

**THE HOSPICE OF THE VALLEYS**  
**(A REGISTERED CHARITY)**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>st</sup> MARCH 2023**

**Charity Number: 517724**

**Company Number: 2007005**

## THE HOSPICE OF THE VALLEYS

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## **THE HOSPICE OF THE VALLEYS**

### **Report of the Trustees for the year ended 31<sup>st</sup> March 2023**

The trustees present their report and the audited annual financial statements for the year ended 31<sup>st</sup> March 2023

#### **Reference and administrative information**

<b>Charity Name:</b>	The Hospice of the Valleys	
<b>Company Registered Number:</b>	2007005	
<b>Charity Registered Number:</b>	517724	
<b>Registered Office:</b>	Festival Drive, Ebbw Vale, Gwent, NP23 8XF	
<b>Trustees/Directors:</b>	Miss Susan Kent MBE DL (CHAIR) (resigned 16 <sup>th</sup> December 2022) Mr Allan Harris (Interim Chair) Mr Alan Williams (resigned 30 <sup>th</sup> November 2021) Mr Phillip Robson Reverend Barry Roche (resigned 26 <sup>th</sup> July 2022) Mrs Sally Mirando Mr Robert James (deceased July 8 <sup>th</sup> 2022) Mr Mathew Morris-Parker Mrs Julie Timothy (appointed 26 <sup>th</sup> July 2022) Mr Stuart Williams (appointed 26 <sup>th</sup> July 2022) Mr Owen James (appointed 24 <sup>th</sup> May 2022) Ms Verly Inglis (appointed 20 <sup>th</sup> March 2023)	
<b>Company Secretary:</b>	Mr Grant Usmar	
<b>Senior Management Team:</b>	Mr Grant Usmar – Chief Executive Mrs Jane Hart MBE – Head of Clinical Services (Resigned March 2023) Mrs Sarah Harries - Head of Clinical Services (Appointed March 2023) Mrs Melanie Phillips – Head of Finance	
<b>Independent Auditors:</b>	Baker Knogle Audit Limited, Orbit Business Centre, Rhydyar Business Park, Merthyr Tydfil CF48 1DL	
<b>Accountants:</b>	Baker Knogle Chartered Accountants, Orbit Business Centre, Rhydyar Business Park, Merthyr Tydfil CF48 1DL	
<b>Bankers:</b>	Lloyds Bank Plc. 8 High Town Hereford HR1 2AE	The Co-operative Bank PO Box 250 Skelmersdale WN8 6WT
<b>Investment Bankers:</b>	Rathbones, 159 New Bond Street, London, W15 2UD	
<b>Solicitors:</b>	Lewis, Lines & Wilks, Bryn Mawr, Ebbw Vale NP23 4PS	

## **THE HOSPICE OF THE VALLEYS**

### **Report of the Trustees for the year ended 31<sup>st</sup> March 2023**

#### **Structure, Governance and Management**

The Trustees/directors are pleased to present their report and financial statements for the year ended 31st March 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

#### Governing Document

The charity is a charitable company limited by guarantee, incorporated on 4th April 1986. It is governed by a memorandum and articles of association and does not have a share capital. The limited company registration number is 2007005. The company is a registered charity under the Charity Commission, reference number 517724.

#### Appointment of Trustees / Directors

The Directors of the company are also charity trustees for the purpose of charity law, and under the company's Articles are known as the Council of Trustees (The Trustees). As set out in the Articles the number of members of the council shall not be less than five nor more than ten.

Trustees are appointed by the board of trustees in accordance with the Hospice's procedure on appointment of new trustees. Trustees appointed in the year are interviewed by the Chairman prior to being elected by the Board of Trustees. Such appointments are ratified by the members at the next General Meeting. Trustees must sign an undertaking that they are fit to serve (i.e. meet specific requirements).

Trustees serve for six years after which this may be renewed by the members at the next General Meeting.

#### Trustees Induction and Training

All prospective Trustees are sent an information pack containing the Memorandum and Articles, Vision Mission and values, Hospice of the Valleys Philosophy, last two Annual Reports, last audited accounts, Hospice of the Valleys – Trustee responsibilities, Charity Commission booklet CC3 – Responsibilities of Charity Trustees, Help the Hospice Trustee Induction Pack, and the latest Strategic/Business Plan.

#### Organisational Structure

The Hospice is managed by a council of trustees of between five and ten members who meet bi-monthly. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity.

#### Key Management and Employees Remuneration

Hospice of the Valleys recognises that it must ensure staff are rewarded appropriately for their work and dedication. It is also necessary to ensure competitive rates of pay and benefits are maintained to ensure retention and recruitment of the best calibre staff to deliver the Charity's objectives.

The Board has agreed a Hospice pay scale that encompasses all staff. This scale is based on the NHS Agenda for Change pay scale and is applied to all staff. The Board of Trustees approves an annual pay increase for all staff at its budget-setting meeting in February/March each year. The level of pay is set on joining the Hospice. Movements within the scale and any increases are wholly subject to appraisal and related performance reports and are decided by the Chief Executive. Whilst the Hospice seeks to maintain equivalence with prevailing nationally negotiated conditions of pay it cannot be bound by their agreements. Cost of living and other salary increases are discretionary and subject to funding constraints.

The Hospice is a Direction Employer under the NHS Pension scheme and qualifying staff are eligible to join this scheme on employment with the Hospice. For other staff, the Hospice has a stakeholder pension scheme to which it contributes 5% of salary. All non-NHS pension staff are auto-enrolled into this scheme on employment with the Hospice.

#### Risk Management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

## **THE HOSPICE OF THE VALLEYS**

### **Objectives and Activities**

The principal activity of the company in the year under review was that of a Hospice and specialist palliative care service.

The aims of its service are to benefit the public through the following objectives:

- To practice holistic Hospice care, addressing all the patient's needs, physical, spiritual, social, and emotional.
- To support families so well that they are enabled to care for dying relatives at home to the end.
- To maximise patients' autonomy.
- To establish a model of Hospice care that is recognised locally, nationally, and internationally as being of the highest standards. To teach about our methods.
- To care for patients from first diagnosis of a life-threatening illness through to cure or death. To support carers throughout this time, and in bereavement as long as necessary.

In order to achieve these aims the Hospice aims to be a Specialist Palliative Care Provider – Consultant-led with a team of highly trained and skilled clinicians, social workers, and other professionals. The Hospice has embarked upon a review of its clinical governance framework under the leadership of the consultant, which will ensure a robust evidence-based delivery of appropriate care to the population of Blaenau Gwent.

The Hospice now benefits from the support of 200 volunteers. A large proportion of these help us to fundraise by manning our six shops, driving our van, and helping at fundraising events. Volunteers also help at our clinics as hostesses, welcoming new patients and providing refreshments.

The value of volunteer time is not quantified in terms of money, but the time contributed by volunteers is an invaluable resource in terms of the outstanding contribution made by them.

### **How our activities deliver public benefit**

The Trustees have had regard to Charity Commission guidance on public benefit. Our objects and funding limit the services we provide to those residents in Blaenau Gwent. We deliver public benefit via the following activities:

- Hospice of the Valleys provides community-based Specialist Palliative Care to the people of Blaenau Gwent who are suffering from a life-limiting illness, their families, and carers.
- We also provide a Hospice at Home service where patients can have Healthcare Assistants in their homes during the night and during the day.
- Our staff work in collaboration with other Healthcare Professionals to ensure patients always receive appropriate, high-quality care when needed.
- We always strive to ensure patients are cared for in their preferred place of care which may be their own home.
- People with a life-limiting illness can be referred to Hospice of the Valleys and access any of the services provided by the Charity.
- Services are provided free of charge to patients and their families/carers.
- Hospice of the Valleys is at the heart of the Community providing employment, volunteering opportunities, and many public events and activities.

## **THE HOSPICE OF THE VALLEYS**

### **Chairman's Summary**

We faced the year with on-going trepidation. Our teams continued to support families living with a health and social care landscape changed by the legacy of the pandemic. Work practices have changed and some services have not returned to pre-pandemic models or scale and this has provided challenges for service delivery and for local families.

Our staff and volunteers continue their pivotal role in allowing us to take the time to care, to get to know the real person and what is important to them, so they are not defined by either their illness or the time they have left.

### **Our Services and Activities**

In summary, our main services include:

- A Clinical Nurse Specialist service across all community settings.
- Access to a Palliative Care Medical Consultant.
- A Hospice at Home service offering overnight support to families.
- Social support for patients and for those who care for them.
- A nurse-led in-reach service in the local community hospital.
- Bereavement support; anticipatory and post bereavement support as well as a children's bereavement service.
- Welfare rights advice for patients and to those who care for them.
- Specialist rehabilitative support from our Clinical Specialist Physiotherapist.
- Complementary therapy for patients and for those who care for them.
- A Dementia Service (CARIAD) focused on supporting families living with a dementia diagnosis.
- A well-being volunteer service, linked to our CARIAD service.
- Spiritual support via our Hospice Chaplain and external organisations.

### **Partnership Working**

#### **Bereavement support for non-hospice patients**

We continued to support the populations of Blaenau Gwent and Merthyr Tydfil with bereavement support throughout the year. Funding for the work in Merthyr came to an end in March 2023. This was a challenge to our Family Support Team who were supporting relatives through loss and was not restricted to those who had lost a friend or relative through a terminal illness. The team also helped to develop colleagues in schools and other settings to better support those dealing with grief and loss.

#### **Hospital Admittance Avoidance Project**

Our work with Aneurin Bevan University Health Board (ABUHB) delivering the Hospital Admittance Avoidance Project (HAAP) continued throughout the year. Like the work above, this project involved supporting patients and families beyond the normal criteria to receive hospice care. Families avoiding at least 84 preventable hospital admissions. This eased pressures on the wider healthcare system and gave better outcomes for residents whose wishes were to stay at home and to avoid the possibility of a delayed discharge from hospital.

#### **Care Decisions Guidance Training**

Delivering Care Decisions Guidance (CDG) training to healthcare professionals within hospitals across Gwent.

#### **Technology support for dementia patients**

Accessing assistive technology within our CARIAD Service to support patients and carers at home and within our activity group.

