

St. Luke's Hospice (Harrow & Brent) Limited
Annual Report & Consolidated Financial Statements
For the year ended 31 December 2024

Charity Number: 298555

Company Number: 02141770

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1. INTRODUCTION FROM THE CHAIR OF TRUSTEES

In 2024 we continued to provide valuable and valued palliative and end-of-life services to the Harrow and Brent communities across our core and new services at a time of rising demand in a challenging environment

With over 30 years' experience, St Luke's continues to strive to ensure that our services reflect the community's needs and that our future can be assured in order to serve and support future generations. The positive experience of helping more patients and families with our wider portfolio of services is a true achievement, only possible due to the hard work of our team and the generosity of our volunteers and supporters.

Over the past year it has become even more evident that change is needed in the hospice sector generally and St Luke's is no exception. As a Board, we have approved a new Strategy that focuses on aligning improved quality of care with reinvigorated resources to match the evolving needs of our patients and their families. To do this at a time of ongoing financial pressures requires optionality, intelligence and resilience, all of which we are beginning to weave into the fabric of our organisation.

Furthermore it has become necessary to address long-term investment into our landmark building, Kenton Grange. The need to modernise the space that is so important to our day- and in-patients and their families as well as our teams has become pressing and we recognise that a multi-year programme of development and investment will be required.

Given that transformation of this scale requires time and careful planning, there is a shared understanding that the charity's financial outcomes will be challenging in the short term. Notwithstanding this strategic perspective, the Board is committed to be financially responsible and to restoring the organisation to a position whereby costs are fully covered by more sustainable income streams.

Despite the uncertainty that change and challenge present, our work is important and we are blessed with a strong community of supporters whose generosity is outstanding. I would also like to acknowledge the efforts of all teams, volunteers and trustees whose hard work is so appreciated.

There is much still to be done and we are confident that, with the continued backing of all our valuable supporters and our excellent team, we will find the St Luke's future model for the next 30 years and more.

Meg Lustman

2. ABOUT ST LUKE'S HOSPICE

a) Vision

A world where people experience the best possible last phase of life.

b) Values

Caring – Care of all those who deliver and need our services

Respect – Demonstrate respect and be open minded, inclusive and approachable

Excellence – Create an environment of continually achieving our goals

Inclusivity – Strive to reach all sections of our community in all areas of work

Empowerment – Empower our community to live a better life

c) Strategy 2025-28

During 2024, St Luke's developed a new three year strategy. It reflects the diverse and increasing needs of our community for end-of-life support and care, and the challenging external funding landscape for charitable hospices.

The London boroughs of Harrow and Brent are two of the most ethnically and culturally diverse boroughs in London, with high rates of deprivation. Our populations in these boroughs are also ageing, and across the UK more people are dying or living with life-limiting conditions.

Our strategy focuses on adapting our care services to improve provision and accessibility for our community. We will do this by working with the NHS, other charitable hospices, local government and communities in the London boroughs of Harrow and Brent.

At the heart of our strategy is our response to the financial challenges that the charitable hospice sector is facing where funding has not kept pace with rising costs, increased demand and the changing needs of our population. Our strategy reflects the urgent need to achieve sustainable funding for St Luke's Hospice in both the short- and longer-term.

We have three Strategic Goals, with associated delivery priorities, and activities that form the hospice's operational plan.

1. Quality of care

We will be the best hospice we can possibly be, providing high quality and compassionate hospice care and support to all people and their families who come into St Luke's or require our care at home.

Our delivery priorities:

1. Deliver responsive, personalised, high-quality, and compassionate care and support to more people and their families.
2. Provide early support to individuals with life-limiting illnesses, helping them maintain their quality of life.
3. Improve the provision of high-quality compassionate care using our clinical quality framework.
4. Enhance our compliance with best practices and regulatory standards throughout all aspects of our operations.

To achieve this, we will:

- Implement a new model of service delivery.
- Investigate opportunities for enhancing the use of our hospice ward (inpatient unit) to match the needs of the population and improve the hospice's sustainability.

- Expand and promote our Pall 24 Helpline as a single point of access for patients and families to expert advice, care and support 24 hours a day.
- Introduce a new Living Well programme to provide early support, reflecting the views of people with lived experience and other local stakeholders.
- Expand our respite care and support service for patients and carers through increased engagement with service users, local partners and improved referrals.
- Expand our bereavement support service including:
 - Introduce home visits to ensure equity of access to bereavement support.
 - Introduce a model of bereavement support for children and young people, supported by activities and events for children and young people, working collaboratively with stakeholders/agencies in this field.
- Design an educational programme for clinical staff that is aligned with service needs and their competency framework.
- Deliver an enhanced programme of audit, quality improvement projects and research.

2. Serving our community

We will embed ourselves at the heart of our local community through increased engagement and by working in partnership to provide high quality and compassionate hospice care and support to our community.

Our delivery priorities:

1. Strengthen St Luke's role as a leading voice in palliative care in Harrow and Brent, by providing advice, guidance, and education, in partnership with health, social care, and community organisations.
2. Build our relationships with our local community to establish St Luke's as the charity of choice for palliative care, support, and advice in Harrow and Brent.
3. Expand our engagement with diverse communities to better understand their needs and enhance our care and support services.

To achieve this, we will:

- Engage with local NHS primary care providers to increase knowledge and understanding of St Luke's services and increase referrals, particularly in areas of the boroughs where referrals are currently low.
- Engage with local NHS Trusts/secondary care providers to ensure effective working relationships and understanding of our services, and to increase referrals.
- Establish partnerships with local authority/voluntary sector organisations to improve knowledge of St Luke's services and support for patients and families.
- Develop and sustain meaningful collaboration with local faith leaders and community groups.
- Develop opportunities to provide expert training on palliative care to external partners including local health and social care organisations and voluntary sector.
- Increase public awareness of St Luke's care and services through enhanced communications including digital marketing.

3. Sustainability

We will deliver strong leadership, financial stability, and dependable income sources, supported by a skilled team of employees and volunteers ready to face future challenges.

Our delivery priorities:

1. Create dependable and efficient revenue sources through our fundraising campaigns, retail and other commercial activities.

2. Work with our NHS partners to secure equitable and sustainable funding for our clinical services.
3. Create an organisation culture where people are valued, included, and developed to perform to the best of their abilities to deliver St Luke's strategic goals.
4. Design our estates and infrastructure to be responsive to the current and future needs of St Luke's and our community.

To achieve this, we will:

- Focus our fundraising on activities that maximise income generation and achieve year-on-year growth.
- Implement the recommendations of our retail strategy review to maximise the profit contribution of our retail network.
- Play a leading role in the development and implementation of North West London Integrated Care Board's new Model of Care for community specialist palliative care in Harrow and Brent, making the case for sustainable funding for charitable hospices.
- Develop policies to support Equity, Diversity, Inclusion in the workplace.
- Introduce individual objectives and personal development planning for all staff through a new Appraisal Policy.
- Review our arrangements for pay, reward and recognition.
- Develop and promote wellbeing initiatives for staff and volunteers including Mental Health First-Aiders.
- Determine future opportunities for our estates including Kenton Grange, exploring commercial ventures and partnership possibilities.

Key enablers

To deliver our strategic goals, our strategy is underpinned and enabled by:

1. Sound financial management; robust finances and targets; accurate analysis; and accurate and timely management information.
2. Creative and innovative communications and marketing tailored to our target audiences and aimed at raising the profile of St Luke's as we endeavour to be the best hospice we can possibly be.

d) Main Activities

The Charity's main focus is to provide specialist palliative care to the people of Harrow and Brent facing life-limiting illnesses. Our care includes:

Community based care

We provide specialised care for patients and families with life-limiting conditions within their own homes, including specialist palliative care nursing, crisis response care, and respite care, delivered by our Hospice at Home team and specialist palliative care nurses.

Two-thirds of our care is provided in the comfort of peoples' homes, as we respect that this is where most people would like to be looked after. Our specialist community team of nurses helps people to manage more complex needs whilst our Hospice at Home team provides care that allows people to remain in their own homes by providing practical care and support. Our consultants offer outpatient appointments in the community and also at the hospice's main building, Kenton Grange.

Inpatient Unit

We provide specialist care to patients who can't be cared for in the community, including symptom control, specialist respite care and end of life care delivered by a multi-disciplinary team of nurses, doctors, healthcare assistants, physiotherapists and social workers.

Our 12-bed inpatient unit (IPU) at Kenton Grange cares for people in their final days, providing intensive care to help get symptoms under control or give respite care. Many of those who are cared for in our IPU often return home again.

Patient and Family Support Services

We provide a programme of emotional and practical support to patients and their families living with life-limiting conditions, delivered by our specialist team of palliative care social workers, family support workers, and trained volunteers.

Our services are intended to keep people feeling well, independent and mobile for as long as possible. Our holistic approach to care is intended to support people's wellbeing, including emotional support through services such as social work, spiritual care, exercise groups, advice on welfare benefits, advance care planning support, complementary therapy and physiotherapy services.

In addition to caring for our patients, we also provide bereavement support to family members and carers, through our team of trained, supervised volunteers.

