054,096
income from charitable activities							
NHS Lothlan			2,551,355	2,551,355		2.399.984	2.399.984
Education and research		-	2,161	2,161			-
Investment income	5		696,407	696,407		666,449	666,449
Total Income	3	263,692	9,837,853	10,101,545	167,991	9,202,875	9,370,866
Expenditure on:							
Costs of raising funds							
Raising funds		1,125	1,520,027	1,521,152	1,331	1,475,059	1,476,390
Investment management costs			198,472	198,472	-	191,977	191,977
Cost of charitable activities						,	.0.,0
Inpatient Care		24,195	5,503,615	5,527,810	33,804	6,214,100	6.247.904
Hospice at Home		166,480	2,612,796	2,779,276	26,271	2,119,971	2,146,242
Patient & Family Support Services		79,642	927,099	1,006,741	9,899	421,163	431,062
Education, Research & Learning		2,451	487,425	489,876	546	485,284	485,830
Total expenditure	6	273,893	11,249,434	11,523,327	71,851	10,907,554	10,979,405
Net (Expenditure)/Income before (losses) /gains on investments		(10,201)	(1,411,581)	(1,421,782)	96,140	(1,704,679)	(1,608,539)
Net (losses)/gains on investments		-1	(2,003,181)	(2,003,181)	i	2,069,640	2,069,640
Net (expenditure)/income	-	(10,201)	(3,414,762)	(3,424,963)	96,140	364,961	461,101
Other recognised (losses)/gains:							
Foreign exchange (losses)/gains			(491,833)	(491,833)		(314,147)	(314,147)
Net movement in funds		(10,201)	(3,906,595)	(3,916,796)	96,140	50,814	148,954
Total funds brought forward		215,668	61,982,000	62,197,668	119,528	61,931,186	62,050,714
Total funds carried forward	16 & 17	205,467	58,075,405	58,280,872	215,668	61,982,000	62,197,668
					100		

All incoming revenues and resources expended derive from continuing activities.

CONSOLIDATED AND CHARITY BALANCE SHEETS

As at 31 March 2023

	Notes	Group	Group	Charity	Charity
		2023	2022	2023	2022
		£	£	£	£
Fixed Assets:					
Tangible Assets	9	12,735,449	13,589,350	12,735,449	13,589,350
Investments	10	43,236,129	48,001,767	43,246,229	48,011,867
	_	55,971,578	61,591,117	55,981,678	61,601,217
					THE STATE OF
Current Assets:					
Stocks		17,237	11,594		_
Debtors	- 11	1,954,170	1,067,149	1,951,675	1,079,730
Cash at Bank and in Hand	12	1,653,962	1,357,060	1,550,189	1,249,961
		3,625,369	2,435,803	3,501,864	2,329,691
	_	4.1			
Liabilities:					
Creditors: Amounts falling due within one year	13	(730,508)	(734,976)	(676,670)	(681,240)
Current pension liability	13	(526,000)	(526,000)	(526,000)	(526,000)
		•			
Net Current Assets	-	2,368,861	1,174,827	2,299,194	1,122,451
		The second second			3
					3 7 7
Total Assets Less Current Liabilities	_	58,340,439	62,765,944	58,280,872	62,723,668
Non-current pension liability	14 & 20	-	(526,000)	÷	(526,000)
				1.5	
Total Net Assets	_	58,340,439	62,239,944	58,280,872	62,197,668
The Funds of the Charity:					
Restricted Funds:	16				
Income		205,467	215,668	205,467	215,668
• *					
Unrestricted Funds:	17				
Designated		50,611,460	54,616,888	50,611,460	54,616,888
General		7,523,512	7,407,388	7,463,945	7,365,112
***	-	58,340,439	62,239,944	58,280,872	62,197,668

Approved by the Board of Governors and signed on its behalf by:

Governor - Mr D N Dunsire

Governor - Mr J G Macrae

Date : 22 August 2023

Company number SC048700

CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS

For the year ended 31 March 2023

	4				
	Notes	Group 2023	Group 2022	Charity 2023	Charity 2022
Cash flows from operating activities:				£	£
Net cash used in operating activities	23	(2,635,161)	(1,302,279)	(2,631,774)	(1,304,196)
Cash flows from investing activities:					
Dividends and interest from investments		696,468	666,451	696,407	666,449
Purchase of property, plant and equipment		(35,029)	(126,905)	(35,029)	(126,905)
Proceeds from sale of investments		16,525,313	26,260,831	16,525,313	26,260,831
Purchase of investments		(15,914,275)	(22,108,467)	(15,914,275)	(22,108,467)
Net cash provided by investing activities		1,272,477	4,691,910	1,272,416	4,691,908
Change in cash and cash equivalents in the year		(1,362,684)	3,389,631	(1,359,358)	3,387,712
Change in cash and cash equivalents due to exchange rate movements		(491,833)	(314,147)	(491,833)	(314,147)
Cash and cash equivalents at the beginning of the year		10,472,774	7,397,290	10,365,675	7,292,110
Cash and cash equivalents at the end of the year	12	8,618,257	10,472,774	8,514,484	10,365,675
		**			100

ST. COLUMBA'S HOSPICE CARE NOTES TO THE ACCOUNTS For the year ended 31 March 2023

1. Accounting policies

General information

St. Columba's Hospice Care is a charitable company limited by guarantee and the contribution of members to the liability of the charitable company is restricted by the Memorandum and Articles of Association to a maximum of £1. The charitable company is registered in Scotland with registration number SC048700. The address of its registered office is Challenger Lodge, Boswall Road, Edinburgh, EH5 3RW.

The principal activity of the charitable company and the group in the year under review was the operation of a hospice as described in the Governors' Report.

Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (the Charities SORP), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

St. Columba's Hospice Care meets the definition of a public benefit entity under FRS 102.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the majority of the charity's and group's transactions are denominated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgements in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are the timing of the recognition of legacy income in accordance with the Charities SORP, and the estimate of the useful lives of fixed assets.