## THE HOSPICE OF THE VALLEYS

### Multi-Disciplinary Team Meetings (MDT)

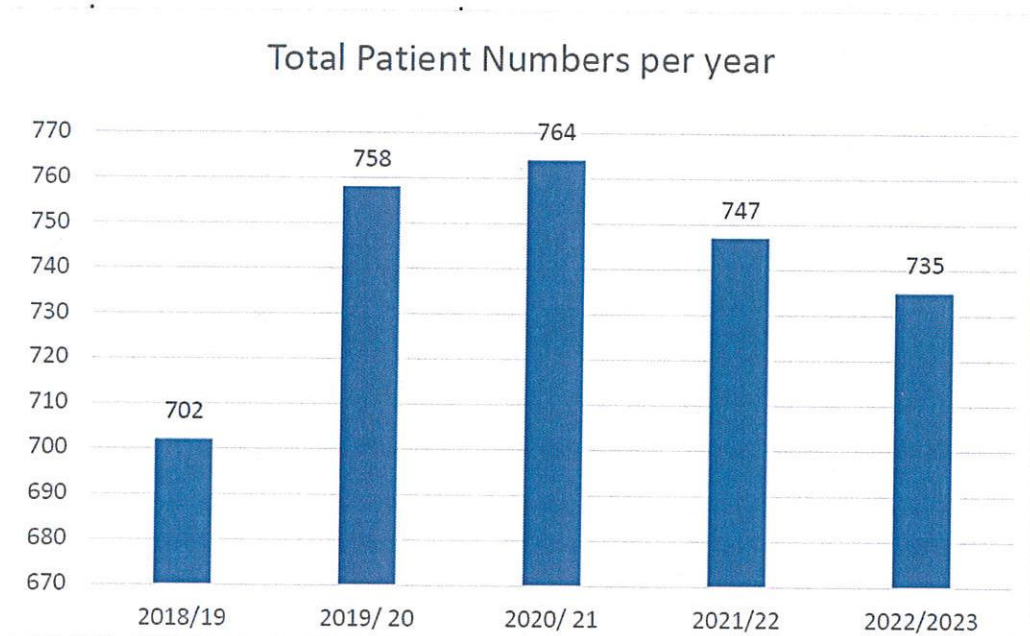
We played an active role in meetings for Ysbyty Aneurin Bevan Ysbyty Tri Chwm, Nevill Hall Hospital and at the local GP palliative care MDT's We also worked closely with our care home colleagues and worked with the Motor Neurone Disease team.

### Education

This year we have continued to maintain our commitment to delivering education to the community we work in, returning to face-to-face training. We successfully met our commitments to ongoing contracts with Cwm Taf and Caerphilly and Blaenau Gwent Workforce Development.

### **Performance & Achievements**

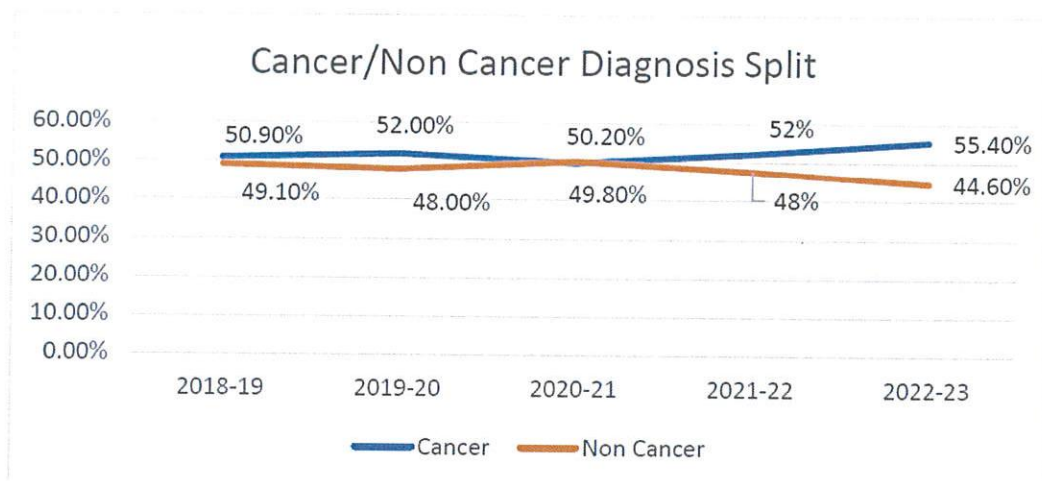
The number of patients peaked during COVID, this may be because we maintained a 'business as usual' approach to service delivery maintaining face-to-face appointments whilst some other services went online or became telephone only.



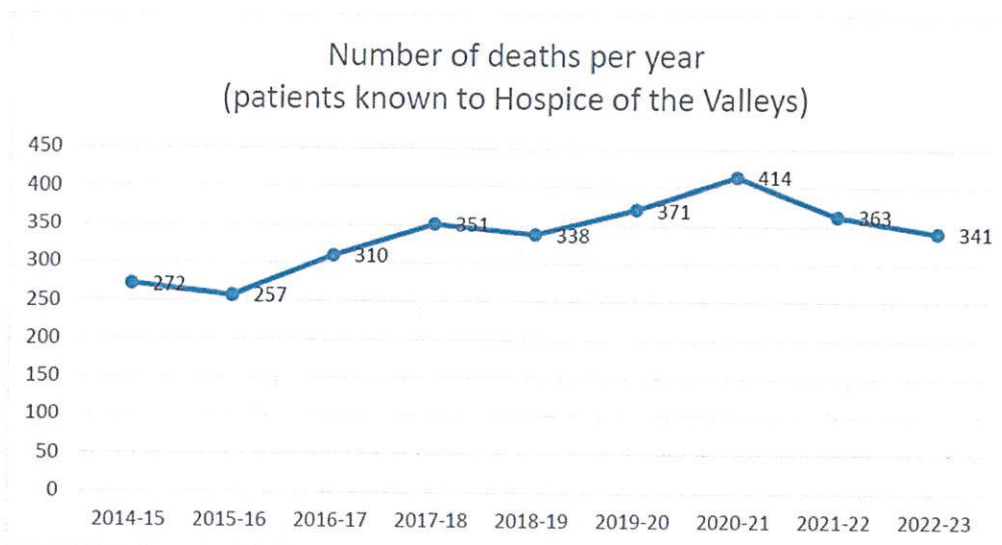
To understand our caseload better each person supported is assessed in terms of Phase of Illness (stable, unstable, deteriorating and terminal). The measure of complexity is linked to those in the unstable, deteriorating and terminal phases. Those who fall within these parameters have uncontrolled and unmanaged symptoms that require frequent review and/or medication adjustments. They often need input from multiple professionals due to high levels of distress both of themselves but also family members and carers. They may also need referrals to a number of our external partner agencies.

The chart below shows that over the last 5 years, there has been an increase in the volume of people supported with a non-cancer diagnosis. During 2020/21 at the height of the pandemic the Hospice saw numbers of patients living with a non-cancer diagnosis overtake cancer for the first time. This is linked to the work within the care home settings where the primary diagnosis is often dementia.

## THE HOSPICE OF THE VALLEYS



Hospice of the Valleys supported 341 patients and their families during their last days of life. This is around 40% of the deaths that took place in Blaenau Gwent.



**THE HOSPICE OF THE VALLEYS**

Percentage of patients known to Hospice of the Valleys who died in their preferred place

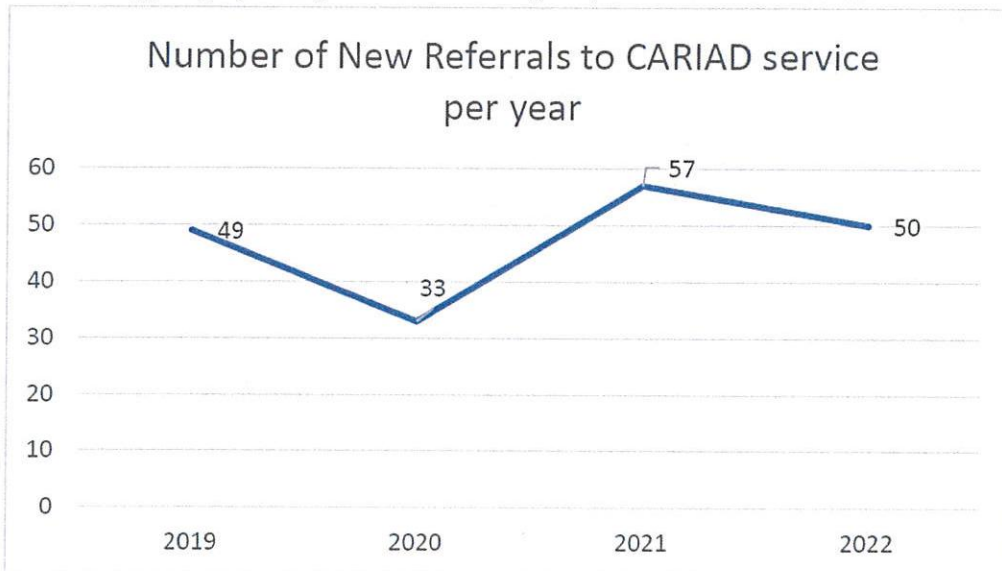


As part of our work with those we support, we try to both discuss and fulfil patient’s wishes wherever possible. Some of these wishes relate to both where a patient wishes to be cared for (Preferred Place of Care) and their Preferred Place of Death (PPD), where they wish to die. The latter is usually at home rather than in a hospital setting. Overall, during the year 74% of patients died in their normal place of residence with 13% dying in hospital. For come in the latter group a hospital location was their chosen preference.

Due to disease symptoms, lateness of referral, and reluctance to discuss these issues not every patient is able to make us aware of their preferences. As can be seen above this is true for around 30% of the patients who died in the year. The table above also shows that when a patient is able to express their preference, we can support their wishes to die in their preferred place for 92.4% of patients we support.

**CARIAD (Dementia Service)**

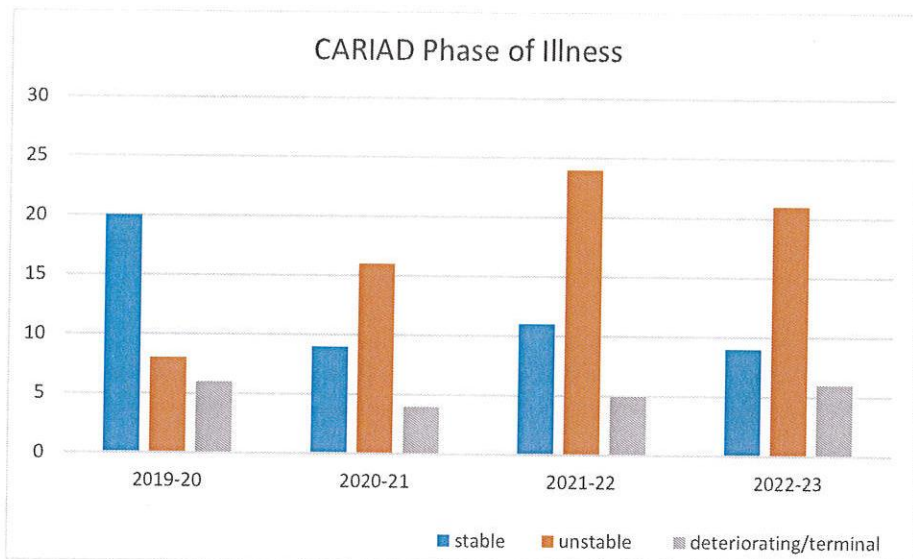
The service supports people living with a dementia diagnosis, their carers and loved ones.



