

Trustees' Report

including Strategic Report
and Consolidated Accounts

Year ended 31 March 2022



THE MARTLETS HOSPICE LIMITED

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THE MARTLETS HOSPICE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	Committee
Mark Bayliss	1,2
Michael Bedingfield	4
Karen Blatchford	4
Rebecca Crook	1,2,3
Bec Davison	5
Barry Egan, <i>Vice Chair</i>	5
Helen Greany	1
Giles Ings	1,6
David Quinton	4,6
Juliet Smith, <i>Chair</i>	
Jake Standing, <i>Treasurer</i>	3
Duncan Stewart	2
Christopher Thomas, <i>Secretary</i>	1,3

Committees

Martlets Building Enhancement Project	1
Clinical Governance	2
Finance and ICT (Information, Communication and Technology)	3
Income Generation, Trading and Martlets Care	4
People Services and Remuneration	5
Safety, Health, Fire and Facilities Governance	6

Leadership Team

Imelda Glackin, Chief Executive Officer	<i>Resigned March 2022</i>	All
Claire Irving, Chief Executive Officer	<i>Appointed March 2022</i>	All
Simone Ali, Medical Director		2
Bobby Dhol, Director of Finance and Support Services	<i>Resigned June 2022</i>	1,3,4,6 1,3,4,6
Michael Barford, Director of Finance and ICT	<i>Appointed June 2022</i>	
Fiona Mulliner, Director of Income Generation		1,3,4,6
Sharon Howes, Director of People Services		5
Karen Taylor, Director of Clinical Services		2

Charity Number	802145	Company Number	02326410
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Principal Address and Registered Office

The Martlets Hospice Limited
Wayfield Avenue
Hove
East Sussex
BN3 7LW

Auditors

Moore Kingston Smith LLP
Betchworth House
57-65 Station Road
Redhill, Surrey
RH1 1DL

Lead Banking Partner

Barclays Bank PLC
139/142 North Street
Brighton
East Sussex
BN1 1RU

Discretionary Fund Manager

Rathbone Brothers PLC
1 Curzon Street
London
W1J 5FB

THE MARTLETS HOSPICE LIMITED

TRUSTEES' REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The Trustees and Directors of The Martlets Hospice Limited present their Annual Report, including the Directors' Report and Strategic Report, for the year ended 31 March 2022 together with the Consolidated Accounts for the Charity and its subsidiaries.

The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Martlets Hospice Limited

The Martlets Hospice Limited (Martlets, the Hospice, the Charity, the Company) is constituted as a company limited by guarantee and governed by its Memorandum and Articles of Association. In April 1997, a purpose-built, 18-bed Hospice opened, ready to care for people in and around the Brighton and Hove community. It brought together three charities: Coppercliff Hospice, the Turner Home and the Macmillan Day Services. This report covers the period April 2021 to March 2022.

Objectives of the Charity and Principal Activities and Organisation of our Work

As a Charity, we provide people affected by terminal illness in Brighton and Hove and neighbouring areas with the very best care and support. We help people do the things they love with the time they have. Our life-changing hospice care gives people living with terminal illness hope, purpose, and possibility. We continue to extend our reach to help as many people in our community as possible, ensuring that patients, family, and friends have access to our services. Our work is made possible only by the generosity of our supporters. The Charity achieves these objectives by:

- a) providing care which is free at the point of delivery to adults with serious and life-threatening illness;
- b) operating a service at one's home that takes specialist palliative care professionals, including medical consultants, clinical nurse specialists and hands-on care professionals, into the homes of patients;
- c) operating a service at one's home that takes skilled, hands-on hospice care into the homes of patients;
- d) operating a respite service that supports the carers of patients;
- e) providing a bereavement service for relatives and carers;
- f) providing a range of day services for patients and carers to support their health and well-being; and
- g) working in partnership with the NHS, charities, and organisations to extend and maximise reach and impact.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in the planning of future activities.

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COVID-19

The impact of COVID-19 on Martlets' operational and financial performance during 2020-21 was very significant and this was described in our previous annual report. The extended period of lockdown restrictions that began in early 2021 was not lifted until the middle of the year. Martlets continued to deal with operational disruption and the impact on staff, volunteers, and those we care for. Most measures implemented to provide safety and stability in operations and service provision remained in place until June 2022. In the latter part of the reporting year these aspects of working life overlapped with the preparation for temporary off-site relocation that occurred in advance of site work commencing on our building project.

Services

Our clinical services had to introduce different ways of delivering care during the pandemic and quickly established remote video consultations as an alternative to face-to-face appointments. Counselling for patients and bereaved relatives was also delivered online. With the need to socially distance, our IPU was unable to fully use communal rooms and only single rooms or family rooms were utilised. Our ability to allow visitors to see their loved ones was challenged throughout the period. Broader adoption of lateral flow device testing was key to allowing visiting to increase safely. Patients were prioritised for admission as before, however there was an overall reduction in admissions, as many people wanted to be cared for at home. The increase in the need to be cared for outside of the hospice environment was fully supported by the community teams. Some of the support in the community was shifted to remote ways of working and the number of telephone consultations rose significantly. Many patients needed to shield, so to continue providing emotional support virtually, we implemented remote sessions including yoga, relaxation, physiotherapy sessions. Our coffee morning and choir reformed remotely enabling group and social activities and providing essential peer support.

Despite facing the biggest challenge in healthcare for a century, fundraising events being cancelled and shops being closed, Martlets continued to care for people in our community. We have been hugely supported by our local community which provided PPE, financial support and even gifts and words of praise for our staff.

As 2022 progresses, with continuing risks and impacts from COVID-19, we remain alert to the risks of infection and new outbreaks and prioritise the wellbeing of staff, volunteers and those that we care for.

Financial Assistance

Martlets continued to benefit from COVID-19 grant funding during 2021-22 and its value to the organisation, staff and services provided has been extremely high. £420,447 was received in the year.

Service Delivery

Inpatient Services

During 2021-22, the inpatient unit cared for a total of 181 patients some of whom had multiple admissions. This was a reduction of 16% on the prior year. The average occupancy of the inpatient unit was 54%, which is slightly higher than last year although still well below the long term average of 74%. During the pandemic, many patients and their families wanted to remain at home. Of the patients cared for on the inpatient unit, 25% had a non-cancer diagnosis, consistent with last year.

Community Services

The Community Team consists of a multi-disciplinary team of Clinical Nurse Specialists, Hospice at Home team, doctors and other health and social care professionals including social workers, occupational therapists, a chaplain, and counsellors, as well as a range of volunteers providing services to patients and their families in the community as part of the wider Community Service. A total of 1,929 patients and carers were supported and cared for by the Community Services in the year 2021-22. This has been a 1% increase on the prior year.

A total of 7,887 face-to-face visits was made to 916 individual patients, a significant increase over last year. To ensure patient safety, the number of face-to-face visits was much reduced during the pandemic and this was balanced by remote consultations and a significant increase in telephone support. Telephone services continue to offer advice and support to patients, carers and health and social care professionals 24 hours a day, seven days a week.

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TRUSTEES' REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Outpatient Services

Outpatient services continued to be affected by the pandemic. Services to enable them to be delivered remotely, including yoga, relaxation, rehabilitation and choir, continued. Within the year 469 individuals accessed these services and for some this was easier than trying to attend outpatient appointments. Wellbeing calls meant that 3,449 telephone calls were made to support people at home.

