

Company number: 02588395
Charity Number: 1002856

St. Michael's Hospice (North Hampshire)

(Company Limited by Guarantee)

Report and financial statements
For the year ended 31 March 2025

**St. Michael's Hospice (North Hampshire)
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Trustees' annual report

For the year ended 31 March 2025

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Company number	02588395
Country of incorporation	United Kingdom
Charity number	1002856
Country of registration	England
Registered office and operational address	Basil de Ferranti House, Aldermaston Road BASINGSTOKE, Hampshire RG24 9NB
Patrons	Val Buckley Hugo Cubitt DL
Honorary Life President	Andrew Soundy

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

D Salisbury	Chairman
D Bowden	Honorary Treasurer
S Goddard	
C Swart	(Practising as Hutchings)
C Pelling	(Practising as Jones)
J Lyons	
C Baugh	(Practising as O'Keeffe)
V Simpson	
A Taylor	Resigned 10 February 2025
C Aldous	Appointed 5 August 2024

Key management

I Cameron	Chief Executive
J Storrar	Medical Director
C Griffiths	Director of Transformation
G Grace	Finance Director
L Pink	Director of Income Generation
K Drake	Clinical Director
E Wilkinson	HR Manager

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Bankers	Lloyds Bank PLC 2, Winchester Street BASINGSTOKE, RG21 1EB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane LONDON EC1Y 0TG
Investment Managers	CCLA Fund Managers Limited Senator House 85 Queen Victoria Street LONDON EC4V 4ET

SECTION 1: Chief Executive Foreword

St. Michael's Hospice (North Hampshire) is an independent hospice, registered with both the Charity Commission and Companies House and regulated by the Care Quality Commission. In this document we present our annual report for 2024/25.

The Financial Year 2024/25 proved a particularly challenging period for St. Michael's operating to the backdrop of rising staff costs, falling Legacies and increasing overheads. In line with the strategic objective to achieve financial balance within three years, a deficit budget of £603k was approved by Trustees and a number of activities were required to meet this commitment. During the year, a small programme of redundancies within the Administration Team was undertaken to reduce staffing costs and streamline the Charity's business model. At the beginning of the reporting period an opportunity to further reduce costs was identified and in July 2024 the Hospice entered into a collaborative agreement to share the Chief Executive with Rowans Hospice in Waterlooville, serving Portsmouth and Southeast Hampshire. A reduction in overheads was not the sole objective of the agreement as the Hospice sought to become a more prominent voice in the direction of Palliative Care in the county. This partnership has proved highly successful and in January 2025 was widened to include the sharing of the hospice's Finance Director and Operations Director.

Clinical activity continued to increase as the Hospice responded to the mounting health needs of the population and the limitations of healthcare partners in a financially stretched system. The redefined services, spearheaded by the Medical Director, Clinical Director, and supported by the developmental Nurse Consultant, have resulted in more local people than ever before accessing high quality End of Life services, at the most appropriate time.

St. Michael's has an Income Generation Team to be proud of, skilfully led by the Director of Income Generation, achieving significant year on year growth and generating the highest level of charitable income in the history of the organisation, despite the economic landscape. At the beginning of the year, supported by the Hospice Patrons, the Director of Income Generation launched a Major Donor programme to engage with some of the most affluent and generous people in the local area. The programme exceeded expectations in its first year providing much needed income to reduce the operating deficit.

Over the course of the year, in collaboration with Trustees, senior leaders, staff, and stakeholders, we undertook a review to build on our existing strategic plan which was due to end in March 2025. In the final quarter, the Board of Trustees formally approved the new strategy, which is structured around the four established strategic pillars:

- *Develop Sustainable Partnerships*
- *Financially Balanced and Self-sufficient*
- *Enhance Training, Education and Invest in our People*
- *Invest and Extend our Services*

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This strategy provides a clear framework to guide our work over the next five years, through to 2030, and underpins all future organisational activity. A key enabler of this strategic vision has been the revision of our organisational values, originally launched in 2018. These values, now captured in the acronym 'THRIVE'—form the cultural foundation of the Hospice, guiding how we represent our community and how our staff engage with service users, supporters, and one another.

The Hospice has assembled a high performing, effective Senior Leadership Team, that are experts within their individual disciplines but work collectively in support of the organisation's objectives and aspirations. During the reporting period, this included the promotion of the HR Manager to the team to champion the voice of staff groups and support the Hospice being an employer of choice. This group advises and complements the Trustee Board in support of the strategic objectives and sustainability in an uncertain healthcare environment.

In December, the Secretary of State for Health and Social Care announced a one-off funding programme for hospices of £100m for capital projects divided between this, and the next reporting period. Whereas this does not address the underlying issue of sustainable funding for Palliative and End of Life Care in the UK, it has eased the budgetary pressure and contributed to the positive outturn of the Fiscal Year to March 31st 2025. In the coming year, the future funding will be used for the sole purpose of enhancing the Hospice environment and reducing in-year expenditure of capital items.

The most significant development this year has been the confirmation of a substantial uplift in the funding allocated to St. Michael's by the Hampshire & Isle of Wight Integrated Care Board (ICB). Following many months of negotiations, aimed at redressing the inequity of funding allocations across Hampshire, the hospice has secured a three year contract to cover 21% of running costs. In the context of widespread reductions to healthcare budgets, this increase serves as a powerful endorsement and recognition of the vital role the Hospice plays in the health system. This enhanced funding creates an opportunity to invest further in services aimed at easing pressure on local hospitals; an objective that remains central to our mission.

Looking forward, St. Michael's Hospice is now on a stable financial footing with the security to plan for future years supported by the investment from the ICB. Whilst the increase in funding is deserved and welcome, the Hospice still has an obligation to run as efficiently as possible and focussed solely on the delivery of End of Life Care. It is paramount that any enhancements to services are sustainable, affordable and efficient and that the charitable funds are used to support the delivery of our new Strategic Plan.

Iain Cameron
Chief Executive

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The Trustees are pleased to present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

St. Michael's Hospice is registered under the Health and Social Care Act 2008 (Regulated Activities) and the Care Quality Commission (Registration) Regulations 2009.

Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps Trustees ensure the charity's aims, objectives and activities remain focussed on its stated purposes.

The Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Purposes and Aims

St. Michael's Hospice provides free, compassionate care to people in North East Hampshire who have a life-limiting illness, need end-of-life care or are experiencing bereavement. Our purpose is to bring specialist palliative care, interventions and treatment to our patients, as well as extending care to their families, friends and carers by providing bereavement support and advice when a loved one has died.

Everyone deserves a good death – but this will look different for each of our patients. Some patients request to be cared for at home, surrounded by loved ones and in a familiar environment – for those patients we have our Hospice at Home service, where we provide our specialist care in their homes. We also have our 10-bedded In-Patient Unit, which provides 24-hour care on-site for those who cannot be, or do not want to be cared for at home. No matter which their choice is, we are there for our patients whenever and wherever they need us across North East Hampshire.

It is important to us that the days before dying are filled with as much living as possible. That is why we focus on ensuring that our patients are as comfortable, pain-free and independent as they can be. Our teams are trained and skilled in providing holistic care including treatment of

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side effects, strain, tension and breathlessness. Our aim is about putting life into days – making sure the days that do remain are as normal as they can be. We want our patients to continue making memories with their loved ones, whether that is playing a game together, renewing wedding vows, seeing a beloved pet or simply spending time together.

We know that hospices can be seen as daunting places; however we know this is not true. We pride ourselves on having a friendly environment filled with kindness and compassion, where our staff and volunteers are there for the needs of our patients and their families, whether providing medical care, making a cup of tea, or giving an empathetic ear or warm smile.

Our mission is simple. St. Michael's Hospice aims to enable anyone faced with a life-limiting illness, their families and carers, to attain the highest possible quality of life by providing a choice of specialist care and support.

To achieve this purpose, we have a clearly defined set of aims:

- Ensure that all people in our care with a life-limiting illness have access to the very best medical care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain
- Support and care for our patients' families and loved ones who play a crucial role in their wellbeing
- Allow our patients to die with dignity in a place of their choice.

We meet our aims through the following activities:

- Providing specialist palliative medical and nursing care in our In-Patient Unit (IPU) for critical and complex cases and in people's homes through our Hospice at Home team
- Working collaboratively to coordinate end of life and palliative care in the community across all stakeholders: the NHS, local GPs, Social Services and ourselves
- Therapeutic day care services for patients in the community
- Occupational therapy, physiotherapy, and complementary therapy services
- Providing family, spiritual and bereavement support
- Community and professional education.