**THE HOSPICE OF THE VALLEYS**

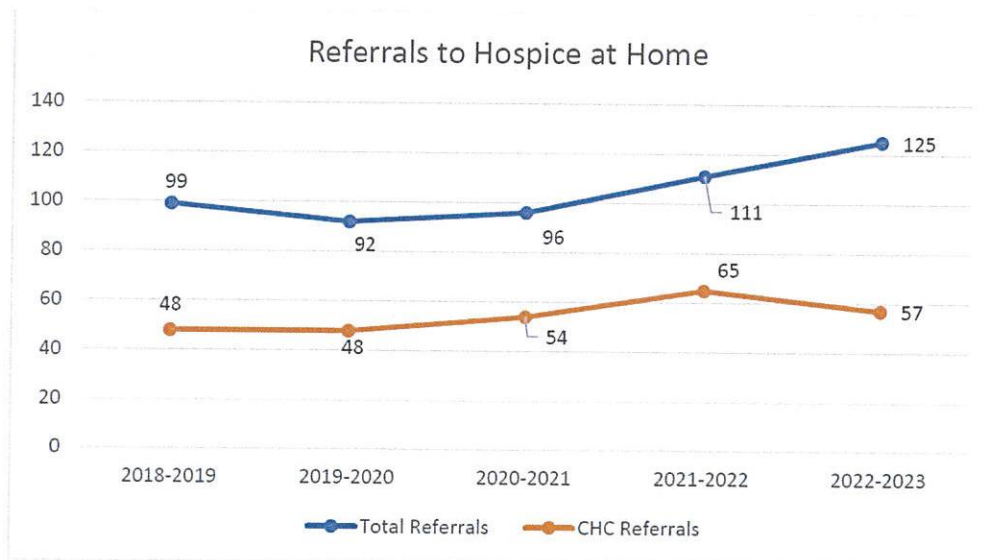
Over the past 3 years, the caseload has gone from having the majority of patients in the stable category to the majority sitting within the unstable category.

This is a reflection on how the service is managed utilising a strict needs basis eligibility criteria thus being able to reach an extremely vulnerable patient cohort and meeting increasing complex needs which went previously unmet.



**Hospice at Home**

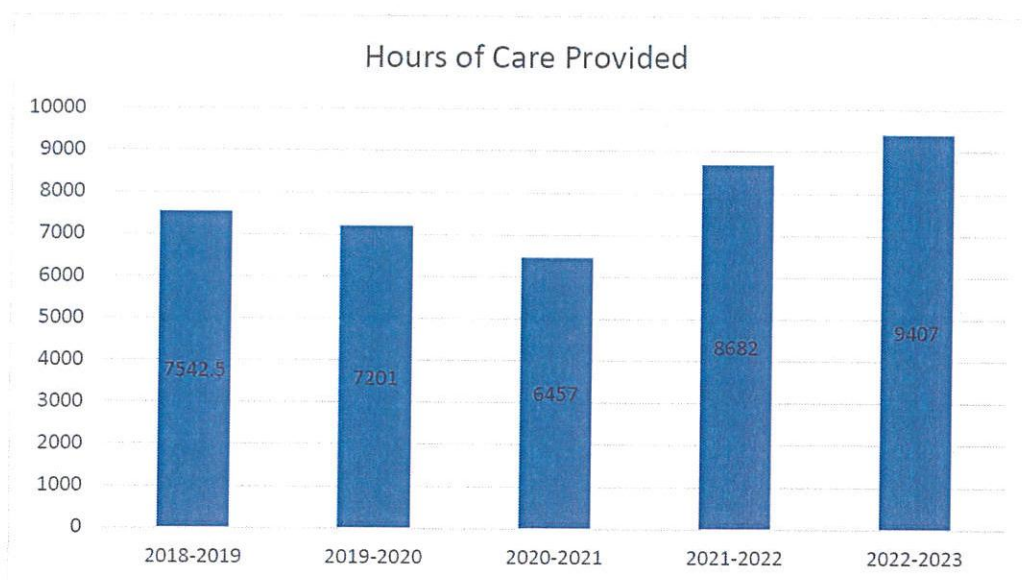
This service provides support for those with complex needs to enable them to stay in their preferred place of care for longer and avoid hospital admissions where possible. There are also proven carer benefits where support is provided, allowing carers to have complete rest which enables them to continue with their caring role.



## **THE HOSPICE OF THE VALLEYS**

Continuing Health Care (CHC) referrals are where the person is recognised to have a predominantly health need at end of life and the assessment has highlighted that support is needed at night. These referrals are funded via the health board and as shown above account for around 50% of referrals each year.

Both the number of referrals and hours of care delivered have increased in recent years. This is linked to the increased complexity of the caseload as highlighted above as well as the aging population where carers are living with their own health issues whilst undertaking caring responsibilities.



### **Achieving Financial Sustainability**

Hospice of the Valleys has been facing an environment of increasing costs even before the most recent cost of living crisis. With so many vacancies within the NHS over recent years we have chosen to match the NHS Agenda for Change pay scale in order to both retain existing staff and to attract staff with the right experience and qualifications. As these pay scales are set outside of the charity, being negotiated between governments and unions, increases to our salary bill have been out of our direct control. As the bulk of the charity's costs in delivering services are staff cost uplifts, the Agenda for Change pay scales have a significant effect on hospice expenditure. We have therefore needed to work towards more varied ways of generating income for our work as well as ensuring that we are not subsidising statutory services that should be funded out of revenue raised through taxation.

During 2022/23, we undertook a full review of our retail offer in order to grow the income from this area. We identified areas that needed improvements, and opportunities for expansion and created a 5-year plan to grow income to help meet the growing costs involved in delivering specialist palliative care services to the local community.

We have had more success in recent years in diversifying the sources of income for Hospice of the Valleys. We have had success in funding aspects of our CARIAD Service (Dementia service) from national and local grant-making trusts. We have also continued our relationship with the Regional Partnership Board in funding work with those living with early-onset dementia.

Lottery income has continued to grow and there remains scope for further growth.

Fundraising finished the year ahead of budget thanks to a full calendar of events and due to the charity having one of our best years in terms of being left gifts within people's wills.

## **THE HOSPICE OF THE VALLEYS**

### **Our Strategic Objectives and Future Plans**

We created a new 3-year strategy at the end of 2020/21, so the last year was the first year of implementation. During the formulation of our new strategy, we identified the following key challenges:

- A growing demand for palliative care services from an aging population living with more complex needs.
- Primary Care services remain under pressure, with issues around recruitment and retention for both GPs and District Nurses.
- Over the next 10 years the incidence of cancer in the UK is projected to increase by 30% for men and 12% for women, and as the number of people living with and beyond cancer exponentially grows, by 2040 close to a quarter of people aged over 65 will be cancer survivors.
- By 2050 it is projected that one in three adults aged over 65 will die with a diagnosis of dementia.
- The cost-of-living crisis is expected to continue over the next 2 years and will have an effect on our communities, emotional, physical, and psychological wellbeing as well as impacting on our ability to fundraise.
- Costs of delivering existing services are rising, but NHS funding has remained static.

### **Progress on objectives in 2022/2023**

The points below illustrate the progress we have made in the first year of the strategy:

1. Provide holistic palliative care expertise in places where people are cared for: at home, in hospitals, and in care homes.
  - We refined and improved our referral process, ensuring consistency across the organisation, delivering better clarity on what an urgent response means and needs.
  - A feedback process has been created to referrers for inappropriate referrals.
  - We have established a Single Point of Contact (SPOC) post that is present to support our team and external referrers and enquirers.
2. Make joined-up care a reality.
  - We have established a more robust outpatient service being delivered both onsite and in community settings.
  - We have continued our active participation in the local Health Board End of Life Care Board.
  - We have updated the knowledge of other local services and groups available to refer to.
3. Empower patients and carers to have greater choice and control over the things that are important to them.
  - We rolled out a Carers Support Needs Assessment Tool (CSNAT) across the area
  - A Rehabilitative Audit of our services was completed highlighting the areas we need to develop further.
  - Our work with local patient groups has struggled to get off the ground, but we are building stronger networks to help drive this work forward.
  - Staff are aware of the International Palliative Care Outcome Scale (IPOS) as we await the introduction of the new national palliative care record system and digital infrastructure.
4. Provide our staff, other healthcare professionals, and carers with high-quality training.
  - We have delivered on current education contracts at borough level, gaining new contracts within the year across Blaenau Gwent, Caerphilly, and Rhondda Cynon Taf contracts and extending into care homes.
  - Face-to-face training has been reinstated including our 2-day Palliative Care course for all allied healthcare professionals. A Dementia and Palliative Care course launched and was well attended by a broad section of health and social care staff.

## THE HOSPICE OF THE VALLEYS

5. Use evidence-based decision-making to embed a system of continuous learning and improvement.

- Data collection protocol. process for non-hospice patients
- A working group was established to set out requirements to see if the current IT system can support this.
- We have integrated outcome measures into our daily activity. These include Phase of Illness, the Australia-modified Karnofsky Performance scale, and, where appropriate, The Clinical Frailty Scale.
- We have completed our data analysis around resources used by patients undergoing curative treatment

Skills and training audit survey completed and acted upon

Competencies agreed. learning needs gathered from appraisals. Current Training and Development policy is being updated to incorporate training applications linked to strategy delivery.

Amalgamation of Learning Needs Assessment data from IPRs

Completed.

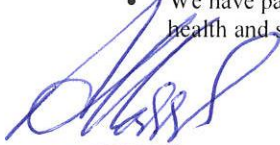
- We have established links with carer organisations to get best practice, registering the hospice as a Carer Friendly organisation.

6. Deliver a sustainable business model to ensure we are effective in meeting the demands on our services.

- We have established a charitable trading company
- We have completed and begun to implement a development plan for our retail operations.

7. Engage in research into palliative care

- We have participated in and supported external multidisciplinary, joined-up research which brings together the health and social care disciplines involved in practice.



**Mr Allan Harris**  
**Interim Chairman**

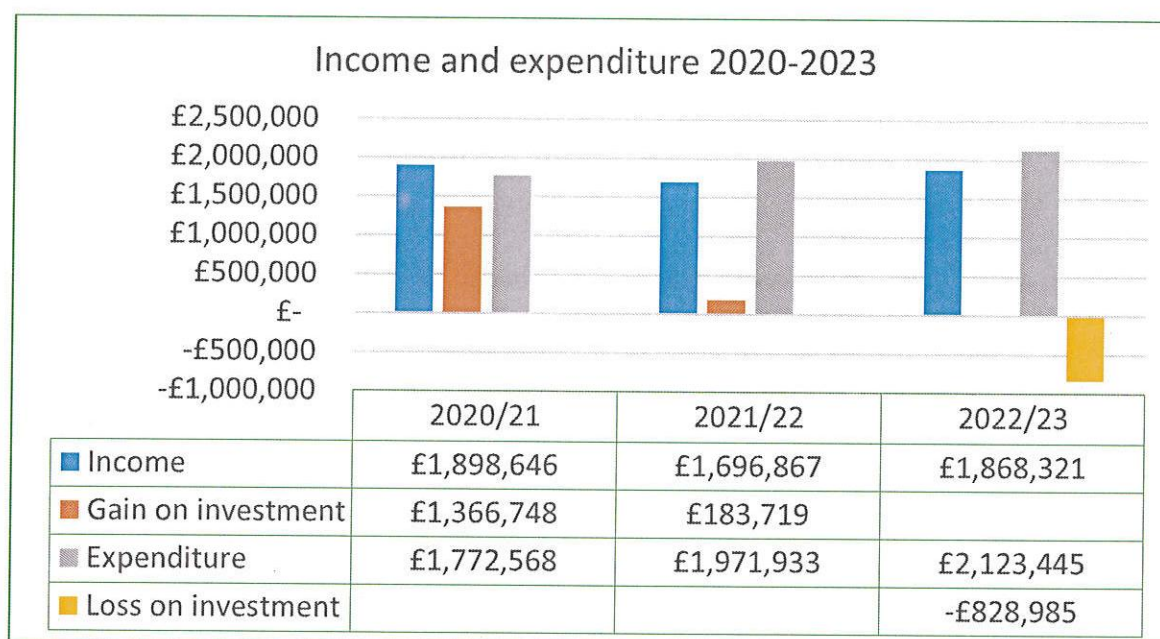
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## THE HOSPICE OF THE VALLEYS

### Financial Review

The net expenditure in 2022/23 was £255k (£275k 21/22). There was a loss on investment of £828k in 2022/23 (Gain £184k in 21/22). This resulted in a net movement in funds for the year of £1,084k deficit (£91k deficit in 21/22).