Going Concern

The accounts have been prepared on a going concern basis. The Governors have assessed the charity's ability to continue as a going concern and have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The most significant area of uncertainty that affects the carrying value of assets held by the Hospice is the performance of investment markets (see the investments note for more information). The Governors are satisfied that investments are appropriately managed and that risks associated with investment markets have been mitigated to a reasonable extent, thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Basis of Consolidation

The consolidated accounts incorporate the accounts of the charity and its subsidiary undertakings. The results of subsidiary undertakings are consolidated from the date of acquisition on a line by line basis.

ST. COLUMBA'S HOSPICE CARE NOTES TO THE ACCOUNTS For the year ended 31 March 2023 1. Accounting policies (cont'd)

Recognition of Income

Income is recognised in the period in which the charity is entitled to receipt, any performance conditions attached to the item(s) have been met, it is probable that the income will be received and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

In accordance with this policy, legacies are included on the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Hospice that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Voluntary contributions are recognised upon receipt and Health Board income is accounted for in line with the agreement.

Donated goods are measured at fair value except where it is impractical to measure reliably the fair value of donated items. Where it is impractical to measure the fair value of goods donated, the donated goods are recognised in income when they are sold.

Dividends and interest are credited to the Income and Expenditure Account in the year in which they are receivable.

Recognition and allocation of expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise: the costs of commercial trading, including the activities of St.
 Columba's Hospice Trading Limited, and their associated support costs; costs of the fundraising
 department and associated support costs; the direct cost of holding events to raise funds; and
 investment management costs.
- Expenditure on charitable activities includes the costs of inpatient care, community services, patient and family support services and other educational, research and learning activities undertaken to further the purposes of the charity and their associated support costs.

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

Expenditure is included in the Statement of Financial Activities account on an accruals basis. Certain expenditure is directly attributable to restricted and designated funds and has been included in those cost categories. Some costs are apportioned between funds as considered appropriate by the Governors. Otherwise costs are attributed to the general fund. Expenditure on the governance of the Hospice, including external audit, legal advice and an allocation of administrative salaries, is included in the governance costs category.

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

ST. COLUMBA'S HOSPICE CARE NOTES TO THE ACCOUNTS For the year ended 31 March 2023

1. Accounting policies (cont'd)

Fixed Assets and Depreciation

Individual items over £5,000 are capitalised as fixed assets.

Depreciation is provided on buildings at 4 per cent of the cost per annum, on furniture and equipment at 20 per cent of the cost per annum, on computer equipment at 33.3 per cent of the cost per annum and on motor vehicles at 25 per cent of the cost per annum. Depreciation on leasehold fixtures and fittings is provided at 25 per cent per annum or the period of the lease if less than 4 years. Leasehold improvements are depreciated over the period of the lease. An impairment review is carried out when there is an indication that impairment has occurred.

Investments

All investments are carried at their fair value and are shown at the bid price. Investments in equities and fixed income securities are all traded in quoted public markets. Holdings in pooled unit trusts are displayed at the bid price. Asset purchases and sales are recognised at the date of trade at cost. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Hospice permits the use of derivatives only for the use of Efficient Portfolio Management (EPM), namely for managing the non-sterling currency exposure, as well as writing Put options on a limited basis over part of the equity element, to try and limit downside risk. The use of index options will only occur when it is judicious to do so, namely that the cost of buying portfolio insurance is cheap, and the portfolio's exposure to equities is relatively high. The two main forms of financial risk to the Charity are shorter term capital volatility and the need for the Hospice to cover operational costs and not be a forced seller of more volatile assets at an inopportune moment, and over the longer term, inflation.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair values at the year end and their carrying value.

Inventories

Inventories are valued at the lower of cost and estimated selling price less costs to sell.

Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discount.

Creditors and Provisions

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

Financial instruments

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

Volunteers

The financial value of the participation of volunteers in the day-to-day running of the Hospice and in fundraising is not recognised.

Pensions

Payments to defined contribution pension schemes are charged as an expense as they fall due.

ST. COLUMBA'S HOSPICE CARE NOTES TO THE ACCOUNTS For the year ended 31 March 2023

Fund Accounting

Funds held by the charity are:

these funds can be used in accordance with the charitable objects at the discretion of the Governors

Designated funds

these funds are set aside by the Governors out of unrestricted general funds for a specific future purpose or purposes.

Restricted funds

 these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The nature and purpose of each fund and a description of transfers between funds is explained in notes 16 and 17.

For the year ended 31 March 2023

2. Donations and Legacies

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Unrestricted				
Donations	936,144	1,090,422	936,144	1,090,422
Legacies	4,344,443	929,060	4,344,443	929,060
	5,280,587	2,019,482	5,280,587	2,019,482
Restricted				
Donations	263,692	167,991	263,692	167,991
	5,544,279	2,187,473	5,544,279	2,187,473

Included within donations are donations-in-kind amounting to £4,368 (2021/22: £9,011)

3. Other Trading Activities

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Fundraising events	287,518	44,833	287,518	44,833
Operation of shops (including Iona café)	810 ,876	658,181	810,876	658, 181
St. Columba's Trading Limited	382,051	339,335	145,721	183,301
Other income	60,128	169,811	63,228	176,549
	1,540,573	1,212,160	1,307,343	1,062,864

4. Government grants

	* 1		Group 2023 £	2022 £	Charity 2023 £	2022 £
Business closure grant				49,000	a 1 <u>.</u>	49,000
Scottish Government Funding			-	2,971,000	-	2,971,000
Job Retention Scheme			-	34,096	-	34,096
		15	· -	3,054,096	_	3,054,096

For the year ended 31 March 2023

5. Investment Income

	Group 2023	2022	Charity 2023	2022
Unrestricted	£	£	£	£
UK Listed Investments	688,094	666,204	688,094	666,204
Bank Interest	8,374	247	8,313	245
	696,468	666,451	696,407	666,449

6. Total Expenditure

Total support costs for the year, and their allocation to the activity cost categories disclosed in the Statement of Financial Activities, are set out below. Support costs have been allocated in direct proportion to the staff costs incurred for each category, shown as the allocation percentages (Alloc. %).

As part of the ongoing development of Hospice services under the current strategy, the charitable activities have continued to evolve in the past 12 months as new services are developed. Community Services has been renamed Hospice at Home. Family Support Services has been renamed Patient & Family Support Services and now encompasses the new wellbeing services. Education & Research has been renamed Education, Research & Learning to better describe the work undertaken by the Hospice which includes both external education but also the focus on the internal learning of members of staff to support service development.