Bereavement Services

The bereavement service offers one-to-one counselling with qualified counsellors and one-to-one support from trained bereavement volunteers. Counselling sessions are offered on all days except Sundays and the service is available in the evenings as well as during the daytime. The number of bereavement counselling sessions increased by 14% this year to 1,341.

Building a new Inpatient Unit

Martlets continued to make significant progress during the year on developing plans to build a new inpatient unit after concluding that the existing facility was not fit for the future. The new inpatient unit will contain individual en suite rooms for all patients, rather than the shared accommodation for eight of the current beds and shared bathing facilities for all. In addition to this, most spaces and facilities at the main Martlets site will be modernised and improved to the benefit of patients, families and staff. The board approved final plans for the project in March and in June the site closed and construction work began. Leases on three new sites to provide temporary inpatient, clinical and support staff accommodation were completed by this time. The project is scheduled to complete in August 2023.

Support Services

People Services

We supported the recruitment of leadership positions and key managers, including the CEO, Director of Finance and ICT, Deputy Director of Strategy, Innovation and Community and Martlets Care registered manager.

Alongside this the focus of the last year has been supporting the wellbeing of staff as COVID-19 continued to provide challenges in many of our environments. Bubbles continued with integration not possible, due to our hospice design and small space. We had a high take up of the vaccination over the year. Staff and Volunteer forums continued remotely. E-learning and some face to face training was reinstated for small groups. Our training compliance improved as training time was enabled. We work collaboratively with other hospices to deliver training and share expertise and resources.

A pay review in December 2021 supported a significant pay uplift from 1 April 2022, supporting the lowest paid and a second more significant move towards the NHS agenda for change pay structure, and out-of-hours enhancements for Inpatient staff. We introduced recruitment and retention premia to respond to the challenging job market as well as rises in wages.

The focus of our work supported the preparation of our off siting from Wayfield Avenue. We experienced challenges recruiting to some key positions and worked hard to assist staff to maintain their work/life balance and get sufficient rest from annual leave.

Health and Safety

Continuing work on Standard Operating Procedures (SOP) was maintained to deal with changing requirements and to minimise risk and outbreaks as COVID levels fluctuated. We maintained high standards of infection control, while introducing teams to each other from January 2022.

Increased support was accessed via our counselling and occupational health services was utilised, as some staff felt the effects of longer term exposure to personal and professional stress. There was a year on year increase in use.

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We held a wellbeing day for our clinical teams in spring 2022, after training many more managers and team leads in mental health. Our Schwartz rounds have been well attended and staff stories helped many to appreciate the range of impacts felt, as a result of changing ways of working, impact on our community and our preparations to move.

Information, Communications and Technology

The theme of the past year has been the planning and implementation for the shifting of teams and operations offsite during the building enhancement project. This has involved providing network connectivity to three new sites alongside the migration from a proprietary NHS link to a standardised HSCN connection (Health and Social Care Network), providing a more resilient and supported link to the NHS. We have also implemented a mobile device management platform to give a more secure and controlled way to deploy and manage mobile devices.

During the year we started a programme of phishing simulations to test and educate staff and volunteers on the dangers of phishing scams in order to better protect the organisation.

Data Protection and Governance

Work progressed through the year to move data files from physical servers to cloud based storage. This not only increases our data security but also allows for greater collaboration on projects and documentation and functionality for stronger restriction to data access and enhanced audit capability. We have also strengthened our on-boarding processes to ensure that all new starters complete information governance training on their first day. We are pleased to report that we had no data breaches in the period. We saw an increase in questions to the Information Governance team that acted to pre-empt any potential risk to data for a number of projects, which confirms that data protection is taken very seriously at Martlets.

Income Generation

The 2021-22 year was another challenging one for income generation as we came out of a third lockdown and started the work to rebuild our retail operations and fundraising efforts, even as COVID-19 continued to cause disruption to fundraising activities, relationships with donors, and staffing and volunteer levels.

Our Trading subsidiary showed the most marked turnaround from a significant loss in 2020-21 to a profit contribution of £220k. This was achieved by a sustained effort on the part of the retail, online and distribution centre teams to control costs, improve donation processes and maximise the performance of our seven shops. In the third quarter we opened a temporary 'pop up' shop in the Kempton area of Brighton, to test the audience and potential for expanding our portfolio into this community. The trial was a success and we have now opened a permanent shop in the same premises, taking our retail portfolio to eight shops. We will continue to exploit suitable opportunities to expand our portfolio into underserved communities as these arise.

Our Fundraising performance in the year was buoyed by the reintroduction of in-person events, alongside digital fundraising efforts which we introduced during lockdown in 2020-21. We ended the year with a strong profit contribution of £1.38m, £346k over target. Among our in-person initiatives in this uncertain year was a much-welcomed Light up a Life service relocated in the carpark of the Fundraising office when the hospice gardens were shut due to COVID-19, a sellout Halloween Ball which delivered our highest ever profit, and the resumption of highly popular community challenge events.

In the third quarter we launched our ambitious £2m capital appeal to help fund our hospice rebuild, which is taking place between June 2022 and September 2023. This initial 'private phase' of the appeal focuses on trust and foundation funding, as well as major donor and corporate partner contributions. Our campaign, 'Be a part of our moving story', and clear narrative for the need for a new hospice to better serve our communities in the future, has created a compelling case for support. At the end of this year, we had already secured pledges of £388k, with £1m in open trust applications.

Legacy income was anticipated to reach £2.95m but ended the year below forecast at £2.3m. Legacy income can

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be expected to fluctuate on an annual basis but we expect a recovery in future years in line with the Legacy Foresight report which shows sustained growth in legacy income over the next five years.

Donors to Martlets can be assured that we comply with the regulatory standards for fundraising, as set out in the Charities Act 2016. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We encourage the fundraising service providers we engage with to be signed up to the Code to protect our supporters and the reputation of our Charity.

The Martlets website outlines our complaints policy for the public and clearly explains how an individual can complain. No complaints were received in the financial year. Our policy requires that a response to a complaint is made within ten days, and that serious complaints are escalated to our Leadership Team and Trustees to consider lessons learned.

Martlets is signed up to the Fundraising Preference Service to enable individuals to opt out of receiving fundraising communications from us. We had no notifications from this service last year. In addition to our policy, we have an agreed operating procedure to protect vulnerable people. Our fundraisers are familiarised with the code of conduct to ensure that it is applied properly.

Marketing and Communications

With the ongoing impact of COVID-19 on working patterns, digital communications have continued to be an essential means of communicating with staff and volunteers throughout the year. A number of regular email newsletters were delivered this year for clinical and non-clinical teams, with the aim of keeping colleagues informed about COVID-19 infections and supporting the safety and wellbeing of all staff across the organisation. Volunteer engagement was achieved through regular virtual forums, hosted by members of the Leadership Team. A number of digital communications and campaigns were also delivered for the Fundraising team, as well as branding and creative assets to support our shops reopening after lockdown. The team worked closely with an external agency to develop and deliver our Capital Appeal campaign, 'Be a part of our moving story', and continued to produce high-quality patient stories and videos to be shared on our website and social media platforms to continue to raise awareness of Martlets' services and encourage donations and supporter engagement.

Financial Summary

Martlets has generated a consolidated surplus of £322,703, which compares with a surplus of £2,030,032 in the prior year.