#### Income and expenditure



Income in 2022/23 was £171k higher than the previous year mainly due to £289k received in legacies (£195k cash was received in the financial year 2022/23, £94k cash was received in 22/23).

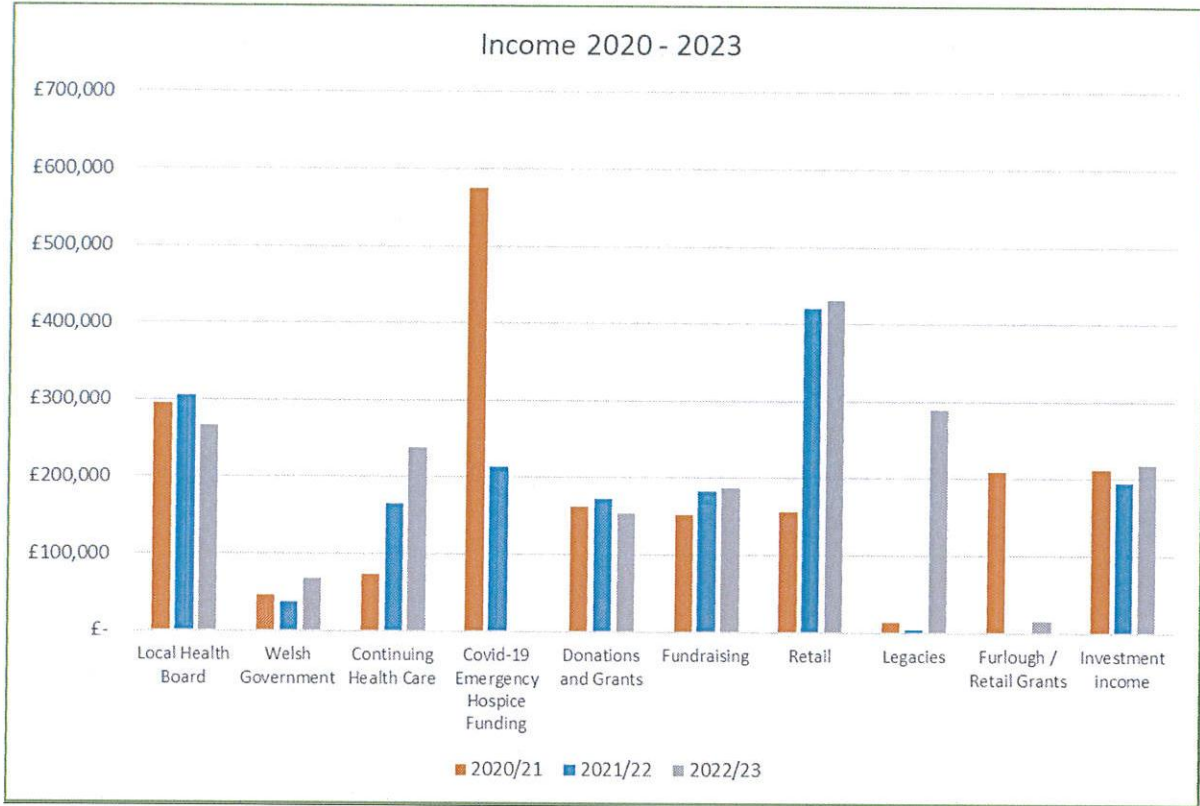
Retail income including grants was £25k higher than the previous year, £12k related to funding received from the government kickstart scheme. Fundraising income was broadly in line with the previous year, individual donations and grants were higher than in the previous year.

Continuing Health Care income increased by £66k in 2022/23 versus the previous year. Funding is received from ABUHB and based on the usage of the service. This increase can be seen in the 'Hours of Care Provided Graph', the hours of care provided have increased by 8% year on year.

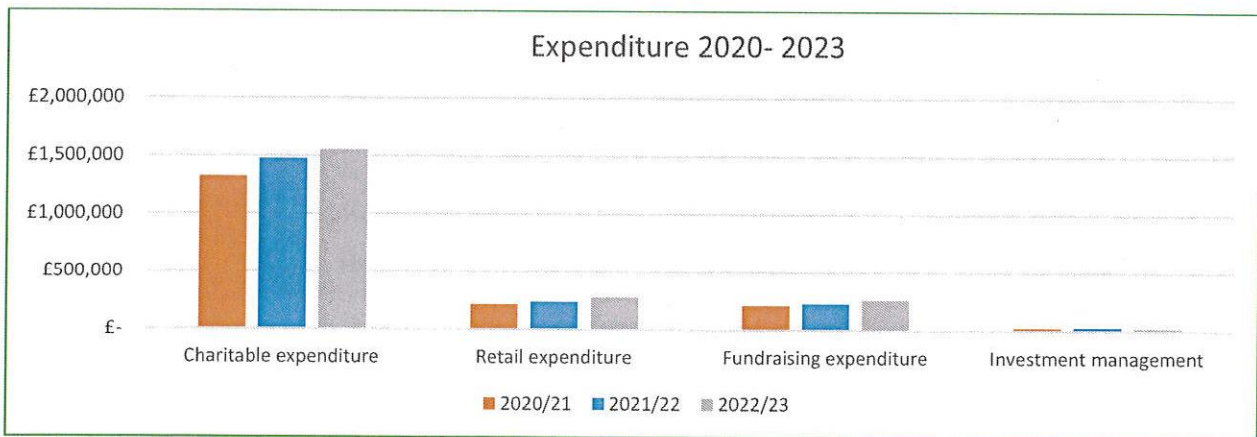
Note: There was £213k of Covid-19 Hospice Funding in 2021/22.

**THE HOSPICE OF THE VALLEYS**

A summary of income received over the last three years:



As expected, the largest expenditure is delivering Hospice Care to the population of Blaenau Gwent and in 2022/23 we spent £1.553m (2021/22: £1.475m) which accounted for 73% of Hospice expenditure (2022/23: 75%).

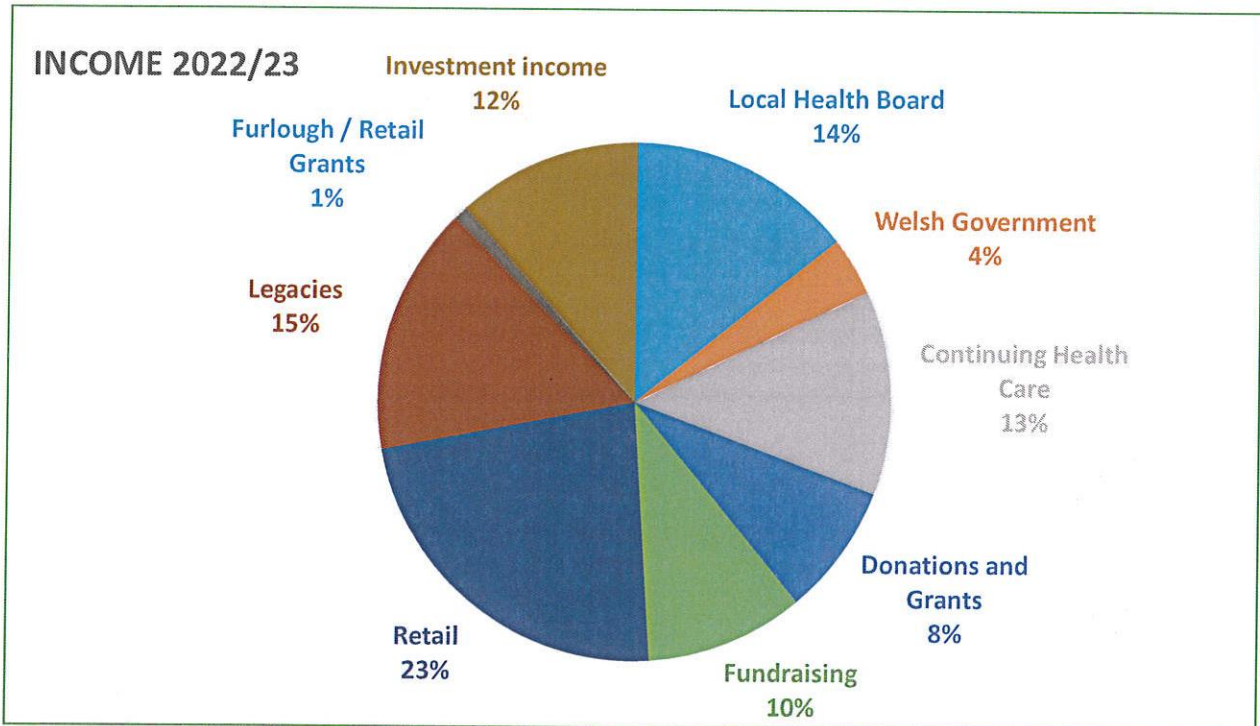


**THE HOSPICE OF THE VALLEYS**

Demand on our service continues to grow, as does our cost base against a backdrop of market political and government forces that affects both the ability of the hospice to secure targeted government / public funding and also navigate the uncertainty around raising income from its local community. The cost-of-living crisis is having an impact on our ability to fundraise and is also likely to affect sales in Hospice Charity shops.

After transfers between funds, unrestricted reserves now stand at £492,397 restricted reserves at £5,912,608.