		Management & Admin	Facilities & Property	Depreciation	Governance	Total Support Costs	Costs Directly Allocated	Total
Cost of Raising Funds:	Alloc. %	£	£	£	£	£	£	£
Fundraising Costs	11% .	102,466	184,391	97,758	10,039	394,654	1,342,498	1,737,152
Investment Management	0%	- 140 -	-			10 may 1 mg	198,472	198,472
Cost of Charitable Activities:								
Inpatient Care	50%	460,451	828,594	439,292	45,112	1,773,449	3,754,361	5,527,810
Hospice at Home	26%	240,367	432,547	229,321	23,549	925,784	1,853,492	2,779,276
Patient & Family Support Services	9%	87,351	157,190	83,337	8,558	336,436	670,305	1,006,741
Education, Research & Learning	4%	41,111	73,981	39,222	4,028	158,342	331,534	489,876
	100%	931,746	1,676,703	888,930	91,286	3,588,665	8,150,662	11,739,327
Group 2022								
		Management & Admin	Facilities & Property	Depreciation	Governance	Total Support Costs	Costs Directly Allocated	Total
Cost of Raising Funds:	Alloc. %	£	£	£	£	£	£	£
The state of the s	11%	98,842	186,820	100,367	9,538	395,567	1,228,620	1,624,187
Fundraising Costs	11% 0%	98,842	186,820	100,367	9,538	395,567	1,228,620 191,977	1,624,187 191,977
Fundraising Costs Investment Management Cost of Charitable Activities:		98,842	186,820	100,367	9,538	395,567		
Fundraising Costs Investment Management Cost of Charitable Activities:		98,842	186,820 - 954,930	100,367 - 513,025	9,538 - 48,751		191,977	191,977
Fundraising Costs Investment Management Cost of Charitable Activities: Inpatient Care	0%			•		395,567 2,021,938 716,988		191,977 6,247,904
Fundraising Costs Investment Management Cost of Charitable Activities: Inpatient Care Hospice at Home	0% 65% 17%	505,232	954,930	513,025	48,751	2,021,938	191,977 4,225,966	191,977 6,247,904 2,146,242
Fundraising Costs Investment Management	0% 65% 17%	505,232 179,157	954,930 338,622	*513,025 181,921	48,751 17,288	2,021,938 716,988	191,977 4,225,966 1,429,254	191,977 6,247,904

For the year ended 31 March 2023

6. Total Expenditure (cont'd)

Charity 2023						Total	Costs	
		Management	Facilities &			Support	Directly	
		& Admin	Property	Depreciation	Governance	Costs	Allocated	Tota
Cost of Raising Funds:	Alloc. %	£	£	£	£	£	£	£
Fundraising Costs	11%	102,466	184,391	97,758	10,039	394,654	1,126,498	1,521,152
Investment Management	0%	V	-		-	-	198,472	198,472
gemen	3							
Cost of Charitable Activities:								
Inpatient Care	50%	460,451	828,594	439,292	45,112	1,773,449	3,754,361	5,527,810
Hospice at Home	26%	240,367	432,547	229,321	23,549	925,784	1,853,492	2,779,276
Patient & Family Support Services	9%	87,351	157,190	83,337	8,558	336,436	670,305	1,006,74
Education, Research & Learning	4%	41,111	73,981	39,222	4,028	158,342	331,534	489,870
Education, Nescaron & Economy	100%	931,746	1,676,703	888,930	91,286	3,588,665	7,934,662	11,523,327
and the second				P. C.				
Charity 2022						Total	Costs	
		Management	Facilities &			Support	Directly	
		& Admin	Property	Depreciation	Governance	Costs	Allocated	Tota
Cost of Raising Funds:	Alloc. %	£	£	£	£	£	£	
Fundraising Costs	11%	98,842	186,820	100,367	9,538	395,567	1,080,823	1,476,39
Investment Management	0%	-					191,977	191,97
myestment management	. 0,0							
Cost of Charitable Activities:								
Inpatient Care	65%	505,232	954,930	513,025	48,751	2,021,938	4,225,966	6,247,90
Hospice at Home	17%	179,157	338,622	181,921	17,288	716,988	1,429,254	2,146,24
		35,680	67,439	36,231	3,443	142,793	288,269	431,06
Patient & Family Support Services	4%	40,519	76,584	41,144	3,910	162,157	323,673	485,83
Education, Research & Learning	100%	859,430	1,624,395	872,688	82,930	3,439,443	7,539,962	10,979,40
		1 2 2						
6(a). Governance costs								
Group and Charity							2023	202
							£	
Staff costs							62,488	59,403
Audit fees							21,500	15,730
Legal and professional fees							7,298	7,79
Legal and professional less							91,286	82,93
		5		= 1 1				
7. Net expenditure					S 2			
This is stated after charging:								
							2023	202
							£	
Auditor's remuneration:	1.1						40 275	12.21
Audit fee with respect to audit				d and charity only	accounts		18,275	13,31
Audit fee with respect to audits							3,225	2,42
VAT advisory and tax complian	nce service	es					5,015	1,57
The second second							850	
Trustee Training								
Trustee Training								
Trustee Training Depreciation							888,930 75,132	872,68 84,41

For the year ended 31 March 2023

8. Analysis of staff costs, Governor remuneration and expenses, and the cost of key management personnel

Group and Charity	2023	2022
	£	£
Wages and salaries	6,686,593	6,443,604
Social security costs	674,514	617,109
Pension costs	1,038,655	968,811
	8,399,762	8,029,524
The average number of employees during the year wa	2023	2022
	2020	2022
Full-time	92	97
Part-time	151	146
	243	243
Full-time Equivalent	188	181

No remuneration or expenses were paid to the Governors (2021/22: £Nil)

The number of employees whose emoluments were above £60,000 for the year were:

			2023	2022
Between £60,000 and £69,999			3	2022
Between £70,000 and £79,999			2	2
Between £80,000 and £89,999			1	1
Between £100,000 and £109,999			1	1
Between £130,000 and £139,999			-	1
Between £140,000 and £149,999			1	
		AL 29 12	8	8

Pension costs for the above employees were £118,660 (2021/22: £116,117).