Pall 24

We provide 24-hour expert support to patients, families and professionals over the telephone, delivered by our experienced clinical staff. Our team provides advice, a rapid response in times of crisis and effectively co-ordinates care, from arranging prescriptions, to getting vital equipment delivered – anything people need to avoid going to hospital and to stay comfortably in their homes.

3. SERVICE REVIEW

Our service activity data reports for the financial period 1 April 2024 to 31 March 2025, in line with local statutory reporting requirements.

St Luke's Hospice supported **2020** service users (2023: 2069).

Our specialist palliative care community team (Brent) carried out **2072** visits to patients in their homes, which represents an increase of 10% from the previous year (2023: 1884).

Our Inpatient unit saw **212** admissions in 2024, which is consistent with admissions in 2023. The Inpatient unit continues to accept admission 7 days a week which resulted in **39** weekend admissions in 2024.

A particular highlight for 2024 is the increased activity across all areas of patient and family support services to promote and support independence, acknowledging the power and benefits of bringing people together to socialise and learn from each other.

- We implemented additional group activities to reach more people across our service, pre and post bereavement, including walk and talk, chair yoga, sound relaxation and retreat days.
- We provided **2207** social work sessions compared to 2119 in 2023 (an increase of 4%) and this service continues to grow into 2025 reflecting the demand for psycho-social and emotional support.
- We recruited an additional 35 volunteers within the bereavement and complementary therapy services. All volunteers in these services receive ongoing training, supervision and reflective practice.
- We supported a larger group of people affected by complex psychosocial issues, for example. unsettled immigration status, homelessness and mental ill-health.
- Our team received commendation from North West London ICB for our work on Reducing Health Inequalities.

4. STRATEGIC REPORT

a. Achievements and Performance

In the 2023 Annual Report and Statutory Accounts, the following delivery priorities were identified for 2024.

1. We will deliver a new strategy for 2025-2028

- During 2024, St Luke's developed a new strategy focused on three Strategic Goals: Quality of Care, Serving our Community and Sustainability. The strategy started in January 2025 and is supported by a detailed operational plan and KPI's, and quarterly reporting to the Board of trustees.

2. We will work with the North West London ICB on the development of a new Model of Care

- During 2024, we have been a key partner in the North West London ICB's work programme to develop a new Model of Care for community specialist palliative care services. This included St Luke's Hospice involvement in advisory and working groups, consultations, and working in partnership with NHS and charity organisations to plan the implementation of the new Model of Care.
- Alongside, we have reviewed our own clinical service model, involving service users and clinical teams to consider how we can better meet the needs of our populations of Harrow and Brent. Our new service model will be implemented during 2025.

3. We will improve the performance and contribution of our retail network

- St Luke's Hospice Charity Shops Ltd (a trading company solely owned by St Luke's Hospice) experienced a downturn in profit in 2023 which was forecast to continue into 2024 and 2025. This was a result of lower sales, poorer quality donations, a fall in footfall on the high street, and increased costs due to inflation across our network of 16 shops, all factors experienced across the charity retail sector. Our retail network contributes a third of our total income each year.
- Urgent actions were implemented from the start of 2024 to improve performance.
 - We commissioned the Charity Retail Consultancy to carry out a retail strategy review.
 - We updated the governance of our trading company to enhance oversight and decision-making.
 - We restructured the leadership of the retail company, introducing new charity retail expertise into the business.
 - We delivered a bespoke retail management development programme.
 - We improved the alignment between retail and hospice central teams including enhanced marketing and communications support.

4. We will implement new fundraising initiatives including a new lottery partnership and we will join national campaigns that will increase awareness of hospice funding as well as fundraising.

- St Luke's Hospice has entered into a new lottery arrangement with Local Hospice Lottery partnership, moving from in-house delivery during 2025.
- We took part in the Big Give fundraising campaign for the first time, raising £30k.
- We participated in a Hospice UK National Legacy Campaign with 143 hospices across the UK to raise the importance and awareness of leaving Gifts in Wills.
- We undertook an external review of our fundraising to plan for growth and efficiencies in the years ahead.
- We participated in Hospice UK national campaigns to raise awareness of the funding challenges for hospices. In October, we hosted a visit from our local MP, Gareth Thomas,

who wrote to the North West London ICB on our behalf about the need for a more equitable funding model for charitable hospices.

5. We will prioritise the delivery of our strategic ambitions around developing and valuing our People.

Good progress has been made in strengthening our people processes and infrastructure.

- We introduced a new learning and development programme across the hospice, including lunchtime sessions, online training opportunities and a hospice-wide management programme, *People Management – the Essentials*, which has been attended by all managers. A bespoke programme for retail managers was also implemented, and work started on a nurse competency framework.
- The clinical education team launched a new approach to supporting reflective practice for clinicians.
- The People Committee and Remuneration Committee were established, providing governance and strategic thought leadership.
- The internal People Policy Review Group was established to review and update our people policies, with a target completion date of December 2025.
- We retained Investors In People (IIP) accreditation and undertook an IIP staff survey.
- A new focus on individual and personal development planning was introduced, to be expanded during 2025.

6. We will ensure that St Luke's estate is fit for purpose and fit for the future to deliver the services our local community needs at end of life.

- In 2024, we commissioned a Feasibility Study of our hospice building, Kenton Grange, by Newmark (a property consultancy with expertise in health and charity sectors). Newmark provided options for the long-term sustainability of Kenton Grange, identifying a planned maintenance programme for the next 10 years. The recommendations and strategic implications will be considered by the Board of trustees during 2025 and a programme of capital works will follow.

b. The Year Ahead

In 2025, we will deliver a programme of activities that meet our delivery priorities set out in the Strategy 2025-2028 (see section 2.c Strategy 2025-2028). Progress will be reported in the Annual Report and Statutory Accounts for 2025.

In addition, the Board of trustees have approved three key transformation projects that are of highest priority with strategic implications for the future sustainability of the hospice.

1. St Luke's Service Model – shaping the future of our care
Determining how our services will support the needs of our local population and community.
2. Kenton Grange Redevelopment Project
Determining how our hospice building will support our service model and meet the needs of our local community.
3. NHS Funding and ICB Model of Care for Community Specialist Palliative Care Services
Determining how we can achieve equitable and sustainable funding for our clinical services as a charity and co-commissioner of specialist palliative care services in Harrow and Brent.

c. Volunteers

At St Luke's, we are fortunate to have a dedicated community of volunteers who contribute their time and skills across most areas of our charity. From our award-winning gardening team of volunteers to the committed volunteers supporting our retail shops, their efforts are instrumental in helping us fulfil our mission of providing high-quality palliative and end-of-life care for the communities of Harrow and Brent.

Throughout 2024, our hospice volunteer numbers increased from 497 in 2023 to 521 in 2024, reflecting the ongoing dedication and commitment of our volunteers. In December, we were able to celebrate and recognise 41 volunteers who have worked for us for more than five years, with a handful of volunteers celebrating their 20 years of service.

Volunteers are crucial in the delivery of our services for patients and families. Our trained volunteers assist bereaved families in person or by phone through our bereavement programme and in 2024, we were delighted that the team won the prestigious Harrow Heroes Team of the Year award.

We continued to successfully recruit volunteers for key areas, including bereavement support, complementary therapy, reception services, retail, gardening, and office support, further enhancing the compassionate care we provide.

We are truly grateful for the unwavering generosity of our volunteers, whose contributions make a meaningful difference to the lives of our patients and their families.

d. Relationship with Stakeholders

St Luke's Hospice places great value on engagement with our stakeholders, building positive relationships across all areas of our work. In 2024, a Priority for Improvement was the development of a Patient Engagement Strategy, and we have introduced new and engaging ways to seek and receive feedback from our service users and their families.

We strive to build strong relationships with our local community, working with a range of faith groups, schools, businesses and local organisations to raise community awareness of our work and the services we provide. We were delighted to join together with the Trustees of the Shree Swaminarayan Mandir Kingsbury to be part of their Temple's ten-year celebrations and to host their spiritual leader during the summer of 2024. We were also very grateful to our Patron, The Lord Popat, for hosting a magnificent reception on our behalf at the House of Lords for over one hundred of our community and key stakeholders.

We continue to work closely with our NHS and local authority partners, including the local ICB, London North West University Hospitals NHS Foundation Trust and Brent Council Social Services. We are grateful for the interest and engagement from local Trusts and Foundations who fund our work, and voluntary sector partners. Our relationships with our charity hospice partners in the area remain strong, providing opportunities to share knowledge and experience, expertise and resources whenever possible, and working in partnership.

We engage with our staff across the hospice and our retail network through staff surveys, 'Staff Conversation' events with the CEO, and regular communications to keep staff informed and engaged. Many of our staff volunteer to help at fundraising events and we are very grateful for their engagement and support.

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

Reference and administrative information set out at the end of the report form part of the formal report.