Principal Funding Sources

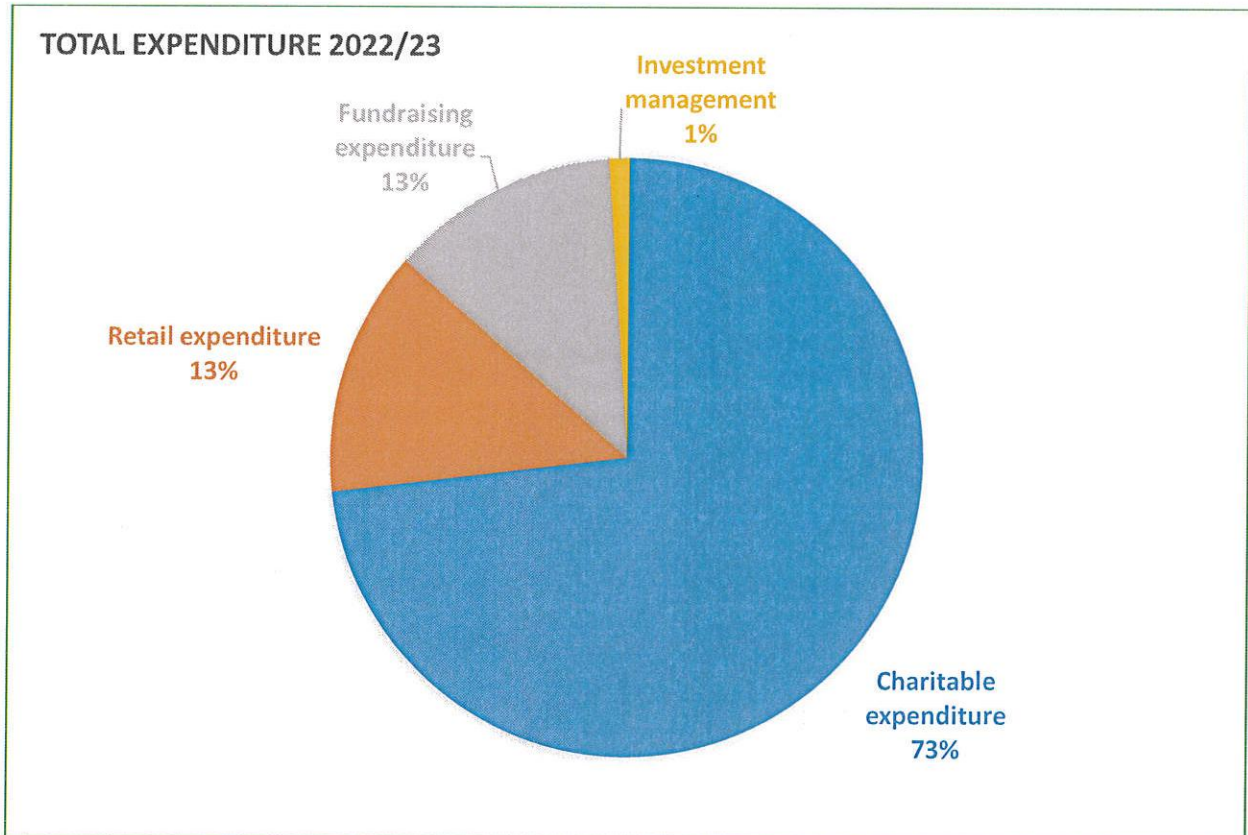


The principal funding sources for the last 3 financial years can be seen below:

Income split	2020/21	2021/22	2022/23
Local Health Board	295,765	305,003	266,787
Welsh Government	45,404	37,497	68,593
Continuing Health Care	73,042	165,516	238,317
Covid-19 Emergency Hospice Funding	575,721	213,014	
Donations and Grants	162,896	172,556	153,394
Fundraising	152,258	182,434	186,938
Retail	157,359	421,261	431,047
Legacies	14,000	3,500	289,016
Furlough / Retail Grants	209,278	909	16,099
Investment income	212,923	195,177	218,130
	<b>1,898,646</b>	<b>1,696,867</b>	<b>1,868,321</b>

## THE HOSPICE OF THE VALLEYS

Income generation contributed 69.3% of total income (2021/22: 57.5%). This included Legacies at 15.5% (2021/22: 0.2%) and Investment Income of 11.7% (2021/22: 11.5%). Legacies are an unpredictable but welcome source of income. Local Health Board, Welsh Government and Continuing Health Care services income contribute 30.7% (2021/22: 29.9% - excluding Covid 19 Funding) of total income. This is a marginal increase year on year but doesn't reflect the pattern of the increasing costs the Hospice is facing.



Total expenditure in 2022/23 was £2.123m (£1.972m 21/22), 79% or £1.681m (£1.584m 80% in 21/22) of which are staff costs. £1.553m relates to Charitable activities and is analysed further in note 7 to the accounts.

### Reserves Policy

Hospice of the Valleys provides palliative care to the population of Blaenau Gwent. It is a core service provider on behalf of the Aneurin Bevan University Health Board and delivers the only Community Specialist Palliative care service in the borough. By any standards, the provision of health care is an expensive business and the Hospice is not immune from the high costs associated with employing specialist healthcare professionals to deliver the service.

The demographics of the borough of Blaenau Gwent are such that it is widely recognised as being one of the poorest areas in Wales and the UK. This can be measured in terms of income, unemployment rates, home and car ownership and morbidity rates. In considering the need for reserves the Hospice takes the position that its clinical service is essential to this population. Sufficient funds should be available to ensure continued delivery of this service for between 9- and 12-months during periods when volatile income falls below predicted levels.

Normally a reserve of six months would be considered acceptable for a charity. However, the essential nature and high cost of our service to the population, together with possible difficulties fundraising locally in such a deprived area, indicate a responsibility to extend our capacity beyond a six-month period.

## THE HOSPICE OF THE VALLEYS

### Reserves Statement

Reserves will be maintained at levels sufficient to maintain services for between 9 and 12 months in accordance with the following procedure:

- The Head of Finance will present a financial report in accordance with the Hospice financial reporting policy at each Trustees meeting. Reports will include income and expenditure forecasts and financial risk assessments and the impact of these on the level of reserves.
- At each Trustees meeting the level of reserves will be reviewed in accordance with the above, taking into account and changes in service, income and costs incurred by the organisation.
- In the event of a surplus in reserve funds, the Chief Executive and Head of Finance will decide to move funds as appropriate in order to maximise interest from any surplus. The level of surplus will be reported to the Board of Trustees who will arrange for the disposal of the surplus funds in accordance with the objects of the Hospice.
- A deficit in reserve funds will be reported to the Board of Trustees and a recovery plan will be presented by the Chief Executive for discussion.

### Required Level of Reserves

In 2023/24 the level of unrestricted expenditure is expected to be £2.4m. This covers all functions of the Hospice including the Clinical Service, Administration and Fundraising. In order to provide a fully functioning organisation, assuming that no income is received for twelve months, it is anticipated that a cash reserve fund equalling expenditure each year is maintained.

However, our investment portfolio was constructed for the sole purpose of realising a regular cash income to help meet the running costs of the Hospice. (This is the reason for the original gift of £5.2m in 2007). The cash withdrawn from our investment portfolio in 2023 was £560k (2021/22: £390k). The value of the investment is currently at a 3 year low and in 2023/24 we are closely monitoring cashflow and will only drawdown when necessary.

A cash-flow contingency fund is also required to ensure the Hospice can meet its monthly obligations in terms of wages, pensions and PAYE should any short-term interruptions to income streams occur. A two-month contingency fund would be sufficient to give Hospice managers time to investigate and correct any income problems. A two-month contingency fund would need to be £400k.



## THE HOSPICE OF THE VALLEYS

The Hospice manages creditors efficiently and strives to pay all invoices before the due date, especially for local suppliers. This means that the amount of cash owing is maintained at the lowest possible level. Most day-to-day invoices are for “hundreds” rather than “thousands” of pounds. At the year end, trade creditors due within 1 year amounted to £116k (Trade Creditors £7k) £103k of the balance at year end has since been paid.

The Board of Trustees considers the Hospice Finances at its Bi-monthly meetings which include an updated forecast to the end of the Financial Year, an updated cashflow and risk management. The Head of Finance prepares a 12-month rolling forecast and is in the process of preparing a 3-year forecast to allow the board of trustees to consider the main risks to the charity and to allow adequate time to plan for the future of the hospice.

At the end of March 2023 cash reserves stood at £550k.

The requirement of 9 months running costs of £1.8m and the “cash-flow” contingency reserve of £400k (£2.2m in total), means there is a cash reserves deficit of £1.65m.

However, our investment manager advises that the entire portfolio could possibly be liquidated within two weeks with a total value as of 30<sup>th</sup> September 2023 of £5,611,519. More immediately, the Treasury stocks, with a value of £318,130 (as of 30 Sep 2023), could be realised in 24 hours. All of these are of course subject to the market state, but under normal circumstances the above can be taken as a good guide.

### Investment Powers and Policy

Under the memorandum and articles of association, the Charity has the power to invest monies not immediately required for its purpose in or upon such investments, securities, or property as may be thought fit. It is the policy of the Hospice to obtain maximum earnings from interest rates whilst maintaining a suitable level of liquidity of funds that will enable it to comply with the reserves policy. The Hospice will comply with this by holding cash accounts with no more than 12 months access to funds. Longer-term investments will not meet the needs of the organisation.

The Hospice has a moderate risk investment strategy with the aim of generating an attractive income to support the patients and carers of the Hospice and to grow the capital above inflation to protect the purchasing power of the savings over the longer term. If urgent funds were required from the portfolio there is currently £318,130 in cash and secure government bonds, capital which could be returned to the Hospice within 1 day.

### Performance

For the financial year to 31<sup>st</sup> March 2023, the below highlights the performance data for the Charity.

Value as of 5<sup>th</sup> Apr 2023: **£5,825,948**

	<b>MSCI Income Index</b>
1 year	-3.8%
3 years	30.2%
5 years	23.9%

All performance figures are quoted net of fees.

## **THE HOSPICE OF THE VALLEYS**

### Market Commentary

We moved into the financial year beginning 1<sup>st</sup> April 2022 with plenty of uncertainties at the forefront of investors' minds. The Russian attack on Ukraine had caused global markets to react with a significant rise in the price of raw materials and food; the indices falling significantly from the levels before the invasion. The diversification of the portfolio, through asset class, geography and sector, combined with the high-quality nature of the businesses we invest in meant the performance over the period lagged the FTSE 100, due in part to the significant rise in the value of Oil and Defence stocks, neither of which are held for ethical reasons.

The invasion of Ukraine has continued to cause an increased power cost and inflation has increased significantly, driven by both food and energy price increases. Whilst the war continues, we expect the market to remain volatile with inflation remaining higher for longer and the possibility of further interest rate rises.

Looking to the next 12 months, the emphasis will continue to be on the Ukraine war as well as the war in the Middle East. Inflation has started to fall whilst the bank of England is signalling that interest rate rises may now be over, though we think that it may be some time before rates start to fall. The delayed impact of higher interest rates is now leading to slower economic growth, as we anticipated. Given this and the higher oil price (due to continued devastating geo-political tension), we remain cautious about equity markets in the short term, as we still expect a moderate recession. That said, with core inflation now finally falling, and interest rates likely at their peak, we fully expect 2024 to provide a turning point. So whilst we are cautious in the short term, the medium and long term investment opportunity is as compelling as we have seen in some time. We remain positive on markets as many stocks do now seem to be significantly undervalued, investment trusts and alternative energy companies are at significant discounts to their asset values. Unemployment remains low; however, wage demands are increasing, and this does mean that inflation may remain higher for longer hence the delay in cutting interest rates.