Principal activities and performance

Care Services provision

Specialist palliative and end-of-life care is provided both in patients' own homes and at the Hospice in either our In-Patient Unit or, for visiting day-patients, in our Living Well Centre.

Measuring performance of care provision can be difficult but we monitor key indicators from our various feedback pathways and report on those. More details on how we collect feedback is available later in the report.

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In-Patient Unit (IPU)

The IPU provides 10 beds for those patients whose conditions are critical and complex and who would benefit from a period of intensive support.

- During this year, there were 295 (2023/24: 231) admissions to the IPU.
- The average length of stay was 8.1 days compared with 2023/24 which was 9.4 days.

For some, admission to the IPU enables the clinical team to treat and relieve complex symptoms associated with their illness, which means patients can then return home. This year, 99 patients were able to return home after a period in the IPU, an increase from the previous year when 86 patients were discharged home.

The IPU staff often start what we call “parallel planning” for discharge from the start of the admission; this means we are planning their discharge from day 1 of admission, no matter what the final outcome of their admission might be. This results in early discussions with patients and families about what they need to be in place before discharge. We are then prepared for when the patient is well enough to be discharged. This also involves the wider team, i.e. the IPU Co-ordinator, Therapy department, with whom the IPU team will liaise to ensure that medication, necessary Continuing Healthcare fast-track funding for packages of care and equipment are in place prior to discharge. There is also often a referral to the Community Nursing Team, the Community Palliative Care Team or the Hospice at Home team to ensure that some continuity of care and specialist nurse involvement continue when the patient reaches home.

One of our aims is to ‘ensure that all people with a life-limiting illness have access to the very best medical and nursing care and support wherever and whenever they require it, allowing them to be as free as possible from unpleasant symptoms and pain’. We strive to treat our patients and their loved ones with the utmost respect and dignity. Recent feedback has been:

“At a time when our hearts were breaking, SMH provided a place of comfort, support and peacefulness, helping us as a family to navigate an unbearable tough time. My hubby loved the kind and caring staff who looked after him. SMH is a truly special place and we will forever be grateful for the care and support you afforded him and us as a family. Love and best wishes”

“Our family cannot put into words how grateful we were for the care given to x during the periods she spent at St Michael's Hospice. EVERY SINGLE PERSON either working or volunteering at the hospice were fantastically supportive and caring. We cannot thank the hospice enough but do so from the bottom of our hearts.”

Another of our aims is to ‘allow our patients to die with dignity in a place of their choice’... Achieving this can be difficult as the end of life may not always proceed in the way it was expected. In the year 2024/25 our In-Patient Unit supported 94% of patients to achieve their preferred place of death in the Hospice, a slight drop from 96% from the previous year.

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Over the last few months, the In-Patient Unit has started to embrace some new challenges and has been looking at ways of improving processes. This has often meant the deployment of a Quality Improvement project – looking at a rapid change cycle with tangible improvements that can be measured. This method is used in healthcare to good effect, both at clinical levels and also at project/programme level. We plan to continue to embrace rapid change where needed and will be planning quarterly projects.

We continue to aim to be a place where staff are developed and are learning constantly. Over the last few months, with the leadership of our Education Lead, IPU have started to work through clinical competencies demonstrating their proficiency in clinical skills.

The In-patient Unit was very actively involved with a national clinical research trial being undertaken by the University of Surrey – titled “A cluster randomised trial of clinically assisted hydration in patients in the last days of life” – which was completed in November 2024, we are now awaiting the study's results.

Hospice at Home

The Hospice at Home service is provided 365 days a year from 08:30 to 20:00. This service enables patients to remain in their home environment, where the majority want to be, while still receiving the Hospice's specialist palliative nursing care.

- In 2024/25 the Hospice at Home team completed 2,039 visits. Although this is a slight decrease in number of visits, we have seen an increase in visits completed by multiple members of the Hospice at Home staff in either a combination of doctor and nurse jointly visiting, nurse and nurse or in addition with a palliative care support worker, highlighting the increasing complexity of symptoms being managed within the home setting.
- 56% of these visits were completed in a planned and expected manner (either routine reviews, or reviews of syringe driver medications), with 44% of visits completed as a response to a change in condition requiring a same day visit ('SOS' visits).
- On average each month 14 visits were completed on the same day, preventing a potential hospital admission.
- Over 94% of patients supported on the Hospice at Home active caseload achieved their preferred place of death; in the cases this was not achieved, communication was clear and the adjusted care plan was agreed with patient and family.

Alongside completing in person visits and telephone reviews, the Hospice at Home team has provided professional advice and support to other healthcare professionals, including community nurses, GPs, paramedics, nursing homes and specialist settings such as Thornford park. The Hospice at Home team has also supported nursing and paramedic students through placements, educating, de-stigmatising and encouraging a passion for good palliative care to be delivered in whichever setting these students go on to work.

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The Hospice at Home team is supported by the Administrative team who assist the Clinical team and answer all calls into the service, 7 days a week during core working hours (08:00–18:00). This provides a very responsive service to all callers (patients, families and professionals) into this community telephone hub. The Administrative team are able to self-manage some of the calls, that do not require a clinician to respond, which then releases clinical time for the clinician to concentrate on providing clearer triage and response to those in need of clinical advice and in turn allowing for a greater clinical presence in the community. During the out of hours periods the In-Patient Unit team answer and triage incoming calls, assessing need during the call and responding as appropriate. The Admin team are often the first point of contact for a patient, relative or healthcare professional calling to ask for support and advice and there have been many positive comments received verbally regarding the help and reassurance that has been provided from this team.

Feedback received from relative survey

“To me the St Michaels hospice team are like heavenly angels surrounding the loved one and the family. I could not have cared for my Mother on her own without the support of the hospice team. Just knowing they were at the end of a phone 24/7 was an incredible reassurance. The hospice doctor and nurses arrived and asked all about my Mother and what were her needs as well as what they could do to support me as a carer. The team made it possible for my Mother to die at home with family around, free from pain and with dignity. This means everything to the family and to the person nearing the end of life.”

Therapies

This year, 328 referrals were made to the Therapy team, compared to 166 the previous year. Despite challenges with recruitment, the Therapy team has reviewed its workload and has prioritised the service that it provides to work more efficiently, releasing more clinical time, which has helped increase activity, despite reduced staffing levels.

Our Therapy team offers Occupational Therapy and aims to provide Physiotherapy to actively support patients in all areas of St. Michael's. We aim to help patients manage their symptoms better, optimise their independence and quality of life, and support them in achieving their preferred place of death.

Therapy in the In-Patient Unit

The Therapy team undertook a total of 399 face-to-face contacts with patients on the Inpatient Unit. We aim to help patients with; assessing moving and handling, mobility, balance and transfers; discharge planning, including home assessment to help adjust to new routines to enable patients to return home for a period of time or for end-of-life care. We also spend time with patients to help manage breathlessness and anxiety. This is often done jointly with other members of the wider Multi-Disciplinary Team. The Therapy team also discusses end-of-life wishes, care, and future planning, needing to work quickly to support patient's wishes of EOLC at home. Patients are provided with equipment, alterations, and adaptations to enable them to be supported in their

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home environment, maintaining a level of independence. Once patients are discharged, they are kept on the caseload for monitoring, support and intervention as necessary.

Therapy in Living Well Service – Therapy plays a large part in the Living Well Service by leading two groups and actively providing support to all other groups run within the LWS.

Therapy support with Motor Neurone Disease (MND) patients – St. Michael's provides practical, emotional and psychological support which includes holding a monthly MND clinic as well as visits to patients' homes and access to 24/7 advice. The Therapy team helps to complete applications for specialist equipment and grants, which are funded through the MNDA (MND Association). Basic equipment is accessed via the Hampshire equipment store. Moving and handling advice is given, and the Hospice provides posture, seating and pressure relief equipment, which plays a key role with this particular patient group. The Therapy team works closely with the wider MDT to review and assess each MND patient regularly.

Therapy's role in the Neurological Conditions Service – St. Michael's holds a Neuro Clinic four times a year in the Living Well service. Therapists review patients' needs and concerns at the clinic but also arrange follow-up visits if required. It is important to regularly review, as their needs are constantly changing.

Therapy in the community – The Therapy team received 289 community referrals and completed 622 community visits (compared to 418 visits in 23/24).