The purpose of the charity, as set out in its Articles of Association are "The relief of sickness and the preservation of health of those suffering from any life limiting illness, primarily but not exclusively, within the areas of the London Boroughs of Harrow and Brent by:

1. maintaining a Hospice providing palliative and end of life care for them in a range of settings;

2. promoting and providing services, support and care for them, their families, friends, and carers to help relieve physical, emotional, mental, or spiritual distress;
3. promoting and providing education about all aspects of palliative and end of life care;
4. carrying out research into the development and improvement of care services, in particular all aspects of palliative and end of life care; and
5. promoting and providing other services and support in such ways as the trustees shall from time to time think fit through the provision of health and social care services of all types.”

a. Public Benefit

The charity exists to provide a palliative care end of life service for the residents of Harrow and Brent. In reviewing the objectives and activities for the year, the trustees have satisfied themselves that all our charitable activities focus on that care and further our charitable purposes for the public benefit. The trustees take into account Charity Commission guidance in this regard. The charity is a local organisation providing professional and compassionate services to the community in Harrow and Brent. It receives the majority of its funding from local individuals and organisations (including local NHS commissioning), therefore beneficiaries are mainly (although not exclusively) from the London boroughs of Harrow and Brent.

b. Corporate Structure

The Articles of Association govern the charity and set out its charitable objectives and powers. In 2023, updated Articles of Association were adopted with Charity Commission consent.

The organisation is a charitable company limited by guarantee, incorporated on 22 June 1987.

St. Luke’s Hospice (Harrow & Brent) Ltd. has a wholly owned trading subsidiary, St. Luke’s Hospice (Harrow & Brent) Charity Shops Ltd (company number 02454552) through which it operates a network of charity shops and a lottery. The trading subsidiary exists to maximise income for the hospice and all profits are donated to St Luke’s Hospice using Gift Aid regulations. In 2024, a governance review was carried out for the trading company and new Articles of Association and Deed of Covenant were approved and adopted by the Board of trustees. In addition, a review of the lottery was undertaken and plans approved to move to an external lottery provider which will be fully implemented in 2025.

c. Governance

St Luke’s Hospice is governed by a Board of trustees which meets at least 4 times a year. The Board of trustees is responsible for setting the strategic direction of the hospice. Additional Board business is carried out between formal meetings in line with procedures set out in the Articles of Association, including discussion, decisions and voting by email. In addition to attending Board meetings, every trustee sits on at least one Committee.

The hospice has five sub-committees:

- Finance & Performance Committee (F&P) – overseeing the financial performance of the hospice and the delivery of strategic objectives in line with resources, including income generation, marketing, IT, and estates management.
- Audit and Risk Committee (A&R) – overseeing risk management, governance, and compliance across the hospice.
- Clinical Governance Committee (CGC) – overseeing all areas of governance and compliance in relation to clinical services and patient safety.
- People Committee (PC) – overseeing all areas of people, culture and organisational development.
- Remuneration Committee (RemCo) – overseeing the remuneration of senior management.

The Board delegates day-to-day management of the charity to the Chief Executive Officer and the Executive Team.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 9 to the Accounts.

d. Appointment of Trustees

Trustees, including the Chair of trustees, are appointed by the Board following an open recruitment process including advertising, application and interview. The Board reviews the skills it needs in deciding selection criteria to maintain breadth of expertise. Once appointed a trustee will serve for an initial term of 3 years, with a maximum of 3 terms. In 2024, one trustee resigned from the Board.

e. Trustee Induction and Training

St Luke’s Hospice operates a thorough induction programme for all new trustees, including engagement with our services, and meetings with the Chief Executive Officer and members of the Executive Team. Trustees are provided with a comprehensive pack of information for reference including the Charity Governance Code. All trustees are required to complete e-learning modules via the hospice’s online training portal and are also offered relevant training courses. Annual appraisal of all trustees is conducted by the Chair and Vice-Chair. In addition, the Chair has an annual appraisal which is led by the Vice-Chair.

f. Principal Risks

St Luke’s Hospice has further embedded its approach to risk management during 2024. The Audit and Risk Committee met three times during the year including a meeting with the hospice’s auditors to review the audited accounts. A Board Assurance Framework and Corporate Risk Register has been embedded into practice and is supported and informed by an internal clinical governance framework.

Further development has taken place of the Vantage incident, risk and compliance management software during 2024. New modules have been implemented this year including the Care Quality Commission compliance module and the complaints and compliments module.

The Executive Team and the Audit and Risk Committee have agreed the organisation’s principal risks which are regularly reviewed. Organisational policies and procedures are in place in relation to the principal risks.

Risk	Management / Mitigations
Clinical Services	Education and training provision Competency programmes Arrangements for clinical and consultant oncall
Financial sustainability	Finance and Performance Committee Regular monitoring of management accounts and financial position Approved budget for financial year Appointed auditors Financial recovery plan for 2025 and beyond
Transformation	Strategic objectives Board and Executive Team away days for strategic planning Internal staff engagement and communications Staff survey
Commissioning	Regular meetings with commissioners Contract in place Provision of monthly activity and quality data

Governance and compliance	Clinical Governance Committee and Board level committees Internal governance groups Risk, incident and complaint management Patient feedback measures and strategy
Employment law, HR and payroll compliance	Remuneration Committee Specialist advisor support Contracts of employment
The environment	Structural surveys Planned maintenance programme Strategic plan for building upgrade
Infection prevention and control	External expert advisors Risk assessment Audit and monitoring programmes Training and education
Infrastructure	External IT contractor Cyber security
Safeguarding	Safeguarding lead and trustee with responsibility for safeguarding Safeguarding training and compliance monitoring Freedom to Speak Up Guardian
Health and safety	Health and Safety Group and Audit and Risk Committee Health and Safety competent advisors Various risk assessment Business Continuity Plan
Communication and engagement	Communications and marketing team Mailings, social media and engagement events
Workforce capability	People Committee Recruitment, probationary and appraisal processes Competency programmes Mandatory training and external training opportunities Education team
Workforce recruitment	People Committee Diverse recruitment methods
Data governance, security, privacy and quality	Information Governance Group Data Protection Officer, Senior Information Risk Officer, Caldicott Guardian Compliance with the Data Security and Protection Toolkit (DSPT)

g. Our People

There were, on average, 143 full-time and part-time (FT/PT) staff employed in 2024 in the hospice and the hospice's Shops company (2023: FT/PT staff 152).

Staff FT/PT	Year 2024	Year 2023
Shops Company	50	54
Hospice	93	98
Total	143	152

In 2024, a total of 521 (2023: 497) people volunteered at St Luke's Hospice; 411 in retail, and 110 in the hospice.

h. Remuneration Policy for Key Management Personnel

The Remuneration Committee consists of the Chair of trustees, Vice Chair of trustees, Chair of Finance & Performance Committee, and is chaired by a fourth trustee. It has delegated responsibility from the Board for pay and remuneration of the Chief Executive Officer and Executive Team. In 2024, an external agency was commissioned to carry out a benchmarking exercise for Executive Team salaries and benefits with reference to hospice, public, charity and private sectors.

i. Diversity, Equity and Inclusion

In 2024, we refreshed our Dignity at Work policies and Flexible Work policies. In 2025, staff will be engaged in setting the EDI agenda as part of the development of a new Equity, Diversity and Inclusion strategy for the hospice.

j. Environmental Impact - Energy and Carbon Reporting

We progressed with a number of initiatives in 2024 to improve our impact on the environment.

- We commissioned a building survey of our Kenton Grange site to understand the general condition and remedial work required to ensure the building remains in a satisfactory operating condition.
- We commissioned a Energy Performance Certificate Survey at the start of 2025 in order to understand the Kenton Grange site's current energy efficiency. Recommendations made by the assessor for potentially improving the energy performance of the building will be reviewed and incorporated into the buildings planned preventative maintenance programme where practically and economically feasible.
- We worked with our waste management provider to ensure that we are prepared for the changes in guidelines for recycling for workplaces and commercial waste collections from March 2025.
- We continued our recycling programme including plastics, papers, batteries, toner cartridges and the recycling of rag across our retail operation.
- We introduced electric vans for our retail operation.
- We paused other initiatives such as the replacement of windows whilst we investigate the structural repairs required at our Kenton Grange site.

6. FINANCIAL PERFORMANCE

a. Financial Performance

In 2024, the Hospice Group recorded a deficit of £118k (2023: surplus £169k). Compared to last year, this represents an increase of £758k in legacies, a £664k decrease in contract income (out of which £640k relates to Ageing well programme), a £38k rise in investment gains, a £214k increase in costs due to inflation, and a £204k reduction in contributions from our shops.

The Charity's income arises from:

	2024 £000	2023 £000	Increase/(decrease)
Contract income	3,032	3,696	(18%)
Fundraising	2,330	2,468	(6%)
Legacies	1,754	996	76%
Shops Company, including the lottery	2,324	2,411	(4%)
Interest & dividend	137	117	17%
Total income excluding unrealised investment gains.	9,577	9,688	(1%)

The Group's total income decreased by 1% (£287k) compared to the previous year, prior to accounting for unrealised investment gains and losses. There has been a 76% (£758k) increase in legacy income and a 18% (£664k) reduction in contract income primarily due to the non-renewal of the Ageing Well funding programme (£640k). All other operational income streams saw reductions.

Total group costs increased by 2%, driven by inflation and investment in IT infrastructure including EMIS (£50k). Communication and marketing expenses have been reclassified from fundraising costs to central support costs during the year.

