



Hospice Isle of Man

— ANNUAL REVIEW & ACCOUNTS —

2022




Hospice
ISLE OF MAN
care for our community



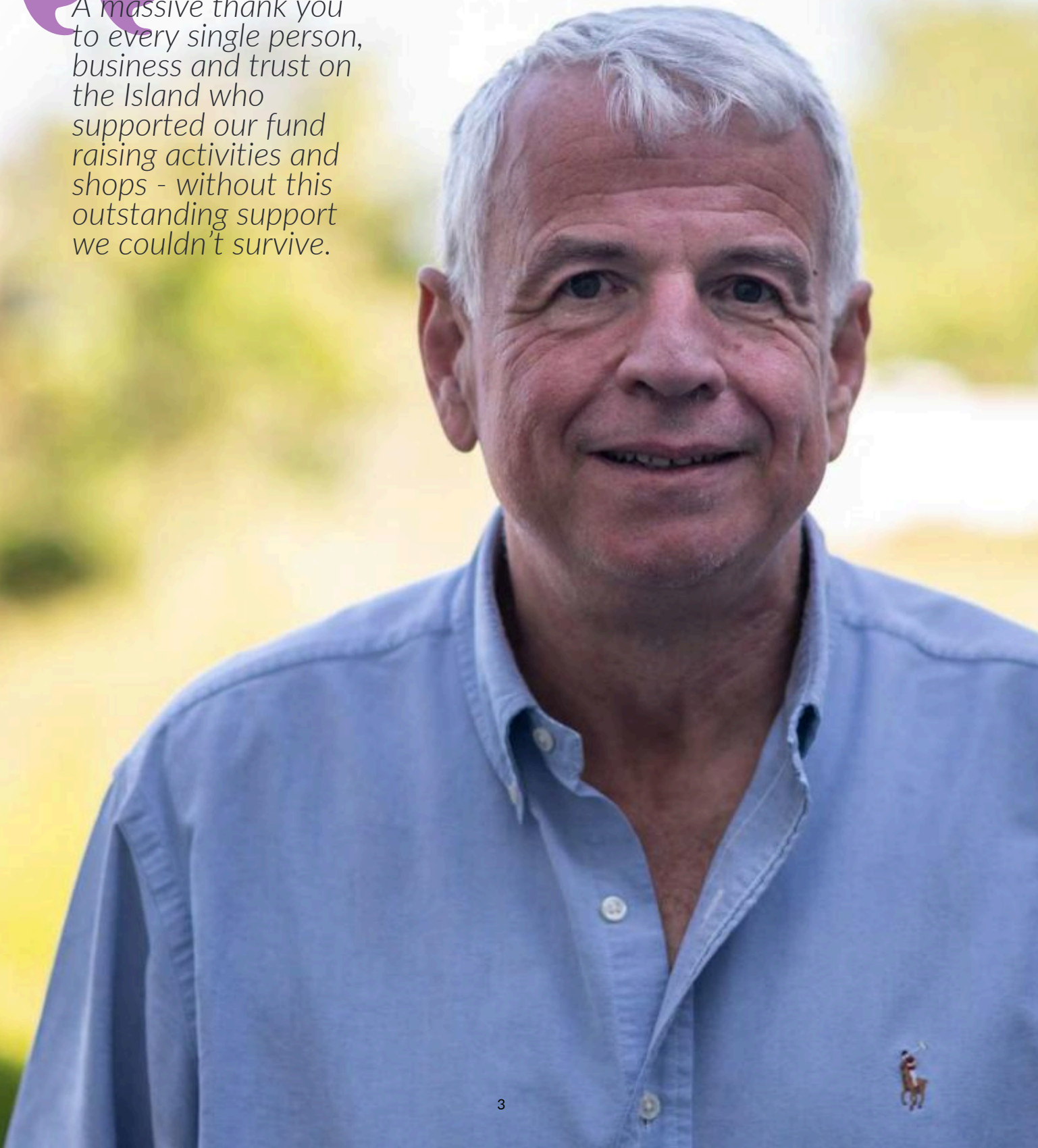
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CHAIRMAN'S FOREWORD



A massive thank you to every single person, business and trust on the Island who supported our fund raising activities and shops - without this outstanding support we couldn't survive.



After the enormous disruption and financial and operational challenges the team faced since the start of the COVID pandemic, we had hoped that 2022 might be a quieter year as we transitioned back to business as usual – however a number of headwinds conspired to make 2022 anything but quiet.

We navigated the Omnicron surge at the start of the year, and by the end of the 2022 our clinical referrals had risen to the highest ever level of 660, up 13.8% from 2021. Non cancer referrals are now at 48% of the caseload, which is high compared to the UK Hospice sector where 15-20% is more typical. Also notably, on average there are around 900 deaths on the Isle of Man each and every year. In 2022, we provided direct care for 46% of these, showcasing the support level we deliver to the community.

However Hospice is not about numbers – what really matters is the quality of care and support given to patients and their families. At the end of October 2022 we welcomed the independent inspection team from CQC for a week long inspection of IOM End of Life Care provision.

We were very pleased to read their detailed review report that highlighted the high quality of care provided by Hospice and the clear focus in keeping patients at the centre of everything Hospice does. They commented “staff treated patients with compassion and kindness, respected their privacy and dignity and took account of their individual needs. Staff were seen to show a genuinely caring approach to patients. There was a strong team working culture, including community support groups and volunteers, that provided a holistic service with patients at the heart of this”.

In December 2022 Anne Mills stood down as Hospice CEO. Anne worked tirelessly to ensure Hospice delivered the best possible care to our patients and we wish her all the best for a long and happy retirement.

We were also delighted to be able to welcome John Knight back to the Island as our new CEO. John has extensive third sector experience having previously led the IOM Children's Centre, and subsequently he led one of the UK's biggest Hospices. His experience and proactive approach have been absolutely invaluable, and he hit the ground running immediately when he started in his new role on January 3rd 2023.

As highlighted in the Treasurer's report, 2022 was an extremely challenging year financially. We are not alone facing these challenges, with over 80% of UK Hospices currently working to a deficit budget whilst negotiations continue with the respective national Governments over a sustainable funding model for end of life care.

Here on the Island we faced a perfect storm of problems which depressed income generation and inflated costs, contributing to a disappointing financial performance.

The Board recognise that going forward achieving a sustainable budget will continue to be a huge challenge. No stone will be left unturned to ensure that we work as effectively and efficiently as possible to optimise the support we can deliver with our finite resources, and in parallel that we will step up efforts to identify new donors and sources of income.

I would like to place on record my personal thanks to the Board and all the committee members for the huge amount of time they give to support Hospice. As a Board we have had to make some tough decisions and I hugely appreciate the support and wise advice from every Board member.

Secondly a massive thank you to every single person, business and trust on the Island who supported our fund raising activities and shops - without this outstanding support we couldn't survive.

Thirdly I would like to record my sincere thanks to the excellent Senior Leadership team who have been instrumental in identifying and implementing a number of cost reduction initiatives whilst ensuring we deliver the highest possible level of care.

Finally, on behalf of the Island a huge and sincere thankyou to our outstanding team and our incredible army of volunteers for everything they do.

With such a great team and with the continued support of the Island Community we can move into our 40th Year with confidence.



Chris Hall
Chairman

TREASURER'S REPORT

INTRODUCTIONS & 2022 RECAP

With the effect of the COVID pandemic finally dissipating towards the end of 2021 it might have been hoped that 2022 would show a return to Hospice's robust financial performances of the late 2010s. Unfortunately this was not to be the case with our results for 2022 resembling, at best, the proverbial Curate's egg – only good in places.

A record loss on paper of over £3.160M cannot be ignored, but I hope that I can show below that this performance came as a result of a number of issues which, to the extent that the Governors and the Senior Leadership Team are able to do so, have been addressed so that the financial road ahead now looks more secure and resilient.

Our inability to control large sections of our profit and loss account had a very significant impact on our results for 2022. We continue to budget our anticipated legacy income on the basis of a 5 year rolling average, which we consider to be a prudent policy. This meant that for 2022 we had expected to receive £1.8M in legacies. We only actually received just over £600K which immediately left a £1.2M hole in our anticipated revenue. When added to poor investment market returns, largely due to the Ukrainian conflict, this left us with a further £800K year on year loss of revenue.

Where we were in control of our own revenue streams we performed much more strongly.

Fundraising had a good year, mainly due to the Wild in Art dolphin project, and Share the Care had a close to record return.

On the expenditure front we generally came in close to budget on areas that were not directly impacted by the cost of living crisis, which hit utility costs and staff salaries hardest.

Overall we reported a £3.160M loss which is not sustainable. Once the likelihood of a significant financial loss became clear the Governors and the Senior Leadership Team devised and implemented a wide range of actions to address these issues with minimum impact to our core service provision. I am delighted to report that this action began to bear fruit towards the end of 2022, and this has continued into 2023 to the extent that as we approach the mid-point of the year we are reporting a healthy profit for 2023 to date.

Challenges remain – Manx Care have still to resolve pay awards dating back to 2022 – and inflationary pressures are not reducing costs to the extent initially forecast by Government and others, but our financial reserves are back up to 16 months of cover, having slipped to just over 12 during last year, and this level of financial cover places us very firmly in the top quartile of Hospices within the UK on this benchmark.

FINANCIAL REVIEW

Donations and Legacies

Donation income in 2022 of £1,264,816 compared favourably against £1,106,918 in 2021, equating to a 14% increase. Significant contributions came from Diana Princess of Wales Trust of £101,700 and development of a new corporate giving scheme which contributed £67,480.