A community visit enables a true picture of how a patient is managing in their environment and helps to build a better understanding of the patient. A similar assessment is completed to that we would undertake for a patient in IPU. Advice and support are given to patients and families making difficult decisions related to future deterioration in ability – for instance one-level living. Outpatient appointments are offered where patients can visit the Hospice gym to try equipment and complete prescribed exercises with a physiotherapist.

Patient and Family Support Team

The Patient and Family Support team covers pre and post bereavement services, chaplaincy, counselling, and complementary therapy. The focus this year has been on further developing the services and extending our reach to more patients and their families.

The **Bereavement Service** for family members is provided by both staff and volunteers. The number of attendees at our Bereavement Support Groups has increased to 394 compared with 206 the previous year.

The monthly Bereavement Coffee Mornings continue to be popular and well attended. The total number of attendees in the year was 175, compared to 129 last year. In November 2024 the service was extended to Alton, improving the accessibility of the service and continues to be supported by dedicated volunteers.

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Bereavement Evenings, held on alternate months to support newly bereaved relatives, have attracted more attendees with 54 attending this year compared to 24 last year.

"Hearing the experiences of others and understanding the range of responses to feel you are not alone in your experience"

"Good to meet other people and know that everything I'm feeling and doing is normal. Good to validate my feelings"

"Understanding that everything you feel is normal and unique to you"

Feedback from Bereavement Evening Attendees

The Bereavement Walk and Talk continues to be held on the third Friday of the month; the total number of attendees in the year has increased from 18 to 29 and continues to meet the needs of the small number of individuals who regularly attend.

Following the success of the first Bereavement Journey Course held in February 2024, a further 3 courses were run during the year, providing support to a total of 21 bereaved relatives.

"I thought the course was very helpful and has helped me let go some of my anger and guilt"

"If you could make this course mandatory, I think it would help so many people"

"I found sharing my experience with other people in similar situations extremely helpful"

Feedback from The Bereavement Journey

In November 2024 the Bereavement Service was further developed with the provision of a monthly Young and Widowed Support (YaWS) Group. The group, which is run on a Wednesday evening, provides an open forum where members can meet with others to provide peer support facilitated by a bereavement counsellor. The group currently has 10 active members.

The **Counselling Service** is offered to all those affected by a life-limiting illness, as well as those who are coping with grief. Our two part-time counsellors continue to see an increase in referrals and provided 605 pre and post bereavement counselling sessions compared with 526 the previous year.

"The counsellor's very experienced, knowledgeable and understanding approach was a revelation to me and opened up thinking on my part that I'd not actually considered. Extremely beneficial. Thank you"

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"It gave me the space and time to explore grief and how I could cope. Without that time I don't think I would be where I am today. The counsellor also made me realise I was allowed to grieve and needed to. Also made me feel better about how my father passed away in the hospice."

"All of my appointments were very helpful. I was able to express my feelings, cry if I needed, learned calming and breathing techniques that I will be able to use for when I feel sad and anxious, learned that it is okay not to be okay all the time and finding the good in bad situations. My counsellor will always have a positive impact on my life that I will always remember"

Feedback from Counselling Clients.

The availability of a **Chaplain** to provide listening, emotional and spiritual support has proved greatly beneficial to our patients and the service. The Chaplain service is currently available 4 days a week with out of hours support provided where required by the HHFT chaplaincy team. Our Chaplaincy Service, including one contracted member of staff and a volunteer, is designed to cater for all faiths and includes those who do not see themselves as having a faith. During the year, 672 chaplaincy visits were made compared with 721 the previous year however the chaplain's role has extended to the Living Well Service where he has led sessions on Emotional and Spiritual Care as well as leading Week 7 of The Bereavement Journey course entitled Faith Questions.

To support staff with the emotional demands of working in end-of-life care, one of the counsellors and the chaplain continue to provide regular supervision to clinical staff as well as facilitating ad-hoc debrief and reflection sessions in the Sanctuary.

The **Complementary Therapy Team** has continued to be busy during the year. They provide a 4-day service to patients, carers, and relatives, working on the Inpatient Unit, in the Living Well Service and in people's homes where necessary. The therapists work alongside the nursing and medical staff offering treatments to help symptom management and improve well-being, including massage, reflexology, and Reiki. In the past year, the complementary therapists provided 766 treatments compared with 780 the previous year.

"Stress, tension & grief hugely relaxed, and a chance to talk or switch off"

"Among a sea of hospital appointments and bad news, reflexology has been a breath of fresh air"

"As newly bereaved you don't think about yourself after caring for a loved one – almost feel guilty to have a treatment – but it makes so much difference to one's well-being"

Feedback from Complementary Therapy Clients

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Living Well Service

The Living Well Service (LWS) is designed to enable people to remain as independent as possible, to manage the impact of their illness, and to help support them through any future changes. The LWS was relaunched in September 2024 following the recruitment of a LWS clinical lead. Throughout their induction they had the opportunity to visit other hospices with established living well services to help shape and develop the service here at SMH.

- **Living Well Together** is a 7-week clinical programme providing an introduction to palliative care and the services we provide. We cover a range of topics throughout the programme to enable patients to have an insight into how to manage the impact of their illness, and how to adapt to any changes it may bring. Patients are able to access 1:1 support from the clinical lead throughout the programme (Q3:17 attendees, Q4:27)
- **Living Well with Your Symptoms** is a 5-week clinical programme focussing on specific symptoms such as fatigue, anxiety, breathlessness and sleep. We aim to provide patients with the tools and guidance they need to feel empowered to live as well as possible for as long as possible. This includes learning about different breathing exercises, management techniques or different pieces of equipment which might be helpful to patients. Our therapy team helps run this programme (Q3:27 attendees, Q4:40)
- **Living Well, Living Better** is one of our social programmes run for patients who are known to us. Often focusing on craft activities, which patients thoroughly enjoy and provides them with the space and opportunity to be more than their illness (Q3:24 attendees, Q4:41)
- **Men's Group** is another of our social programmes, run specifically for men to come together and share experiences (Q3:7 attendees, Q4:24)

As part of the Living Well Service, we also provide the following services:

- **St. Bernards Support** – this is an external service provider offering a drop-in financial support clinic run once a month for our patients to access (Q3:2 attendees, Q4:5)
- **Hawthorn Project** – this school project has been running since 2011, with huge success. The project involves 10 school children visiting the hospice over 4 weeks, to work on an art project alongside 10 of our palliative patients. The aim is to raise awareness of the hospice and children's ideas/concepts on end-of-life (Q3:32 attendees, Q4:32)

We have received a total of 96 referrals to the Living Well Service since the relaunch in September 2024.

An important part of our service is to dispel any myths and stigmas associated with the hospice and show patients we can provide important support and guidance much earlier on in their

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diagnosis. The LWS lead is working to promote the service to healthcare providers so that we can continue to grow and reach patients earlier, so SMH can have an even greater impact on patients and their families.

Quotes and experiences from patients who have accessed our Living Well Service:

"I was extremely nervous when I first thought of attending something at the hospice. I assumed it meant the worst, but I was so wrong. I was told how they can help me and my wife when I really need it and helped us feel that we aren't alone in what we are facing. We made a wonderful support system with the other patients who attended the programme with us"

"The programme and staff running it helped me feel supported and less alone. It was great that we were given the opportunity to speak privately, if necessary, about different issues we may be facing"

"It was really helpful to meet others who have similar conditions and symptoms as me, but at different stages. We helped support each other"

"I love coming each week, to see my friends and focus on something other than my illness"

Other related activities

Education and Training

Education, training, and professional development are essential in ensuring that our staff at St. Michael's Hospice can deliver the highest standards of compassionate care. Over the past year, we have built upon existing practices and introduced new initiatives, further demonstrating our commitment to improving patient care, enabling collaboration, and keeping up with advancements in palliative care.

Staff continue to engage with "Bluestream", an online platform that supports mandatory training, ensuring compliance with national standards and up-to-date practice. In addition, we encourage staff to pursue ongoing professional development. Annual appraisals recognise exceptional performance and identify areas for growth, helping staff align their development with the Hospice's strategic goals. Regular one-to-one meetings with line managers facilitate open communication and a culture of continuous learning.

St. Michael's Hospice also hosts Nursing, Medical and Allied Health Professional students from the Universities of Southampton, Winchester, and Surrey, as well as offering rotational opportunities for resident doctors, providing valuable learning opportunities and strengthening our ties with local academic institutions and partner services.