Income

Total income for the Group amounted to £10,268,716, an 11% decrease over the prior financial year. Charitable activity income has shown a 38% decrease against last year amounting to £3,078,527, explained by the significantly lower amount of COVID-19 grants received during the period. Donations and Legacies have shown an 18% decrease on the prior year concluding at £3,583,547. This difference is due to the shortfall against predicted legacy income of around £0.7m mentioned above. Trading activities reported £3,452,933 income for the year compared with £2,122,715 last year, an increase of 63%. Retail performance exceeded budget as activity bounced back and expansion progressed. Our domiciliary care agency exceeded last year's income achieved and was boosted by some continuing COVID-19 funding.

Expenditure

Total expenditure in the financial year amounted to £10,418,788, which was very consistent with 2020-21.

Investment Performance

The Board of Trustees seeks to optimise the reserves of the organisation while balancing the risk to gain such returns, and so operates a diversified portfolio of assets. The asset portfolio is diversified in cash, residential property and an investment portfolio managed by a discretionary fund manager. After gains reported last year as equity markets recovered from initial reactions to the pandemic, the portfolio value increased again in 2021-22 by £219,497 to £3,684,467. This volatility continues into 2021-22 with war in Ukraine and huge disruption to global markets and

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individual economies. The housing market has maintained an upward trend in values, which has benefited our portfolio in partial compensation.

Reserves Policy

The Board of Trustees adopted a reserves policy carefully designed following the guidance from Charity Commission guidance, "Charity reserves, building resilience" (CC19). The policy seeks to set a reserve requirement using three core components. First, an amount is held equivalent to the redundancy costs of all staff within the organisation if these are required. Second, the value of 50% of most long-term leases and contracts are retained. These funds would cover such leases in the event of a shutdown, with a belief that the remaining 50% could be mitigated. Finally, with legacies forming such a significant proportion of voluntary income, a percentage of annual budgeted legacy is added to the reserve. At the end of March 2022, the three elements amounted to a reserve requirement of £3.1m. The free reserves as at the same date amounted to £5.7m, £2.6m above the target level.

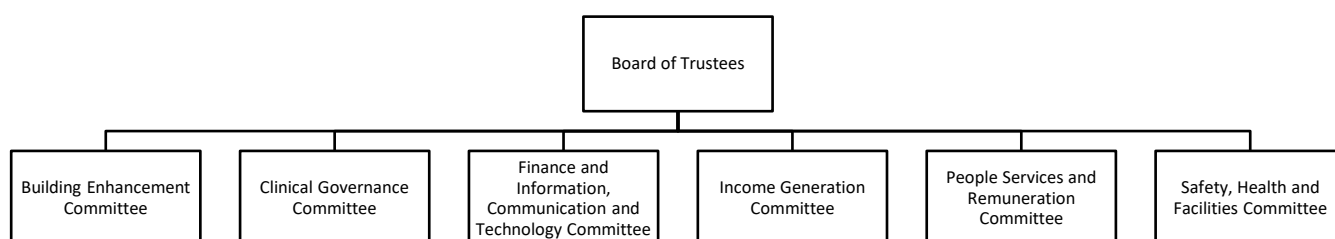
Designated Reserves

Martlets has retained £7m in designated reserves to assist in the funding of the building of the new inpatient unit, £2m higher than reported at the end of 2020-21.

Governance

The Structure of the Hospice

The Board of Trustees is responsible for the overall governance of Martlets, which includes overseeing strategy, performance, and compliance with all legislation. Martlets has two subsidiaries and collectively the legal entities are referred to in the Financial Statements as "the Group". Governance is an umbrella term for the systems, processes, and types of behaviour that enables Trustees to hold the organisation in trust, steer its work and optimise the benefit to current and future beneficiaries. Sub-committees ensure the appropriate oversight of strategic and operational areas. All committees offer advice direct to the Board of Directors and are listed below.



Directors and Trustees

All Trustees are Directors of The Martlets Hospice Limited, maintained at 13 members, and collectively have the power to appoint additional Trustees as it considers appropriate. Trustees serve up to a maximum of three terms of three years each, meeting as the Board every three months with additional extraordinary meetings as required. Additional Board days support strategic planning. All Trustees and Directors undergo an induction to educate on the policies and procedures for Martlets, training for specific topics as well as general information on how the organisation operates.

Risk Assessment and Management

Martlets operates an active Risk Register segmented into categories and reviewed at each appropriate sub-committee. These documents are periodically reviewed to assess existing risk and document new subjects as they come up. Mitigating actions are offered and tracked to alleviate identified risks where appropriate. Business Continuity Plans are also maintained, complemented by scenario planning simulations with team managers to practice events and leverage learnings from such simulations.

Leadership Team Remuneration

Remuneration of the Martlets Leadership Team is governed by the People Services and Remuneration Committee. Benchmarking continues to enable pay recommendations to be made, and to retain talent and reward for excellence.

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Recruitment Policy

Martlets makes reasonable adjustments in the recruitment process to ensure that no applicant is disadvantaged because of their protected characteristic. Our technical solutions enable anonymised shortlisting as personal and diversity information is held back. Guidance available sets out how we aim to eliminate bias from our recruitment process as this is the best way to reflect diversity, be fair to all applicants and encourage under-represented groups to apply for work or volunteering opportunities with us. We wish to reflect the diversity of the local community as far as possible as we believe it can enrich our services and enhance our social and cultural life.

Equality, Diversity, and Inclusion Policy

Martlets ascertains sensitively whether staff members require reasonable adjustments and therefore plans accordingly to meet any continuing healthcare needs or management of long-term conditions. Martlets will make reasonable adjustments to selection procedures for training or the training arrangements themselves. This could involve changing the way we conduct training, changes to the premises that we use or providing extra aids, services, or equipment to remove barriers for disabled staff.

Future Focus

Martlets Hospice is the organisation it is because of the amazing support of people in Brighton and Hove and the Havens and the dedication and tenacity of the people who work and volunteer for us. It is a privilege to support and direct the future of Martlets and the trustees offer deep gratitude and thanks to each person who has been and is involved in this wonderful organisation. The world in which we live in now needs hospices more than ever. We are proud to lead a hospice which is rising to meet that challenge.

A Hospice for the future

We are now all living with Covid. As Martlets looks to the future, we do so in a world experiencing change at a rapid rate. In this context, we want people in our communities of Brighton and Hove and the Havens to be assured that as they face death, dying and bereavement, they do so knowing that we will walk at their side, in the way that is right for them. Our new hospice home is being built and as we do this, we continue to deliver our palliative and end-of-life care in our community and in our beds. But we are not standing still; as we build we are also focusing on the following key development areas to increase our impact:

Developing our model of care

We must continue to be relevant to the people we serve. In the face of the continuing pandemic, we will launch our evolved model of care, based on a needs assessment of our community and the challenges they face seeking support when they or someone they care for has a terminal illness. We will be focusing on developing our outpatient model as well as our model of admissions to our wards, working in partnership with care providers around us. We will test these models of care over the course of the year so that as we move into our new home in Autumn 2023, we do so hitting the ground running.

Martlets People

Hospice care is uniquely special because of the support of our volunteers. Like many in the charity sector, volunteering has been impacted by Covid yet remains a deeply important part of our culture and our care. We will be reviewing our volunteer model over the year to support our clinical work, helping us deliver the very best experiences to those we care for and create fantastic opportunities for our community. We will also develop a workforce strategy for the future as we seek to grow Martlets' appeal as an employer of choice and deepen our focus on developing palliative and end of life expertise for the future.