Since 31<sup>st</sup> March 2023 the value of the portfolio has fallen again, along with markets, which are continuing to be affected by global strife and the impact of higher interest rates. The forecast income is now 3.67%, and we believe that there will be opportunities to increase this over the coming year through the fixed interest market and also from growth in dividends from the good quality companies in which we invest.

## THE HOSPICE OF THE VALLEYS

### Responsibilities of the Trustees

The trustees (who are also directors of Hospice of the Valley for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the management committee are required to prepare financial statements for each financial year. Under company law the management committee must not approve the financial statements unless they are satisfied that they give a true and fair view 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 statements, the committee are required to:

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

The management committee is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Insofar as each of the committee of management of the charity at the date of approval of this report is aware there is no such relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

### **Auditor**

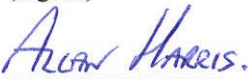
The auditors, Baker Knogle Audit Limited, have expressed their willingness to be re-appointed at the forthcoming AGM.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities FRS102, Charities Act 2011 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

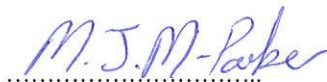
Approved by the council of management on 22/11/23 and signed on their behalf by



(Signed)



(Name)



(Signed)



(Name)

## **THE HOSPICE OF THE VALLEYS**

### **Independent Auditor's Report to the Trustees of Hospice of the Valleys**

#### **Opinion**

We have audited the financial statements of The Hospice of the Valleys (the 'charitable company') for the year ended 31<sup>st</sup> March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

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

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

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

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

## **THE HOSPICE OF THE VALLEYS**

### **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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

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

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

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

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related trade union legislation) and taxation regulation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers.

## THE HOSPICE OF THE VALLEYS

- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement on the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

### **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.



Richard Phillips FCCA (Senior Statutory Auditor)  
for and on behalf of Baker Knogle Audit Limited  
Statutory Auditors  
Orbit Business Centre  
Merthyr Tydfil  
CF48 1DL

Date: .....13/11/23.....

## THE HOSPICE OF THE VALLEYS

### Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31<sup>st</sup> March 2023

	NOTES	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	DESIGNATED FUNDS £	31/03/23 TOTAL FUNDS £	31/03/22 TOTAL FUNDS £
<b>Income from:</b>						
Donations and Legacies	3	395,423	46,987	-	442,410	176,056
<b>Charitable activities:</b>						
Local Health Board service level agreement		-	266,787	-	266,787	295,765
Welsh Government Covid-19 Emergency Funding		-	68,593	-	68,593	250,511
Aneurin Bevan University Health Board		-	238,317	-	238,317	174,754
<b>Other trading activities:</b>						
Shop and merchandise sales		431,047	-	-	431,047	421,261
Fundraising		181,697	5,241	-	186,938	182,434
Investments	4	1,112	217,018	-	218,130	195,177
Other	5	16,099	-	-	16,099	909
<b>Total Incoming Resources</b>		<u>1,025,378</u>	<u>842,942</u>	<u>-</u>	<u>1,868,321</u>	<u>1,696,867</u>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
Shops and merchandise		281,360	-	-	281,360	240,561
Fundraising		264,972	-	-	264,972	227,854
Investment management	6	-	24,106	-	24,106	28,867
<b>Charitable activities</b>	7	<u>925,803</u>	<u>627,204</u>	<u>-</u>	<u>1,553,007</u>	<u>1,474,651</u>
<b>Total Expenditure</b>		<u>1,472,135</u>	<u>651,310</u>	<u>-</u>	<u>2,123,444</u>	<u>1,971,933</u>
Gains/losses on investmets		-	(828,985)	-	(828,985)	183,719
<b>Net Income / (Expenditure)</b>		(446,756)	191,632	-	(255,123)	(275,066)
Transfers between funds	19	<u>560,000</u>	<u>(560,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds for the year</b>		113,244	(1,197,352)	-	(1,084,108)	(91,347)
<b>Reconciliation of funds:</b>						
<b>Balances brought forward</b>		<u>379,153</u>	<u>7,109,961</u>	<u>-</u>	<u>7,489,115</u>	<u>7,580,462</u>
<b>Balances carried forward at 31st March 2023</b>	20	<u>492,397</u>	<u>5,912,609</u>	<u>-</u>	<u>6,405,006</u>	<u>7,489,115</u>

The notes on pages 26 to 39 form part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year.

## THE HOSPICE OF THE VALLEYS


### Balance sheet As at 31<sup>st</sup> March 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	10		0.00		127
Tangible assets	11		35,006		26,638
Investments	12		<u>5,829,722</u>		<u>7,025,794</u>
			<u>5,864,728</u>		<u>7,052,559</u>
<b>Current assets</b>					
Stocks	13	298		679	
Debtors	14	198,674		172,698	
Cash at bank and in hand		550,314		424,108	
Investment short term deposits		<u>1,716</u>		<u>1,713</u>	
		751,002		599,198	
<b>Creditors:</b>					
Amounts falling due within one year	15	<u>(210,724)</u>		<u>(162,642)</u>	
<b>Net current assets</b>			<u>540,278</u>		<u>436,556</u>
<b>Amounts falling due after one year</b>	16		-		-
<b>Total assets less current liabilities</b>			<u>6,405,006</u>		<u>7,489,115</u>
<b>Capital and reserves</b>					
General Reserves					
- Unrestricted Funds	17		492,397		379,154
- Designated Funds	18		-		-
Restricted Funds	17		<u>5,912,609</u>		<u>7,109,961</u>
			<u>6,405,006</u>		<u>7,489,115</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the council of trustees on *20/11/23* and signed on its behalf by:

  
.....  
(Signed)

  
.....  
(Signed)

*Alan Harris*  
.....  
(Name)

*MATHEW MORRIS-PARKER*  
.....  
(Name)

Companies House Registered Number 2007005

## **THE HOSPICE OF THE VALLEYS**

### **Statement of Cash Flows for the year ended 31<sup>st</sup> March 2023**

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>			
Net cash (used in) operating activities	26	<u>(412,262)</u>	<u>(194,722)</u>
<b>Cash flows from investing activities</b>			
Interest from investments		1,112	33
Purchase of tangible/intangible fixed assets		(29,639)	(1,949)
Transfers from investments		560,000	390,000
Proceeds from disposal of fixed assets		7,000	-
<b>Net cash provided by investing Activities</b>		<u>538,473</u>	<u>388,084</u>
<b>Increase (decrease) in cash and cash equivalents in the year</b>		126,210	193,362
<b>Cash and cash equivalents at the beginning of the year</b>		<u>425,821</u>	<u>232,459</u>
<b>Total cash and cash equivalents at the end of the year</b>		<u>552,031</u>	<u>425,821</u>

## **THE HOSPICE OF THE VALLEYS**

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### **1. Charity information**

The Hospice of the Valleys was incorporated in England and Wales as a company limited by guarantee with Companies House (registered number 2007005) and has no share capital. The Hospice of the Valleys was also registered with the Charity Commission (registered number 517724). The address of the registered office is Festival Drive, Ebbw Vale, Gwent, NP23 8XF.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

### **2. Accounting policies**

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

#### **Going concern**

The charity produces annual budgets and forecasts which take into account expected changes in the funding streams and which demonstrate that the charity will be able to continue to operate. Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and are not aware of any material uncertainties regarding this assumption. On this basis, the trustees consider it appropriate to continue to prepare the financial statements on the going concern basis.

#### **Income**

All income is included in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies are applied:

#### **Voluntary Income**

Voluntary income is income received by way of grants, gifts or donation. These are included in full on receipt unless it is subject to a condition when it is treated as deferred income.

#### **Gifts in Kind**

The value of services provided by volunteers is not quantified.

#### **Deferred Income**

Income or grants received in advance are held as deferred income and carried forward to future accounting periods to be released when the defined purpose of the work or project have been completed, approved or certified.

#### **Investment Income**

Investment income is included when receivable.

#### **Trading Income**

Trading income is recognised when earned.

## **THE HOSPICE OF THE VALLEYS**

### **Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023**

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

#### **Costs of Generating Funds**

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shops.

#### **Charitable Expenditure**

Charitable expenditure comprises those costs incurred by the charity in delivery of its activities and service for its beneficiaries. It includes the costs that can be attributed directly to those activities and those costs of an indirect nature necessary to support them.

#### **Governance Costs**

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

#### **Investments**

Listed fixed asset investments are included at fair value (quoted market price in an active market). All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

#### **Fund Accounting**

- Restricted funds are to be used for specific purposes laid down by the donor. Expenditure which meets these criteria is allocated against the fund.
- Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes and are expendable at the discretion of the trustees in furtherance of the objects and administration of the charity.
- Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

#### **Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are charitable objects

#### **Operating leases**

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

#### **Financial instruments**

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

## **THE HOSPICE OF THE VALLEYS**

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### **Intangible fixed assets**

Software has been capitalised and amortised over its useful life of 5 years.

### **Tangible fixed assets**

Fixed assets (excluding investments) are included at cost less an appropriate provision for depreciation. Items donated or purchased for a cost of less than £500 are not capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Office Equipment	- 20% on cost
IT Equipment	- 33% on cost
Clinical Equipment	- 20% on cost
Shop Fixtures	- 20% on cost
Motor Vehicles	- 25% on reducing balance
Day Centre	- 20% on cost
Property Improvements	- Over period of lease

### **Stocks**

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Donated stock held at charity shops is not valued.

### **Interest receivable**

Interest on funds held on deposit is included when receivable, and the amount can be measured reliably by the charity.

### **Cash at bank and in hand**

Cash at bank and cash in hand includes current and short-term liquid deposit accounts with a short maturity.

### **Debtors**

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

### **Creditors**

Creditors 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 can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for trade discounts.

### **Pensions**

The charity contributes to a defined benefit scheme operated by the NHS. The charity also contributed to some employees' personal pension schemes.

The NHS scheme is a defined benefit scheme which is unfunded. This is a multi-employer pension scheme based on final pensionable pay, contributions being charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the company. The charity accounts for the scheme as a defined contribution scheme and is not required to account for any of the assets or liabilities of the scheme in accordance with FRS102.