The net profit contribution from the Shops Company saw year on year decline in 2024 as a result of shop closures, a drop in sales, and higher costs related to new vehicle leases, property dilapidation, and the full-year impact of the new Waverley warehouse.

As a result of the operating deficit and delayed cash receipt from legacies, cash reserves declined from £1.7 million to £1.3 million and total reserves declined from £12.8m to £12.7m.

b. Fundraising Approach, Controls and Performance

1. Performance

St Luke's Hospice is dedicated to engaging and collaborating with its local community, whilst also maintaining high standards of fundraising and lottery activity. In a particularly challenging income generating environment for the hospice sector, St Luke's is immensely appreciative of the continued commitment of our local communities of Harrow and Brent to all our work in the past year.

A 29% income growth was achieved in 2024, resulting in a gross contribution from Fundraising of over £3.5m. This was made up of £1.3m from multiple fundraising income streams (Individual Giving, In-Memory, Corporate and Community, Major Donors, Trusts and Foundations and Gift Aid), as well as Legacies, Events and from the Lottery. The lottery contribution and performance are reported within the Shops company performance section below.

Gifts in Wills remain our largest income stream with £1,753k being received from over 40 legacies, and 2024 ended with a very healthy legacy pipeline, the highest in the last five years. We remain incredibly grateful for those people who choose to remember St Luke's Hospice in their Wills.

The Big Give campaign to Support our Nurses, a new initiative for St Luke's, raised just over £27k, with over 139 donations (23 of which were new supporters). In-Memory saw significant growth from MuchLoved tribute pages, with donations increasing from £39k in 2023, to over £84k in 2024. Events income was slightly down on the previous year, and in 2025 we will concentrate on fewer events, and re-brand our flagship event to boost income. The Annual Walk, in its 27th year, exceeded expectations, bringing in over £80k with 70 walkers taking to the Shropshire Hills for a four-day walking challenge.

A fundraising review, undertaken by Compton Fundraising Consultants, was conducted at the end of the year to analyse our activity, database, supporter journeys and performance. As a result, a blueprint and fundraising roadmap has been developed, focusing on growth, efficiencies and sustainability for 2025 and beyond.

In 2024, St Luke's was incredibly grateful to receive tremendous support from local businesses, charitable Trusts and Foundations and grant-giving funds of all sizes. Our huge thanks to all those listed and those who prefer to remain anonymous:

Albert Hunt Trust; Ardwick Trust; Arja Samaj Middlesex Hindu Charity UK; Bell Container Trading; Bloomberg; Brent Health Matters; Caron Keating Foundation; Cecil Rosen Foundation; Charterhouse Accountants; City Bridge Foundation; D S Cohen Charitable Trust; The February Foundation; Hamilton Wallace Trust; Harapan Trust; Hodge Foundation; Hospital Saturday Fund; Jean and Derek King Charitable Trust; The Kingsbury Charity; Lenore Reynell Trust; Mahavir Trust; MAPS Medical Benevolent Charitable Trust; Middlesex Mark Benevolent Fund; M K Charitable Trust; National Lottery Community Fund; RUB White Charitable Trust; Screwfix Foundation; SPAR (UK); The Arts Society Harrow; The Wolfson Foundation; and Toureen Group.

2. Controls

St Luke's Hospice has voluntarily registered with the Fundraising Regulator, is a member of Hospice UK, the Hospice Lottery Association and the Hospice Income Generation Network (HIGN). In 2024, the Lottery remained in-house (pending a move to Local Hospice Lottery in 2025) and is licensed with the Gambling Commission. St Luke's also signed up to the national Hospice UK Legacy Campaign in 2024, joining together with 142 other hospices across the country to promote the importance of leaving gifts in will.

St Luke's is committed to operating within the Fundraising Code of Practice, employing a team of paid colleagues to deliver our fundraising and communications activities. Many of our fundraisers are also members of the Chartered Institute of Fundraising. We have a dedicated supporter care team responsible for data maintenance and record-keeping to comply with Fundraising Regulator requirements. In the period of 1 January to 31 December, we received five fundraising complaints, all of which were minor, and were investigated and resolved to the supporter's satisfaction.

From time to time, St Luke's engages with professional third-party suppliers to help raise funds, particularly where we do not have the expertise in-house, including mailing houses and fundraising agencies, to undertake some direct mailings and telephone appeals. St Luke's also contracts services to Legacy Link, a legacy administration company, to administer legacy donations. The Hospice is also signed up to the Fundraising Preference Service to enable individuals to opt out of fundraising communications from us, and we received one request through this service in the past year.

The Director of Communications and Fundraising is a member of the internal Information Governance Group and a member of the Fundraising team attends the hospice's Health and Safety Group. The team also liaise closely with, and seek guidance from, the Data Protection Officer to ensure data processing is in line with GDPR compliant procedures. All fundraising activities are reported to the Finance and Performance Committee on a quarterly basis by the Director of Communications and Fundraising.

The fundraising team will continue to build on the strategies implemented this year to steward existing donors and acquire new supporters to generate and increase income for St Luke's Hospice in the new financial year.

c. Retail and Lottery Performance

St Luke's Hospice Shops Company Ltd continued to generate profits in support of the Hospice's vital work and services. Over the past two years, we experienced a decline in profitability which persisted into 2024. This was driven by a combination of factors affecting the wider charity retail sector, including lower sales, reduced quality and volume of donations, declining high street footfall, shop closures and rising costs due to inflation across our network. The costs also increased due to new vehicle leasing, cost of dilapidations and full year new warehouse operational cost. The net contribution from all retail activity (including e-commerce) for 2024 was £153,054, down from £357,525 in 2023. Although quality of the

donated goods remained low, our shops continued to benefit from strong community support. During the year, one shop closed due to the expiry of its lease. By the end of 2024, the Shops Company operated 16 retail outlets.

To address these challenges and begin a retail turnaround, we implemented several key actions during 2024:

- **Commissioned a Retail Strategy Review:** The Charity Retail Consultancy was engaged to carry out a comprehensive review of our retail operations.
- **Strengthened Governance:** We updated the governance structure of the Shops Company to improve oversight and support better decision-making.
- **Restructured Leadership:** A new leadership structure and skills were introduced, bringing in charity retail expertise to guide the business.
- **Developed Management Capabilities:** A bespoke retail management development programme was delivered to upskill our team.

During 2024, we received 1 (2023: 6) complaints in relation to our retail network.

St Luke's Hospice currently operates an in-house lottery, which is licensed by the Gambling Commission. St Luke's is a member of the Hospice Lottery Association, and provides regular weekly data and regulatory returns to the Gambling Commission as requested. However, the cost of running the lottery, combined with declining player numbers and cancellations, has led to a decision to outsource this activity to the Local Hospice Lottery for 2025. Lottery income made a £249k contribution to the hospice in 2024 (a decline in income since 2023) with around 3,600 players participating in the weekly game. Player retention is the key focus at the present time for the lottery, and pro-active recruitment for players will follow once the lottery has been outsourced.

d. Reserves Policy

The Board of Trustees Reserves Policy aims to maintain six months of total expenditure as reserves. Adequate reserves also ensures that there are sufficient liquid funds available to meet unexpected shortfalls in its funding streams, timing differences in receipt of those funds, or sudden increases in costs.

The Finance and Performance Committee of the Board of Trustees reviews the Reserves Policy in line with future anticipated financial demands of the Charity. In 2024, reserves of £4,948k (six months total expenditure of £9,897), compared to £4,842k in 2023 (six months total expenditure of £9,683k) will be considered adequate by the Board of Trustees to meet the policy.

Total free reserves excluding Fixed asset reserve and designated funds held at 31st December 2024, as per the table below, were £5,171k. This is just above the required £4,948k of six-month operational cost. Therefore, the Trustees confirm the compliance of the Charity's Reserves Policy.

The Risk Management Reserve of £1,411k was established to help the Hospice address any operational risk that could arise in the future.

Comprehensive details about the Pension Deficit Reserve can be found in Note 20 to the Accounts.

As at 31st December 2024, the Charitable Group held the following General and Designated Reserves:

Fund	£000's		Timeline for Use
	2024	2023	
Designated Fixed Asset Fund - Hospice	5,233	5,294	The designated fixed asset funds represent the net book value of the fixed assets. These funds are identified separately as they are illiquid funds and not available for use.
Designated Fixed Asset Fund - Shops	380	512	
TOTAL Designated Fixed Asset Funds	5,613	5,806	
FREE RESERVES General Unrestricted Fund	5,171	5,173	Available for general purposes and core costs
Risk Management Reserve	1,411	1,372	General Purposes – against perceived potential risks to income – see below
Pension Deficit Reserve	300	300	Held towards a potential future buy-out of the Defined Benefits Pension Scheme – see Note 20 of the Financial Statements
TOTAL LIQUID RESERVES	6,882	6,845	Total Reserves available to spend
TOTAL UNRESTRICTED FUNDS	12,495	12,651	As per Balance Sheet

e. Investment Policy

Messrs Rathbones plc were appointed as Investment Managers to the Charity in 2016 to manage the investment portfolio with an initial allocation of approximately £1.6m. An additional investment of £2.5m was made in December 2021. Before placing investments on behalf of the Charity, the trustees have asked the fund managers to screen for tobacco and health care companies. The fund managers report to the Charity on a quarterly basis.