Working in Partnership

Working together to extend the benefits and reach of palliative and end of life care through education and influencing government funding levels for hospices, our collaboration with our sister hospices in Sussex will continue this year. Alongside this, we will be finding our place within the new NHS commissioning structures which affect Brighton and Hove and the Havens specifically and seeking to work with other community health and social care partners to

THE MARTLETS HOSPICE LIMITED TRUSTEES' REPORT, INCORPORATING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

increase the benefits of our support, care and expertise for local people.

Trustee Declaration

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The Trustees' Report incorporating the Strategic Report was approved by the Board of Trustees on 21 July 2022 and signed on its behalf by:



Juliet Smith
Chairperson



Christopher Thomas
Secretary

THE MARTLETS HOSPICE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED

31 MARCH 2022

The Trustees, who are also the Directors of The Martlets Hospice Limited for company law, are responsible for preparing the Trustees' Report (incorporating the Strategic Report) and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company and the Group for that year.

In preparing these accounts, 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; and
- prepare the accounts 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 the Group and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Charity is operating effectively and efficiently;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained, and that financial information used within the Charity or for external publication is reliable;
- the Charity complies with relevant laws and regulations; and
- a system of effective clinical governance is in place.

The systems of internal controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- an annual budget approved by the Board;
- regular forecasts to predict the likely outcome for the financial year;
- regular monitoring of actual performance against budgets and forecasts;
- delegation of authority to managers for expenditure within budget limits;
- segregation of duties; and
- identification and management of risk.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MARTLETS HOSPICE LIMITED

We have audited the financial statements of The Martlets Hospice Limited ('the company') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance sheet, the Consolidated 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, 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 group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MARTLETS HOSPICE LIMITED

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report and the annual trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees 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 charity'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 charity 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 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MARTLETS HOSPICE LIMITED

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council;
- we obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance;
- we inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MARTLETS HOSPICE LIMITED

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 any party other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP.


James Saunders (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Betchworth House
57-65 Station Road
Redhill
Surrey
RH1 1DL

Date 1 August 2022

THE MARTLETS HOSPICE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022				2021			
		Unrestricted Funds		Restricted Funds	Total Funds	Unrestricted Funds		Restricted Funds	Total Funds
		General £	Designated £	£	£	General £	Designated £	£	£
INCOME AND ENDOWMENTS:									
Donations and legacies	2	3,477,543	-	106,004	3,583,547	4,207,468	-	154,050	4,361,518
Charitable activities	3	3,078,527	-	-	3,078,527	3,173,677	-	1,761,467	4,935,144
Other trading activities	4	3,452,933	-	-	3,452,933	2,122,715	-	-	2,122,715
Income from investments	5	153,709	-	-	153,709	134,976	-	-	134,976
Total Income and Endowments		<u>10,162,712</u>	<u>-</u>	<u>106,004</u>	<u>10,268,716</u>	<u>9,638,836</u>	<u>-</u>	<u>1,915,517</u>	<u>11,554,353</u>
EXPENDITURE:									
Raising funds	6	2,185,658	-	-	2,185,658	2,296,338	-	-	2,296,338
Charitable activities	7	8,022,797	-	210,333	8,233,130	6,183,662	-	1,943,380	8,127,042
Total Expenditure		<u>10,208,455</u>	<u>-</u>	<u>210,333</u>	<u>10,418,788</u>	<u>8,480,000</u>	<u>-</u>	<u>1,943,380</u>	<u>10,423,380</u>
Net Surplus/ (Deficit) before other recognised gains and losses		(45,743)	-	(104,329)	(150,072)	1,158,836	-	(27,863)	1,130,973
Net gains/ (losses) on investments		472,775	-	-	472,775	861,059	-	-	861,059
Taxation		-	-	-	-	38,000	-	-	38,000
Net Surplus/ (Deficit)		<u>427,032</u>	<u>-</u>	<u>(104,329)</u>	<u>322,703</u>	<u>2,057,895</u>	<u>-</u>	<u>(27,863)</u>	<u>2,030,032</u>
Transfers between funds		(2,000,000)	2,000,000	-	-	266,569	-	(266,569)	-
Net movement in funds		<u>(1,572,968)</u>	<u>2,000,000</u>	<u>(104,329)</u>	<u>322,703</u>	<u>2,324,464</u>	<u>-</u>	<u>(294,432)</u>	<u>2,030,032</u>
Reconciliation of Funds									
Balance brought forward		7,509,463	5,000,000	1,819,838	14,329,301	5,184,999	5,000,000	2,114,270	12,299,269
Balance carried forward	21	<u>5,936,495</u>	<u>7,000,000</u>	<u>1,715,509</u>	<u>14,652,004</u>	<u>7,509,463</u>	<u>5,000,000</u>	<u>1,819,838</u>	<u>14,329,301</u>

The statement of financial activities includes all gains and losses recognised in the year and all income and expenditure derive from continuing activities.

The notes on pages 21 to 37 form part of these financial statements.

**THE MARTLETS HOSPICE LIMITED
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
Fixed assets:					
Tangible assets	12		3,139,969		3,024,488
Intangible assets	13		-		8,000
Investment property	11		2,125,208		1,850,000
Investments	14		3,684,467		3,464,970
Total fixed assets			<u>8,949,644</u>		<u>8,347,458</u>
Current assets:					
Stock	16	15,612		15,162	
Debtors	17	3,336,871		4,182,922	
Cash at bank and in hand		3,638,698		3,274,042	
Total current assets		<u>6,991,181</u>		<u>7,472,126</u>	
Liabilities:					
Creditors: Amounts falling due within one year	18	<u>(1,231,704)</u>		<u>(1,407,997)</u>	
Net current assets			<u>5,759,477</u>		<u>6,064,129</u>
Total assets less current liabilities			14,709,121		14,411,587
Creditors: Amounts falling due in greater than one year	19		(50,577)		(75,746)
Provisions for liabilities			<u>(6,540)</u>		<u>(6,540)</u>
Net assets			<u><u>14,652,004</u></u>		<u><u>14,329,301</u></u>
The funds of the charity:					
Restricted funds	21		1,715,509		1,819,838
Unrestricted funds	21		5,936,495		7,509,463
Designated funds	21		7,000,000		5,000,000
Total funds			<u><u>14,652,004</u></u>		<u><u>14,329,301</u></u>

These financial statements were approved by the members of the Board of Trustees on 21 July 2022 and signed on their behalf by:



Juliet Smith
Chairperson



Christopher Thomas
Secretary

Charity number: 802145
Company number: 02326410 (England and Wales)

The notes on pages 21 to 37 form part of these financial statements.