## **THE HOSPICE OF THE VALLEYS**

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### **3. Donations and Legacies**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Designated</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Charitable Trusts	45,000	43,100	-	88,100	72,829
Voluntary Donations	61,407	3,887	-	65,294	80,018
Miscellaneous	0	0	-	0	19,709
Legacies	289,016	0	-	289,016	3,500
	<u>395,423</u>	<u>46,987</u>	<u>-</u>	<u>442,410</u>	<u>176,056</u>

### **4. Investment Income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Dividends - UK equities	192,350	167,826
Interest on cash deposits within investment portfolio	-	-
Interest on fixed interest securities	24,101	27,318
Interest on current accounts	1,679	33
	<u>218,130</u>	<u>195,177</u>

### **5. Other Income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Furlough	-	909
Kickstart grants	12,687	-
Training income	3,412	-
	<u>16,099</u>	<u>909</u>

### **6. Investment Management Costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Investment management fees	24,106	28,867
	<u>24,106</u>	<u>28,867</u>

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 7. Analysis of Charitable Expenditure

Notes	Unrestricted	Restricted	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Medical salaries and pensions	479,354	622,491	949,318	1,030,727
Social worker salaries and expenses	1,967	0	154,494	1,645
Drugs and medical supplies	96	0	96	175
Clinic rent	0	0	0	0
Motor expenses	15,912	0	15,912	18,791
Clinic food and other costs	0	4,128	4,128	1,603
Clinical equipment maintenance	4,122	0	4,122	1,662
Telephone costs	5,244	0	5,244	6,236
Training	9,921	0	9,921	7,875
Recruitment	0	0	0	0
Medical equipment depreciation	37	0	37	37
Equipment loss on disposal	0	0	0	0
Miscellaneous	36	585	621	1,323
Support costs	325,308	0	325,308	319,475
Governance	83,806	0	83,806	85,102
	<u>925,803</u>	<u>627,204</u>	<u>1,553,007</u>	<u>1,474,651</u>

### 8. Resources Expended – Allocation of Support Costs

Support costs allocated to activities	Basis of allocation	Fund	Charitable	Governance	2023	2022
		Raising	Activities		Total	Total
		£	£	£	£	£
General office and finance staff	Salary costs	48,389	187,233	48,235	283,856	274,564
Premises	Salary costs	14,021	54,253	13,977	82,251	77,923
Insurance	Salary costs	2,483	9,608	2,475	14,566	13,110
IT & Communications	Salary costs	8,680	33,585	8,652	50,917	47,789
Legal & Professional	Salary costs	6,041	23,374	6,022	35,437	30,122
Depreciation	Salary costs	2,086	8,072	2,079	12,237	22,925
Motor Expenses	Salary costs	392	1,516	391	2,298	3,134
Miscellaneous	Salary costs	1,982	7,667	1,975	11,624	13,416
		<u>84,074</u>	<u>325,308</u>	<u>83,806</u>	<u>493,187</u>	<u>482,983</u>

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 9. Net income/(expenditure) for the year

This is stated after charging:

	2022/23	2021/22
This is stated after charging:	£	£
Depreciation - Owned Assets	17,127	10,590
Depreciation - assets on finance	-	8,749
Amortisation	127	1,529
Auditors' Remuneration	3,605	3,600
Accountants fees	5,195	777

### 10. Intangible Fixed Assets

	Software £	Total £
<b>COST:</b>		
As at 1st April 2022	7,645	7,645
Additions	-	-
Disposals	-	-
As at 31st March 2023	<u>7,645</u>	<u>7,645</u>
<b>DEPRECIATION</b>		
As at 1st April 2022	7,518	7,518
Charge for year	127	127
Eliminated on disposal	-	-
As at 31st March 2023	<u>7,645</u>	<u>7,645</u>
<b>NET BOOK VALUE</b>		
As at 31 <sup>st</sup> March 2023	<u>-</u>	<u>-</u>
As at 31 <sup>st</sup> March 2022	<u>127</u>	<u>127</u>

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 11. Tangible Fixed Assets

	Office Equipment	Clinical Equipment	Shop Fixtures & Fittings	Motor Vehicles	Day Centre	Property Improvements	Total
	£	£	£	£	£	£	£
<b>COST:</b>							
As at 1st April 2022	88,150	3,025	1,863	26,582	12,528	89,007	221,154
Additions	649	-	-	28,990	-	-	29,639
Disposals	0	-	-	(15,290)	-	-	(15,290)
As at 31st March 2023	88,799	3,025	1,863	40,282	12,528	89,007	235,504
<b>DEPRECIATION</b>							
As at 1st April 2022	69,378	3,025	1,863	18,792	12,451	89,007	194,516
Charge for year	12,110	-	-	4,980	37	-	17,127
Eliminated on disposal	0	-	-	(11,145)	-	-	(11,145)
As at 31st March 2023	81,488	3,025	1,863	12,627	12,488	89,007	200,498
<b>NET BOOK VALUE</b>							
As at 31 <sup>st</sup> March 2023	7,311	-	-	27,655	40	-	35,006
As at 31 <sup>st</sup> March 2022	18,771	-	-	7,790	77	-	26,638

The net book value at 31<sup>st</sup> March 2023 represents tangible fixed assets used for:

	Office Equipment	Clinical Equipment	Shop Fixtures & Fittings	Motor Vehicles	Day Centre	Property Improvements
	£	£	£	£	£	£
<b>DIRECT CHARITABLE PURPOSES</b>						
Community Services	2,924	-	-	11,062	40	-
Other Purposes						
Administration office	4,386	-	-	-	-	-
Fundraising	-	-	-	16,593	-	-
	7,311	-	-	27,655	40	-

### 12. Investments (including cash deposits)

	2023 £	2022 £
Market value as at 1 <sup>st</sup> April 2022	7,025,794	7,065,799
Disposals at carrying value (transfers to income)	(560,000)	(390,000)
Investment income	217,018	195,144
Investment costs charged and accrued	(24,106)	(28,867)
Net (loss)/gain on revaluation	(904,161)	182,041
Net (loss)/gain on disposals	75,176	1,677
Market value as at 31 <sup>st</sup> March 2023	5,829,721	7,025,794

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 12. Investments (including cash deposits) continued

Investments at market value comprised of:

	2023	2022
	£	£
UK equities	2,401,799	2,705,412
Overseas equities	1,935,839	1,749,333
Cash deposits	69,448	30,084
UK fixed interest securities	502,669	1,415,426
Overseas fixed interest	115,583	-
Alternatives	800,610	1,123,982
	<u>5,825,948</u>	<u>7,024,237</u>
Income held in bank accounts	3,773	1,557
	<u>5,829,721</u>	<u>7,025,794</u>

### INVESTMENTS IN SUBSIDIARIES

	2023	2022
	£	£
HOV TRADING LIMITED	<u>1</u>	<u>-</u>
<b>TOTAL INVESTMENTS</b>	<u>5,829,722</u>	<u>7,025,794</u>

### 13. Stocks

Merchandise for resale

	2023	2022
	£	£
	<u>298</u>	<u>679</u>

### 14. Debtors: amounts falling due within one year

	2023	2022
	£	£
Trade Debtors	6,491	11,886
Other debtors	14,108	12,878
Prepayments and Accrued Income	178,075	147,934
	<u>198,674</u>	<u>172,698</u>

### 15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	7,035	17,342
Accrued expenses	58,809	63,681
Deferred income	35,601	31,343
Other creditors	109,279	50,276
	<u>210,724</u>	<u>162,642</u>

## **THE HOSPICE OF THE VALLEYS**

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### **Deferred income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Opening balance	31,343	60,709
Movement in period	4,258	(29,366)
	<u>35,601</u>	<u>31,343</u>

Deferred income represents income received from contributing agencies where the contribution was restricted to a fixed time period that extends beyond the current financial year. Income is deferred on the basis that the contribution was to the project as a whole, the time period of the project was fully disclosed to the contributing agencies and that time period is certain.

### **Deferred income continued**

The deferred income carried forward is analysed as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Aneurin Bevan University Health Board	24,899	3,755
Welsh Government	-	20,741
Other	10,702	6,847
	<u>35,601</u>	<u>31,343</u>

### **16. Creditors: amounts falling due after one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other creditors	-	-
	<u>-</u>	<u>-</u>

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 17. Movements in funds

	At 01/04/2022	Incoming Resources (including gains)	Outgoing Resources (including losses)	Net Transfers	At 31/03/2023
	£	£	£	£	£
<b>Restricted Funds</b>					
Robin Judah investment portfolio	7,025,794	217,018	(853,091)	(560,000)	5,829,721
ABUHB	18,092	303,203	(305,595)	-	15,700
Welsh Government	-	75,129	(75,129)	-	-
Continuing Health Care	-	160,176	(160,176)	-	-
ABHUB - Hospice at Home	-	82,176	(82,176)	-	-
Other	66,074	5,240	(4,128)	-	67,187
	<u>7,109,960</u>	<u>842,942</u>	<u>(1,480,295)</u>	<u>(560,000)</u>	<u>5,912,609</u>
<b>Unrestricted Funds</b>					
- General	379,154	1,025,377	(1,472,135)	560,000	492,397
- Designated	-	-	-	-	-

#### Purposes of restricted funds

##### **Robin Judah Investment Portfolio**

This donation was given with the restriction that it could not be used for capital projects but is available for general running costs.

##### **Aneurin Bevan University Health Board (ABUHB)**

This funding is given to support specialist nurses and related costs. Further funding is given to support a Hospital Admissions Avoidance Project (HAAP) along with education funding.

##### **Welsh Government**

This fund is for NHS matched pension contributions.

##### **Continuing Health Care**

This funding is given to support specialist nurses and related costs.

##### **ABUHB – Hospice at Home**

This funding is given to support specialist nurses to provide palliative care through the hospice at home service.

##### **Other**

These funds relate to donations given specifically for the purchase of specific items, such as equipment for patients, clinic rent and for the social workers to spend at their discretion to help the families of patients who may be suffering financial difficulties.

### 18. Designated Funds

	2023 £	2022 £
Balance brought forward 1 <sup>st</sup> April 2022	-	-
Interest received for year	-	-
Transferred to unrestricted funds	-	-
	<u>-</u>	<u>-</u>
Balance carried forward 31 <sup>st</sup> March 2023	<u>-</u>	<u>-</u>

## **THE HOSPICE OF THE VALLEYS**

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### **19. Transfers Between Funds**

The following transfer was made in the year:

- £560,000 was transferred from income and gains on the investment portfolio to be used for general running costs.

### **20. Analysis of Net Assets between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Designated Funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Intangible fixed assets	-	-	-	-
Tangible fixed assets	32,425	2,581	-	35,006
Investments	-	5,829,721	-	5,829,721
Current assets	628,803	122,197	-	751,001
Current liabilities	(168,832)	(41,891)	-	(210,723)
Liabilities over 1 year	-	0	-	-
<b>Net assets at 31<sup>st</sup> March 2023</b>	<b>492,397</b>	<b>5,912,609</b>	<b>-</b>	<b>6,405,006</b>

### **21. Analysis of staff costs and numbers, and the cost of key management personnel**

Staff costs were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries and wages	1,427,090	1,330,721
Social security costs	142,571	126,674
Pension costs	112,399	99,898
	<u>1,682,059</u>	<u>1,557,293</u>

The charity considers that its key management personnel comprise the CEO, the Head of Finance and the Head of Clinical Services. The total employment benefits including employer pension contributions of the key management personnel were £165,613 (2022: £156,204).

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was 1 (2022: 1). This employees' emoluments fell within the £70,000 to £80,000 band.

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 21. Analysis of staff costs and numbers, and the cost of key management personnel continued

The average monthly number of employees during the year was as follows:

	Total	
	2023	2022
Hospice services	27.90	32.20
Fundraising and publicity (including shops)	11.30	10.30
Management and administration of the charity	11.60	9.00
	<u>50.80</u>	<u>51.50</u>

### 22. Trustees' Remuneration

No members of the management committee received any remuneration or other payments during the year (2022: nil), subject to as noted below.