During the year, the key management personnel of the Hospice comprised the Governors and the Senior Leadership Committee, which includes the Chief Executive Officer, Medical Director, Deputy Chief Executive Officer & Clinical Services Director, Director of Income Generation, Director of Finance and Director of Operations. The total employee benefits of the key management personnel of the Hospice were £668,658 (2021/22: £707,771).

For the year ended 31 March 2023

9. Tangible assets

Group and Charity	Freehold Land & Buildings £	Motor Vehicles £	Furniture & Equipment £	Leasehold Improvements £	Total £
Cost:	04 500 044	64 006	4 227 204	64,237	22,860,478
At 1 April 2022	21,506,944 12,644	61,906	1,227,391 22,385	04,237	35,029
Additions Disposals	12,044	(5,884)	(54,831)		(60,715)
At 31 March 2023	21,519,588	56,022	1,194,945	64,237	22,834,792
At 31 Watch 2023	21,019,000	30,022	1,104,040	01,207	22,001,702
Depreciation:					
At 1 April 2022	8,044,910	34,906	1,172,934	18,378	9,271,128
Amount provided in year	855,873	6,750	19,883	6,424	888,930
Disposals	-	(5,884)	(54,831)		(60,715)
At 31 March 2023	8,900,783	35,772	1,137,986	24,802	10,099,343
Net book value:					
At 31 March 2023	12,618,805	20,250	56,959	39,435	12,735,449
		1			
At 31 March 2022	13,462,034	27,000	54,457	45,859	13,589,350
10. Investments				Listed	
Group			Cash deposits	Investments	Total
			£	£	£
Cost or valuation			0.445.745	00 000 050	40 004 767
At 1 April 2022			9,115,715	38,886,052	48,001,767
Additions at cost			3,500,000	15,914,275	19,414,275
Disposals	and the same		(5,008,479)	(17,504,598)	(22,513,077) (964,443)
Unrealised gain/(loss) on rev Movement in cash balance	/aluation		59,452 (702,393)	(1,023,895)	(702,393)
Movement in cash balance			(702,393)		(102,000)
At 31 March 2023			6,964,295	36,271,834	43,236,129
			Listed		
Charity		Cash deposits	Investments	Subsidiaries	Total
		£	£	£	£
Total investments as above:		6,964,295	36,271,834	-	43,236,129
Investments in subsidiaries:		-	-	10,100	10,100
At 31 March 2023		6,964,295	36,271,834	10,100	43,246,229
At 31 March 2022		9,115,715	38,886,052	10,100	48,011,867

The cash deposits represent the cash account held by the Investment Manager Sarasin and Partners, the cash portfolio held in short term investments with Royal London and Royal Bank of Scotland fixed term deposits.

For the year ended 31 March 2023

10. Investments (cont'd)

Details of the subsidiary undertakings, which are registered in Scotland and also have a 31 March accounting year-end, are as follows: -

Name	Principal Activity	Proportion of ordinary shares held
St Columba's Trading Limited	Fundraising activities	100%
St Columba's Hospice (2007) Limited	Property design-and-build services, used for construction of new hospice building. As of 1 April 2019 the company became dormant.	100%

- St. Columba's Trading Limited (registered company number SC169588) generates profit through the sale of goods and the running of a weekly prize draw. All profits are passed on to the Hospice by gift aid. In the year to 31 March 2023 the company had turnover of £382,051 (2021/22: £339,335), expenditure of £233,829 (2021/22: £168,433) and generated a profit of £148,222 (2021/22: £170,902). At 31 March 2023, the aggregate amount of assets, liabilities and funds was £69,567 (2022: £52,276).
- St. Columba's Hospice (2007) Limited (registered company number SC335221) provided services to the Hospice. The company has been dormant since 1 April 2019. At 31 March 2023 the aggregate amount of assets, liabilities and funds was £100 (2022: £100).

11. Debtors

Group		Charity	
2023	2022	2023	2022
£	£	£	£
77,254	82,278	72,113	76,251
1,550,000	655,573	1,550,000	655,573
326,916	329,298	309,685	329,298
2.31 mile 2.15	<u> </u>	19,877	18,608
1,954,170	1,067,149	1,951,675	1,079,730
	2023 £ 77,254 1,550,000 326,916	2023 2022 £ £ £ 77,254 82,278 1,550,000 655,573 326,916 329,298	2023 2022 2023 £ £ £ 77,254 82,278 72,113 1,550,000 655,573 1,550,000 326,916 329,298 309,685 - - 19,877

12. Cash & Cash Equivalents

Group	At 1 April 2022	Cashflows	Foreign Exchange Movement	At 31 March 2023
	£	£	£	£
Interest bearing deposit and current accounts	1,339,721	283,919		1,623,640
Cash	17,339	12,983		30,322
Cash at bank and in hand	1,357,060	296,902	-	1,653,962
Cash on deposit within investments	9,115,714	(1,659,586)	(491,833)	6,964,295
	10,472,774	(1,362,684)	(491,833)	8,618,257

For the year ended 31 March 2023

12. Cash & Cash Equivalents	(cont'd)	ł
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12. Cash & Cash Equivalents (cont'd)				
	At 1 April 2022	Cashflows	Foreign Exchange Movement	At 31 March 2023
Charity	£	£	£	£
Interest bearing deposit and current accounts	1,232,702	287,165	_	1,519,867
Cash	17,259	13,063	<u>-</u>	30,322
Cash at bank and in hand	1,249,961	300,228	<u> </u>	1,550,189
Cash on deposit within investments	9,115,714	(1,659,586)	(491,833)	6,964,295
	10,365,675	(1,359,358)	(491,833)	8,514,484
13. Creditors: Amounts falling due within o	ne year	3		
	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	101,919	102,746	93,331	95,920
Other taxes and social security	261,038	255,306	261,038	255,306
Other creditors and accruals	315,676	279,431	309,362	276,227
Deferred income (Note 15)	51,875	97,493	12,839	53,687
Amounts owed to group companies			100	100
	730,508	734,976	676,670	681,240
Current pension liability	526,000	526,000	526,000	526,000
	1,256,508	1,260,976	1,202,670	1,207,240
14. Creditors: Amounts falling due after mo	ore than one yea	ar		
	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£

15. Deferred Income

Non-current pension liability

Deferred income comprises funds received in respect of fundraising events which took place after the year end. In addition, income has been deferred for prize draw monies received in advance.