THE MARTLETS HOSPICE LIMITED

CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets:					
Tangible assets	12		3,108,295		2,983,921
Intangible assets	13		-		8,000
Investment property	11		2,125,208		1,850,000
Investments	14		3,684,469		3,464,972
Total fixed assets			<u>8,917,972</u>		<u>8,306,893</u>
Current assets:					
Debtors	17	3,254,850		4,336,153	
Cash at bank and in hand		<u>3,543,711</u>		<u>3,157,830</u>	
Total current assets		<u>6,798,561</u>		<u>7,493,983</u>	
Liabilities:					
Creditors: Amounts falling due within one year	18	<u>(1,087,009)</u>		<u>(1,176,376)</u>	
Net current assets			<u>5,711,552</u>		<u>6,317,607</u>
Total assets less current liabilities			14,629,524		14,624,500
Creditors: Amounts falling due in greater than one year	19		<u>(10,734)</u>		<u>(13,528)</u>
Net assets			<u>14,618,790</u>		<u>14,610,972</u>
The funds of the charity:					
Restricted funds	21		1,715,509		1,819,838
Unrestricted funds			5,903,281		7,791,134
Designated funds			<u>7,000,000</u>		<u>5,000,000</u>
Total funds			<u>14,618,790</u>		<u>14,610,972</u>

These financial statements were approved by the members of the Board of Trustees on 21 July 2022 and signed on their behalf by:



Juliet Smith
Chairperson



Christopher Thomas
Secretary

Charity number: 802145
Company number: 02326410 (England and Wales)

The notes on pages 21 to 37 form part of these financial statements.

THE MARTLETS HOSPICE LIMITED
CONSOLIDATED STATEMENT OF CASHFLOW STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	23	458,653	313,407
Cash flows from investing activities:			
Dividends and interest receivable		153,709	134,976
Purchase of tangible fixed assets		(242,576)	(349,242)
Purchase of investments		(1,905,592)	(584,022)
Proceeds from sale of investments and fixed assets		1,900,462	552,189
Net cash provided by investing activities		<u>(93,997)</u>	<u>(246,099)</u>
Change in cash and cash equivalents in the reporting period		364,656	67,308
Cash and cash equivalents at the beginning of the reporting period		3,274,042	3,206,734
Cash and cash equivalents at the end of the reporting period	24	<u><u>3,638,698</u></u>	<u><u>3,274,042</u></u>

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES

Company Information

The Martlets Hospice Limited is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found in the Legal and Administrative information section of the accounts.

The Group consists of Martlets Hospice Limited and its two subsidiaries, The Martlets Trading Co Limited and Martlets Care Limited.

1.1 Basis of Preparation

A summary of the principal accounting policies adopted, judgements and key sources of estimation uncertainty, is set out below.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and with the Companies Act 2006, The Charities Act 2011 and follows the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('the SORP'). The financial statements have been prepared on the historical basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The results of The Martlets Trading Co Limited and Martlets Care Limited have been consolidated on a line by line basis. The results for the subsidiaries are disclosed in note 15.

1.3 Going concern

At the Balance Sheet date the group had net assets of £14,652,004 including listed investments of £3,684,467 and cash balances of £3,638,698. Subsequent to the year end and in light of the COVID-19 pandemic, the trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the group's forecasts and projections and have taken account of pressures on income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Incoming resources

Grants are recognised as income over the period to which they relate. Any grant funding received in advance is recognised as deferred income on the balance sheet.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

All other incoming resources are recognised when the charity is entitled to the income, there is certainty of receipt and the monetary value can be measured with reasonable accuracy.

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES (CONTINUED)

1.5 Government grant receivable

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

1.6 Donated goods

Donated goods and services have not been recognised in these financial statements as it is not practicable to do so as the cost outweighs the benefit.

1.7 Resources expended and the basis of allocation of costs

Expenditure is accounted for on an accruals basis. Overheads and other costs not directly attributable to particular projects are apportioned to the relevant funds on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff, time or space occupied, as appropriate.

Costs relating to a particular activity are allocated directly and others are apportioned on an appropriate staff basis. All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designated to reflect the use of the resources.

1.8 Fixed assets

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less estimated residual value, over the expected useful life on the following basis:

Leasehold buildings	-	2% reducing balance
Furniture & equipment	-	15-20% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	25-30% straight line

At the end of each accounting period the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

Assets costing less than £5,000 are written off to the Statement of Financial Activities. Assets under construction are not depreciated until the asset is brought into use.

Assets are written off to the Statement of Financial Activities once their net book value becomes less than £5,000.

1.9 Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Website	-	25% straight line
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Assets are written off to the Statement of Financial Activities once their net book value becomes less than £5,000.

1.10 Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to their present location and condition.

Stock held for distribution at no or nominal consideration is measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES (CONTINUED)

1.11 Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.12 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.13 Financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

1.14 Financial liabilities

Basic financial liabilities are initially measured at transaction price.

Leases

Rent payable under operating leases is accounted for in the Statement of Financial Activities in equal amounts over the period of the lease.

1.16 Taxation

The Martlets Hospice Limited is registered as a charity and all its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010. Any tax charged incurred by the Group is based on taxable profit for the year and included as a liability at the balance sheet date where necessary.

1.17 Deferred taxation

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Financial Activities, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES (CONTINUED)

1.18 Pension costs and other post-retirement benefits

The Martlets Hospice Limited operates a defined benefit pension scheme and a defined contribution pension scheme for its staff. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Martlets Hospice Limited is one of many employers in the NHS Pension Scheme. It is, therefore, not possible to allocate any actuarial surplus or deficit and, consequently, contributions to the NHS Pension Scheme are charged to the Statement of Financial Activities in the year in which they fall due for payment. The scheme has both defined benefits and contributions, any shortfall in the national fund being met by the Exchequer.

1.19 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Designated funds are funds set aside by Trustees to be used for a specific purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.20 Critical accounting judgements and key sources of estimation uncertainty

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

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

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Valuation of investment properties

The investment properties owned by the group have been valued by Pearson Keehan in April 2022. The trustees believe this valuation is appropriate and reflects the value of the investment properties as at 31 March 2022.

2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Patient related donations	365,561		365,561	274,820
Legacies receivable	2,343,451	-	2,343,451	2,994,173
General donations from individuals	364,996	-	364,996	541,381
Corporate donations	211,852	-	211,852	213,818
Donated goods Gift Aid scheme	51,923	-	51,923	35,140
Charitable Trust donations	139,760	106,004	245,764	302,186
	<u>3,477,543</u>	<u>106,004</u>	<u>3,583,547</u>	<u>4,361,518</u>

THE MARTLETS HOSPICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
CCG grants	2,579,216	-	2,579,216	2,573,469
COVID-19 grants	420,447	-	420,447	2,305,914
Other services	78,864	-	78,864	55,761
	<u>3,078,527</u>	<u>-</u>	<u>3,078,527</u>	<u>4,935,144</u>

4 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Shop sales	1,278,720	-	1,278,720	401,132
Online sales	102,443	-	102,443	-
Recycled sales	42,297	-	42,297	15,346
New Goods sales	59,249	-	59,249	34,414
Care packages	776,054	-	776,054	721,352
Respite packages	178,021	-	178,021	159,873
Functions and events income	338,309	-	338,309	89,505
Collection boxes	9,712	-	9,712	3,089
Lottery income	668,128	-	668,128	698,004
	<u>3,452,933</u>	<u>-</u>	<u>3,452,933</u>	<u>2,122,715</u>

5 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Dividend income	62,778	-	62,778	63,078
Interest income	3,191	-	3,191	3,806
Rental income	87,740	-	87,740	68,092
	<u>153,709</u>	<u>-</u>	<u>153,709</u>	<u>134,976</u>