As at 31st December 2024 the investments were valued at £4,182k (2023 - £4,011K).

Changes in the investments held are detailed in Note 11 of the Accounts.

7. STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Charity Law in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity and the group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as each of the trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity and group's auditors are unaware
- the trustees have taken all reasonable steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may vary from legislations in their jurisdictions.

Auditor

On 18 November 2024 the company's auditor changed its name from Haysmacintyre LLP to HaysMac LLP. HaysMac LLP has indicated its willingness to be reappointed as statutory auditor for the next financial year.

The Trustees' Report, which incorporates a Strategic Report, was approved by the trustees and signed on their behalf by

Margaret Lustman
Chair of Trustees

Date

2025

8. INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. LUKE'S HOSPICE (HARROW & BRENT) LTD

We have audited the financial statements of St. Luke's Hospice (Harrow & Brent) Ltd for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Charity and Group Balance Sheets, the Statement of Consolidated Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 19, 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with regulatory

requirements of the Care Quality Commission, Charity Commission, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such the Companies Act 2006, the Charities Act 2011, payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

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

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

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

Use of our report

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

Lee Stokes (Senior statutory auditor)
for and on behalf of HaysMac LLP, Statutory Auditor
10 Queen Street Place,
London,
EC4R 1AG

9. FINANCIAL STATEMENTS

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including an Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Total 2023 £'000
Income from:						
Donations and legacies						
. Donations	2	1,712	382	-	2,094	2,217
. Legacies	3	1,754	-	-	1,754	996
		<u>3,466</u>	<u>382</u>	<u>-</u>	<u>3,848</u>	<u>3,213</u>
Charitable Activities						
. NHS commissioning		3,007	-	-	3,007	3,596
. Other income		25	-	-	25	100
	5	<u>3,032</u>	<u>-</u>	<u>-</u>	<u>3,032</u>	<u>3,696</u>
Other trading activities						
. Fundraising events	2	236	-	-	236	251
. Gross income from shops and lottery	4	2,324	-	-	2,324	2,411
		<u>2,560</u>	<u>-</u>	<u>-</u>	<u>2,560</u>	<u>2,662</u>
Income from Investments						
		<u>137</u>	<u>-</u>	<u>-</u>	<u>137</u>	<u>117</u>
Total income		9,195	382	-	9,577	9,688
Expenditure on:						
Raising funds						
. Fundraising costs		1,380	-	-	1,380	1,417
. Fundraising events costs		279	-	-	279	230
. Shops and lottery expenditure		2,567	-	-	2,567	2,390
. Investment management costs		20	-	-	20	19
		<u>4,246</u>	<u>-</u>	<u>-</u>	<u>4,246</u>	<u>4,056</u>
Charitable activities						
. Inpatient services		1,901	197	-	2,098	1,867
. Outpatient services		628	43	-	671	593
. Community services		1,660	111	-	1,771	1,855
. General clinical support		1,106	5	-	1,111	1,312
		<u>5,295</u>	<u>356</u>	<u>-</u>	<u>5,651</u>	<u>5,627</u>
Total expenditure	7	9,541	356	-	9,897	9,683
Net income/(Expenditure) before gains/(losses) on investments						
		<u>(346)</u>	<u>26</u>	<u>-</u>	<u>(320)</u>	<u>5</u>
Net gains on investments	11	190	-	12	202	150
Pension revaluation gain		-	-	-	-	14
Net income/(Expenditure)	6	(156)	26	12	(118)	169

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (continued)
(Including an Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Total 2023 £'000
Net income	6	(156)	26	12	(118)	169
Transfer between funds		-	-	-	-	-
Net movement in funds		<u>(156)</u>	<u>26</u>	<u>12</u>	<u>(118)</u>	<u>169</u>
Reconciliation of funds						
Total funds brought forward		12,651	-	228	12,879	12,710
Total funds carried forward		<u>12,495</u>	<u>26</u>	<u>240</u>	<u>12,761</u>	<u>12,879</u>

All amounts relate to continuing activities. There are no recognised gains or losses for the current or preceding financial year other than as shown above, therefore no Statement of Total Recognised Gains & Losses has been presented. Income and expenditure by fund for the year ended 31 December 2023 is given in note 19 to the accounts.

The net result of the charity's own activities for 2024 was a loss of £271,224 (2023: £187,745).

The notes on pages 27 to 44 form part of these accounts.

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

CHARITY AND GROUP BALANCE SHEETS

AT 31 DECEMBER 2024

	Notes	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
FIXED ASSETS					
Tangible assets	10	5,613	5,806	5,233	5,294
Investments	11	4,182	4,011	4,182	4,011
		<u>9,795</u>	<u>9,817</u>	<u>9,415</u>	<u>9,305</u>
CURRENT ASSETS					
Debtors	12	2,466	2,140	3,052	2,747
Cash at bank and in hand		1,331	1,717	983	1,491
		<u>3,797</u>	<u>3,857</u>	<u>4,035</u>	<u>4,238</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	13	(734)	(625)	(592)	(494)
NET CURRENT ASSETS		<u>3,063</u>	<u>3,232</u>	<u>3,443</u>	<u>3,744</u>
Long term liabilities (Pension deficit)	20	(97)	(170)	(97)	(170)
NET ASSETS	14	<u>12,761</u>	<u>12,879</u>	<u>12,761</u>	<u>12,879</u>
Represented by					
Unrestricted funds					
Designated funds		7,324	7,478	7,324	7,478
General fund		5,171	5,173	5,171	5,173
		<u>12,495</u>	<u>12,651</u>	<u>12,495</u>	<u>12,651</u>
Endowment funds		240	228	240	228
Restricted funds		26	-	26	-
	15	<u>12,761</u>	<u>12,879</u>	<u>12,761</u>	<u>12,879</u>

The financial statements were approved and authorised for issue by the Board of Trustees on2025 and signed on their behalf by:

M Lustman
Chair of Trustees

The notes on pages 27 to 44 form part of these accounts.

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024		2023	
	£'000	£'000	£'000	£'000
Cash flows from operating activities:				
Net cash flow provided by/(used in) operating activities (note A)		(423)		(748)
Cash flows from investing activities:				
Dividends, interest and rents from investments	136		117	
Purchase of property, plant and equipment	(57)		(884)	
Disposal of investments	872		374	
Acquisition of investments	(946)		(479)	
Change in investment cash	105		105	
Pension creditor revaluation	(73)		(61)	
Net cash used in investing activities		<u>37</u>		<u>(828)</u>
Change in cash and cash equivalents in the reporting period		(386)		(1,576)
Cash and cash equivalents at the beginning of the reporting period		1,717		3,293
Cash and cash equivalents at the end of the reporting period		<u>1,331</u>		<u>1,717</u>
A) Reconciliation of net (expenditure)/income to net cash flow from operating activities				
		2024		2023
		£'000		£'000
Net income for the reporting period (as per the statement of financial activities)		(118)		169
Adjustments for:				
Depreciation charges		250		183
Losses/(gains) on investments		(202)		(150)
Gain on pension revaluation		(-)		(14)
Dividends, interest and rents from investments		(136)		(117)
Decrease/(increase) in debtors		(326)		(765)
Increase/(decrease) in creditors		109		(61)
Other		-		7
Net cash flow provided in/(used in) operating activities		<u>(423)</u>		<u>(748)</u>
Analysis of cash and cash equivalents				
Cash at bank and in hand		1,331		1,717
Total cash and cash equivalents		<u>1,331</u>		<u>1,717</u>
ANALYSIS OF NET DEBT				
	Balance at 1.1.24	Cash flows	Other non-cash changes	Balance at 31.12.24
	£'000	£'000	£'000	£'000
Cash and bank	1,717	(386)	-	1,331

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(i) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(ii) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and accruing for legacies which have not yet been received.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(iii) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

(iv) Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives trustees confidence the charity remains a going concern for the foreseeable future.

(v) Consolidation

These accounts consolidate the results of the charity and its wholly owned subsidiary, St Luke's Hospice (Harrow & Brent) Charity Shops Limited, on a line-by-line basis. A separate Income and Expenditure Account and Statement of Financial Activities is not presented for the charity alone as permitted by the Companies Act 2006 and Charities SORP.

(vi) Income

Income from donations, legacies and grants are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Donations include related gift aid income.

The Shops company acts as agent to sell items donated with a gift aid declaration and to pass the resulting cash donations to the Hospice rather than record them as turnover within the Shops Company. The Hospice also receives the gift aid claimed on these donations.

Legacies are included when the Hospice becomes entitled to the funds and the sum receivable can be reliably quantified. Where they rely on the sale of property or investments, and thus do not have a certain valuation, an estimate of their value is disclosed in the notes to the financial statements.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income from NHS contracts from the Harrow & Brent Clinical Commissioning Groups. They have been dealt with on a receivable basis as a contribution to running costs.

There have been no significant gifts in kind or donated goods and services during the year.

The value of services provided by volunteers is not incorporated in these financial statements. Further detail of the substantial contribution by volunteers can be found in the Report of the Trustees.