To maintain the highest levels of care, we introduced a Competency Skills Passport for all registered nurses. Senior nurses, who work in a practice development role, mentor junior staff,

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sharing expertise and facilitating learning. This initiative is well-established within the IPU and will soon be extended to the H@H team.

Staff attend two mandatory clinical away days each year, where senior staff present and share best practices, recent policy changes, and new knowledge. Additionally, in a bid to enhance collaboration with local services, this year we held a study day for external delegates, marking our first income-generating education event. The feedback was overwhelmingly positive.

We have also reviewed the requesting and approval process for staff enquiring about further educational opportunities, to ensure fairness and financial stability.

Clinical supervision remains a vital part of staff support, offering a safe space to discuss challenges and receive emotional support. Although attendance at these sessions has decreased, we are working to understand the reasons and plan adjustments accordingly.

All clinical staff have taken part in personal resilience training, ensuring that they are self-aware and able to manage their own wellbeing whilst caring for others. We continue to support staff in accessing the latest symptom control guidance and evidence, while also encouraging participation in national and local conferences. Specialist roles are supported through extended practice education, such as non-medical prescribing and advanced clinical skills.

By dedicating time to education and training, St. Michael's Hospice demonstrates its commitment to excellence in patient care and supports professional growth and retention of its staff.

Transformation

Alongside our continued investment in IT infrastructure, the Hospice has sustained impressive progress over the past year, building on the momentum of previous achievements. Energy efficiency remains a major focus, and this year's results are outstanding. Annual consumption has dropped below 169,000 kWh—representing a 72% reduction in CO₂ emissions compared to the 2022 baseline. Financial savings have now reached 45%, exceeding the original 40% target. These results stem from ongoing improvements to HVAC systems, the photovoltaic array, and other targeted infrastructure enhancements. The Hospice was once again invited to speak at the Hospice UK national conference to showcase this pioneering work, which continues to attract interest from across the sector. Further developments are planned for 2025/26 to continue driving sustainability and cost-efficiency.

In parallel, the Hospice has significantly strengthened its cybersecurity posture in response to an increasingly complex threat landscape. New protective software and policies have been introduced, ensuring the organisation remains secure and resilient. Our digital transformation continues at pace, with IT developments expanding to explore the potential of artificial intelligence to streamline workflows and enhance efficiency.

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The introduction of a new cloud-based phone system has modernised communications, improving flexibility and supporting hybrid working arrangements. In addition, capital funding from the Department of Health has been secured to support further improvements to the estate and enhance the experience of patients, staff, and visitors in the year ahead.

Significant improvements have also been made within the In-Patient Unit (IPU), which has been fully redecorated to create a more welcoming and therapeutic environment. Four new cuddle beds have been delivered, enhancing comfort and dignity for patients and their loved ones during their time with us.

Staff engagement and support

Each month, we hold an online Staff Forum, chaired by the CEO, with all staff welcome and encouraged to attend. To ensure that as many staff as possible can attend, the Forum is held online, making it accessible to staff not based at the Hospice site. After the Forum, all information, including the presentations, is uploaded to the staff intranet for those unable to attend and for reference if staff wish to revisit the information shared.

Towards the end of the year, we reviewed and relaunched the Hospice values to update and refresh the principles we want to focus on. Following staff workshops, we now have THRIVE – Trust, Honesty, Impact, Respect, Value, and Evolve. These values remain linked to the Hospice appraisal process, and staff are recognised for their commitment to these values through the monthly staff recognition awards. We continue to have good engagement with the scheme, and we have received 102 nominations this year. These successes are celebrated at the monthly Hospice Forum, and an annual winner is chosen from all the nominations each December.

We also recognise the commitment and loyalty of our long-serving staff through our Long Service Awards. Staff are recognised at 5, 10, 15, 20, and 25-year intervals, celebrating their dedication to the Hospice.

To support staff with their health and wellbeing, we actively promote our employee assistance programme, which is available to all employees. This provides access to treatments for both body and mind, as well as money back on everyday health expenses.

Organisational away days are held annually and are well attended by all staff. These run alongside clinical away days, held twice yearly, and an income generation-focused away day. We also hold a summer staff BBQ and a Christmas quiz.

Patient and Family Feedback

Gathering feedback from those who use our services is vital for continued learning, growth and the promotion of a culture of transparency.

Feedback results are monitored on an ongoing basis by our Patient and Family Support Team Lead so that any important issues are immediately passed for follow up to senior members of

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the Clinical Team and the Senior Leadership Team where necessary. All the results are collated annually and published on our website.

There are two ways that we collect data:

The **Your Experience Matters Postcard** provides a means of collecting real-time feedback. The postcards are available at various locations in the In-Patient Unit and in the Living Well Service. Between 1 April 2024 and 31 March 2025 a total of 70 postcards were completed with 100% of responders rating their experience at St Michael's Hospice as Very Good.

Our **Relative's Survey** is mailed to all families 10 weeks following a bereavement. This survey gathers retrospective feedback on the In-Patient Unit, Hospice at Home and overall rating of the service ranging from Very Good to Very Poor. Between 1 April 2024 and 31 March 2025, a total of 376 surveys were sent out and 128 were returned for analysis giving a 34% response rate. 100% of those taking part in the survey rated their experience of St. Michael's Hospice at Very Good.

Friends and Family Test, as measured via the Your Experience Matters Postcards and the Relatives Survey. Of the 198 responses collected between 1st April 2024 to 31st March 2025, 100% of respondents rated the service as Very Good or Good, 98% and 2% respectively.

The clinical teams also receive numerous thank you cards and letters which are displayed in departments for staff to read.

Hospice User Group continues to be held on a quarterly basis and is made up of 12 members. The purpose of the group is to give those service users a voice in how we develop our services for the future and identify areas of improvement. During 2024 the group were consulted about a range of projects including the re-launch of the Living Well Service, community ambassadors, development of bereavement services, fundraising events and the cuddle bed appeal. A smaller group also assisted with the undertaking of the 15 Steps Challenge, a method for measuring service quality from a user's perspective.

Income generation

The organisation's income generation activities are essential for funding our services. In 2024/25, statutory funding from the North Hampshire Integrated Care Board (ICB) covered only 16% of our costs, highlighting our community's crucial role in supporting St. Michael's Hospice, for which we are so grateful and which we don't take for granted.

The development of future services and the implementation of our strategy depend on our ability to continue to generate significant additional funding. While all our services help alleviate pressure on our NHS colleagues by preventing hospital admissions, the annual grant from the NHS has not been increased in line with inflation for several years. As a result, we depend on

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our income generation activities to cover most of the funding required for our current and future services.

Fundraising

Our local community's unwavering support and generous responses to our appeals and campaigns have been essential to our success. The trust we have built with our supporters, along with our ongoing engagement through regular communications and social media, is a key factor in achieving our goals.

We constantly monitor the cost and time that goes into each fundraising activity against the financial return to ensure we make the most of every donation.

Our income from donations in 2024/25 was a remarkable £1,793,000 a – 36% increase from the previous year. The key highlight has been the successful launch of our Major Donor programme, which raised £139,000 in its first year.

Legacy income of £320,000 (2024: £410,000) was down on last year. Legacies, by their very nature, are not predictable. Our focus in 2025 will be to continue with our Legacy Marketing Strategy to increase awareness amongst our supporters of the vital part legacies play in funding end-of-life care.

Income from the Lottery and scratch cards was lower than the previous year at £189,000 (2024: £245,000). However, our contribution after costs was higher than the previous year at £126,000 (2024: £123,000). This was due to ceasing our lottery and joining the Local Hospice Lottery as a partner hospice in 2024. Local Hospice Lottery is a collaborative lottery model which supports individual hospices across the UK. By leveraging economies of scale, we benefit from reduced overheads and enhanced marketing and promotion of the lottery to our supporters. As we continue our partnership with the Local Hospice Lottery, we are optimistic that our income will grow with an increase in the number of lottery players.

We are also supported by The Friends of St. Michael's Hospice, who have been fundraising for us since the Hospice's inception, contributing £156,000 this year (2024: £81,000).

Retail

The Hospice's retail shops, including e-commerce, continue to perform strongly, and income has increased this year to £2,276,000 (2024: £2,197,000). After costs, the Retail contribution was £812,000 (2024: £754,000). This is a great result in a tough retail environment, and we recognise the hard work of the employees and volunteers in the retail division who contributed to it.