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Activities undertaken directly				
Staff costs	1,256,829	-	1,256,829	1,200,379
Other costs	302,655	-	302,655	241,258
	<u>1,559,484</u>	<u>-</u>	<u>1,559,484</u>	<u>1,441,637</u>
Support costs				
Staff costs	119,714	-	119,714	156,966
Other costs	506,460	-	506,460	697,735
	<u>626,174</u>	<u>-</u>	<u>626,174</u>	<u>854,701</u>
	<u>2,185,658</u>	<u>-</u>	<u>2,185,658</u>	<u>2,296,338</u>

THE MARTLETS HOSPICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Activities undertaken directly				
Staff costs	4,332,588	144,005	4,476,593	5,056,726
Other costs	558,186	37,075	595,261	562,389
	<u>4,890,774</u>	<u>181,080</u>	<u>5,071,854</u>	<u>5,619,115</u>
Support				
Staff costs	1,876,364		1,876,364	1,586,481
Other costs	1,255,659	29,253	1,284,912	921,446
	<u>3,132,023</u>	<u>29,253</u>	<u>3,161,276</u>	<u>2,507,927</u>
	<u><u>8,022,797</u></u>	<u><u>210,333</u></u>	<u><u>8,233,130</u></u>	<u><u>8,127,042</u></u>

8 ANALYSIS OF SUPPORT COSTS

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Staff costs	1,996,078	-	1,996,078	1,294,287
Printing and stationery	26,053	-	26,053	44,377
Advertising	37,277	-	37,277	23,016
Legal and professional fees	142,854	-	142,854	69,943
Auditor's remuneration	21,672	-	21,672	20,594
Conference and training	68,047	-	68,047	18,544
Computer running costs	406,592	-	406,592	381,362
Service contracts	18,961	-	18,961	22,906
Repairs and renewals	87,479	-	87,479	192,414
Travel and motor costs	36,178	-	36,178	45,364
Rent and rates	442,163	-	442,163	466,669
Heat and light	176,866	-	176,866	67,699
Telephone costs	42,050	-	42,050	56,981
Insurance	15,910	-	15,910	40,181
Subscription costs	15,744	-	15,744	9,567
Investment management	19,227	-	19,227	20,311
Bank charges	34,378	-	34,378	30,176
Other costs	35,521	29,253	64,774	83,244
Depreciation costs	135,096	-	135,096	190,264
Impairment of assets	-	-	-	284,729
	<u>3,758,146</u>	<u>29,253</u>	<u>3,787,399</u>	<u>3,362,628</u>

Included within Support Costs above are Governance Costs. These costs include auditor's remuneration of £21,672 (2021: £20,594).

9 STAFF COSTS

	2022	2021
	£	£
Wages and salaries	6,492,608	6,353,937
Social security costs	574,803	558,181
Pension costs	461,146	455,312
	<u>7,528,557</u>	<u>7,367,430</u>

Included in the above wages and salaries is £nil (2021: £30,047) of redundancy payments, due and paid in the year.

The average monthly number of employees (full time equivalent) during the year was as follows:

	2022	2021
	Number	Number
Direct charitable activities	139	141
Administration	48	38
Fundraising	13	12
Martlets Care Limited	55	50
The Martlets Trading Co Limited	32	30
	<u>287</u>	<u>271</u>

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

9 STAFF COSTS (continued)

The number of employees whose emoluments, excluding pension contributions, were over £60,000 during the year were:

	2022	2021
	£	£
£60,000 - £70,000	1	4
£70,000 - £80,000	1	1
£80,000 - £90,000	2	-
£90,000 - £100,000	1	1
£120,000 - £130,000	1	1
£140,000 - £150,000	-	1
£150,000 - £160,000	1	-
£170,000 - £180,000	1	-
	<u>8</u>	<u>8</u>

Of the employees, whose emoluments exceed £60,000, 6 (2021: 5) have retirement benefits accruing under defined benefit pension schemes. Pension contributions for higher paid employees in the year amounted to £47,728 (2021: £88,171)

The key management personnel of the parent charitable company comprise the Chief Executive, Director of Income Generation, Director of Finance and Support Services, Director of Clinical Services and the Director of People Services.

During the year key management personnel received total remuneration of £691,249 (2021: £585,712).

10 TRUSTEE REMUNERATION

The trustees did not receive any remuneration during the year (2021 - £nil). No trustees received reimbursement in the year (2021 - £nil).

11 INVESTMENT PROPERTY

CHARITY AND GROUP

Fair Value

	£
At 1 April 2021	1,850,000
Revaluations	275,208
At 31 March 2022	<u>2,125,208</u>

The Charity acquired the investment properties from legacy bequests received between 2017 and 2020. The fair value of the investment properties have been arrived at on the basis of valuation made by Pearson Keehan in April 2022. The Trustees have considered the valuation by Pearson Keehan and believe this value is reflective of the property values as at 31 March 2022.

Historical cost of the investment properties is £1,732,329 (2021: £1,732,329).

THE MARTLETS HOSPICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12 TANGIBLE FIXED ASSETS

GROUP	Asset Under Construction	Leasehold buildings	Furniture & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost:						
At 1 April 2021	324,493	3,837,547	372,787	345,969	61,428	4,942,224
Additions	206,426	-	-	36,150	-	242,576
At 31 March 2022	530,919	3,837,547	372,787	382,119	61,428	5,184,800
Depreciation:						
At 1 April 2021	-	1,346,219	306,523	229,700	35,294	1,917,736
Charge for the year	-	54,547	13,250	52,763	6,535	127,095
At 31 March 2022	-	1,400,766	319,773	282,463	41,829	2,044,831
Net Book Value:						
At 31 March 2022	530,919	2,436,781	53,014	99,656	19,599	3,139,969
At 31 March 2021	324,493	2,491,328	66,264	116,269	26,134	3,024,488
CHARITY						
Cost:						
At 1 April 2021	324,493	3,837,547	319,623	345,969	40,593	4,868,225
Additions	206,426	-	-	36,150	-	242,576
Disposals	-	-	-	-	-	-
At 31 March 2022	530,919	3,837,547	319,623	382,119	40,593	5,110,801
At 1 April 2021	-	1,346,219	278,300	229,700	30,085	1,884,304
Charge for the year	-	54,547	8,265	52,763	2,627	118,202
Impairment	-	-	-	-	-	-
At 31 March 2022	-	1,400,766	286,565	282,463	32,712	2,002,506
Net Book Value:						
At 31 March 2022	530,919	2,436,781	33,058	99,656	7,881	3,108,295
At 31 March 2021	324,493	2,491,328	41,323	116,269	10,508	2,983,921

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

13 INTANGIBLE FIXED ASSETS

	GROUP £	CHARITY £
Website costs		
Cost:		
At 1 April 2021	38,900	20,000
Additions	-	-
At 31 March 2022	38,900	20,000
Depreciation:		
At 1 April 2021	30,900	12,000
Charge for the year	8,000	8,000
At 31 March 2022	38,900	20,000
Net Book Value:		
At 31 March 2022	-	-
At 31 March 2021	8,000	8,000

14 FIXED ASSET INVESTMENTS

	GROUP Listed Investments £	Subsidiary Investments	CHARITY Listed Investments £	Total
Cost:				
At 1 April 2021	3,464,970	2	3,464,970	3,464,972
Additions	1,905,592	-	1,905,592	1,905,592
Disposals	(1,900,462)	-	(1,900,462)	(1,900,462)
Revaluations	214,367	-	214,367	214,367
	3,684,467	2	3,684,467	3,684,469

At 31 March 2022, the historic cost of the listed investments was £3,206,090 (2021: £2,694,769).