(vii) Expenditure

Expenditure is recognised when a liability is incurred. It includes VAT where this is not recoverable.

Expenditure on raising funds is the costs incurred in attracting donation income, organising and managing fundraising events, and the costs incurred in trading activities which raise funds.

Charitable activities include the Hospice care services offered to inpatients, day care patients, those receiving Hospice services in their own homes, and their carers and families. There are also a range of clinical and other services which apply to all these forms of Hospice care. These costs include both the direct costs and support costs relating to these activities.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g., property costs by floor areas and other costs on the bases shown in Note 7.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with compliance with constitutional and statutory requirements. These have been allocated to activity costs on the same basis as support costs.

(viii) Tangible fixed assets

All assets acquired costing more than £2,500 are capitalised.

Leasehold properties	assets acquired prior to 2016 - over the term of the lease
	assets acquired after 2016 – shorter of 5 years or the remaining term of the lease
Fixtures and equipment	20%
Motor vehicles	20%
IT equipment and systems	20%

The freehold property is not depreciated as the amount of depreciation is considered to be immaterial.

Tangible fixed assets are held at cost and (except for the freehold property) depreciated on a straight line basis over their estimated useful lives as follows.

(ix) Investments

Investments are initially recognised at their transaction cost and subsequently valued at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the Statement of Financial Activities.

(x) Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for specific purposes.

Endowment funds are restricted funds which are to be retained for the benefit of the charity as a capital fund.

The Hospice has a number of restricted income and capital funds. Details of the funds are given in the notes to the financial statements.

(xi) Pensions

The Group currently offers a qualifying defined contribution pension scheme to all staff. In addition the Group is a Direction Employer under the NHS Scheme.

National Health Service Superannuation scheme

This is a statutory superannuation scheme as defined in Section 6.12 (1) Income and Corporation taxes Act 1988, which has no invested funds. Contribution by employers (currently 14.3%) and members are accounted for to the Treasury and benefits are paid from the consolidated fund. This scheme is only open to staff who have been members of the NHS scheme in previous employment under the dispensation rules. The accounting charge represents the employer's contributions for the period.

Defined Contribution Scheme (Pensions Trust)

With effect from 1 May 2015 the group also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the group. There is no liability under the scheme other than the payment of those contributions.

(xii) Taxation

No tax is payable due to the charitable status of the parent company. Taxable profits generated by the trading subsidiary are transferred to the parent company under gift aid.

(xiii) Leases

Operating lease rentals are charged to the Statement of Financial Activities over the period of the lease.

(xiv) Legal status

The charitable company is limited by Guarantee and does not have any share capital.

(xv) Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received. Termination benefits are accounted for on an accrual basis and in line with FRS 102.

(xvi) Debtors

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

(xvii) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

(xiii) Creditors and provisions

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

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2. DONATIONS – 2024	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Individual donations	215	24	239	251
In memoriam donations	202	3	205	185
Community groups	101	1	102	137
Trust fund donations	34	333	367	523
Corporate donations	115	8	123	101
Major Donors	131	13	144	65
Gift aid	146	-	146	71
Donations & gift aid from sale of goods in our shops	768	-	768	884
	<u>1,712</u>	<u>382</u>	<u>2,094</u>	<u>2,217</u>

Fundraising events in 2024 raised £236,052 (2023: £251,257).

DONATIONS - 2023	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Individual donations	234	17	251
In memoriam donations	181	4	185
Community groups	126	11	137
Trust fund donations	135	388	523
Corporate donations	101	0	101
Major Donors	52	13	65
Gift aid	71	-	71
Donations & gift aid from sale of goods in our shops	884	-	884
	<u>1,784</u>	<u>433</u>	<u>2,217</u>

3. LEGACIES

£1,753,661 has been recognised from legacies for 2024 (2023: £995,627) using the Hospice's accounting policy and principles of (i) Entitlement exists; (ii) receipt is probable; and (iii) the amount is measurable. Where there is any uncertainty regarding any of those principles, or the legacy could be contested, these have not been included in our accounts.

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

4. INCOME AND EXPENDITURE FROM SHOPS AND LOTTERY

The Charity owns the entire share capital of St Luke's Hospice (Harrow & Brent) Charity Shops Limited, a company registered in England and Wales, which operates charity shops in support of the Hospice funding. The subsidiary transfers to the Hospice under gift aid an amount not less than its taxable profits.

A summary of the trading results of the subsidiary is shown below. Audited accounts have been prepared in respect of the trading period for the year ended 31 December 2024.

	Total 2024 £'000	Total 2023 £'000
Turnover	2,060	2,158
Income from lottery	249	253
Government grants	15	-
	<hr/>	<hr/>
	2,324	2,411
	<hr/>	<hr/>
Cost of sale of purchased goods	-	4
Administration expenses	2,081	1,960
Lottery expenditure and prizes	90	90
	<hr/>	<hr/>
Gross direct expenditure of shops and lottery	2,171	2,054
	<hr/>	<hr/>
Net direct income from shops and lottery	153	357
Lease costs relating to shops owned by Charity	(66)	(66)
Donations of goods under gift aid	659	707
Lottery Prizes donated by Players	10	14
	<hr/>	<hr/>
Contribution generated by Charity Shops Ltd	756	1,012
	<hr/> <hr/>	<hr/> <hr/>

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

5. CHARITABLE ACTIVITIES - 2024	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
NHS commissioning income	3,007	-	3,007	3,596
	<u>3,007</u>	<u>-</u>	<u>3,007</u>	<u>3,596</u>
Other funding	25	-	25	100
	<u>3,032</u>	<u>-</u>	<u>3,032</u>	<u>3,696</u>

NHS commissioning income in 2023 includes funding to deliver Fast Track Brokerage of Care. The current contract runs to September 2025.

CHARITABLE ACTIVITIES - 2023	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
NHS commissioning income	3,596	-	3,596
Other funding	100	-	100
	<u>3,696</u>	<u>-</u>	<u>3,696</u>

6. NET (EXPENDITURE)/INCOME	Total 2024 £'000	Total 2023 £'000
Net income is stated after charging:		
Depreciation	250	183
Auditor's remuneration	27	18
Other fees payable to auditors	15	12
Operating lease rental	616	525
	<u>908</u>	<u>838</u>

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

7. EXPENDITURE – 2024

	Basis of Allocation	Fundraising costs £'000	Fundraising event costs £'000	Shops & Lottery expenses £'000	Investment Management costs £'000	Inpatient services £'000	Out Patient services £'000	Community services £'000	General clinical support £'000	2024 Total £'000
Staff costs	Direct	443	65	1,418	-	1,102	315	1,556	339	5,238
Drugs and medical	Direct	-	-	-	-	106	-	-	-	106
Catering and housekeeping	Direct	-	-	-	-	227	-	-	-	227
Fundraising and community	Direct	777	107	-	-	-	-	-	-	884
Other direct costs	Direct	-	-	753	20	104	80	21	394	1,372
		<u>1,220</u>	<u>172</u>	<u>2,171</u>	<u>20</u>	<u>1,539</u>	<u>395</u>	<u>1,577</u>	<u>733</u>	<u>7,827</u>
Support costs										
Management	Staff time	29	29	77	-	14	14	14	14	191
Quality	Staff time	13	0	60	-	72	48	50	72	315
Finance	Staff time	38	38	111	-	45	24	38	80	374
HR	Headcount	25	12	148	-	102	14	35	74	410
Premises	Floor area	42	22	-	-	272	168	40	102	646
Communication	Headcount	13	6	-	-	54	8	17	36	134
Shops Lease	Amortisation	-	-	-	-	-	-	-	-	-
		<u>160</u>	<u>107</u>	<u>396</u>	<u>-</u>	<u>559</u>	<u>276</u>	<u>194</u>	<u>378</u>	<u>2,070</u>
Total expenditure	2024	<u>1,380</u>	<u>279</u>	<u>2,567</u>	<u>20</u>	<u>2,098</u>	<u>671</u>	<u>1,771</u>	<u>1,111</u>	<u>9,897</u>
Total expenditure	2023	<u>1,417</u>	<u>230</u>	<u>2,390</u>	<u>19</u>	<u>1,867</u>	<u>593</u>	<u>1,855</u>	<u>1,313</u>	<u>9,683</u>

- The lease rentals relating to two shops are allocated wholly to Shops and Lottery Expenses.