As mentioned above Legacy receipts of £610,986 were significantly below our budgeted figure of £1,800,000.

Commercial activities

Commercial revenue had a robust and strong year raising £819,812 exceeding the previous year's figure by £223,158.

Digital fundraising products such as the Hospice Lottery also saw year on year growth both in terms of revenue raised and number of players.

Hospice shops (Share the Care) in particular had another very strong year, exceeding the strong performance of 2021. Whilst not quite achieving their very challenging budget they nevertheless contributed very nearly £500K to Hospice funds over the year. This was despite certain staffing shortages at the beginning of the year that resulted in some shops not being able to open at times.

Investments

2022 was the worst performing year for investment markets, across all asset classes, for some time. Whilst a loss of £574,766 may not directly have hit our cash balances, it reduces our ability to call on those funds in the future and is a significant disappointment. Markets in 2023 have shown a tendency to fluctuate, but are generally in positive territory so far.

Our investment sub-committee has been reconstituted with the intention of reviewing our long term investment strategy. We expect to revisit this strategy with our portfolio managers shortly.

Relationship with Government and Funding

Whilst our new financial arrangement with Manx Care continues to provide additional funding to Hospice, we await conclusion of the service level agreement on which this funding is based.

Expenditure

The major cost challenge Hospice faces is of course remuneration costs. The current cost of living crisis and the unresolved Manx Care salary settlements for 2021, 2022 and 2023 creates ongoing uncertainty for our expenditure in this area. When it became clear last year that we were likely to overspend our salary budget by some distance, measures were put in place to limit recruitment and work more efficiently wherever possible. This had a significant impact on salaries towards the end of the year and these now remain well controlled.

Cash & reserves

The key challenge Hospice continues to face is matching very unpredictable income against a relatively high fixed cost base and managing cash flow to ensure that there is minimal impact on service delivery levels or quality.

Hospice management, supported by the Finance Committee, monitor the cash flow position daily and take proactive action to ensure cash liquidity. The improvement of our cash cover level mentioned above is an encouraging improvement in this regard.

Finance Team

The Finance Team continue to do a sterling job preparing the annual accounts and consolidations whilst performing their day to day finance responsibilities. These efforts were once again recognised by EY who have complimented us on another good audit which is reflected in a straightforward unqualified opinion.

I would also take this opportunity to thank the EY Team for how they managed the audit this year.

As ever there were certain bumps in the road with staffing issues etc. but with a collaborative and understanding approach from EY we were able to recalibrate the timetable and achieve target deadlines.

Concluding remarks

Our reported book loss for 2022 of £3.160M is particularly disappointing. Whilst we believe that the majority of this loss resulted from circumstances outside of our control on the revenue generation side of things, we believe that the correct steps have now been taken to return Hospice IOM to a robust and sustainable financial position.

The challenge in 2023, as ever, will continue to be managing a relatively high fixed cost base against wildly fluctuating and unpredictable income streams whilst maintaining top quality service levels.

We will achieve this by growing maintainable levels of income through innovating with new third party partnerships, continuing to grow our retail revenue, and finalising a new service level agreement with Manx Care which will create a clear and transparent funding mechanism that gives us clarity and certainty over this key revenue stream for the future.

As always, your Board and Executive appreciate the responsibility we hold, and the importance of ensuring that we remain well-positioned for the future.



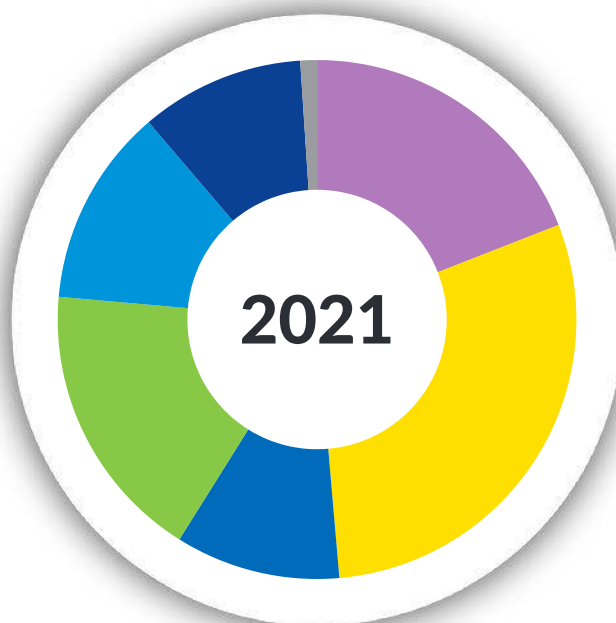
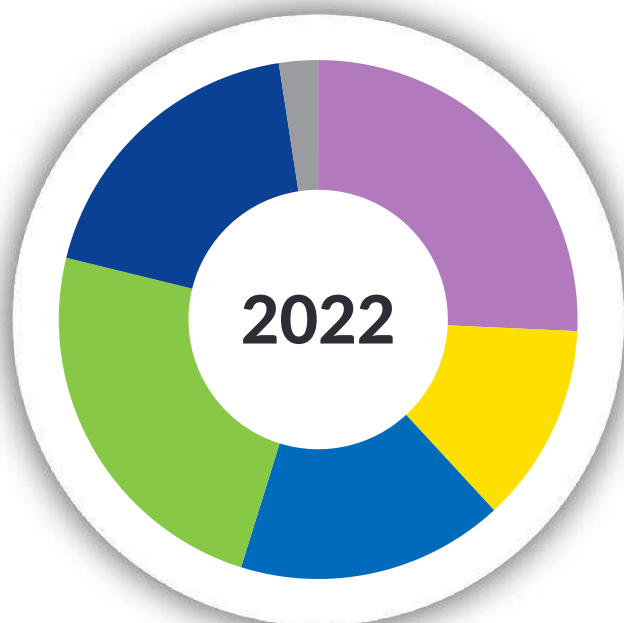
Chris Eaton
Honorary Treasurer



INCOME GENERATION

It is important for us as a charity to understand how we receive our income in order to forecast and plan for our future in addition to monitoring our performance all whilst continuing to support our patients and provide excellent Hospice Palliative and End of Life Care to our community when they need it most. Here is a breakdown of our income for 2022 and 2021:

Income Generation	2022	2021
Donations	1,264,816	1,106,918
Legacies	610,986	1,716,420
Commercial Trading Operations: Hospice	819,812	596,654
Shops and Property	1,181,666	1,015,578
Investment Return	(574,766)	717,451
Government Grant - Manx Care	922,000	592,572
Other Income	119,470	60,338
Total Income	4,918,750	5,805,931



LEGAL & ADMINISTRATIVE INFORMATION

Board of Governors and Trustees

Our Board of Governors and Trustees oversee and direct the affairs of the charity, ensuring that it is well run and delivering the charitable outcomes for which it is established.

Board members and Trustees are appointed on the basis of their experience, expertise and community involvement as well as for their commitment to, and passion for, the Hospice's work.

President

Sir Miles Walker CBE

Chairman

Mr Chris Hall MA MSc FloD

Secretary

Mr Paul Halliday FloD FCG (Resigned 17 June 2022)

Susan Shute (Appointed 17 June 2022)

Hon. Treasurer

Mr Christopher Eaton LLB (Hons) C Dir

Board of Governors

Ms Heather Blackley BSc DipM FCIM

Mr Andrew Juin Corlett OBE

Mr Heath Craig (Resigned 17 June 2022)

Mr Philip Dearden BA (Hons), FCA ATII

Mrs Della Fletcher, MBE

Mr James Geldart BA (Hons), Chartered FSCI

Ms Anna Kelly BSc MRICS

Mr John McChesney

Mrs Linda Radcliffe, RN, BSc (Hons), MSc, CMgr, FCMI

Mr John J McC W Rimmer

Dr Guy Sissons (Resigned 1 November 2022)

Mrs Catherine Black BA(Hons), MAEd, Dip HSM, RN, RNT, FHEA (Appointed 30 November 2022)

Corporate Details

Registered Office

Hospice Isle of Man
Strang
Isle of Man
IM4 4RP

Company No.

22473

Registered Charity No.

317

Auditors

Ernst & Young LLC
Rose House
51-59 Circular Road
Douglas
Isle of Man
IM1 1AZ

Bankers

Barclays Bank Plc.
4th Floor
Queen Victoria House
41 Victoria Street
Douglas Isle of Man
IM1 2LF

Investment Advisors

Ramsey Crookall & Co Ltd.
Securities House
38-42 Athol St
Douglas
IM1 1QH

HOSPICE PRINCIPAL RISKS & RISK MANAGEMENT

Hospice Isle of Man is committed to the appropriate management of all risks that present possible harm to individuals, property or to Hospice's ability to achieve its strategic and operational objectives.

A comprehensive Risk Management framework is in place to ensure the effective management of both strategic and operational risks is aligned to Hospice's risk appetite statement. The Risk Assessment and Risk Management policies were both reviewed internally in

October/November 2021, and ratified by the Hospice Risk Committee, a subcommittee of the Board Of Governors. The Hospice maintains a strategic risk register whilst lower level risks are managed at team level. Risk is a standing agenda item for all Board and Board Subcommittee

meetings as well as the Senior Leadership Team and Operational Delivery Group meetings. Risk management training is made available at all levels of the organisation and dovetailed with the Datix Incident management system.

PURPOSE & COMMITMENT

ABOUT HOSPICE ISLE OF MAN

Since our founding in 1983, Hospice Isle of Man has grown to provide all aspects of a comprehensive Palliative and End of Life Care service for our Island community. Our services include In-Patient Unit, Hospice at Home, Well Being Day Support, a Specialist Medical and Nursing team, Complementary Therapy, a Lymphoedema service, Social Work Support, Rehabilitation service, Bereavement service, Psychological support and Rebecca House (our children's Hospice).