526,000

526,000

	Group	Charity
	3	£
Balance as at 1 April 2021	83,574	39,247
Amount released to income earned from charitable activities	(50,091)	(5,764)
Amount deferred in year	64,010	20,204
Balance as at 31 March 2022	97,493	53,687
Amount released to income earned from charitable activities	(97,493)	(53,687)
Amount deferred in year	51,875	12,839
Balance as at 31 March 2023	51,875	12,839

For the year ended 31 March 2023

16. Analysis of Charitable Funds: Restricted Funds

Group and Charity	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
Endowment	£	£	£	£	£
Restricted Income Funds					
Children & Family Bereavement	33,219	38,371	(24,037)		47,553
Playlist for Life	1,855		(99)	1 ·	1,756
Music Therapy	12,958	200	(1,382)		11,776
Specialist Equipment	19,868		(3,952)		15,916
Counselling Services	22,347	3 / b • d	(22,347)		
Hospice At Home Service	500	163,341	(163,841)	1.00	
Staff Wellbeing Space	405		(405)	4 7 - 4 2	7 L
Nurse Training	20,788		(4,399)		16,389
Staff Training	41,958	T .	(2,000)	The last	39,958
Patient Transport	61,770	18,049	(10,788)	1 9 12	69,031
Garden Improvements		12,913	(9,825)	100	3,088
Patient Wellbeing		30,818	(30,818)	1 1 2 2 . 1	
	215,668	263,692	(273,893)		205,467
Total	215,668	263,692	(273,893)		205,467
					200,101
	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
				Restated	Restated
	£	£	£	£	£
Endowment		Company of		~	
McConnell Memorial Fund	20,788			(20,788)	1 2 2 2 2 2 .
Croom Fund	21,958	3 b		(21,958)	
	42,746			(42,746)	
Restricted Income Funds				(42,140)	
Children & Family Bereavement	3,500	35,721	(6,002)	77 8.2	22 240
Playlist for Life	1,855	00,721	(0,002)	2	33,219 1,855
Music Therapy	1,458	11,500			12,958
Specialist Equipment	19,868	11,000	and the second second	47 7 2	
Counselling Services	25,763		(3,416)	and I a	19,868 22,347
Cycle Fund	3,830		(3,830)		22,347
Mental Health Awareness	4,980	4 1 1 3 1 1	(4,980)		- P. H.
Hospice At Home Service	15,528		(15,028)		500
Staff Wellbeing Space	10,020	7,000	(6,595)		405
Nurse Training		7,000	(0,393)	20,788	
Staff Training		20,000		21,958	20,788
Patient Transport		88,770	(27,000)	21,000	41,958
Community Services		5,000	(5,000)	5-3 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	61,770
	76,782	167,991	(71,851)	42,746	245.000
Total	119,528	167,991	(71,851)	42,740	215,668
1777-191	110,020	107,331	(11,001)		215,668

The restricted income transfers in the prior year have been restated due to a presentation error in the financial statements. All funds have been allocated appropriately in the source accounts.

For the year ended 31 March 2023

16. Analysis of Charitable Funds: Restricted Funds (cont'd)

The Endowment funds were set up many years ago in memory of a family member. The descendants of the donors agreed to move their donations into restricted funds, retaining the original purpose, and this will provide greater flexibility to develop staff to deliver our new strategy. The McConnell family fund is to fund nurse education and the Croom family fund is to fund staff training and development.

The Children & Family Bereavement Fund funds the service which works with children facing or experiencing loss through bereavement, and employs a number of models including working with families, peer groups, local schools and community groups to empower them with knowledge and skills to support children and one another. The spend this year represents a counsellor post, funded by the Lottery, as well as bereavement packs for children. The designated Children & Family Bereavement Fund is used to fund the core posts in the team.

The Playlist for Life fund is to buy equipment to create and listen to music playlists. This was paused during Covid 19 and will be spent in early 2023/24. The Music Therapy funds are to fund posts to develop patient wellbeing and the appointment of a music intern has been delayed pending ethical approval of the research. The Specialist Equipment fund is to enhance patient safety and is being used to purchase additional equipment for larger, heavier patients as well as falls equipment. With the changes in the number of inpatient beds, the falls equipment will be installed in 2023/24.

The Counselling Services Fund has now been spent on the development of online counselling & bereavement services including training and equipment. The Cycle fund was used to purchase a cycle shelter and ebike to support community based working and is now spent. The Mental Health Awareness fund were spent on mental health awareness training and staff counselling. The Hospice at Home Service fund was used to contribute to the development of the Care at Home and Community Services including staff costs and uniforms. The Care at Home service in East Lothian was generously funded by donors at a Black Tie Dinner in April 2022. The Wellbeing Space Fund has funded improvements to staff areas to provide space to decompress and relax and works were completed in 2022/23. The Nurse Training fund has been used to fund nurses to undertake academic training modules at Queen Margaret University. The Staff Training fund has been used for consultancy to develop an online training platform and plans are underway to spend £9,000 on leadership training and development in 2023/2024. The Patient Transport Vehicle Fund has been used for the purchase and running costs of a second hand vehicle to collect patients. The vehicle is now operational but there were delays in recruiting and training up a driver. In due course, the balance of the funds will be used to purchase a new electric vehicle. The Community Services Fund was used in full during 2021/22 towards the cost of Community nurses.

There are 2 new funds this year. The Garden Improvements fund was created this year to purchase a greenhouse, extend the garden area beside the Iona café and generally improve the grounds for patients and family. The Patient Wellbeing Fund was expended during the year to assist with the set-up of a new wellbeing service as well as staffing costs.