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

7. EXPENDITURE – 2023

	Basis of Allocation	Fundraising costs £'000	Fundraising event costs £'000	Shops & Lottery expenses £'000	Investment Management costs £'000	Inpatient services £'000	Out Patient services £'000	Community services £'000	General clinical support £'000	2023 Total £'000
Staff costs	Direct	391	60	1,483	-	1,157	330	1,656	402	5,479
Drugs and medical	Direct	-	-	-	-	128	-	-	-	128
Catering and housekeeping	Direct	-	-	-	-	-	-	-	210	210
Fundraising and community	Direct	880	65	-	-	-	-	-	-	945
Other direct costs	Direct	-	-	571	19	132	65	40	386	1,213
		<u>1,271</u>	<u>125</u>	<u>2,054</u>	<u>19</u>	<u>1,417</u>	<u>395</u>	<u>1,696</u>	<u>998</u>	<u>7,975</u>
Support costs										
Management	Staff time	33	33	87	-	16	16	16	16	217
Quality	Staff time	5	0	25	-	30	19	21	30	130
Finance	Staff time	36	36	109	-	43	24	36	77	361
HR	Headcount	19	9	112	-	78	11	26	56	311
Premises	Floor area	29	15	0	-	181	112	27	67	431
Gen overheads	Headcount	24	11	0	-	102	15	33	69	254
Shops Lease	Amortisation	-	-	4	-	-	-	-	-	4
		<u>146</u>	<u>104</u>	<u>336</u>	<u>-</u>	<u>450</u>	<u>198</u>	<u>159</u>	<u>316</u>	<u>1,708</u>
Total expenditure	2023	<u>1,417</u>	<u>230</u>	<u>2,390</u>	<u>19</u>	<u>1,867</u>	<u>593</u>	<u>1,855</u>	<u>1,313</u>	<u>9,683</u>
Total expenditure	2022	<u>625</u>	<u>245</u>	<u>2,726</u>	<u>23</u>	<u>1,941</u>	<u>545</u>	<u>1,782</u>	<u>1,136</u>	<u>9,023</u>

- The lease rentals relating to two shops are allocated wholly to Shops and Lottery Expenses.

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

8. STAFF COSTS AND NUMBERS	Total 2024 £'000	Total 2023 £'000
Salaries and wages	5,052	4,930
Social security costs	486	470
Pension costs	324	330
Total	<u>5,862</u>	<u>5,730</u>
Average number of employees (full time equivalents)		
Hospice	79	82
Shops	43	49
	<u>122</u>	<u>131</u>

There were on average 143 people employed (2023 – 152) full and part time. The employees were supported by 521 unpaid volunteers during the year (2023: 497).

Pension costs include an amount of £31,849 (202 – £32,191) paid in respect of death in service cover for employees of the company.

Ex Gratia payments made during the year were £13,108 (2023 – £14,169).

The total remuneration for Key Management Personnel included in staff costs above is £540,569 (2023: £546,711). The number of staff with remuneration in excess of £60,000 were as follows:

£	2024	2023
£60,000 - £70,000	1	3
£70,000 - £80,000	2	3
£80,000 - £90,000	3	-
£90,000 - £100,000	-	1
£100,000 - £110,000	1	

9. TRUSTEES

None of the trustees received any remuneration or benefits in kind from the charitable company (2023: Nil). Trustees did not claim any expenses on behalf of the charity during the year (2023: Nil).

10. TANGIBLE FIXED ASSETS	Freehold properties £'000	Leasehold properties £'000	Fixtures & equipment £'000	Motor vehicles £'000	Total £'000
Group Cost					
Opening balance	4,932	1,194	573	11	6,710
Additions	-	3	54	-	57
Disposals	-	(277)	(8)	(11)	(296)
Closing balance	<u>4,932</u>	<u>920</u>	<u>619</u>	<u>-</u>	<u>6,471</u>
Depreciation					
Opening balance	-	682	211	11	904
Charge for the year	-	135	115	-	250
Disposals	-	(277)	(8)	(11)	(296)
Closing balance	<u>-</u>	<u>540</u>	<u>318</u>	<u>-</u>	<u>858</u>
Net Book Value					
At 31 December 2024	<u>4,932</u>	<u>380</u>	<u>301</u>	<u>-</u>	<u>5,613</u>
At 31 December 2023	<u>4,932</u>	<u>512</u>	<u>362</u>	<u>-</u>	<u>5,806</u>

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

Charity	Freehold properties £'000	Leasehold properties £'000	Fixtures & equipment £'000	Motor vehicles £'000	Total £'000
Cost					
Opening balance	4,932	33	563	-	5,528
Additions	-	-	54	-	54
Disposals	-	(33)	-	-	(33)
Closing balance	4,932	-	617	-	5,549
Depreciation					
Opening balance	-	33	201	-	233
Charge for the year	-	-	115	-	115
Disposals	-	(33)	-	-	(33)
Closing balance	-	-	316	-	316
Net Book Value					
At 31 December 2024	4,932	-	301	-	5,233
At 31 December 2023	4,932	-	362	-	5,294

Freehold properties otherwise represents the acquisition and conversion costs of Kenton Grange between 1992 and 2002 shown at historic cost and the costs of building the Woodgrange Centre completed in 2015.

11. INVESTMENTS

	2024 £'000	2023 £'000
Market value at 1 January 2024	4,011	3,861
Additions	946	479
Disposals	(872)	(374)
Realised and unrealised gains	202	150
Movement in investment cash	(105)	(105)
Market value at 31 December 2024	4,182	4,011

12. DEBTORS: amounts falling due with one year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade debtors				
Other debtors				
Prepayments and accrued income	179	60	179	60
Amounts owed by subsidiary undertaking	141	134	40	77
	2,146	1,946	1,931	1,731
	-	-	902	879
	2,466	2,140	3,052	2,747

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

13 CREDITORS: amounts falling due within one year	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade creditors	209	170	156	155
Taxation and social security	170	175	139	142
Accruals and deferred income	355	280	297	197
	<u>734</u>	<u>625</u>	<u>592</u>	<u>494</u>

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

- GROUP – 2024

	Unrestricted funds		Endowment Funds £'000	Restricted Funds £'000	Total 2024 £'000
	General £'000	Designated £'000			
Tangible fixed assets	-	5,613	-	-	5,613
Investments	2,531	1,411	240	-	4,182
Net current assets	2,737	300	-	26	3,063
Long term liabilities	(97)	-	-	-	(97)
Net assets	<u>5,171</u>	<u>7,324</u>	<u>240</u>	<u>26</u>	<u>12,761</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS

- GROUP – 2023

	Unrestricted funds		Endowment Funds £'000	Restricted Funds £'000	Total 2023 £'000
	General £'000	Designated £'000			
Tangible fixed assets	-	5,806	-	-	5,806
Investments	2,411	1,372	228	-	4,011
Net current assets	2,932	300	-	-	3,232
Long term liabilities	(170)	-	-	-	(170)
Net assets	<u>5,173</u>	<u>7,478</u>	<u>228</u>	<u>0</u>	<u>12,879</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS

- CHARITY – 2024

	Unrestricted funds		Endowment Funds £'000	Restricted Funds £'000	Total 2024 £'000
	General £'000	Designated £'000			
Tangible fixed assets	-	5,233	-	-	5,233
Investments	2,531	1,411	240	-	4,182
Net current assets/(liabilities)	2,737	680	-	26	3,443
Long term liabilities	(97)	-	-	-	(97)
Net assets	<u>5,171</u>	<u>7,324</u>	<u>240</u>	<u>26</u>	<u>12,761</u>

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)

- CHARITY – 2023

	Unrestricted funds		Endowment	Restricted	Total
	General £'000	Designated £'000	Funds £'000	Funds £'000	2023 £'000
Tangible fixed assets	-	5,294	-	-	5,294
Investments	2,411	1,372	228	-	4,011
Net current assets/(liabilities)	2,932	812	-	-	3,744
Long term liabilities	(170)	-	-	-	(170)
Net assets	5,173	7,478	228	-	12,879

15. FUNDS – 2024

	Opening Balance £'000	Income £'000	Expenditure £'000	Investment Gains/Losses £'000	Transfer/ Pension Surplus £'000	Closing Balance £'000
Restricted funds						
Inpatient care funds	-	196	(196)	-	-	-
Outpatient care funds	-	63	(63)	-	-	-
Community care funds	-	112	(92)	-	-	20
General Clinical funds	-	5	(5)	-	-	-
Capital funds	-	6	-	-	-	6
Fundraising Programme	-	-	-	-	-	-
Total restricted funds	-	382	(356)	-	-	26
Endowment funds						
Alice Wisbey Capital Fund	25	-	-	1	-	26
D D McPhail	203	-	-	11	-	214
Total endowment funds	228	-	-	12	-	240
Unrestricted funds						
Designated fixed asset fund	5,294	-	-	-	(61)	5,233
Designated shops assets fund	512	-	-	-	(132)	380
Designated risk management fund	1,372	-	-	39	-	1,411
Pension liability reserve	300	-	-	-	-	300
Total designated funds	7,478	-	-	39	(193)	7,324
Unrestricted funds						
General charitable funds	5,173	6,872	(7,371)	151	346	5,171
General non-charitable trading funds	-	2,324	(2,171)	-	(153)	-
Total general funds	5,173	9,196	(9,542)	151	193	5,171
Total unrestricted funds	12,651	9,196	(9,542)	190	-	12,495
Total funds	12,879	9,578	(9,898)	202	-	12,761

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

15. FUNDS (continued) - 2023

	Opening balance £'000	Income £'000	Expenditure £'000	Investment Gains £'000	Transfers £'000	Closing Balance £'000
Restricted funds						
Inpatient care funds	-	146	(146)	-	-	-
Outpatient care funds	-	156	(156)	-	-	-
Community care funds	-	112	(112)	-	-	-
General Clinical funds	-	20	(20)	-	-	-
Capital funds	76	-	-	-	(76)	-
Fundraising Programme	-	-	-	-	-	-
Total restricted funds	76	433	(433)	-	(76)	-
Endowment funds						
Alice Wisbey Capital Fund	24	-	-	1	-	25
D D McPhail	190	-	-	13	-	203
Total endowment funds	214	-	-	14	-	228
Unrestricted funds						
Designated fixed asset fund	5,065	-	-	-	229	5,294
Designated shops assets fund	41	-	-	-	471	512
Designated risk management fund	1,498	-	-	(126)	-	1,372
Pension liability reserve	300	-	-	-	-	300
Total designated funds	6,904	-	-	(126)	700	7,478
Unrestricted funds						
General charitable funds	5,516	6,847	(7,186)	264	(268)	5,173
General non-charitable trading funds	-	2,411	(2,054)	-	(357)	-
Total general funds	5,516	9,258	(9,240)	264	(625)	5,173
Total unrestricted funds	12,420	9,258	(9,240)	138	76	12,651
Total funds	12,710	9,691	(9,673)	151	-	12,879

15. FUNDS (continued)

A Pension Liability Reserve was set up in 2016 to reflect potential increases in the pension liability. When it was provided in full in 2017, the reserve was reduced. The balance in this fund will be used towards the cost of any future buy-out of the liability.