We are overseen by our Board of Governors and managed by our Senior Leadership Team which is convened by the appointed Chief Executive Officer. All our services are provided free of charge to patients and their families. We are committed to providing care to anyone with a condition that is Terminal, Life-limiting or Life Shortening.


The Hospice movement embodies a holistic philosophy that combines high quality medical, nursing and therapy intervention

with social activities, spiritual and psychological care. Hospices have achieved a tremendous change in the way people die, not just in the British Isles but throughout the world. Whilst mindful of the need to manage our resources wisely, we must continue to grow and innovate.

Over 450 volunteers give invaluable support to us week in week out and we also work in partnership with other charities to bring further benefits to our Island.

As a charity the gifts, voluntary and financial support Hospice Isle of Man receives from individuals, corporate organisations, the Isle of Man Government and the Island's media is vital for us to be able to continue delivering our services.

We are committed to ensuring that more people have a greater understanding of Hospice's work and as such remain open to more opportunities for collaboration and partnerships.

A photograph of a bedroom interior. In the foreground, a bed is covered with a purple patterned blanket. To the right, a white bedside table holds a lamp with a grey shade. A window with white curtains and floral-patterned curtains is visible on the left. On the wall, there are fire safety signs, including one that says "Fire exit No. 40".

MUCH MORE THAN A BUILDING; PHILOSOPHY AND ETHOS BEHIND THIS SERVICE

In 2018 we were delighted to share with you our new strategy "Much More Than a Building". We spent many months consulting with the public, our staff, our patients and many other stakeholders to collaborate on this new strategy and we are absolutely committed to meeting our goals throughout the 5 years of our strategy and beyond.

HOSPICE VALUES

Our values are at the heart of everything we do. They are an important part of how we will deliver our strategy not only in our building amongst our staff and volunteers, but in partnership with communities.

Our staff worked with volunteers, service users and visitors to finalise the values that are key to our successes going forward.



Care when and where it matters



Treating someone as you would wish to be treated



We are proud of our values and rest assured we will continue to lead the way in weaving our values into everything we do.



Always delivering high standards



Together we make a difference



It is an absolute privilege to care for our community and to support and care for patients and families 365 days a year.



CARE SERVICE REPORT

CARE SERVICE REPORT

The Hospice Movement was born out of a desire to give people choice and dignity in dying, and we at Hospice Isle of Man are proud to offer the highest standard of Hospice Influenced Care, Palliative Care and End of Life Care through a range of care services which support our patients, their families and our community to live well, their way to the end of their life.

Our ethos is inspired by the founder of the Hospice Movement, Dame Cicely Saunders, who is quoted as saying:



You matter because you are you, and you matter to the end of your life.

In 2022 our extensive services cared for many patients through our adult In-Patient Unit, Rebecca House, our Community Services or our Support Services, as shown below:

181

people were admitted into our In-Patient Unit for care



3,000

hours of care were provided by our Hospice at Home Team



9,589

support services were carried out across the Island



876

the avg. monthly contact hours with our Clinical Nurse Specialist Team



384

volunteers actively supporting us across various roles



37

children benefitted from our children's hospice services, Rebecca House





The support from the staff is without question the very best. Not just for the patient but a holistic approach inclusive of all family members.

HOSPICE DEMAND & ACTIVITY

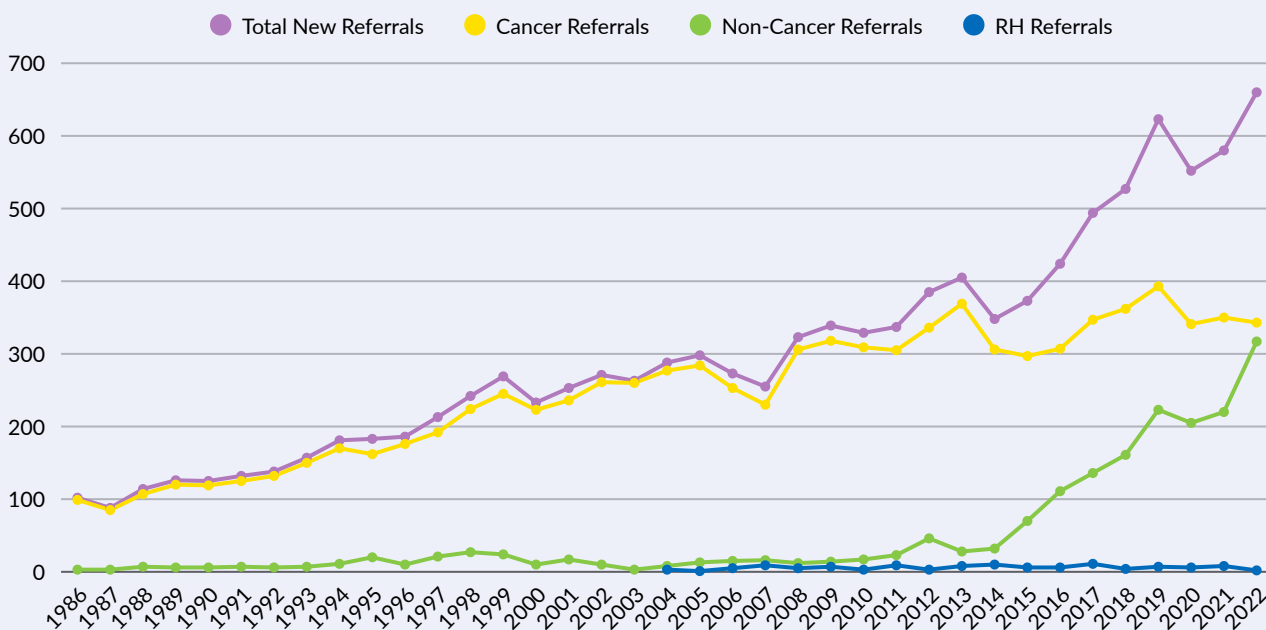
Referrals to Hospice

In 2022 there were 660 new referrals to Hospice. This represents a 13.8% increase from 2021 when there were 580 referrals. Non-cancer referrals are now 48% which is high compared with the rest of the UK where 15-20% is more typical. Cancer diagnosis referrals are actually slightly lower at 343 in 2022 compared with 352 in 2021. Hospice referral numbers were increasing slowly between 2012 and 2016 at around 400 per year. However, opening our criteria to non-cancer conditions during 2016 and some increase in the cancer rate has brought about an increase in total referral numbers.

Although the children's annual referral rate is low (2 referrals in 2022) these children stay on our caseload for longer so the children's service caseload has increased over the years and stands at 33 at the start of 2023. The Rebecca House caseload is typically of longer term duration and thus gradually increasing, however, it is likely that this may begin to reverse to some extent over the next few years as the rate of referral is offset by those patients who become old enough to transition to other services.

Figure 1 summarises the long term referral history for Hospice Isle of Man.

Hospice Isle of Man Referrals

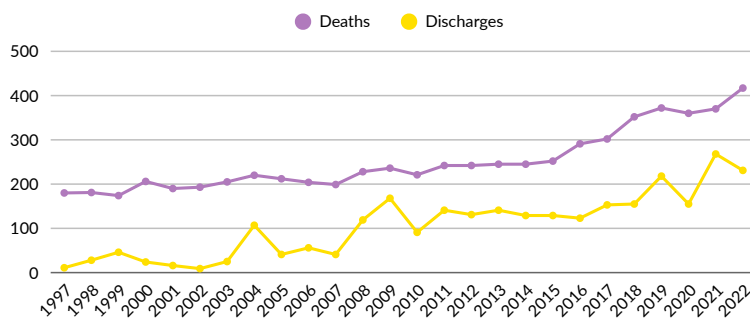


Hospice Deaths and Discharges

Figure 2 shows the trends of patient deaths and discharges.

Total deaths on the Isle of Man each year varies between around 850 and 900 (approx. 1% of the population each year). In 2022 Hospice Isle of Man provided direct care for 417 people at the time of their death (approx. 46% of the total).

Hospice Isle of Man Deaths & Discharges

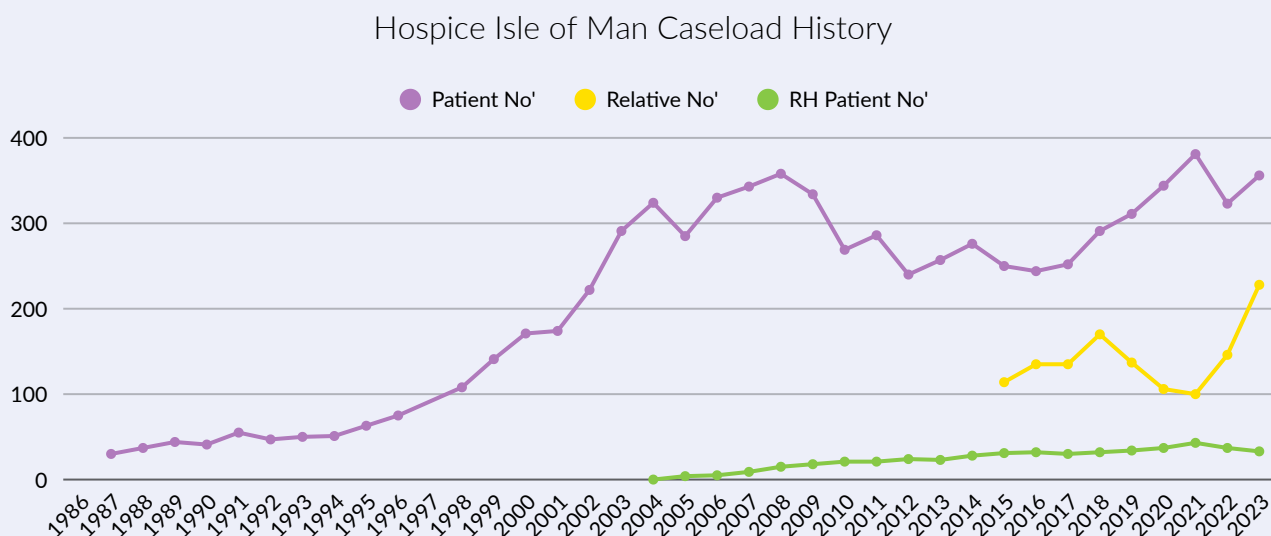


Hospice Caseload

Increases in the numbers of discharges as a result of caseload review began in 2007, and this resulted in a falling patient caseload until 2016 when the upswing in non-cancer referrals resulted in increasing patient caseload.