For the year ended 31 March 2023

17. Analysis of Charitable Funds: Unrestricted Funds

C 2002	At 1 April		2	4.0		At 31 March
Group 2023	2022 £	Income	Expenditure £	Other gains	Transfers	2023
Designated Funds	L.	£	Ľ	£	£	£
Fixed Asset fund	13,589,350		(888,930)		35,029	40 705 440
Investment Income & Growth	38.886.052		(000,530)	(2.200.200)		12,735,449
Expansion of Hospice at Home	1,799,749	-	(312,446)	(2,388,290)	(225,928)	36,271,834
Expansion of Patient & Family Support Services	233,496	555	(152,762)		(421,867) 421,867	1,065,436
Children & Family Bereavement	32 .836	15	(32,836)	100	421,007	502,601
Art Strategy	75,405	i) ' i	(39,265)	111		36,140
	54,616,888	T	(1,426,239)	(2,388,290)	(190,899)	50,611,460
General fund	7,407,388	10,071,144	(10,039,195)	(106,724)	190,899	7,523,512
	7,407,388	10,071,144	(10,039,195)	(106,724)	190,899	7,523,512
	62,024,276	10,071,144	(11,465,434)	(2,495,014)		58,134,972
	A4 4 A	S. T		041		
0	At 1 April 2021		F 114	Other	/ _ = 5	At 31 March
Group 2022		Income	Expenditure	gains/(losses)	Transfers	2022
Declarated Fronts	£	£	£	£	£	£
Designated Funds	14 225 122		(070 000)		400.000	10 500 555
Fixed Asset fund Investment Income & Growth	14,335,133 40,968,777	10 C	(872,688)	(3,408,655)	126,905	13,589,350
Expansion of Hospice at Home	40,900,777	G 92	(48,251)	(3,408,655)	1,325,930 1,848,000	38,886,052
Expansion of Patient & Family Support Services		/4	(9,504)		243,000	1,799,749 233,496
Children & Family Bereavement	99,349		(66,513)	1 H	243,000	32,836
Art Strategy	93,516	50,000	(68,111)			75,405
	55,496,775	50,000	(1,065,067)	(3,408,655)	3,543,835	54,616,888
General fund	6,475,186	9,302,173	(9,990,284)	5,164,148	(3,543,835)	7,407,388
	6,475,186	9,302,173	(9,990,284)	5,164,148	(3,543,835)	7,407,388
	61,971,961	9,352,173	(11,055,351)	1,755,493		62,024,276
	At 1 April					At 31 March
Charity 2023	2022	Income	Expenditure	Other gains	Towns of the same	
Charley Edge						
			•		Transfers	2023
Designated Funds	£	£	£	£	ransters £	2023 £
Designated Funds Fixed Asset fund			•			£
	£		£		£	£ 12,735,449
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home	13,589,350 38,886,052 1,799,749		£	£	£ 35,029	£
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services	13,589,350 38,886,052 1,799,749 233,496		(888,930) (312,446) (152,762)	£	35,029 (225,928)	£ 12,735,449 36,271,834
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement	13,589,350 38,886,052 1,799,749 233,496 32,836		(888,930) (312,446) (152,762) (32,836)	£	35,029 (225,928) (421,867)	£ 12,735,449 36,271,834 1,065,436
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405		(888,930) (312,446) (152,762) (32,836) (39,265)	(2,388,290)	35,029 (225,928) (421,867) 421,867	12,735,449 36,271,834 1,065,436 502,601
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888		(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239)	(2,388,290)	35,029 (225,928) (421,867) 421,867	12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112	£	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195)	(2,388,290) (2,388,290) (106,724)	\$5,029 (225,928) (421,867) 421,867 (190,899)	12,735,449 36,271,834 1,065,436 502,601
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112	9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (9,823,195)	(2,388,290) (2,388,290) (106,724) (106,724)	35,029 (225,928) (421,867) 421,867	12,735,449 36,271,834 1,065,436 502,601
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112	£	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195)	(2,388,290) (2,388,290) (106,724)	\$5,029 (225,928) (421,867) 421,867 (190,899)	12,735,449 36,271,834 1,065,436 502,601
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000	9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (9,823,195)	(2,388,290) (2,388,290) (106,724) (106,724)	\$5,029 (225,928) (421,867) 421,867 (190,899)	12,735,449 36,271,834 1,065,436 502,601
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (9,823,195) (11,249,434) Expenditure	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses)	\$5,029 (225,928) (421,867) 421,867 (190,899)	\$\frac{\xappa}{2}\$ 12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 7,463,945 58,075,405
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,623,195) (9,623,195) (11,249,434)	(2,388,290) (2,388,290) (108,724) (106,724) (2,495,014)	\$ 35,029 (225,928) (421,867) 421,867 (190,899) 190,899	12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 7,463,945 58,075,405 At 31 March
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses)	\$\frac{\partial}{2}\$ \[\frac{35,029}{(225,928)} \] \[\frac{(421,867)}{421,867} \] \[\frac{190,899}{190,899} \] \[\frac{190,899}{190,899} \] \[\frac{1}{2} \] \[\frac{1} \] \[\frac{1}{2} \] \[\frac{1}{2} \] \[\frac{1}{2} \] \[\frac{1}{2}	\$\frac{\partial}{2}\$ 12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 7,463,945 58,075,405 At 31 March 2022 £
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund	£ 13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021 £ 14,335,133	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (9,823,195) (11,249,434) Expenditure	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses)	\$\frac{\mathbf{\varepsilon}}{35,029} (225,928) (421,867) 421,867 \\ \tag{(190,899)} 190,899 \\ \tag{190,899} \\ \tag{17,899} \\ \tag{126,905}	12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 58,075,405 At 31 March 2022 £ 13,589,350
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure £ (672,688)	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses)	\$\frac{\partial}{2}\$ 35,029 (225,928) (421,867) 421,867 (190,899) 190,899 190,899 Transfers \$\frac{\partial}{2}\$ 126,905 1,325,930	12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 7,463,945 58,075,405 At 31 March 2022 £ 13,589,350 38,886,052
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home	£ 13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021 £ 14,335,133	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure £ (872,688)	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses)	\$\frac{\mathbf{\varepsilon}}{35,029} (225,928) (421,867) 421,867 \\ \tag{(190,899)} 190,899 \\ \tag{190,899} \\ \tag{17,899} \\ \tag{126,905}	12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 58,075,405 At 31 March 2022 £ 13,589,350
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021 £ 14,335,133 40,968,777	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure £ (872,688) (48,251) (9,504)	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses)	\$\frac{\partial}{2}\$ 35,029 (225,928) (421,867) 421,867 (190,899) 190,899 190,899 Transfers \$\frac{\partial}{2}\$ 126,905 1,325,930	12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 7,463,945 58,075,405 At 31 March 2022 £ 13,589,350 38,886,052
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021 £ 14,335,133 40,968,777	9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure £ (872,688) (48,251) (9,504) (66,513)	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses)	\$\frac{\pmathbf{\qanbbf{\qanbo}\pmathbf{\pmathbf{\qanbo}\pmathbf{\qanbo}\qa	\$\frac{\partial}{2}\$ 12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 58,075,405 At 31 March 2022 \$\frac{\partial}{2}\$ 13,589,350 38,886,052 1,799,749 233,496 32,836
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services	\$\frac{\partial}{13,589,350}\$ 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021 \$\frac{\partial}{2}\$ 14,335,133 40,968,777	9,837,853 9,837,853 9,837,853 Income £	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,623,195) (11,249,434) Expenditure £ (872,688) (48,251) (9,504) (68,513) (68,111)	(2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses) £	\$\frac{\pmathbf{\pmathbf{x}}}{35,029} \tag{225,928} \tag{225,928} \tag{421,867} \tag{421,867} \tag{421,867} \tag{190,899} \tag{190,899} \tag{190,899} \tag{190,899} \tag{190,899} \tag{126,905} \tag{1,325,930} \tag{1,848,000} \tag{243,000}	£ 12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 58,075,405 At 31 March 2022 £ 13,589,350 38,886,052 1,799,749 233,496 32,836 75,405
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021 £ 14,335,133 40,968,777	9,837,853 9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure £ (872,688) (48,251) (9,504) (68,513) (68,511) (1,085,067)	(2,388,290) (2,388,290) (108,724) (106,724) (2,495,014) Other gains/(losses) £ (3,408,655)	\$\frac{\pmathbf{\pmathbf{x}}}{35,029} (225,928) (421,867) 421,867 421,867 190,899 190,	\$\frac{\partial}{2}\$ 12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 7,463,945 58,075,405 At 31 March 2022 \$\frac{\partial}{2}\$ 13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 61,982,000 At 1 April 2021 £ 14,335,133 40,968,777 99,349 93,516 55,496,775 6,434,411	9,837,853 9,837,853 9,837,853 9,837,853 income £	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure £ (872,688) (48,251) (9,504) (66,513) (68,111) (1,085,067) (9,842,487)	(2,388,290) (2,388,290) (2,388,290) (106,724) (106,724) (2,495,014) Other gains/(losses) £ (3,408,655)	\$\frac{\pmathbf{\pmathbf{x}}}{35,029} (225,928) (421,867) 421,867 \\ \$\frac{(190,899)}{190,899} \\ \$190,899 \\ \$\frac{190,899}{190,899} \\ \$\frac{1}{300} \\ \$1,325,930 \\ \$1,848,000 \\ \$243,000 \\ \$3,543,835 \\ \$4,543,835 \\ \$	\$\frac{\partial}{2}\$ 12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 58,075,405 At 31 March 2022 \$\frac{\partial}{2}\$ 13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112
Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy General fund Charity 2022 Designated Funds Fixed Asset fund Investment Income & Growth Expansion of Hospice at Home Expansion of Patient & Family Support Services Children & Family Bereavement Art Strategy	13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888 7,365,112 7,365,112 61,982,000 At 1 April 2021 £ 14,335,133 40,968,777	9,837,853 9,837,853 9,837,853 9,837,853	(888,930) (312,446) (152,762) (32,836) (39,265) (1,426,239) (9,823,195) (11,249,434) Expenditure £ (872,688) (48,251) (9,504) (68,513) (68,511) (1,085,067)	(2,388,290) (2,388,290) (108,724) (106,724) (2,495,014) Other gains/(losses) £ (3,408,655)	\$\frac{\pmathbf{\pmathbf{x}}}{35,029} (225,928) (421,867) 421,867 421,867 190,899 190,	\$\frac{\partial}{2}\$ 12,735,449 36,271,834 1,065,436 502,601 36,140 50,611,460 7,463,945 7,463,945 58,075,405 At 31 March 2022 \$\frac{\partial}{2}\$ 13,589,350 38,886,052 1,799,749 233,496 32,836 75,405 54,616,888