The late Mrs Alice Wisbey made a bequest to the Hospice with the instruction that the income therefrom should be applied for the comfort of the nursing staff. This is split between Income and Capital funds.

The restricted funds represent grants and donations received, from Trusts and individuals, where the use of the funds was restricted to a specific purpose by the donor. These funds have included contributions towards the cost of our Inpatient unit, Day care services, Community and Homecare services, to the provision of complementary therapies and a number of other items.

The D D McPhail Charitable Settlement originally gave £150,000 as an endowment fund. No instructions were given about income so this is applied for the general purposes of the charity. The difference between the original fund value and the current fund value arises through revaluation of the underlying investment.

The designated fixed asset fund represents the net book value of the Hospice's fixed assets. It has been set up to assist in identifying funds which are not free funds. Similarly, the designated shops asset fund has been set up to identify fixed assets of the shops company not covered by their working capital.

The designated risk management fund is intended to cover unexpected costs or income shortfalls, ensuring the long-term sustainability of the Hospice. The balance in this fund as at 31 December 2024 was £1,411k (2023 - £1,371k) most of which is managed by Rathbones, our investment manager.

The deficit arising out of the operating activities during the year resulted in the decrease in unrestricted general charitable funds of £700k (2023 - increase £231k).

The general funds represent the unrestricted funds of the group and are therefore "free reserves".

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

16. OPERATING LEASE COMMITMENTS

The group has the following total commitments under non-cancellable operating leases:

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Amounts due:				
Within 1 year	434	501	66	69
Within two to five years	1,191	1,189	158	206
After five years	666	802	10	31
	<u>2,291</u>	<u>2,492</u>	<u>234</u>	<u>306</u>

17. CAPITAL COMMITMENTS

The group has committed to a cost of £60k feasibility study on the premises of Kenton Grange. Based on the feasibility report capital refurbishment is likely to take place in the year 2025. (2023: none).

18. RELATED PARTY TRANSACTIONS

During the year, Trustees, Executive Team members and their close family members donated £325 and purchased £208 worth of Lottery tickets from the Hospice (2023: £1,120). There were no other transactions with related parties during the year (2023: none).

19. STATEMENT OF FINANCIAL ACTIVITIES IN THE PREVIOUS YEAR (2023)

	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Income from:				
<i>Donations and legacies</i>				
. Donations	1,784	433	-	2,217
. Legacies	996	-	-	996
	<u>2,780</u>	<u>433</u>	<u>-</u>	<u>3,213</u>
<i>Charitable Activities</i>				
. NHS commissioning	3,596	-	-	3,596
. Other income	100	-	-	100
	<u>3,696</u>	<u>-</u>	<u>-</u>	<u>3,696</u>
<i>Other trading activities</i>				
. Fundraising events	251	-	-	251
. Gross income from shops and lottery	2,411	-	-	2,411
	<u>2,662</u>	<u>-</u>	<u>-</u>	<u>2,662</u>
<i>Investments</i>	117	-	-	117
Total income	<u>9,255</u>	<u>433</u>	<u>-</u>	<u>9,688</u>

ST. LUKE'S HOSPICE (HARROW & BRENT) LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

19. STATEMENT OF FINANCIAL ACTIVITIES IN THE PREVIOUS YEAR (continued)

	Unrestricted funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Expenditure on:				
<i>Raising funds</i>				
- Fundraising costs	1,417	-	-	1,417
. Fundraising events costs	230	-	-	230
. Shops and lottery expenditure	2,390	-	-	2,390
. Investment management costs	19	-	-	19
	<u>4,056</u>	<u>-</u>	<u>-</u>	<u>4,056</u>
<i>Charitable activities</i>				
. Inpatient services	1,721	146	-	1,867
. Day care services	437	156	-	593
. Homecare services	1,743	112	-	1,855
. Overall clinical support	1,293	19	-	1,312
	<u>5,194</u>	<u>433</u>	<u>-</u>	<u>5,627</u>
Total expenditure	<u>9,250</u>	<u>433</u>	<u>-</u>	<u>9,683</u>
Net Income before				
gains on investments	5	-	-	5
Net (losses)/gains on investments	150	-	-	150
Pension revaluation gain	14	-	-	14
	<u>169</u>	<u>-</u>	<u>-</u>	<u>169</u>
Net Income	<u>169</u>	<u>-</u>	<u>-</u>	<u>169</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

20. THE CAREER AVERAGE REVALUED EARNING SCHEME (THE PENSIONS TRUST)

Up until 1st May 2015, the group offered a multi-employer pension scheme providing a defined benefit (career average) pension for members.

The company participated in the scheme, a multi-employer scheme which provides benefits to some 36 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2022. This valuation showed assets of £49.6m, liabilities of £57.1m and a deficit of £7.5m. To eliminate this funding shortfall, the Pension Trustee asked the participating employers to pay additional contributions to fund the scheme deficit of £1.67m. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities and increase by 3% per annum on 1st April each year. It was anticipated that the deficit would be cleared by 31st March 2027.

During 2024, St Luke's contributed £72,229 towards the deficit (2023 - £69,272).

Note that the previous valuation was carried out with an effective date of 30th September 2019. This valuation showed assets of £79m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Pension Trustee asked the participating employers to pay additional contributions to fund the scheme deficit. Annual deficit contributions by participating employers then total £1.53m pa due to the annual 3% increases, and the deficit to be cleared by 30th September 2027.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION	31 December 2024 (£000s)	31 December 2023 (£000s)
Present value of provision	162	226

FOR THE YEAR ENDED 31 DECEMBER 2024

20. THE CAREER AVERAGE REVALUED EARNING SCHEME (PENSIONS TRUST) (continued)

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	2024	2023
	£'000	£'000
Provision at start of period	226	310
Unwinding of the discount factor (interest expense)	9	14
Deficit contribution paid	(73)	(69)
Remeasurements - impact of any change in assumptions	-	1
Remeasurements – amendments to the contribution schedule	-	(30)
	<u>162</u>	<u>226</u>
	2024	2023
	£'000	£'000
Amounts due within one year	74	72
Amounts due after one year	97	170
	<u>171</u>	<u>242</u>

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS	31 December 2024	31 December 2023
	% per annum	% per annum
Rate of discount	<u>4.96</u>	<u>4.74</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

10. REFERENCE AND ADMINISTRATIVE INFORMATION

Company Number 02141770

Charity Number 298555

Registered Office Kenton Grange, Kenton Road, Harrow, Middlesex HA3 0YG

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

Margaret Lustman (Chair of Trustees)
Dr Carole Amobi – resigned 24/1/2024
Natalie Butler
Liz Jewitt-Cross (Chair of People Committee) -resigned 13/03/25
Sarah Gigg
Christine Glenn (Chair of Remuneration Committee)
Paul Hill (Chair of Finance & Performance Committee)
Sarah Livingston (Chair of Clinical Governance Committee)
Jatin Patel (Chair of Audit & Risk Committee)
Chandia Radia
Neel Radia
Professor Stephen Spiro (Vice Chair)
Raj Thakrar
Claire Melia-Tompkins

Key management personnel

Chief Executive Officer Lindsey Bennister
Medical Director Dr Charles Daniels – resigned 31/12/24
Director of Clinical Services Claire Porter – appointed 29/7/2024
Director of Operations Fran Deane
Director of Finance Geethanjali Umaasuthan
Director of People &
Organisational Development Lorna Campbell - resigned 19/03/25
Director of Fundraising
& Communications Joanna Pearce

Principal Bankers Barclays Bank plc, Leicester LE87 2BB

Auditors HaysMac LLP, 10 Queen Street Place, London EC4R 1AG

Investment Managers Rathbone Investment Management
8 Finsbury Circus, London EC2M 7AZ

Solicitors Curry Popeck, Devonshire House, 582 Honeypot Lane, Middlesex
HA7 1JS
BDB Pitmans LLP, One Bartholomew Close, London EC1A 7BL

Website www.stlukes-hospice.org