In addition to this patient caseload we also have a caseload of 228 relatives/carers to whom we provide specific services.

Figure 3 shows the caseload trends and Table 1 the caseloads across all our services at the start of January 2023:



Service Caseload 2022

584 was our total caseload for 2022 as at 2nd January 2023. 228 were carers/relatives and 356 patients, supported by our services as follows:			
SERVICE	No. In Service	SERVICE	No. In Service
Acupuncture	12	Lymphoedema - Cancer Patients	57
Admiral Nurse Carers	67	Lymphoedema - Non-Cancer Patients	46
Admiral Nurse Patients	51	Occupational Therapy	2
Bereavement Support	63	Physiotherapy	2
CNS	121	Psychological Support: Adult	62
Compassionate Isle of Man	21	RH Caseload	33
Complementary Therapy	53	Social Work	29
Creative Wellbeing	10	Social Work Respite	6
Doctors	0	Stress Management	2
FAB: Fatigue & Breathlessness Programme	11	Young Persons Support	25
FAB: Follow-On Service	21	Your Hospice, Your Way	7
Hospice at Home - SBAR	3	Your Time Your Place	6
Hospice at Home - To be aware of	4	*Triage	1
IPU	4	TOTAL	719

CQC INSPECTION 2022

Between 31st October and 3rd November 2022, Hospice Isle of Man was inspected by a CQC team including a Care Quality Commission (CQC) Assessor, two Assessment managers and two Specialist Advisors.

This inspection was one of a programme of inspections that the CQC is completing at the invitation of the Isle of Man Government's Department of Health and Social Care (IOMDHSC).

The CQC found the Hospice service to be effective, caring, responsive and well-led. The report highlights the good practices here, notably the compassion and kindness of the staff. The dignity of patients is always respected, emotional support is provided when needed, and staff always support patients in making decisions about their care.

Here are some highlights that our team were particularly proud of that were noted in the CQC report.

General

The environment is purpose built and its design has considered people's individual needs. Staff are focused on the needs of patients receiving care.

Staff work well together for the benefit of patients, advising them on how to lead healthier lives, and support them in making decisions about their care.

Staff treat patients with compassion and kindness, respect their privacy and dignity, take account their individual needs, and help them understand their conditions. They provide emotional support to patients, families and carers.



Safety

The service provides mandatory training in key skills to all staff and makes sure everyone completes it, staff have achieved a compliance rate of 98% against the hospices' compliance target of 95%.

The mandatory training is comprehensive and meets the needs of patients and staff. This included modules expected to be undertaken by all staff such as, but not limited to, basic life support, fire safety, health and safety, moving and handling, safeguarding, General Data Protection Regulation (GDPR), medication and de-escalation.

Cleanliness, infection control and hygiene

Ward areas are visibly clean and have suitable furnishings which were clean and well-maintained. Cleaning records are up-to-date and demonstrate that all areas are cleaned regularly. An infection prevention and control (IPC) audit from April 2022 showed 100% compliance against standards. Staff follow infection control principles including the use of personal protective equipment (PPE).

Sharps bins are clearly dated, and the temporary closure mechanism is in use.



Environment and equipment

The design, maintenance and use of facilities, premises and equipment keep people safe. Staff manage clinical waste well. When providing care in patients' homes staff take precautions and actions to protect themselves and patients.

Patients can reach call bells and staff respond quickly when called.

The service has enough suitable equipment to help them to safely care for patients. The Hospice is large and has adequate number of inpatient beds, communal areas, rooms for therapies and rehabilitation space.

Staffing

The service has enough staff with the right qualifications, skills, training and experience to keep patients safe from avoidable harm and to provide the right care and treatment. Managers regularly review and adjust staffing levels and skill mix, and give bank, agency and locum staff a full induction.



Incidents

The service manages patient safety incidents well. Staff recognise and report incidents and near misses. Managers investigate incidents and share lessons learned with the whole team and the wider service. When things go wrong, staff apologise and give patients honest information and suitable support. Managers ensure that actions from patient safety alerts were implemented and monitored.

Effectiveness

The service provides care and treatment based on evidence-based practice.

Pain relief

Staff assess and monitor patients regularly to see if they are in pain and give pain relief in a timely way. They support those unable to communicate using suitable assessment tools and give additional pain relief to ease pain.

Patient outcomes

Staff monitor the effectiveness of care and treatment. They use the findings to make improvements and achieve good outcomes for patients.

Competent staff

The service makes sure staff were competent for their roles. Managers appraise staff's work

performance and held supervision meetings with them to provide support and development.

Multidisciplinary working

Doctors, nurses and other healthcare professionals work together as a team to benefit patients. They support each other to provide good care and communicate effectively with other agencies.

Caring

Staff treat patients with compassion and kindness, respect their privacy and dignity, and take account of their individual needs.

Staff show a genuinely caring approach to patients, patient and relative conversations support this. Staff provide emotional support to patients, families and carers to minimise their distress. They understand patients' personal, cultural and religious needs.



Responsiveness

The service plans and provides care in a way that meets the needs of local people and the communities served. It also works with others in the wider system and local organisations to plan care. The service is inclusive and takes account of patients' individual needs and preferences. Staff make reasonable adjustments to help patients access services.

Learning from complaints and concerns

It is easy for people to give feedback and raise concerns about care received. The service treats concerns and complaints seriously, investigates them and shares lessons learned with all staff. The service includes patients in the investigation of their complaint.

Well-Led

Leadership

Leaders have the skills and abilities to run the service. They understand and manage the priorities and issues the service face. They are visible and approachable in the service for patients and staff.

There is a strong team working culture, including community support groups and volunteers, that provide a holistic service with patients at the heart of this.

The overarching values are 'caring, working together, respect and professional.' Staff demonstrate these values in all aspects of their role.

Culture

Staff feel respected, supported and valued. They

are focused on the needs of patients receiving care. The service promotes equality and diversity in daily work and provides opportunities for career development. The service has an open culture where patients, their families and staff can raise concerns without fear.

Governance

Leaders operate effective governance processes, throughout the service and with partner organisations. Staff at all levels are clear about their roles and accountabilities and have regular opportunities to meet, discuss and learn from the performance of the service.

Information Management

The service collects reliable data and analyses it. Staff can find the data they needed, in easily accessible formats, to understand performance, make decisions and improvements.



PATIENT STORIES & EXPERIENCES



SUSAN RAFFERTY

FAB Patient
(Fatigue and Breathlessness)



Anyone like me, being diagnosed with in-operable cancer can think that "this is it" but it is not.

My story is about the very positive help, support and fun that I have found by joining the FAB (Fatigue and Breathlessness) programme at Hospice.

Anyone like me, being diagnosed with in-operable cancer can think that "this is it"

but it is not. I always thought that Hospice was going to be a sad and very solemn place but it is not. Just have a look at the photo of me on the exercise cycle! Yes, there is a superbly equipped gym where FAB meets and you are encouraged to do as much or as little as you like, safe in the knowledge that you are being looked after by highly trained professionals.

I have never been a 'gym bunny' and quite frankly was allergic to exercise for most of my years but that doesn't matter. I had a go on the trampoline one day and enjoyed it so much that I ended up in a state of giddy excitement. It was just such fun and a thing I would never have done at my age without the support and encouragement of the girls running FAB. "Grow up Rafferty", but why should I when I was having such fun. That just about sums up the way I have felt at FAB. I would encourage anyone offered a place on the programme to attend. You can have a moan if you want or crack a laugh and a joke with other attendees.

You are offered a lot of practical advice; nothing is too much trouble. You are given all sorts of advice about stress, nutrition and how to breathe properly, I thought I knew this but I was wrong! The correct breathing techniques that I have learned on the programme have helped me a lot.

So, it's not the end. I go home after a FAB session feeling that I have achieved something by exercising and I am more positive after having a good time and a laugh with all those attending and running the programme.

Thank you FAB ladies.



PAULINE PRITCHARD

Family Member



The environment was therapeutic. There was always lots of laughter amongst the toughest of times and it was not all morbid and death related.



No one ever thinks they will be attending a drop in for cancer patients - but when you or your loved one are suddenly faced with a life-threatening situation, it can feel as though you are standing on a precipice, teetering right on the edge, life seems so dark and scary.

Overwhelmed my husband and I decided to look to see what support is available. We received a telephone call from the clinical nurse specialist from Hospice to introduce themselves and decided to attend the Day Centre. This was quite a daunting experience as I had never been to the Hospice before and associated it with people dying.