The portfolio comprises 11 retail stores, one dedicated to selling furniture, and an e-commerce department. A Donation Centre is also run, where donations are dropped off and sorted. To

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optimise the profitability of our retail portfolio, we undertook a Retail Review in 2023, which has helped us continue to grow revenue despite the income we receive from recycling falling over the year due to external factors outside of our control.

Code of Fundraising Practice

St. Michael's Hospice is registered with the Fundraising Regulator and complies with all the relevant standards in the Code of Fundraising Practice, including protecting vulnerable persons. This report covers the requirements charities must follow as set out in the Charities Act 2016.

The Hospice only works with professional fundraising agencies that can demonstrate a proven track record of best practices in the sector and compliance with the Fundraising Regulator.

Compliance with the General Data Protection Regulations (GDPR) is ensured by regularly reviewing policies and practices relating to personal data. Legitimate interest is relied upon as the legal basis for processing data, and the Hospice follows the principle of only communicating to supporters about activities we believe they would be interested in. All supporters have clear and straightforward opportunities to change their communication preferences anytime. Our Privacy Notice is available on our website.

The fundraising team also receives weekly reports from the Fundraising Preference Service, ensuring they can swiftly act to protect anyone who has requested that they not hear from us. There have been no requests through this service since 2017. No complaints were received through other channels either.

Financial review, Reserves Policy and Going Concern

The Hospice had an operating deficit, before investment gains and losses of £376,000 compared to a £619,000 deficit the prior year; the improved performance was due to the significant achievement of the Income Generation teams alongside good cost control.

Investments

The Hospice invests in two investment funds managed by CCLA Fund Managers Ltd. The Investment Committee meets with the fund manager, usually annually, to review the investment performance and their continued suitability. The total returns for the year were:

	Return	Benchmark
COIF Charities Investment Fund	-1.98%	4.05%
COIF Ethical Investment Fund	-1.46%	4.05%
COIF Deposit Fund	4.90%	5.07%

The Investment Committee undertook a review of investment managers in February and made the recommendation to the full Board in May 2025 to move investments from CCLA to LGT

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Wealth Management. The choice of manager was based on experience in charity portfolios, meeting our requirements, flexibility, past performance and fees.

Reserves Policy

General Reserves

The charity aims to hold sufficient general reserves to protect against a sudden short-term decline in income so that essential services can continue to be provided to our patients and their families. If the level of income is not restored, the Trustees have time to plan and implement change in a controlled way. The Trustees have reviewed the risks associated with income and expenditure and believe that cover for six months' expenditure, net of guaranteed income, should be sufficient to allow this to happen.

We review this policy annually, considering the current challenges the Hospice is facing and the ongoing investment priorities which may require designated funds. Further consideration is also given to the impact of a deficit budget and existing capital commitments. The budget for the coming year, considering all these factors, is then used to work out the level of general reserves required to fund Hospice services for six months, and any designated reserves necessary to support our strategic priorities. This minimum target level of reserves is calculated as £2,652,000 at 31 March 2025. Our general reserves at the year-end excluding designated reserves were £2,727,000, just slightly higher than this target. In addition we held £1,766,000 designated reserves which form part of our general reserves as they are at the discretion of our trustees.

The Finance and General Purposes Committee meets quarterly to review the financial performance of the charity, future forecasts and review our performance against our reserves target.

Designated Reserves

Designated reserves are funds set aside by Trustees to meet essential future spending, including operational and capital projects. Annually, based on the priorities included within the budget for the coming year, the Trustees agree funds which should be designated for the coming year. The designated funds at 31 March 2025 were:

- £700,000 Capital Projects Fund – This fund is for the long-term strategic aim to improve the main hospice premises with improving Living Well and office spaces.
- £34,000 Insurance Fund – this is being written down against the increased premium resulting from the Covid-19 business interruption claim.
- £370,000 Fixed Asset Fund – The Hospice recognises that money tied up in fixed assets is not readily available to support business operations and should not be recognised within general reserves; this fund represents the value of unrestricted funds tied up in assets.
- £662,000 Legacy Contingency Fund – this fund includes the budget for the next two years for legacy income, less the pipeline, recognising the risk and uncertainty with budgeting legacies.

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Restricted Reserves

Restricted reserves represent donations or grants received for a specific purpose and do not form part of General Reserves. There are three main types of restricted funds:

Property

Restricted donations were received for various large building projects which were all completed by April 2014. Restricted reserves are held to cover the depreciation costs of these buildings.

Department for Health & Social Care

This was funding provided by the Government to the Hospice sector to be spent on capital projects in the year ended 31 March 2025.

Equipment and support programmes

Where funding has been received for specific use and has not been expended in the year.

Funds received and spent in the same year

Most funds received in the year are expended during the year on the day-to-day operation of the Hospice, particularly staff costs (which are over 70% of the total cost of operating the Hospice).

Patient Room Refurbishment

This was a new project for 2023/24, this fund will be written down over 5 years in line with the depreciation accounting policy.

Investment Policy

The Investment Policy was updated in March 2025 following the review of investment managers. The charity has three requirements from its Endowment Fund:

- Sufficient liquidity to supplement the charity's operating cashflow as and when required and to provide planned liquidity for known and forecasted cashflow needs for future years based on a rolling five-year period.
- A long-term investment fund designed to deliver a predetermined cashflow to be approved during the budget process, either via natural income or from a structured annual drawdown from the portfolio, while continuing to achieve some capital growth and aiming to maintain the real value of the portfolio.
- Investment of restricted gifts or bequests made to the Charity for a designated purpose.

Where appropriate, these monies will be invested according to the planned timescale for implementing the designated purpose of the gift.

To meet these requirements the fund is split into three segments, short, medium and long-term.

The Hospice has total net assets of £5.1m, of which £0.9m is fixed assets including property, £3.4m is investments and £0.8m is net current assets. Of the net current assets, £0.7m is cash held by the investment managers which is readily available to support operating activity. The remaining £0.1m represents operating net current liabilities.

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The Hospice's cash objective is to hold a minimum of £200,000 in cash after month-end payments. During the last year, where a high deficit budget of £604k had been set, the cashflow forecast has been updated monthly and shared on the monthly financial KPI dashboard with the Senior Leadership Team (SLT) and the Finance and General Purposes Committee (FGPC).

Going Concern

The Trustees are satisfied that the Hospice is a Going Concern; the Hospice is holding sufficient reserves at the year end and, having considered the impact of a 10% drop in income, they are satisfied that charity could continue in operation for a period of at least 18 months from the signing of these accounts.

Principal risks and uncertainties

The Hospice has monitoring systems in place for financial, clinical, and organisational risk. The CEO and Trustees continuously review the Risk Management Register during the year. High level risks, defined as those which have a risk of 15/25, are reported to the Board, by the CEO, on a quarterly basis. The SLT regularly monitor risks and work constantly to mitigate impact, the "red risks" at the 31 March 2025 are:

Inconsistent compliance with established medicine-related Policies and Procedures (Red 15):

The IPU Lead continues her QI project to address the issues, and this is due to be completed in the coming months. All staff are required to complete the Medicine Competencies across both IPU and Hospice at Home. At the current time, this risk remains the same although compliance with medicine related policies is greatly improved.

Loss of key staff (Red 20): At the present time, there is just one Band 6 operational on IPU with another on long-term sick and a remaining vacancy. As a result there remains a deficiency in experience on the unit. Interviews have taken place, and an offer has been made to an experienced Band 6 to fill this vacancy. As the Nurse Consultant has begun her period seconded to Hospice at Home, the Lead Nurse from Living Well continues to support IPU to assist with mitigating this risk alongside some very experienced bank nurses.

Structure, governance and management

The company was established on 5 March 1991 under a Memorandum of Association which set down the objects and powers of the charitable company and is governed under its articles of association and was registered as a charity on 10 May 1991.

Governance

St. Michael's Hospice is governed by the Board with each member in accordance with the Charities Act serving as a Trustee. The Board is responsible for approving the strategic plan and the annual budget and ensuring that sufficient resources are provided to allow the Hospice to fulfil the purpose for which it was established.

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All Trustees give their time voluntarily and receive no benefits from the charity. The Trustee Board meets quarterly and there are three Board sub-committees; Finance & General Purpose (including remuneration and investment committee), Income Generation, and Clinical Governance. Other specialist committees are formed as needed.

Appointments to the Board are approved by the current Trustees and confirmed at the subsequent Annual General Meeting.