### 23. Related Party Transactions

Income of £303,293 (2022: £306,813) has been received from Aneurin Bevan University Health Board, of which, P Robson (director) is a Special Board Advisor. Transactions totalling £1,269 were enacted between the Hospice and Roseblade Media Ltd during the year, a trading company owned and run by Mr Mathew Morris-Parker (director), (2022: £444).

	2023	2022
<b>24. Capital Commitments</b>	<u>Nil</u>	<u>Nil</u>
<b>25. Contingent liabilities</b>	<u>Nil</u>	<u>Nil</u>

### 26. Reconciliation of net movement in funds to net cashflow from operating activities

	2023	2022
	£	£
Net movement in income/ (expenditure)	(1,094,108)	(91,347)
Add back amortisation charge	127	1,529
Add back depreciation charge	17,126	24,029
Add back gain on disposal	(2,855)	691
(Gains)/losses on investments	828,985	(183,719)
Dividends and interest from investments	(218,130)	(195,176)
Investment charges accrued	24,106	28,867
Decrease (increase) in stocks	381	154
Decrease (increase) in debtors	(15,975)	253,853
Increase (decrease) in creditors	48,081	(33,603)
	<u>          </u>	<u>          </u>
Net cash used in operating activities	(412,262)	(194,722)
<b>Analysis of cash and cash equivalents</b>		
Net cash at the end of the year.	<u>552,031</u>	<u>425,821</u>

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 27. Pension Costs

Net pension costs of £111,439 (2022 - £99,898) were charged to the Statement of Financial Activities during the year. Included in other creditors at 31 March 2023 was £31,062 (2022 - £7,020) in relation to the personal schemes.

### 28. Operating Lease Commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	46,117	74,160
Between two and five years	9,333	55,510
	<u>55,450</u>	<u>129,670</u>

### 29. Comparatives for Movement in Funds

	At 01/04/2021	Incoming Resources (including gains)	Outgoing Resources (including losses)	Net Transfers	At 31/03/2022
	£	£	£	£	£
<b>Restricted Funds</b>					
Robin Judah investment portfolio	7,065,799	378,862	(28,867)	(390,000)	7,025,794
ABUHB	14,131	306,813	(302,852)	-	18,092
Welsh Government	-	37,497	(37,497)	-	0
Continuing Health Care	-	79,887	(79,887)	-	0
ABHUB - Hospice at Home	-	83,820	(83,820)	-	0
Other	64,059	58,958	(56,943)	-	66,074
	<u>7,143,989</u>	<u>945,836</u>	<u>(589,865)</u>	<u>(390,000)</u>	<u>7,109,960</u>
<b>Unrestricted Funds</b>					
- General	436,473	934,748	(1,382,068)	390,000	379,153
- Designated	-	-	-	-	-

#### Purposes of restricted funds

##### **Robin Judah Investment Portfolio**

This donation was given with the restriction that it could not be used for capital projects but is available for general running costs.

##### **Aneurin Bevan University Health Board (ABUHB)**

This funding is given to support specialist nurses and related costs. Further funding is given to support a Hospital Admissions Avoidance Project (HAAP) along with education funding.

##### **Welsh Government**

This fund is for NHS matched pension contributions.

##### **Continuing Health Care**

This funding is given to support specialist nurses and related costs.

##### **ABUHB – Hospice at Home**

This funding is given to support specialist nurses to provide palliative care through the hospice at home service.

##### **Other**

These funds relate to donations given specifically for the purchase of specific items, such as equipment for patients, clinic rent and for the social workers to spend at their discretion to help the families of patients who may be suffering financial difficulties.

## THE HOSPICE OF THE VALLEYS

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2023

### 30. Comparatives for the Statement of Financial Activities

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	DESIGNATED FUNDS	31/03/22 TOTAL FUNDS	31/03/21 TOTAL FUNDS
	£	£	£	£	£
<b>Income from:</b>					
Donations and Legacies	119,443	56,613	-	176,056	176,896
<b>Charitable activities:</b>					
Local Health Board service level agreement	-	295,765	-	295,765	295,765
Welsh Government Covid-19 Emergency Funding	213,014	37,497	-	250,511	45,404
Aneurin Bevan University Health Board	-	-	-	-	575,721
	-	174,754	-	174,754	73,042
<b>Other trading activities:</b>					
Shop and merchandise sales	421,261	-	-	421,261	157,359
Fundraising	180,089	2,345	-	182,434	152,258
Investments	33	195,144	-	195,177	212,923
Other	909	-	-	909	209,278
<b>Total Income</b>	<u>934,749</u>	<u>762,118</u>	<u>-</u>	<u>1,696,867</u>	<u>1,898,646</u>
<b>Expenditure on:</b>					
<b>Raising funds:</b>					
Shops and merchandise	240,561	-	-	240,561	216,149
Fundraising	225,416	2,438	-	227,854	210,980
Investment management	-	28,867	-	28,867	25,307
<b>Charitable activities</b>	<u>916,091</u>	<u>558,560</u>	<u>-</u>	<u>1,474,651</u>	<u>1,320,132</u>
<b>Total Expenditure</b>	<u>1,382,068</u>	<u>589,865</u>	<u>-</u>	<u>1,971,933</u>	<u>1,772,568</u>
Gains/ (losses) on investments	-	183,719	-	183,719	1,366,748
<b>Net Income / (Expenditure)</b>	(447,319)	172,253	-	(275,066)	126,078
Transfers between funds	390,000	(390,000)	-	-	-
<b>Net movement in funds for the year</b>	<u>(57,319)</u>	<u>(34,028)</u>	<u>-</u>	<u>(91,347)</u>	<u>1,492,826</u>
<b>Reconciliation of funds:</b>					
<b>Balances brought forward</b>	<u>436,473</u>	<u>7,143,989</u>	<u>-</u>	<u>7,580,462</u>	<u>6,087,636</u>
<b>Balances carried forward at 31<sup>st</sup> March 2022</b>	<u>379,154</u>	<u>7,109,961</u>	<u>-</u>	<u>7,489,115</u>	<u>7,580,462</u>

**THE HOSPICE OF THE VALLEYS**

**The following pages do not form part of the statutory accounts of the charity**

## THE HOSPICE OF THE VALLEYS

### Total Funds Income and Expenditure Account for the year ended 31<sup>st</sup> March 2023

	Unrestricted 2023 £	Restricted 2023 £	Unrestricted 2022 £	Restricted 2022 £
Robin Judah Trust	0	0	0	0
Charitable Trusts	45,000	43,100	34,500	38,329
Donations & Legacies	350,423	3,887	83,518	0
NHS Donations & Grants	0	184,611	0	221,183
Sales of Merchandise	553	0	121	0
Bank Interest Received	1,112	0	33	0
Investment Income	0	217,018	0	195,144
Aneurin Bevan Health Board	0	238,317	0	165,516
Events/Community Fundraising	181,697	5,241	180,089	2,345
ABUHB - Hospice at Home	0	82,176	0	83,820
Shop Income	430,494	0	421,139	0
Welsh Government	0	68,593	213,014	37,497
Furlough & Retail Grants	12,687	0	909	0
Other	3,412	0	1,425	18,284
	<u>1,025,378</u>	<u>842,942</u>	<u>934,748</u>	<u>762,117</u>
 <b>Expenditure</b>				
<b>Charitable Activities</b>				
Clinical Salaries	426,780	592,098	440,579	511,488
Clinical Pensions	52,575	30,392	49,153	29,507
Social Worker Salaries	0	0	0	0
Social Worker Expenses	1,967	0	1,645	0
Drugs & Clinical Supplies	96	0	175	0
Clinic Rent	0	0	0	0
Motor Expenses	15,912	0	18,791	0
Clinic Food & Other Costs	0	4,128	274	1,330
Clinical Equipment Maintenance	4,122	0	1,032	630
Clinical Mobile Phones	5,244	0	6,011	225
Training	9,921	0	6,375	1,500
Miscellaneous	36	585	17	1,305
Medical Equipment Depreciation	37	0	37	0
Medical equipment loss on disposal	0	0	0	0
Recruitment	0	0	0	0
Support Costs	325,308	0	309,545	9,931
	<u>841,998</u>	<u>627,204</u>	<u>833,634</u>	<u>555,915</u>

## THE HOSPICE OF THE VALLEYS

### Total Funds Income and Expenditure Account for the year ended 31<sup>st</sup> March 2023 continued

	Unrestricted 2023 £	Restricted 2023 £	Unrestricted 2022 £	Restricted 2022 £
<b>Fundraising &amp; Publicity</b>				
Salaries	112,784	0	110,896	0
Pensions	10,633	0	0	0
Motor Expenses	9,982	0	5,680	0
Printing & stationery	0	0	0	0
Training	996	0	2,176	0
Merchandise for resale	814	0	3,969	0
Fundraising expenses	11,404	0	16,568	0
Events	20,254	0	8,595	0
Shop Rental & Costs	103,586	0	91,930	0
Retail salaries	171,981	0	142,065	0
Investment management fees & charges	0	24,106	0	28,867
Telephone	2,060	0	2,527	0
Shop Fittings & Vehicle Depreciation	4,979	0	2,596	0
Database costs	2,690	0	3,005	0
Support Costs	97,024	0	75,969	2,437
Loss on disposal of fixed assets	(2,855)	0	0	0
	546,331	24,106	465,977	31,304
<b>Management &amp; Admin / Governance</b>				
Salaries	266,018	0	252,383	9,238
Pensions	17,839	0	12,944	0
Motor/Relocation Expenses	2,298	0	3,134	0
Telephone & Postage	15,782	0	14,532	0
Printing & Stationery	5,353	0	4,635	0
Insurance	14,566	0	13,110	0
Accountants fees	5,195	0	777	0
Auditors Remuneration	3,605	0	3,600	0
Professional fees	11,474	0	9,704	0
Bank Charges and Interest	3,072	0	3,396	0
Miscellaneous	5,820	0	7,179	0
Office Equipment Depreciation	12,110	0	21,395	0
Property Improvements depreciation	0	0	0	0
Software amortisation	127	0	1,529	0
Repairs & Maintenance	0	0	0	0
Subscriptions	3,020	0	2,369	0
Rent and Rates	74,609	0	69,086	0
IT Expenses	27,640	0	20,778	5,775
Office Cleaning and Expenses	7,642	0	8,837	0
Office machine rental	2,142	0	2,069	0
Lease finance interest	(288)	0	473	0
Irrecoverable vat	0	0	0	0
Personnel services	15,164	0	16,042	0
	493,187	0	467,970	15,013

**THE HOSPICE OF THE VALLEYS**

**Total Funds Income and Expenditure Account  
for the year ended 31<sup>st</sup> March 2023 continued**

	Unrestricted 2023 £	Restricted 2023 £	Unrestricted 2022 £	Restricted 2022 £
Less allocated to charitable and fundraising expenses	<u>(409,382)</u> 83,806	<u>0</u> 0	<u>(385,513)</u> 82,456	<u>(12,368)</u> 2,645
Transfer of funds	<u>560,000</u>	<u>(560,000)</u>	<u>390,000</u>	<u>(390,000)</u>
(Deficit) / surplus of income over expenditure	<u>113,244</u>	<u>(368,367)</u>	<u>(57,320)</u>	<u>(217,747)</u>