We were greeted with a cup of tea and a friendly welcome for a chat and were invited along to one of their drop in days which were held 2 x weekly. This was an opportunity to meet other patients and carers facing the same challenges as us and something we found great comfort in and were regular attenders every Monday and sometimes Thursday for 4 and a half years.

The support was really welcomed with nurses at hand to alleviate any concerns with the different stages in cancer treatment. We didn't feel so alone and had an instant connection with the patients and carers that we met. The environment was therapeutic, with clinical support available along with exercise and craft based activities. There was always lots of laughter amongst the toughest of times and it was not all morbid and death related. I was fortunate that I had weekly support from Wendy who was the day centre manager and trained counsellor throughout; nothing was too much trouble and she went above and beyond to help me. The In-patient Unit offered symptom control and respite admissions over the years as my husband's disease progressed and symptoms became less manageable with the toxic treatments. The care we received was the most compassionate and person centred care with a clinical nurse specialist who made home visits when needed.

My youngest 2 children accessed support from Jades place and one to one counselling which helped them understand and process what was happening.

I feel blessed that Hospice were there every step of the way to support my husband and family. A few months after he passed away in 2019 I applied to train to be a nurse and I now qualify in 7 months. I am delighted to say that I am a Health Care Assistant in the In-patient Unit and work alongside the team who provided amazing care for our family and it is an honour and privilege to be able to do this. In addition, I volunteer with the Admiral Nursing Service who are part of Hospice to give a little back to support them.

I thank Hospice from the bottom of my heart for the compassion and love that we received during the toughest of times.

STRATEGIC ACHIEVEMENTS

1

SUPPORT PEOPLE TO BE INDEPENDENT

All About Dementia - Maximising Independence and Wellbeing through Your Time, Your Place

Throughout 2022, in order to support people to be independent, we focused on maximising their independence and their wellbeing through varying ways. One notable achievement was the setting up and delivery of the new community course 'Your Time, Your Place.'

Carers have always told us that it would be good to speak to other people like themselves 'who really understand'. We listened to what they wanted, and to help them through their own journey, we developed this course.

Each weekly meeting focuses on offering practical support and advice for carers and people living with dementia. It is designed to help people that support their loved ones already, through their dementia journey, which for many, can be very daunting when facing it alone.

As well as offering the highest standard of clinical care, 'Your Time, Your Place' provides space to have open and honest conversations, supporting people to live well, their way, until the end of their lives.

The course is run by the Admiral Nurse Service, which is hosted at Hospice, and funded by the Forget Me Not charity. 114 families were supported by the Admiral Nursing Service in 2022.

The course is supported by specially trained staff and volunteers. Carers are offered specialist training to help them support their loved one, and support their wellbeing. Specific training has included peer support, practical advice for managing behaviours, advanced care plan workshops, carer stress management and wellbeing practices.

Feedback from 'Your Time, Your Place' has been very positive throughout the year, with many attendees feeling much more confident in the support of their loved ones with dementia.



2

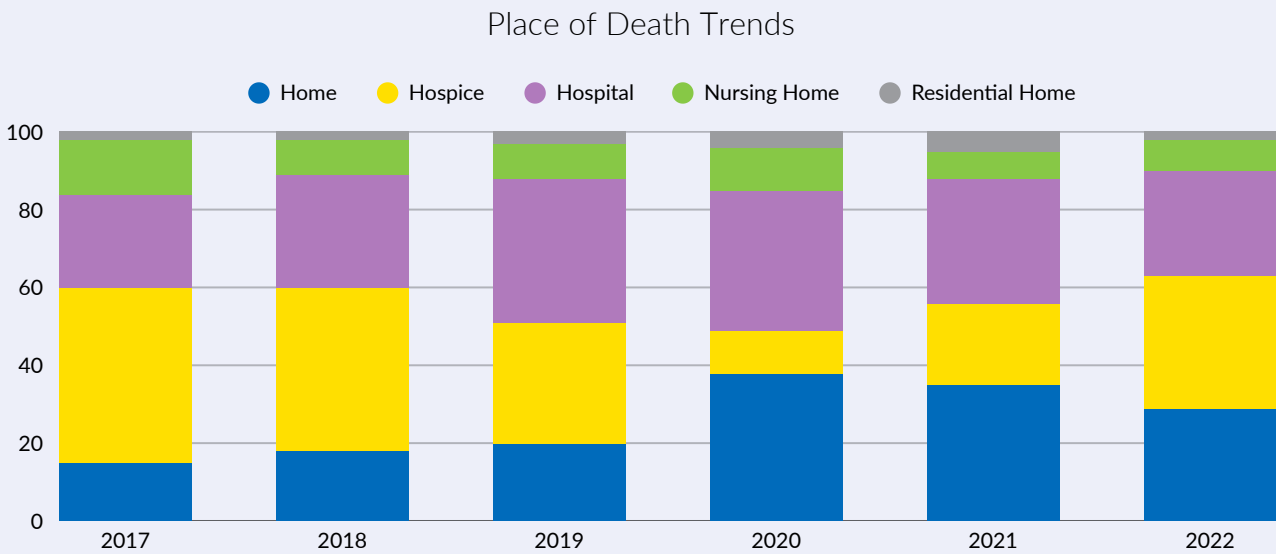
REACH MORE PEOPLE EARLIER WITH EASIER ACCESS

Increase the number of people receiving end of life care in their 'preferred place'

One of our strategic goals to facilitate us reaching more people earlier, with easy access is to deliver the patient's preferred place of death as consistently as possible.

We allow the patient to choose where they would prefer to be cared for at the very end of life and then provide services that allow that preference to be achieved.

Of the 417 deaths of patients on the Hospice caseload in 2022, 29% died in their own homes with a further 10% between Nursing and Residential homes. 33% died in the Hospice building and 27% died in the hospital sector, as shown in the below figure.



Over the last few years, the achievement of preferred place of death has steadily increased. In 2022, of the 417 deaths, 82.9% of them had a preferred place of death recorded (69.2% in 2021) their preferences are shown below.

	Location	% of total number of patients
Preferred Place (Number of patients)	Home	44
	Residential Home	2
	Hospice	50
	Nursing Home	2
	Hospital	1

Achievement of preferred place of death was 54.9% in 2022, similar to 2021 and significantly higher than 2019/2020 (49% in 2019, 44% in 2020). Showing that the trend is increasing in line with our strategic goals.

3

SHARE, LEARN AND EDUCATE

Within our Scholl Academic Centre, we developed our expertise in Palliative and End of Life Care through various projects

Project ECHO

In 2022, we have reached our 5th and final year for our nursing home network. The past 5 years has seen us cover many different topics and support each other through the tough times of the COVID Pandemic. Hospice Isle of Man still continue to host the Island's Pharmacy ECHO network group.

Project ECHO™ has a value of “Moving Knowledge, Not People”, which has two objectives. Firstly, through the use of video-conferencing technology, medical professionals can take part in high-quality education sessions without the need to leave their place of work and also affording them the opportunity to gain much needed Continued Professional Development. Secondly, by increasing the specialist knowledge and skills of healthcare professionals the result for patients is that they received better care in their community, often decreasing the need to travel for their care.



We were delighted to receive a grant that enabled us to commence our Link Nurse ECHO Network working with our colleagues in Noble's Hospital and the Community Nursing teams across the island.

Memory Lane Games

Throughout 2022, several of our dedicated members of staff hosted a Memory Lane Games Clinical Trial with their app, which looked to improve the quality of life for people over 65 living with dementia and their carers. The app could be personalised with the patient's own photographs and questions tapping into memories which may prompt discussion and improve communication with carers and visitors. Some of the results showed that 92% of carers felt the app made them more relaxed whilst 67% felt the app made them happier. Over half (58%) of carers believed it had helped the person with dementia communicate more effectively and interact with loved ones.

Clinical Passports

The passport provides a handheld, easily accessible personal record providing confirmation of all the learning and development on a common set of core clinical skills. It is also a tool for all professionals to record clinical skills that have been achieved.

It was developed to support staff in demonstrating their competence as a clinician within the palliative and end of life care setting. Our clinical passports are in place to ensure that staff are supported with their learning and development needs as well as ensuring that competencies are met to enable best 'hospice influenced care' is delivered. They are an ongoing learning exercise which was focused on throughout 2022, and are role specific.



4

DRIVE INNOVATION FOR BETTER CARE

The Implementation of a key digital project; Mie Trent, to improve the way Hospice works

In 2022, the final touches were applied to our HR/Payroll system, Mie Trent. Phase 1 of the implementation was completed in quarter 2 of 2022. These last pieces of this phase, enabled managers to have greater access to more areas of the system to help them in managing their teams across the organisation. The main areas that were focussed on were the creation of a better reporting system. It allows managers to now monitor sickness absence more closely and gives the ability to adjust annual leave in line with shift patterns worked. Additionally, provides a more streamlined and automated approach to requesting changes to employee's contracts, for example, to increase or decrease working hours which also created a more robust financial sign off mechanism.

Ensuring that our staff are enabled to streamline processes and utilise systems such as Mie Trent allows them to focus on their role and providing the care for our patients and their families.

Looking forward into 2023 to further improve the way our Hospice team works, development will continue within the workings of Mie Trent, to use greater functionality available within the system. Phase II has now already commenced to incorporate staff learning and development into it. Testing on the system is currently underway and, following, training staff in how to use this new functionality, for example to book places on the training courses available, then we anticipate we will be rolling this out to staff in quarter 2 of 2023.