For the year ended 31 March 2023

17. Analysis of Charitable Funds: Unrestricted Funds (cont'd)

The Fixed Asset fund is a designated fund representing the current net book value of the Hospice's fixed assets. This is the historical purchase price offset by depreciation.

The Investment Income and Growth fund £36.3m (2022: £38.9m) represents the value of the investment portfolio. The fund, designated by the Governors, is held in investments in order to retain its real value through capital growth and to generate income and gains to fund at least £1.5m of services each year. This is a key part of the Hospice funding model. The Governors review the value of the Investment Income and Growth Fund regularly, in light of circumstances, to balance investing in services and maintaining security of operations. It should be noted that the fund includes £1.5m (2022: £3.8m) of unrealised investment gains and the value of this fund will fluctuate considerably depending on the performance of the investment portfolio.

St Columba's Hospice Care designated £100,000 for the implementation of the Children and Family Bereavement Service. This fund is now exhausted and was used to fund core staff to deliver this service.

St Columba's Hospice Care have designated £50,000 per year for 5 years for the implementation of the Art Strategy. The Art Strategy funds have facilitated the recruitment of core staff to lead an in-house arts programme including art, writing, music and complementary therapy. This strategy holds wellbeing at its core and recognises patients as individuals, with stories to tell, meaningful lives to live, and the potential for creativity. This fund will be exhausted in 2023/24.

Two designated funds were created in August 2021 by the Board in order to expand Hospice at Home (formerly Community Services) and Patient & Family Support Services (formerly Family Support Services) to meet the increasing needs in Edinburgh and expand the Care at Home service in East Lothian. The fund will be used to fund additional posts in existing services in Edinburgh and to create new posts in East Lothian. The transfer during the year of £421,867 represents the funds designated to expand the Compassionate Neighbours and this service has moved from the former Community Services to the newly named Patient & Family Support Services.