The subsidiary undertakings included as investment at the balance sheet date are:

Name of Company	Class of Shares	Holdings	Nature of Business
Martlets Care Limited	Ordinary	100%	Provides welfare services and care
The Martlets Trading Co Limited	Ordinary	100%	Retail sale of goods

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

15 SUBSIDIARY COMPANIES

15a Martlets Care Limited

The Hospice owns a subsidiary, Martlets Care Limited (company number 06250709).

	2022	2021
	£	£
Income statement		
Turnover	954,075	881,225
Cost of sales	(642,554)	(603,203)
Gross profit	311,521	278,022
Operating expenses	(206,561)	(261,931)
Other operating income	53,703	48,156
Net profit	158,663	64,247
Gift aid donated to hospice	(64,257)	(167,163)
Profit for the financial year being the retained profit	94,406	(102,916)
Balance sheet		
	2022	2021
	£	£
Assets	313,311	248,308
Liabilities	(157,529)	(186,932)
Net assets	155,782	61,376
Represented by:		
Capital	1	1
Reserves	155,781	61,375
	155,782	61,376

15b The Martlets Trading Co Limited

The Hospice owns a subsidiary, The Martlets Trading Co Limited (company number 04557282).

	2022	2021
	£	£
Income statement		
Turnover	1,460,579	478,994
Cost of sales	(31,567)	(28,186)
Gross profit	1,429,012	450,808
Operating expenses	(1,291,178)	(1,337,291)
Other operating income	82,347	327,020
Interest receivable	294	
(Loss)/ Profit before tax	220,475	(559,463)
Taxation	-	38,000
Net profit	220,475	(521,463)
Gift aid donated to hospice	-	(56,748)
Profit for the financial year being the retained profit	220,475	(578,211)

THE MARTLETS HOSPICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15b Martlets Tading Co Limited (continued)

Balance sheet	2022	2021
	£	£
Assets	229,688	251,692
Liabilities	(352,259)	(594,738)
Net assets	(122,571)	(343,046)
Represented by:		
Capital	1	1
Reserves	(122,572)	(343,047)
	(122,571)	(343,046)

16. STOCK	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Shop stock	<u>15,612</u>	<u>15,162</u>	<u>-</u>	<u>-</u>

17 DEBTORS	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	533,502	255,230	353,031	158,347
Amounts due from group companies	-	-	318,431	481,290
Prepayments and accrued income	2,721,404	3,800,522	2,535,328	3,638,887
Social security and other taxes	66,420	71,872	47,633	56,425
Corporation Tax Recoverable	-	38,000	-	-
Other debtors	15,545	17,298	427	1,204
	<u>3,336,871</u>	<u>4,182,922</u>	<u>3,254,850</u>	<u>4,336,153</u>

Included within prepayments and accrued income is legacy income receivable of £2,632,900 (2021: £3,231,900) due to the Charity.

Included in the Charity total above is £nil (2021: £370,000) of debtors due after 1 year.

18 CREDITORS: Amounts falling due within one year

	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	128,643	255,246	121,044	165,152
Accruals and deferred income	766,817	873,875	704,960	797,420
Social security and other taxes	181,902	178,375	155,162	118,483
Other creditors	154,342	100,501	105,843	95,321
	<u>1,231,704</u>	<u>1,407,997</u>	<u>1,087,009</u>	<u>1,176,376</u>

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

18 CREDITORS: Amounts falling due within one year (continued)

Deferred income	GROUP £	CHARITY £
Balance as at 1 April 2021	574,547	559,025
Movement in the year	(143,418)	(147,265)
Balance as at 31 March 2022	<u>431,129</u>	<u>411,760</u>

A fixed charge is registered at Companies House in favour of Barclays Bank Plc in respect of an overdraft held by the Charity.

19 CREDITORS: Amounts falling due after 1 year.

	GROUP		CHARITY	
	2022 £	2021 £	2022 £	2021 £
Other creditors	50,577	75,746	10,734	13,528
	<u>50,577</u>	<u>75,746</u>	<u>10,734</u>	<u>13,528</u>

20 PENSION COMMITMENTS

The Charity operated three pension schemes during the year on behalf of its employees.

- NHS Superannuation Scheme
- Federated Flexiplan
- Royal London

Contributions to each scheme are charged to the Statement of Financial Activities as they arise.

Royal London: This is a defined contribution scheme. The assets of the scheme are held separately from Group in a fund independently administered by Royal London and the assets and liabilities of the scheme are therefore represented in the Group accounts.

NHS Superannuation Scheme: The Group makes contributions to the scheme for nursing and medical staff. The scheme is an approved multi-employer scheme and, as such, the Group is not able to identify its share of the assets or of the potential liability it may have to the scheme at the balance sheet date.

Federated Flexiplan: The Group also historically operated a Federated Flexiplan Scheme. The Federated Flexiplan No.1 ("the Plan") is a defined benefit pension scheme. It is a "last person standing scheme" which means that all participating employers are joint and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the Company does not have sufficient information available, in particular to identify its share of the underlying assets and liabilities of the Plan, to use defined benefit accounting. As such as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. There were no contributions into the scheme during the accounting period.

Members of the Plan are entitled to benefit on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan and their Pensionable Salary at date of leaving. The Plan is closed to new members and to future accrual of benefits.

The Scheme Trustee entered a buy-in covering the full scheme liabilities with an insurer in February 2017 and confirms that the transition to achieve full buy-out has been finalised during the financial year 2019-20. There are no further legal or financial obligations to the Scheme.

THE MARTLETS HOSPICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20 PENSION COMMITMENTS (continued)

The total contributions made by the Group were as follows:

	GROUP		CHARITY	
	2022 £	2021 £	2022 £	2021 £
Martlets Group Personal Pension Plans	232,248	253,713	194,879	213,866
NHS Defined Benefit Scheme	228,898	241,447	228,898	241,447
	<u>461,146</u>	<u>495,160</u>	<u>423,777</u>	<u>455,313</u>

Total contributions outstanding at the year-end amounted to £77,476 (2021: £nil) for the Group and Charity.

21 RESERVES

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Unrestricted funds					
General funds	7,509,463	10,635,487	(10,208,455)	(2,000,000)	5,936,495
Restricted funds					
<u>Capital Funds</u>					
Hospice Development	1,339,058	-	(26,780)	-	1,312,278
Renaissance Project	263,438	-	(5,269)	-	258,169
Renovations Fund	23,530	-	(471)	-	23,059
Gateways to Care Project	48,543	-	(971)	-	47,572
IPU Equipment	17,920	-	(3,584)	-	14,336
MBE Project	35,000	-	-	-	35,000
	<u>1,727,489</u>	<u>-</u>	<u>(37,075)</u>	<u>-</u>	<u>1,690,414</u>
<u>Revenue Funds</u>					
Thompson Training Fund	40,000	-	(40,000)	-	-
Carers Project	25,259	-	(25,259)	-	-
Hospice at Home	-	48,000	(45,000)	-	3,000
Supporting Families in Crisis Project	-	5,000	(5,000)	-	-
Community Services	-	10,000	(10,000)	-	-
IPU	-	8,927	(8,292)	-	635
Valerie Emily Munday Day Centre Trust	-	8,310	-	-	8,310
Heads On Charity/ NHS Charities Together	-	8,000	-	-	8,000
Other	27,090	17,767	(39,707)	-	5,150
	<u>92,349</u>	<u>106,004</u>	<u>(173,258)</u>	<u>-</u>	<u>25,095</u>
Total restricted funds	1,819,838	-	-	-	1,715,509
Designated funds					
Hospice Development	5,000,000	-	-	2,000,000	7,000,000
Total funds	<u>14,329,301</u>	<u>10,635,487</u>	<u>(10,208,455)</u>	<u>-</u>	<u>14,652,004</u>

Restricted funds

Transfers to and from capital restricted funds relate to a correction made to align net book values of assets funded with restricted fund balances shown.