5

BE SUSTAINABLE AND FIT FOR THE FUTURE

Agreeing our People and Culture Strategy

In order to ensure we can be here for those that need us into the future, it is vital we are sustainable and fit for the future, which includes looking after the most important resource that we have; our people. Therefore in 2022, we focused on agreeing our People and Culture strategy and began delivering on the actions.

This specifically involved creating and agreeing the strategy, in collaboration with the Hospice workforce to ensure everyone is involved and has buy in to a strategy that will have an impact on them.

Aspects of the strategy that have been implemented and worked on throughout 2022 included shifting our approach to recruitment by enhancing our use of social media, and including our team in our assessment and selection processes for senior leaders. This rolls over into the induction of new employees as we have also produced and implemented new induction materials for new employees to ensure they receive a warm and consistent welcome to Hospice, and can settle in to their new roles quickly.



A core focus area of our looking after our people is to listen to them, and make them feel valued. Within 2022, we re-established and embedded our Hospice workforce forum; Hospice and Me. This ensures employee's voices are heard, and acted upon. Additionally, we commenced an ILM accredited Hospice leadership programme to support our leaders in developing their leadership skills, confidence and capacity to be successful as Hospice and our culture evolves.

Going forward, with the consistent upkeep of our People and Culture strategy, and its development, it will guarantee Hospice can retain our employees and continue to work with them ensuring we are sustainable and fit into the future.





*At Rebecca House
I feel safe and
looked after.*



2022 HIGHLIGHTS

JANUARY

Christmas Tree Recycling Service Exceeds Expectations

Each year we are delighted to provide our real Christmas tree collection and recycling service across the Island, to help raise vital funds.

In 2022, the recycling service had its busiest year to date, with over 780 trees collected, 10,100kg of trees shredded by Tels and a record breaking £14,100 was raised.

This award winning initiative is a fantastic partnership between us, the Isle of Man Post Office, Tel's Skips and Ballaneven Compost, which has been of a huge benefit to us. The Isle of Man Post Office plans the collection routes and provides a willing group of volunteers to drive around in Post Office vans to collect the trees. The trees are then taken to Tel's Ltd where they are put through the shredder. Finally the shredded trees get passed to Ballaneven who turn them into compost, some of which is then used in the beautiful Hospice gardens.



FEBRUARY

Jacksons Support Rebecca House in Long-term Partnership

In early 2022, a long-term partnership with premium multi-brand car dealership, Jacksons Group, in support of Rebecca House Children's House, was announced.

2022 marked 15 years of Rebecca House, and to support this, Jacksons Group chose to support the charity by making a donation for every vehicle they sold from February until the end of the year. There was also a further opportunity for each donation to be value matched by the customer, creating a significant contribution. Rather than a one-off donation, the company wanted to do something sustainable that would help maintain our essential service.

Jacksons Group managed to raise an incredible £65,000 throughout 2022 which exceeded the expectations of both Jacksons Group and Hospice. Jacksons and Motor Mall have committed to continue the ongoing funding into 2023 and will be looking at new ways to help further in Hospice's 40th Anniversary Year.



MARCH

Celebrating International Women's Day

Every year, we look to honour the incredible women that are around us, on the widely celebrated day; International Women's Day. In March 2022, we were delighted to be involved with a special publication around the day; Womann, which featured inspirational women in business around the Island, and acknowledged the amazing work they do to contribute to our community.

In the publication was our very own Nurse Consultant; Cheryl Young. Each and every day, we are surrounded by women showing incredible strength, determination and resilience. This is not only from the Hospice Team but also from our patients and their loved ones.

The strength and commitment shown by all our women means we can continue to support the people of our Island to live well, their way, until the end of their lives, and we will continue to show appreciation for our women not just this day, but every day.



APRIL

Hospice Nurses Set Themselves Challenge of Walking the Parish

Three of our incredible Hospice ladies set themselves the task of getting to Peel in the Parish Walk in 2022, in aid of Hospice to raise money and awareness of our services. Hannah, Caitlin and Emma are three healthcare workers who are all a well-loved part of our Hospice team! They are often referred to as 'Angels' by Hospice patients and their relatives, so the team name 'Hospice Walking Angels' was born.

We were incredibly inspired by their determination for taking part in the Parish Walk. Their passion for Hospice and working here, shines through. We are so very lucky that they are with us to care for our patients and their families.

Later on in the year, the ladies achieved what they set out to do and all took part in the Parish. Hospice was fully behind them, and it really shows the true dedication of our team to their roles.



MAY

Launch of The Big Splash

May 27th saw the launch of our second mass participation art event being held until 19th September. During this time, the Island was brought to life by a beautiful pod of giant and majestic dolphin sculptures, designed and painted by talented artists both in the Isle of Man and in the UK.

The trail brought together businesses, the creative sectors and local schools to celebrate the community and creativity of the Island and its beautiful marine environments.

The sculptures were located around some of the most beautiful Manx locations allowing people to re-discover and engage with our Island. The event offered not only endless hours of fun for residents and visitors, but also created community cohesion, and had a positive impact on all involved!

Once the trail was over, the dolphins were then auctioned off to raise funds for us.



JUNE

Forget Me Not Admiral Nurse Shortlisted for UK Awards

We were absolutely delighted that our lead Forget Me Not Admiral Nurse, Jeanette Hogg, was successfully shortlisted as one of only five finalists in the Commitment to Carers Category in the RCN Annual Nursing Awards 2022, which recognises nurses who have really made a difference to their patients and relatives throughout the UK.

The Admiral Nurse Service, funded by the Forget Me Not charity works with people living with dementia, carers and relatives giving expert guidance, practical tips and emotional support.

It was a privilege to have one of our team members shortlisted for this Award, especially Jeanette who is very obviously passionate about her role, and is truly an inspirational individual who provides gold standard support to all who use the Admiral Nurse Service.



JULY

FC IOM Player takes on Strictly Manx for Hospice

The annual sold out event; Strictly Manx, is a popular one in everyone's calendar, and in 2022, we were grateful to have been chosen as one of the charities that would be supported by local footballer Sean Doyle.

Sean chose Hospice due to his previous connections to us, and through an appreciation for what our team do. Hospice team members were delighted to be invited along on the night to show their support and to say a personal thank you to Sean. The performance was absolutely fantastic and Sean and his dance partner represented the charity well.

Not only did they wow the audience with their performance, they also managed to raise over £4,000 for us! The support hasn't stopped there. Following the event, FC IOM have now began supporting us further through volunteering at our events.



AUGUST

A Happy Ending to an Unhappy Story

In August 2022, our Hospice Shops were unfortunately targeted in a theft of an expensive pair of Jimmy Choo shoes that were being sold to raise vital funds for us. In putting out a public appeal and trying to find the culprit, the local community came together and once again showed us their how incredible supportive they can be of us in times of need.

Unfortunately, the shoes were never returned to us even after our public appeal, however a lovely lady came forward and very generously donated her very own Jimmy Choo wedding shoes to us, for us to be able to sell to raise funds. We were so very grateful to the lady, and to the rest of the community who all came together to show us there are many kind people in the world, who want to give their support to us.



SEPTEMBER

Acknowledging World Alzheimer's Day

Our Forget Me Not Admiral Nursing team at Hospice recognised the importance of World Alzheimer's Day which takes place in September every year.

The theme for 2022 was support after diagnosis. Alzheimer's is a progressive, neurodegenerative, palliative condition that impairs memory and essential cognitive abilities which can affect daily living. It is the most common form of dementia that we come across.

Jeanette and Chris, our Admiral Nurses spoke to the community about how to obtain a diagnosis on the Isle of Man, and explained where their support comes in; usually at the mid to late stages of Alzheimer's. Throughout 2022, the Admiral Nursing team supported 114 patients and their families, at a time when they needed it most. It is important for us to communicate to people who they can turn to for support at each part of their diagnosis and journey following this.



OCTOBER

Marathons – London & Dublin

October 2022 was a busy month in regards to fundraising challenges.

At the beginning of the month, we had 7 incredible runners take on the world famous London Marathon for us. Each of them pledged to raise money for Hospice. All of our runners finished the Marathon in record times, and together raised over £12,000! We look forward to the next London Marathon in 2023.

Towards the end of the month, for the first time ever we bought places for the Dublin Marathon. We had 4 people take part for us. Each of them completed the marathon and all together they raised over £6,000. Encouraging fundraisers to take part in their own events, and raise money on behalf of us is one of the strategies we will focus on going forward, as we are enabling our fundraisers to become ambassadors for our charity.



NOVEMBER

Dream Holiday Draw Winner Announced

November 2022 saw the draw of our first ever 'Dream Holiday Draw' in support of Rebecca House Children's Hospice during the 15th anniversary year. The lucky winner received £15,000 worth of holiday vouchers from Richmond Travel. The prize draw was launched earlier in the year, and ran throughout the summer months.

Through the draw, 1925 tickets were sold, therefore £38,500 was raised for Rebecca House Children's Hospice. This was the first time we offered this specification of prize for one of our draws and the overall outcome was that it was very popular, and reached a different donor type to those we attract with our Christmas Car Draw.

Growth over the last few years in the area of prize draws has increased, with this type of income generation becoming ever more sustainable.



DECEMBER

Annual Outside Broadcast Returns

On Thursday 22nd December 2022, we were delighted to host a fantastic day here at Hospice for our annual Manx Radio Outside Broadcast. The aim of the day is to raise awareness of the charity to an audience that may not usually interact with us.

Presenters were live from Hospice for the afternoon with many guests whom represent different areas. Representatives from corporates were invited to speak; Jacksons and FC Isle of Man, in order to encourage further corporate support. Volunteers of Hospice spoke about why they volunteer and how others can get involved. Finally, Hospice staff members talked through their experiences of working with Hospice, what it means to them, and what their roles involve.