The General fund represents the 'free reserves' of the charity after allowing for all designated funds.

For the year ended 31 March 2023

18. Analysis of Net Assets between Funds

Total	General Funds	Designated Funds	Restricted Funds	Group 2023
£	£	£	£	G104p 2023
12,735,449	-	12,735,449		Tangible fixed assets
43,236,129	5,360,118	37,876,011		Investments
1,653,962	1,448,495	-	205,467	Cash at bank and in hand
714,899	714,899		200,407	Other net current assets
58,340,439	7,523,512	50,611,460	205,467	
	General	Designated	Restricted	
Total	Funds	Funds	Funds	Group 2022
£	£	£	3	
13,589,350		13,589,350		Tangible fixed assets
48,001,767	6,974,229	41,027,538		Investments
1,357,060	1,141,392		215,668	Cash at bank and in hand
(182,233)	(182,233)			Other net current assets
(526,000)	(526,000)			Non-current pension liabilities
62,239,944	7,407,388	54,616,888	215,668	
	General	Designated	Restricted	
Total	Funds	Funds	Funds	Charity 2023
£	£	£	£	
12,735,449	Tariff and the	12,735,449	1	Tangible fixed assets
43,246,229	5,370,218	37,876,011		Investments
1,550,189	1,344,722	-	205,467	Cash at bank and in hand
749,005	749,005		, <u>, , = ('q-</u>	Other net current assets
58,280,872	7,463,945	50,611,460	205,467	
	General	Designated	Restricted	
Total	Funds	Funds	Funds	Charity 2022
£	£	£	£	
13,589,350	- 1 Table - 1	13,589,350		Tangible fixed assets
48,011,867	6,984,329	41,027,538		Investments
1,249,961	1,034,293		215,668	Cash at bank and in hand
(127,510)	(127,510)	3 1 3 F 7		Other net current assets
(526,000)	(526,000)		- <u> </u>	Non-current pension liabilities
62,197,668	7,365,112	54,616,888	215,668	

For the year ended 31 March 2023

19. Financial commitments

At 31 March 2023 the group and charity were committed to making payments under non-cancellable operating leases as follows:

	Lands and Buildings		Other	
Group and Charity	2023	2022	2023	2022
	£	£	£	£
Minimum payments due:				
Within one year	55,546	58,250	9,599	등 시기 기원의 교통
Between two and five years	92,917	147,213	17,637	-
After more than five years	e di dinas , in	1,250		- 1
	148,463	206,713	27,236	-

20. Pensions

Staff have been automatically enrolled into a new defined contribution scheme from 1 April 2014 unless eligible to join the National Health Service scheme. This scheme is administered by Royal London and the scheme is available to new employees. The assets of the scheme are held separately from those of the Hospice in an independently administered fund and the charge for the year amounted to £503,232 (2021/22: £476,879). The amount outstanding in respect of the Royal London fund was £59,700 (2022: £55,512). Employee contributions vary between 3% to 8% and Hospice contributions between 6% to 20% depending on age.

Being an "admitted body", the Hospice participates in defined benefit schemes operated by the National Health Service and, prior to the 31 August 2019, the Lothian Pension Fund. The National Health Service scheme is not funded but benefits from statutory protection. The balance of the pension cost charge as shown in note 8 comprises the Hospice's contributions (being 20.9%) to the National Health Service scheme. The amount outstanding in respect of the National Health Service scheme was £62,955 (2022: £59,472). Employee contribution rates for the current year for employees within the National Health Service Scheme range from 5.2% to 14.7% and relate to earnings.

The Hospice closed the Lothian Pension Fund to new entrants as at 31 March 2015. During 2019 & 2020, the Governors consulted with the employees participating in the Lothian Pension Fund about closing the pension scheme in order to limit the increasing pension liabilities and move towards harmonising pension arrangements. The Board of Governors took the decision to close the Lothian Pension scheme with effect from 31 August 2019. There are therefore no figures for 2022 and 2023. An actuarial calculation of the pension deficit on cessation was £3.1m and the Hospice agreed a repayment plan over 5 years with an initial £1m payment followed by £526k per annum.

For the year ended 31 March 2023

21. Related party transactions

Mr D N Dunsire (Governor and Chair) was a consultant with Lindsays between 1 January 2018 and 30 June 2022. Miss L Kerr (Governor and Honorary Secretary) has been a Partner with Lindsays since 1 April 2019.

Lindsays invoiced the group £7,335 during the 2023 financial year (2021/22: £14,112) in connection with legal advice. There were amounts payable to Lindsays of £690 (2022: £1,274) at the balance sheet date.

During the year the Hospice charged management fees totalling £17,890 (2021/22: £20,638) and received £130,931 (2021/22: £169,401) in donations from the subsidiary St Columba's Trading Limited. At the balance sheet date a balance of £19,877 (2022: £18,608) was due to the Hospice.

22. Charitable Company status

The Hospice is a charitable company which is limited by guarantee and has no share capital. At 31st March 2023 the charitable company had 28 (2022: 24) members each guaranteeing £1.00 to the charitable company's assets if it should be wound up.

23. Reconciliation of net income to net cash flow from operating activities

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Net (expenditure)/income for the reporting period	(3,407,672)	462,602	(3,424,963)	461,101
Adjustments for:				
Depreciation charges	888,930	872,688	888,930	872,688
Losses/(Gains) on investments	2,003,181	(2,069,640)	2,003,181	(2,069,640)
Dividends and interest from investments	(696,468)	(666,451)	(696,407)	(666,449)
Pension contributions	(526,000)	(526,000)	(526,000)	(526,000)
Increase in stocks	(5,643)	(4,054)		
(Increase)/Decrease in debtors	(887,021)	592,822	(871,945)	590,987
(Decrease)/Increase in creditors	(4,468)	35,754	(4,570)	33,117
Net cash outflow	(2,635,161)	(1,302,279)	(2,631,774)	(1,304,196)

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Financial assets held at fair value through net				
income	36,271,834	38,886,052	36,271,834	38,886,052

Financial assets held at fair value through net income includes the investment portfolio.

25. Subsequent events

No further subsequent events requiring disclosure have been identified.