The current and future Trustee base is seen as representing a good cross-section of accounting, medical, business and corporate governance, and local community input.

Management

Operational activities are delegated to employed staff via the Chief Executive who is responsible to the Board for overall management of the business and the provision of care and services which in the role of Responsible Individual meet the requirements of the Health and Social Care Act 2008 and comply with guidance provided by the Care Quality Commission.

The **Senior Leadership Team** at St. Michael's Hospice ensures strategic direction is maintained and is led by the Chief Executive. Members of the team are:

- Director of Income Generation
- Director of Transformation
- Finance Director
- Medical Director
- Clinical Director
- HR Manager

The **Clinical Management Team** (CMT) is responsible for dealing with the day-to-day clinical operations of St. Michael's Hospice. CMT includes the Medical Director, Clinical Director, Hospice at Home Lead, Patient and Family Support Lead, Therapy Lead, IPU Lead and Senior Speciality Doctor.

The **Governance Team** oversees the development and implementation of clinical governance within the Hospice and ensures legal and operational responsibilities are fully discharged. Roles represented on the team are:

- Caldicott Guardian
- Serious Information Risk Owner (SIRO)
- Data Protection Officer (DPO)
- Health and Safety Officer
- Registered Manager
- Controlled Drugs Accountable Officer (CDAO)
- Safeguarding Lead

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The Chief Executive meets regularly with the Chair and other Trustees to discuss issues and progress against objectives.

Appointment of Trustees

New Trustees are identified through the use of a skills matrix necessary to support all areas of St. Michael's as both a charity and provider of healthcare services. One new Trustee was recruited during the year and one retired.

New Trustees are proposed by either internal or external recommendation or recruitment and are generally interviewed by the Chair, Vice-Chair, and, usually, an appropriate sub-committee Chair; they also meet with the Chief Executive. All Trustees are then invited to comment on suitability prior to a vote of the Board of Trustees being taken.

Trustee induction and training

Trustees receive a comprehensive briefing on the role and have access to an induction pack along with documentation on the Hospice's policies and procedures. Trustees are expected to attend an away day, focussed on training and effectiveness which is held annually.

Related parties and relationships with other organisations

St. Michael's Hospice works closely with Hampshire Hospitals NHS Foundation Trust and the Hampshire and Isle of Wight Integrated Care Board.

St Michael's Hospice worked collaboratively with Rowans Hospice during year through the sharing of management resources including the CEO from July 2024 and the Finance and Operations Director from February 2025. A total of £85,339 was received from Rowans Hospice during this period including £4,590 of expense payments.

St. Michael's Hospice works in partnership with Odiham Cottage Hospital (OCH) to provide enhanced Hospice at Home care within that area. OCH provided a total of £20,000 (2024: £15,000) of income to the Hospice during the year. In the past, St. Michael's also provided befriending services through OCH but this service is now managed by that Trust.

As a member of Hospice UK, the Hospice works with regional hospice Chief Executives, sharing data and experiences. In addition, the Chief Executive plays an active role in supporting a regional independent hospice network through communication and collaboration.

The Director of Transformation is tasked with stakeholder engagement and management and works collaboratively with organisations across the local healthcare system such as Hampshire Hospitals Foundation Trust, the Integrated Care Board and Southern Health.

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The Medical Director is a member of Hampshire and IOW Palliative and End of Life Board which informs decision making for the Integrated Care System.

The Director of Income Generation is a trustee of the Hospice Income Generation Network.

Remuneration policy for key management personnel

The Board meets to consider the Chair's recommendation for the Chief Executive's remuneration package on an annual basis, considering the achievements of the last 12 months, any change in role or responsibility, and the market. Board approval is necessary before any changes are implemented.

Overall salary approval is part of the annual budget process when the % pay uplift for all staff is agreed. As part of the budget commentary, the Chief Executive will highlight any staff getting an award outside the approved percentage rise or normal clinical pay progression, and the reason for this.

Statement of responsibilities of the Trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are

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also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees 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.

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees for 2025 was 27 (2024: 28). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 4 August 2025 and signed on their behalf by

D. Salisbury
Chairman

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

Opinion

We have audited the financial statements of St Michael's Hospice (North Hampshire) (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

Other Information

The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' annual report, including the strategic 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 Trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

St Michael's Hospice (North Hampshire)

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Fleur Holden (Senior statutory auditor)

5 August 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

St. Michael's Hospice (North Hampshire)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from:							
Donations and legacies	2	1,906,271	207,745	2,114,016	1,467,009	261,802	1,728,811
Charitable activities							
Specialist palliative care	3	1,096,887	86,339	1,183,226	1,018,745	-	1,018,745
Other trading activities							
Retail	4	2,276,382	-	2,276,382	2,196,941	-	2,196,941
Lottery and Events	4	306,673	-	306,673	423,558	-	423,558
Investments	5	136,119	-	136,119	165,290	-	165,290
Total income		5,722,332	294,084	6,016,416	5,271,543	261,802	5,533,345
Expenditure on:							
Raising funds	6						
Retail		1,668,369	-	1,668,369	1,632,209	-	1,632,209
Cost of raising funds		784,934	-	784,934	771,521	-	771,521
Charitable activities	6						
Specialist palliative care		3,687,753	250,986	3,938,739	3,522,153	226,524	3,748,677
Total expenditure		6,141,056	250,986	6,392,042	5,925,883	226,524	6,152,407
Net (expenditure)/income before net (losses)/gains on investments		(418,724)	43,098	(375,626)	(654,340)	35,278	(619,062)
Net (losses)/gains on investments		(161,381)	-	(161,381)	351,418	-	351,418
Net (expenditure)/income for the year and net movement in funds	7	(580,105)	43,098	(537,007)	(302,922)	35,278	(267,644)
Reconciliation of funds:							
Total funds brought forward		5,072,745	540,402	5,613,147	5,375,667	505,124	5,880,791
Total funds carried forward		4,492,640	583,500	5,076,140	5,072,745	540,402	5,613,147

All the above results, other than those stated under discontinued operations, continued throughout the year. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

St. Michael's Hospice (North Hampshire)

Balance sheet

Company no. 02588395

As at 31 March 2025

	Note	2025 £	2024 £
Fixed assets:			
Tangible assets	12	887,909	885,799
Investments	13	3,436,570	4,097,951
		<u>4,324,479</u>	<u>4,983,750</u>
Current assets:			
Debtors	14	559,076	322,698
Cash at bank and in hand		681,507	802,805
		<u>1,240,583</u>	<u>1,125,503</u>
Liabilities:			
Creditors: amounts falling due within one year	15	(488,922)	(496,106)
Net current assets		<u>751,661</u>	<u>629,397</u>
Total net assets	18	<u>5,076,140</u>	<u>5,613,147</u>
Funds:	19		
Restricted income funds		583,500	540,402
Unrestricted income funds:			
Designated funds		1,765,771	2,510,760
General funds		2,726,869	2,561,985
		<u>4,492,640</u>	<u>5,072,745</u>
Total funds		<u>5,076,140</u>	<u>5,613,147</u>

Approved by the trustees on 4 August 2025 and signed on their behalf by

D Salisbury
Chairman

St. Michael's Hospice (North Hampshire)

Statement of cash flows

For the year ended 31 March 2025

Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2025 £	2024 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(537,007)	(267,644)
Depreciation charges	133,871	109,192
Losses/(Gains) on investments	161,381	(351,418)
Dividends and interest from investments	(136,119)	(165,290)
(Increase)/Decrease in debtors	(236,378)	41,348
Decrease in creditors	(7,184)	(91,138)
Net cash (used in)/ provided by operating activities	(621,436)	(724,950)

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Net cash (used in)/ provided by operating			(621,436)		(724,995)
Cash flows from investing activities:					
Dividends and interest from investments		136,119		165,290	
Purchase of fixed assets		(135,981)		(186,530)	
Proceeds from sale of investments		500,000		-	
Net cash provided by/ (used in) investing activities			500,138		(21,240)
Change in cash and cash equivalents in the year			(121,298)		(746,235)
Cash and cash equivalents at the beginning of the year			802,805		1,549,040
Cash and cash equivalents at the end of the year			681,507		802,805

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies

a) Statutory information

St. Michael's Hospice (North Hampshire) is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Basil de Ferranti House, Aldermaston Road, Basingstoke, Hampshire, RG24 9NB.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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

Income from insurance claims is recognised when the income criteria is met and the value is considered measurable.