The Outside Broadcast takes place annually and continues to grow in its popularity with positive listener feedback being received each year. Stay tuned for 2023.



I feel super proud to be part of this incredible place. I have wonderful memories where I have met the most inspirational people both staff and patients who attend Hospice during their illness.



FINANCIAL REVIEW

Hospice Care Consolidated Financial Statements

31 December 2022

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REPORT OF THE BOARD OF GOVERNORS'

The Board of Governors present their annual report and the audited consolidated financial statements for Hospice Care (The Charity) for the year ended 31 December 2022.

Principal Activity

The principal activity of the group is that of a number of registered charities established to make provision for the care of persons in the Isle of Man suffering from terminal illness or who are otherwise suitable for Hospice Care.

Results and Dividends

The group has reported a loss for the year of £3,160,114 (2021: Loss of £447,724) which has been transferred from reserves.

The Board of Governors do not propose the payment of a dividend (2021: £Nil).

Future Developments

The Board of Governors anticipate that the business will continue its activities in a similar manner.

Events since the Statement of Financial Position date

The events that require to be disclosed are detailed in Note 17.

Going Concern

The financial statements have been prepared on a going concern basis as the Board of Governors consider that there are sufficient reserves within the Group and Company to support the going concern assumption made in note 1c.

Board of Governors

The composition of the Board of Governors who served as directors throughout the year and to date were:-

Chairman:	Mr C Hall MA MSc FloD
Hon Treasurer:	Mr C Eaton LLB (Hons) C Dir (appointed 24 February 2022)
Other members:	Mr H Craig (resigned 17 June 2022)
	Mr P E Dearden BA (Hons), FCA ATII
	Mr J McC W Rimmer
	Ms E A Kelly BSc MRICS
	Mr J McChesney
	Mr G Sissons (resigned 1 November 2022)
	Ms H Blackley BSc DipM FCIM
	Mrs D P Fletcher, MBE
	Mrs L Radcliffe, RN, BSc (hons), MSc, CMgr FCMI
	Mr A J Corlett, OBE
	Mr J Geldart, BA (Hons) Chartered FCSI
	Ms C Y Black BA (hons), MAEd, RN, RNT (appointed 30 November 2022)
	Mr R D Jones (appointed 19 May 2022; resigned 26 October 2022)
Company Secretary:	Mr PC Halliday FloD FCG (resigned 17 June 2022)
	Ms S Shute (appointed 17 June 2022)

Auditors

Ernst & Young LLC have indicated their willingness to continue in office in accordance with Section 12(2) of the Companies Act 1982.

Membership

As at 31 December 2022 there were 289 members of Hospice Care compared with 316 at the end of 31 December 2021. In addition, there were 135 life members at the end of 31 December 2022 compared with 143 at the end of 31 December 2021.

By order of the Board of Governors - Date 12th June 2023

C J Hall
Chairman

STATEMENT OF BOARD OF GOVERNORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the Board of Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the Group and of the surplus of the Charity and of the Group for the year. The Board of Governors have elected to prepare financial statements in accordance with applicable law and United Kingdom accounting standards, including FRS 102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland". In preparing those financial statements, the Board of Governors is required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures discussed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and of the Group and to enable them to ensure that the financial statements comply with the Companies Acts 1931 to 2004, Charities Registration & Regulations Act 2019 and Charities Regulations 2020. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOSPICE CARE

Opinion

We have audited the consolidated and parent company financial statements of Hospice Care for the year ended 31 December 2022 which comprise of the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the group's and of the parent company's affairs as at 31 December 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 1931-2004, the Charities Registration & Regulations Act 2019 and the Charities Regulations 2020.

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 Isle of Man, 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 Board of Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Board of Governors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board of Governors are responsible for the other information contained within the annual report.

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Acts 1931-2004 require us to report to you if, in our opinion:

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

Responsibilities of Board of Governors'

As explained more fully in the Board of Governors' responsibilities statement set out on page 3, the Board 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 Board of Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Governors are responsible for assessing the group's and the parent 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 Board of Governors' either intend to liquidate the group or the parent 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent company and determined that the most significant are those that relate to the reporting framework (United Kingdom Accounting Standards; including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"), Isle of Man Companies Act 1931 – 2004, GDPR, Isle of Man Employment Laws, Isle of Man Health and Safety Legislation, Gaming, Betting and Lotteries Act 1988, the Charities Registration & Regulations Act 2019 and the Charities Regulations 2020.
- We understood how the group is complying with those frameworks by making enquires of management to understand how the group maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur through discussions with management, by considering the risk of management override and assuming revenue to be a fraud risk. Our procedures involved testing journals identified by a specific risk criteria and by testing specific transactions back to source documentation, ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved identifying relevant laws and regulations having a direct and indirect impact, obtaining an understanding of management's procedures for identifying and complying with laws and regulations and review of board meeting minutes.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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 company's members, as a body, in accordance with Section 15 of the Companies Act 1982. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLC
Ernst & Young LLC,
Isle of Man
Date 12th June 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 £	2021 £
	Notes		
Income:	1(g)		
Donations		1,264,816	1,106,918
Legacies		610,986	1,716,420
<i>Commercial Trading Operations: Hospice</i>		819,812	596,654
Shops and Property		1,181,666	1,015,578
Investment return	1(k),1(g)	(574,766)	717,451
Government Grant – Manx Care		922,000	592,572
Other Income		119,470	-
Profit on Sale of Fixed Asset		-	60,338
Total Income		<u>4,343,984</u>	<u>5,805,931</u>
Expenditure:	1(h)		
<i>Costs of raising funds:</i>			
Commercial Trading Operations		(639,128)	(538,309)
Fundraising Costs		(690,242)	(571,792)
<i>Expenditure on Charitable Activities:</i>			
Operation of Hospice		(6,172,645)	(5,283,508)
Other expenditure		(2,083)	(13,162)
Government Grant – Salary Support Scheme	1 (g)	-	153,116
Total Expenditure		<u>(7,504,098)</u>	<u>(6,253,655)</u>
Comprehensive (loss) / Income for the year		<u>(3,160,114)</u>	<u>(447,724)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive (loss) / Income		<u>(3,160,114)</u>	<u>(447,724)</u>

The Consolidated Statement of Financial Activities should be read in conjunction with the Consolidated Statement of Changes in Equity. There was no other comprehensive income during the year (2021: £Nil).

All items are considered to arise from continuing transactions.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 15 of the Companies Act 1982. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

CONSOLIDATED BALANCE SHEET

For the year ended 31 December 2022

		2022 £	2022 £	2021 £	2021 £
	Notes				
FIXED ASSETS	1(i)				
Tangible Assets	3(a)		11,768,798		12,055,042
Investments at fair value through profit or loss	1(k),4(a)		4,659,272		5,224,938
Investment property	1(j),6		-		-
Debtors due after more than one year	1(k),7		-		-
CURRENT ASSETS:					
Stock	1(l)	11,711		7,851	
Sundry Debtors	1(k)	218,052		245,318	
VAT		18,095		20,462	
Bank Deposits	1(k), 9	2,395,864		4,229,106	
Balances with Brokers	1(k), 9	21,112		93,838	
Cash in Hand	1(k), 9	1,327		1,121	
		2,666,161		4,597,696	
LIABILITIES					
Creditors amounts falling due within one year	1(k)	(711,880)		(335,211)	
Net Current Assets			1,954,281		4,262,485
Total Assets Less Current Liabilities			18,382,351		21,542,465
Creditors due after more than one year					
Loan payable	1(m),10		(750,000)		(750,000)
			17,632,351		20,792,465
Funds					
Unrestricted Funds	1(f),12		14,361,642		17,463,097
Restricted Funds	1(f),13		3,270,709		3,329,368
			17,632,351		20,792,465

Approved by the Board of Governors on 12th June 2023



C J Hall
Chairman



Chris Eaton
Hon. Treasurer

COMPANY BALANCE SHEET

For the year ended 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS	1(i)				
Tangible Assets	3(b)		10,399,719		10,659,386
Investments at fair value through profit or loss	1(k),4 (a)		4,659,272		5,224,938
Investment in Subsidiaries	4 (b)		288,194		288,194
Investment property	1(j),6		-		-
Debtors due in greater than one year					
Amount due from Subsidiaries	1(m),8	871,938		871,938	
Loan Receivable	1(k),7	-	871,938	-	871,938
CURRENT ASSETS:					
Stock	1 (l)	-		3,532	
Sundry Debtors	1 (k)	196,882		224,576	
VAT		4,231		9,291	
Bank Deposits	1 (k)	1,545,508		3,459,368	
Balances with Brokers	1 (k)	21,112		93,838	
Cash in Hand	1 (k)	527		259	
		1,768,260		3,790,864	
Current Liabilities					
Amount due to Subsidiaries	8	(1,448,542)		(960,711)	
Creditors	1(k)	(653,229)		(286,552)	
		(2,101,771)		(1,247,263)	
Net Current (Liabilities) / Assets			(333,511)		2,543,601
Total Assets Less Current Liabilities			15,885,612		19,588,057
Creditors due after more than one year					
Loan payable	1(m), 10		(750,000)		(750,000)
Total Net Assets			15,135,612		18,838,057
Funds					
Unrestricted Funds	1(f)		11,864,905		15,508,689
Restricted Funds	1(f), 13		3,270,707		3,329,368
Total Funds			15,135,612		18,838,057