Hospice Development

This asset fund represents the Hospice building. It appears as a restricted fund because the original capital appeal to build the Hospice was conducted by MacMillan Cancer Support. On completion the asset was then given to the Charity with the restriction that it was to be used only as a Hospice. The expenditure shown during the year represents depreciation and rent paid to the NHS who owns the land. The Hospice building is also represented in our fixed asset schedule.

Renaissance Project

A capital grant was provided by NHS England in 2013 to create new day service facilities including a café and three multi-functional rooms. Improvements were also made to our main entrance and drugs room. Additional sums were raised from charitable trusts. The expenditure in the year represents depreciation on capital assets forming part of the appeal.

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

21 RESERVES (continued)

Restricted funds (continued)

Renovation Fund

During the financial year, The Martlets Hospice has embarked on building works to reconfigure the rear entrance to the building to enhance the passage and experience for patients entering the inpatient unit. Such works commenced in October 2017 and were completed in June 2018.

Gateway to Care Project

A capital grant was provided by the Department of Health in 2008 to refurbish our Reception and Day Hospice facilities. The expenditure represents depreciation on capital assets forming part of the appeal.

IPU Equipment

IPU equipment was purchased with a restricted donation in 2019.

MBE Project

Funds have been received which are restricted to the Martlets Building Enhancement Project. This project will, in its first phase, result in the build of a new Inpatient Unit.

The Thompson Training Fund

This is a cash fund built with donations from the Thompson Fund during 2006 and 2007, It is restricted to supporting training activities at the Hospice. The fund is being utilised over a 15-year period to support the training requirements of the Hospice.

Carers Project

The Ernest Kleinwort Charitable Trust has awarded a grant to Martlets to deliver a project that aims to provide better support for Carers.

Hospice at Home

This cash fund represents our Hospice at Home service and shows the income and expenditure of restricted grants and donations in the year.

Supporting Families in Crisis

This fund was to be expensed towards Jane Cato's Salary in the project.

Community Services

This fund is for the departmental cost of going out into the community to help dying people at home.

IPU

This fund represents income and expenditure of restricted grants towards our in-patient unit.

Heads on Charity/ NHS Charities Together

A £100,000 grant was awarded to Sussex hospices from Heads On Charity/NHS Charities Together to support clinical nurse specialists caring for people at end of life in their own homes. Martlets Hospice is the lead charity responsible for delivering the project and distributing the grant amongst the 7 Sussex Hospices. The project term is 1 year from 1 November 2021 to 31 October 2022 but the grant is payable over a longer 3 financial year term - 2021 to 2024.

Others

These cash funds represent the income and expenditure of restricted donations made during the year for various purposes.

Designated funds

Hospice Development

This fund represents funds set aside by Trustees to be used to partially fund the planned Martlets Building Enhancement project.

THE MARTLETS HOSPICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22 ANALYSIS OF NET ASSETS

As at 31 March 2022

	GROUP			Total
	Fixed assets	Fixed asset investments	Other net assets	
	£	£	£	
Unrestricted Funds	1,415,244	-	4,521,251	5,936,495
Restricted Funds	1,724,725	-	(9,216)	1,715,509
Designated Funds	-	5,809,675	1,190,325	7,000,000
	3,139,969	5,809,675	5,702,360	14,652,004

	CHARITY			Total
	Fixed assets	Fixed asset investments	Other net assets	
	£	£	£	
Unrestricted Funds	1,388,258	-	4,515,023	5,903,281
Restricted Funds	1,720,037	-	(4,528)	1,715,509
Designated Funds	-	5,809,677	1,190,323	7,000,000
	3,108,295	5,809,677	5,700,818	14,618,790

As at 31 March 2021

	GROUP			Total
	Fixed assets	Fixed asset investments	Other net assets	
	£	£	£	
Unrestricted Funds	1,065,431	-	6,444,032	7,509,463
Restricted Funds	1,959,057	-	(139,219)	1,819,838
Designated Funds	-	5,314,970	(314,970)	5,000,000
	3,024,488	5,314,970	5,989,843	14,329,301

	CHARITY			Total
	Fixed assets	Fixed asset investments	Other net assets	
	£	£	£	
Unrestricted Funds	1,024,864	-	6,766,270	7,791,134
Restricted Funds	1,959,057	-	(139,219)	1,819,838
Designated Funds	-	5,314,970	(314,970)	5,000,000
	2,983,921	5,314,970	6,312,081	14,610,972

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

23 SHARE CAPITAL

The company has no share capital and is limited by guarantee.

24 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period	322,703	2,030,032
Adjustments for:		
Depreciation of tangible fixed assets	127,095	174,814
Amortisation of intangible fixed assets	8,000	15,450
Impairment of tangible fixed assets	-	284,729
Gains on investments	(214,367)	(776,297)
Revaluation of investment properties	(275,208)	(145,000)
Investment income	(153,709)	(134,976)
(Increase)/ decrease in stocks	(450)	11,280
(Increase)/decrease in debtors	846,051	(1,311,050)
Increase/(decrease) in creditors	(201,462)	164,425
Net cash provided by/(used in) operating activities	<u>458,653</u>	<u>313,407</u>

25 ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash in hand	3,638,698	3,274,042
Total cash and cash equivalents	<u>3,638,698</u>	<u>3,274,042</u>

26 OPERATING LEASES

At 31st March 2022 and 31st March 2021 the Group had annual commitments under operating leases as set out below:

	2022 £	2021 £
Within 1 year	195,832	434,847
Between 2 and 5 years	458,102	913,215
After five years	1,730,200	1,752,600
	<u>2,384,134</u>	<u>3,100,662</u>

THE MARTLETS HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

27 RELATED PARTY TRANSACTIONS

GROUP

There were no related party transactions in the year.

CHARITY

During the year Martlets Care Limited declared a gift aid payment of £64,257 (2021: £167,163) to The Martlets Hospice Limited, its parent company. At the year end £70,494 (2021: £92,349) was outstanding from the company. This balance includes a loan of £69,000 due to The Martlets Hospice Limited, payable by 31 March 2022. The loan was extended to 31 March 2024 in May 2022. Interest of 0.75% per annum above LIBOR is payable on the loan balance.

During the year The Martlets Trading Co Limited declared a gift aid payment of £22,130 (2021: £56,748) to The Martlets Hospice Limited, its parent company. During the year, rent payments totalling £12,000 were made to The Martlets Hospice Limited, its parent company. At the year end £247,937 (2021: £388,940) was outstanding from the company. This balance includes a loan of £234,000 due to The Martlets Hospice Limited, payable after 31 March 2022. The loan was extended to 31 March 2024 in May 2022. Interest of 0.75% per annum above LIBOR is payable on the loan balance.



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Company Registration No.02326410 (England and Wales)

Registered Charity Number 802145