1 Accounting policies (continued)

e) Income (continued)

For legacies, entitlement is taken as the earlier of the estate accounts have been drafted and notification has been made by the executor(s) to the charity 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. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Interest and dividends receivable

Interest and dividends on invested funds and funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon receipt of the funds.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are funds allocated by the trustees for specific projects, risks or costs.

h) Expenditure and irrecoverable VAT

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:

- Retail is the cost incurred in operating the retail shops.
- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities is the costs of delivering the core palliative care services undertaken to further the purposes of the charity.

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

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to the cost of raising funds. Costs which cannot be directly attributed are allocated based on the head count in each department, which works out as the following percentages for both this and the previous year:

- Retail 26% (prior year 26%)
- Cost of raising funds 9% (prior year 6%)
- Specialist palliative care 65% Prior year 68%)

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. They are allocated on the following basis which is representative of the estimated time spent on each area of the business:

- Retail 25%
- Cost of raising funds 25%
- Specialist palliative care 50%

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Tangible fixed assets are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

- Freehold Buildings 20 years
- Fixtures, fittings and equipment Between 4 & 5 years

l) Investments

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Stocks

Stocks of goods for resale in the shops are not included in the accounts. It is deemed that the effort required to value the high volume and low individual value of the stock outweighs any benefit of including stock in the financial statements.

1 Accounting policies (continued)

n) Debtors

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

o) Cash at bank and in hand

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

p) Creditors and provisions

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

q) Pensions

The charity contributes to the NHS Superannuation pension scheme for certain qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension charge represents contributions payable by the charity to the fund. It is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities. It is therefore accounted for as though it were a defined contribution scheme.

The charity also provides a defined contribution pension scheme for employees other than those within the NHS superannuation pension scheme and contributes up to 6% of basic salary. Contributions are recognised when due.

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

2 Income from donations and legacies

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Donations	1,585,539	207,745	1,793,284	1,056,891	261,802	1,318,693
Legacies	320,732	-	320,732	410,118	-	410,118
	<u>1,906,271</u>	<u>207,745</u>	<u>2,114,016</u>	<u>1,467,009</u>	<u>261,802</u>	<u>1,728,811</u>

In addition to the legacies above, we had a contingent legacy assets at 31.03.25 which could be reasonably valued at £100,000 (2024: £nil). This relates to one estate where we are named beneficiaries, probate had been granted and property is in the process of being sold.

3 Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from Hampshire Integrated Care Board	955,548	-	955,548	939,574	-	939,574
Income from Odiham Cottage Hospital	20,000	-	20,000	15,000	-	15,000
Department for Health & Social Care – Capital Grant	-	86,339	86,339	-	-	-
Other income	121,339	-	121,339	64,171	-	64,171
Total income from charitable activities	<u>1,096,887</u>	<u>86,339</u>	<u>1,183,226</u>	<u>1,018,745</u>	<u>-</u>	<u>1,018,745</u>

Other income includes £80,749 income received from Rowans Hospice in relation to three members of the Senior Leadership Team working across both hospices as part of a collaborative agreement (2024: £nil).

4 Income from other trading activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Retail	2,276,382	-	2,276,382	2,196,941	-	2,196,941
Lottery	188,768	-	188,768	244,714	-	244,714
Events	117,905	-	117,905	178,844	-	178,844
	<u>2,583,055</u>	<u>-</u>	<u>2,583,055</u>	<u>2,620,499</u>	<u>-</u>	<u>2,620,499</u>

5 Income from investments

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
COIF Charities Investment Funds	131,340	-	131,340	160,737	-	160,737
Bank interest	4,779	-	4,779	4,553	-	4,553
	<u>136,119</u>	<u>-</u>	<u>136,119</u>	<u>165,290</u>	<u>-</u>	<u>165,290</u>

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

6a Analysis of expenditure (current year)

	Raising funds		Charitable activities	Support and governance costs £	2025 Total £	2024 Total £
	Retail £	Cost of raising funds £	Specialist palliative care £			
Staff costs (Note 8)	851,080	450,044	2,896,876	546,833	4,744,833	4,530,564
Direct care costs	–	–	152,991	–	152,991	177,112
Direct cost of generating funds	158,027	186,032	–	–	344,059	364,195
Premises	400,298	23,400	49,001	8,736	481,435	465,494
Legal and professional services	10,395	13,508	87,362	22,538	133,803	170,458
Equipment, supplies and consumables	55,456	32,435	178,428	49,643	315,962	243,963
Depreciation & dilapidations	23,821	–	108,995	14,830	147,646	121,782
Other costs	8,734	2,546	19,650	40,383	71,313	78,839
	1,507,811	707,965	3,493,303	682,963	6,392,042	6,152,407
Support costs	145,751	62,162	415,825	(623,738)	–	–
Governance costs	14,807	14,807	29,611	(59,225)	–	–
Total expenditure 2025	1,668,369	784,934	3,938,739	–	6,392,042	
Total expenditure 2024	1,632,209	771,521	3,748,677	–		6,152,407

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

6b Analysis of expenditure (prior year)

	Raising funds		Charitable activities	Support and governance costs £	2024 Total £
	Retail £	Cost of raising funds £	Specialist palliative care £		
Staff costs (Note 8)	836,306	421,325	2,779,922	493,011	4,530,564
Direct care costs	-	-	177,112	-	177,112
Direct cost of generating funds	152,959	211,236	-	-	364,195
Premises	382,085	17,400	56,394	9,615	465,494
Legal and professional services	21,890	17,792	107,007	23,769	170,458
Equipment, supplies and consumables	52,026	30,820	93,415	67,702	243,963
Depreciation & dilapidations	28,230	-	89,196	4,356	121,782
Other costs	1,729	4,859	34,686	37,565	78,839
	<u>1,475,225</u>	<u>703,432</u>	<u>3,337,732</u>	<u>636,018</u>	<u>6,152,407</u>
Support costs	145,465	56,570	387,907	(589,942)	-
Governance costs	11,519	11,519	23,038	(46,076)	-
Total expenditure 2024	<u><u>1,632,209</u></u>	<u><u>771,521</u></u>	<u><u>3,748,677</u></u>	<u><u>-</u></u>	<u><u>6,152,407</u></u>

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

7 Net income/(expenditure) for the year

This is stated after charging/ (crediting):

	2025 £	2024 £
Depreciation	133,871	109,192
Profit on disposal of fixed assets	-	(2,000)
Operating lease rentals:		
Property	326,889	320,842
Other	49,795	49,191
Auditor's remuneration (excluding VAT):		
Audit	16,675	15,950
Other services – tax advice/ services	325	-
	<u>133,871</u>	<u>109,192</u>

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

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	4,018,726	3,879,317
Social security costs	298,594	274,010
Employer's contribution to pension schemes	381,275	348,126
Other forms of employee benefits	37,831	29,111
Termination costs – paid	8,407	-
	<u>4,744,833</u>	<u>4,530,564</u>

The following number of employees received employee benefits (excluding employer pension costs and employers national insurance), of over £60,000 during the year as follows:

	2025 No.	2024 No.
£60,000 – £69,999	1	2
£70,000 – £79,999	2	-
£80,000 – £89,999	-	-
£90,000 – £99,999	-	1
£100,000 – £109,999	-	1
£110,000 – £119,999	1	-
	<u>1</u>	<u>-</u>

Three members of the Senior Leadership Team worked under a collaboration agreement with Rowans Hospice during the year. The salary details above are the net cost to the Hospice for the time spent management St Michael's Hospice matters.

The total employee benefits including pension contributions and national insurance of the key management personnel were £615,766 (2024: £527,503). The Medical Director is paid via a Service Level Agreement (SLA) with Hampshire Hospital Foundation Trust (HHFT). The HHFT SLA costs are included in the above figures and disclosures.

During the year four employees received redundancy payments totalling £8,407 (2024: no employees).

The charity trustees were not paid or receive any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil). During the year, no expenses were reimbursed to trustees (2023: £nil).

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2025 No.	2024 No.
Raising funds	43.8	48.2
Specialist palliative care	96.7	91.5
Support	11.0	10.9
Governance	0.6	0.4
	152.1	151.0

10 Related party transactions

During the year donations of £24,249 (2024: £18,222) were received from trustees, of which £1,269 was from a company for which a trustee is a director. None of the income was restricted.

St Michael's Hospice worked collaboratively with Rowans Hospice during year through the sharing of management resources including the CEO from July 2024 and the Finance and Operations Director from February 2025, a total of £85,339 was invoiced to Rowan's Hospice during this period including £4,590 of expense payments.

The spouse of one the trustees. Andrew Taylor, was employed during the year. The trustee did not have any involvement in setting her pay and the salary is considered to be set on an arm's length basis.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land £	Freehold buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At the start of the year	182,049	3,009,017	617,087	3,808,153
Additions in year	-	-	135,981	135,981
Reclassification of asset category	-	(12,231)	12,231	-
At the end of the year	182,049	2,996,786	765,299	3,944,134
Depreciation				
At the start of the year	-	2,530,346	392,008	2,922,354
Charge for the year	-	62,531	71,340	133,871
At the end of the year	-	2,592,877	463,348	3,056,225
Net book value				
At the end of the year	182,049	403,909	301,951	887,909
At the start of the year	182,049	478,671	225,079	885,799

The freehold land shown above at cost of £182,049 (2024: £182,049) is not depreciated.

All of the assets shown above are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2025

13 Investments

	2025 £	2024 £
Fair value at the start of the year	4,097,951	3,746,533
Disposal proceeds	(500,000)	–
Net gain/(loss) on change in fair value	(161,381)	351,418
Fair value at the end of the year	<u>3,436,570</u>	<u>4,097,951</u>

Investments comprise:

	The charity	
	2025 £	2024 £
UK Common investment funds	<u>3,436,570</u>	4,097,951
	<u>3,436,570</u>	<u>4,097,951</u>

14 Debtors

	2025 £	2024 £
Trade debtors	21,781	10,623
Other taxation	114,507	89,057
Other debtors	274,664	66,590
Prepayments	148,124	156,428
	<u>559,076</u>	<u>322,698</u>

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	132,784	93,649
Accruals	248,443	351,959
Deferred income (note 17)	107,695	50,498
	<u>488,922</u>	<u>496,106</u>

16 Deferred income

Deferred income comprises income received in respect of events being held after 31 March 2025 and lottery income received in advance of the draw.

	2025 £	2024 £
Balance at the beginning of the year	50,498	74,484
Amount released to income in the year	(50,498)	(74,484)
Amount deferred in the year	118,161	50,498
Balance at the end of the year	<u>118,161</u>	<u>50,498</u>

17 Pension schemes

The charity operates a defined contribution pension scheme for certain qualifying employees and contributes up to 6% of basic salary matching employee contributions. The total pension contributions payable in the year were £216,484 (2024: £198,892). There were £17,121 outstanding contributions at the year end, (2024: £18,195).

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024 to 23.7% of pensionable pay. The 2020 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. The core cost cap costs of the scheme lies outside the 3% cost cap corridor, however when the wider economic situation is taken into account through the economic cost cap costs of the scheme, the cost cap corridor is not similarly breached. As a result there is no requirement for the Secretary of State to consult on changes to the scheme.

The total pension contributions payable in the year were £164,791 (2024: £149,234). There were no outstanding contributions at the year end or in 2024.

Notes to the financial statements

For the year ended 31 March 2025

18a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	370,486	517,423	887,909
Investments	3,436,570	-	3,436,570
Net current assets	685,584	66,077	751,661
Net assets at the end of the year	4,492,640	583,500	5,076,140

18b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	458,136	427,663	885,799
Investments	4,097,951	-	4,097,951
Net current assets	516,658	112,739	629,397
Net assets at the end of the year	5,072,745	540,402	5,613,147

19a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	427,663	-	(57,835)	-	369,828
Department for Health & Social Care	-	86,339	(10,665)	-	75,674
Donations/Grants expended	16,227	207,745	(157,895)	-	66,077
Wessex GP Education Trust	1,091	-	(1,091)	-	-
Patient Room Refurbishment	95,421	-	(23,500)	-	71,921
Total restricted funds	540,402	294,084	(250,986)	-	583,500
Unrestricted funds:					
Designated funds:					
Capital projects fund	76,000	-	(76,000)	700,000	700,000
Insurance fund	54,045	-	(20,260)	-	33,785
Fixed asset fund	362,715	7,771	-	-	370,486
Operating fund	1,160,000	-	(533,720)	(626,280)	-
Legacy contingency fund	858,000	(196,500)	-	-	661,500
Total designated funds	2,510,760	(188,729)	(629,980)	73,720	1,765,771
General funds	2,561,985	5,911,061	(5,672,457)	(73,720)	2,726,869
Total unrestricted funds	2,561,985	5,911,061	(5,672,457)	(73,720)	2,726,869
Total funds	5,613,147	6,016,416	(6,553,423)	-	5,076,140

St. Michael's Hospice (North Hampshire)

Notes to the financial statements

For the year ended 31 March 2025

19b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building projects	485,497	-	(57,834)	-	427,663
Equipment	981	13,407	(14,388)	-	-
Support Programmes	14,431	78,395	(76,599)	-	16,227
Donations/Grants expended	-	-	-	-	-
Covid 19 related grant from NHSE	4,215	-	(3,124)	-	1,091
Wessex GP Education Trust	-	108,000	(12,579)	-	95,421
Lindbury Education Trust	-	62,000	(62,000)	-	-
Total restricted funds	505,124	261,802	(226,524)	-	540,402
Unrestricted funds:					
Designated funds:	-	-	-	-	-
Capital projects fund	320,000	-	(244,000)	-	76,000
Insurance fund	73,485	-	(19,440)	-	54,045
Fixed asset fund	322,965	39,750	-	-	362,715
Legacy contingency fund	-	-	-	1,160,000	1,160,000
Service development fund	441,000	-	-	417,000	858,000
Total designated funds	1,157,450	39,750	(263,440)	1,577,000	2,510,760
Fair value reserve	1,521,600	351,419	-	(1,873,019)	-
General funds	2,696,617	5,206,792	(5,637,443)	296,019	2,561,985
Total unrestricted funds	4,218,217	5,558,211	(5,637,443)	(1,577,000)	2,561,985
Total funds	5,880,791	5,859,763	(6,127,407)	-	5,613,147

Funds – current and prior years

Purposes of restricted funds

Building projects: Donations were received for building projects to provide for the expansion and refurbishment of the Hospice buildings. As the final project was completed in April 2014, all of the outgoings relate to depreciation.

Department for Health & Social Care – Capital Grant: This was used for capital purchases in the 12 months to 31 March 2025.

Equipment: The equipment fund provides for the purchase of various types of equipment for which specific funding has been raised.

Support programmes: The funding provides for supporting specified groups of patients and their families.

Donations/Grants expended: The income is for a medical salaries grant, energy project and various other small projects.

Wessex GP Education Trust: funding to enable additional staff to attend History Taking course.

Patient Room Refurbishment: This represents donations from Trusts towards the refurbishment of all patient rooms and will be written down over 5 years in line with our depreciation accounting policy.

Lindbury Education Trust: This was awarded to appoint and fund the training of a Clinical Nurse Specialist. Since awarded the scope of the funding has been widened to enhancing more nurses skills to Advances Practitioner level.

19 Funds – current and prior years (continued)

Purposes of designated funds

Capital projects fund: Reserves have been designated of £700k (2024: £76k) towards the long-term strategic aim to improve the main hospice premises with improved Living Well and office spaces.

Insurance fund: during 2021 a successful claim for business interruption was made. However, this resulted in a significant increase in insurance premium. This fund is to cover the additional cost of insurance for a five year period.

Fixed asset fund: This is the value of fixed assets in the balance sheet owned by the Hospice and not covered by restricted funds. These assets cannot be readily realised into cash so are therefore excluded from our general reserves.

Operating fund: This represented the reserves needed to cover the forecast deficits for the three years to 31.03.27 while the hospice returned to a breakeven position. Due to the improved financial outlook due to increased funding from the ICB trustees no longer consider this reserve necessary.

Legacy Contingency fund: the legacy contingency fund represents the gap between two years legacy budget and the known legacy pipeline. Annually the trustees consider the risks within the legacy budget and adjust amount held in the legacy contingency fund.

Fair value reserve: This fund represents the excess of fair value over the historic cost of the investments (no longer used).

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2025	2024	2025	2024
	£	£	£	£
Less than one year	159,700	223,629	52,591	45,301
One to five years	344,363	230,600	74,937	31,104
Over five years	-	8,750	-	-
	504,063	462,979	127,528	76,405

The above equipment lease commitments include company cars provided to qualifying staff under a salary sacrifice arrangement.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.