Approved by the Board of Governors on 12th June 2023



C J Hall
Chairman



Chris Eaton
Hon. Treasurer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Unrestricted Funds £	Restricted Funds £	Total Funds £
OPENING VALUE OF FUNDS at 01-Jan-21	17,875,247	3,364,942	21,240,189
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR	<u>(412,150)</u>	<u>(35,574)</u>	<u>(447,724)</u>
CLOSING VALUE OF FUNDS at 31-Dec-21	<u>17,463,097</u>	<u>3,329,368</u>	<u>20,792,465</u>
OPENING VALUE OF FUNDS at 01-Jan-22	<u>17,463,097</u>	<u>3,329,368</u>	<u>20,792,465</u>
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR	(3,101,455)	(58,659)	(3,160,114)
CLOSING VALUE OF FUNDS at 31 December 2022	14,361,642	3,270,709	17,632,351

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2022

	Notes	2022 £	2021 £
Net cash (outflow) from operating activities	9 (a)	(1,754,442)	(1,022,630)
Investing activities			
Interest received		15,455	14,346
Dividends received		37,495	40,433
Payments to acquire tangible fixed assets		(160,929)	(254,892)
Payments to acquire investments		(1,043,588)	(1,271,676)
Receipts from the sale of investments		967,731	3,740,473
Receipt from sale of fixed assets		-	225,000
Receipt from sale of investment properties		-	276,000
Receipt from debtor due after one year		-	134,378
		<hr/>	<hr/>
Net cash (outflow) / inflow from investing activities		(1,938,278)	1,881,702
Financing activities			
Received for specific capital items		32,516	54,622
		<hr/>	<hr/>
Net cash flow from financing activities		32,516	54,622
		<hr/>	<hr/>
(Decrease) / increase in cash and cash equivalents	9 (b)	(1,905,762)	1,936,324
Cash and cash equivalents at 1 January	9 (b)	4,324,065	2,387,741
		<hr/>	<hr/>
Cash and cash equivalents at 31 December	9 (b)	2,418,303	4,324,065
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1 Accounting Policies

Statement of compliance

Hospice Care is a company limited by guarantee and is incorporated in the Isle of Man. The Isle of Man registered charity number is 317 and the registered office is Strang, Douglas, Isle of Man, IM4 4RP.

The group's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the group for the year ended 31 December 2022.

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with applicable accounting standards. They are prepared in sterling which is the functional and presentational currency of the group.

The group financial statements incorporate the financial statements of Hospice Care and all of its subsidiary undertakings up to 31 December each year. The results of businesses are included from the effective date of acquisition being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

The group financial statements consolidate the financial statements of Hospice Care and its subsidiary undertakings (see Note 4(b)), for the year to 31 December 2022, on a line-by-line basis.

b) Legal Status of the Charity

Hospice Care is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £20 per member of the Charity.

c) Going concern

The Board of Governors consider that there are no material uncertainties about Hospice Care's ability to continue as a going concern.

The financial statements have been prepared on a going concern basis as the Board of Governors consider that there are sufficient reserves within the Group and Company.

The most significant areas of uncertainty are the levels of legacy and donation income which needs to be raised each year.

d) Public Benefit Group considerations

The group meets the definition of a public benefit group under FRS 102 Section 34. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

e) Judgements and estimation

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported as income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Management believes that the estimates utilised in preparing its financial statements are reasonable and prudent. The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

Revaluation of investment properties

The group carries its investment properties at fair value, with changes in fair value being recognised in the Statement of Financial Activities. The fair value of the investment properties has been determined by the Board of Governors' with reference to publicly available market data and applied to properties similar in nature. An independent valuation specialist has not been engaged.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1 Accounting Policies (continued)

f) Fund accounting

Monies received by the charity are credited to reserves according to the circumstances in which the resources were originally received or the way in which they have been subsequently treated. Such reserves are either unrestricted or restricted funds.

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Designated funds are unrestricted funds of the Charity which the Board of Governors have decided at their discretion to set aside to use for a specific purpose. Unrestricted funds comprises of General Fund, Olsson Fund, Life Members Fund and the New Hospice Fund.

Restricted funds are those funds which are subject to specific conditions imposed by the donor, concerning income or capital or both, such conditions being binding on the Board of Governors. Restricted funds comprises of Endowment Funds and Capital Funds. Endowment Funds are those restricted funds where the capital sum must be maintained permanently although the constituent assets of the fund may change from time to time. Capital Funds comprises monies received to defray specific items of capital expenditure.

The balance on each separate fund, as represented by the assets less the liabilities comprised in that fund, constitutes monies received after deducting the day to day expenses chargeable against that fund.

The aim and purpose of each material unrestricted and restricted (whether designated or otherwise) is set out in the notes to the Financial Statements (below).

g) Revenue recognition

Revenue is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Income comprises of donations, income raised from events, gifts, contributions from the Isle of Man Government, membership income, income for specific purposes, legacy income, income from donated goods and services, investment income and rental income. Income is accounted for as stated below.

Donations, income from events and gifts

Donations and gifts are recognised when received. In the event that a donation is subject to fulfilling performance conditions before the Charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income received in advance for a future fundraising event is deferred until the criteria for income recognition is met. Sponsorship from events, fundraising and event registration fees are recognised in income when the event takes place.

Lottery income is accounted for in respect of those draws that have taken place in the year.

Life Membership Subscriptions

Life membership subscriptions are credited to a separate Life Members' Fund on receipt. Income arising on the Fund is transferred to the Fund from the General Revenue Account. A transfer is made each year to the General Revenue Account in respect of each life member of a sum equivalent to the annual subscription prevailing for that year. The Fund is an unrestricted fund.

Income for Specific Purposes

Monies received to defray specific items of day-to-day expenditure are credited to a capital restricted fund. The relevant expense is then charged against that fund.

Monies received to defray specific items of capital expenditure nominated by the donor are not included in the Statement of Financial Activities, being credited direct to the Capital Fund.

Similarly, endowment monies received are not included in the Statement of Financial Activities. They are credited directly to separate restricted funds.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1 Accounting Policies (continued)

g) Revenue recognition (continued)

Isle of Man Government Contribution

Income from the Isle of Man Government Department of Health and other grants, whether 'capital' or 'revenue' grants are recognised when the Charity has entitlement, any performance conditions to the grants have been met or the amount has been received and the amount, or part thereof, is not deferred.

Hospice Care receives an annual cash contribution from Manx Care. A Service Level Agreement for a five year period was signed on 1 November 2013, beginning on that date. The Agreement provides for the Department to make two payments on 5 May and 5 November during a Fiscal Year. These payments represent the contribution for the year ended 31 December each year. Payments are accounted for on a receivable basis. The cash contribution payable by the Department will, in the absence of exceptional circumstances, be equal to the prior years' payment (based on Department accounts) plus any increases agreed in relation to Hospice as part of the normal budgeting cycle (to include annual inflationary increases). Any further expenditure requiring support from the Department shall be subject to a detailed quantified Business Case to be submitted to the department as part of its budgetary cycle. The existing agreement was initially extended to 31 March 2019 and subsequently to 31 March 2021. Funding has continue to be received in line with the original agreement whilst a new agreement with Manx Care is finalised.

As of 1 April 2021, all contracts that have been entered into by the DHSC for the provision of goods and services were automatically novated to Manx Care, following this a letter of intent between Hospice Care and Manx Care signed 20th May 2022 set out future service and funding arrangements. Effective from 1 April 2022, Funding was changed to £896k for the fiscal year 2022/23 received in quarterly instalments (to include annual inflationary increases). Funding will increase to £1,119m for the fiscal year 2023/24 and £1.502m for the fiscal year 2024/25.

In addition to the above the Group receives IT support from the Isle of Man Government's IT department and this forms part of the service level agreement referred to above. It is not possible to easily quantify the fair value of the support that the group receives and this support is documented by way of this note only.

The amounts received in cash in the year and included in these accounts in respect of the Manx Care Grant income is £922,000 (2021 - £592,572). The amounts received in cash in the year end and included in these accounts in respect of Salary Support Scheme grant income was £nil (2021: £153,116).

Legacies

Legacies received are credited to the General Fund, unless otherwise specified. For legacies, entitlement is taken on a case by case basis as the earlier of the date on which: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset being passed to the Charity. Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, and the criteria for income recognition have been met, then the legacy is treated as an asset and disclosed, if material.

Income from the sale of bought in and donated goods

Trading income is recognised on point of sale for both donated and purchased goods.

Donated assets and services

Donated assets are taken to income at the fair value to the Charity, being amount received, with the other entry being capitalised in fixed assets.

Investment income

Interest on deposit funds held is recognised as it accrues using the effective interest rate method.

Dividends are recognised once the Group's right to receive payment has been established.

Unrealised and realised gains and losses on financial investments are recognised based on their appropriate classification which is covered under the accounting policy for financial instruments.

Rental Income

Rental income is accounted for on an accruals basis in line with the underlying contract terms of the rental agreements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1 Accounting Policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All day-to-day running expenses are included in the Consolidated Statement of Financial Activities and is charged against the General Fund with the exception of expenses met out of income for specific purposes which is charged against the appropriate restricted fund. Expenditure is shown under the following headings:

Costs of raising funds

These expenditures comprise fundraising costs incurred in seeking donations, grants, and legacies; investment management fees; costs of fundraising activities including the costs of goods sold, shop costs, commercial trading and their associated support costs. Fundraising costs do not include the costs of disseminating information of support of the charitable activities.

Expenditure on charitable activities

These expenditures include the costs of providing specialist palliative care and support, community services, research and other educational activities undertaken to further the purposes of the Charity and their associated support services.

Other costs

These expenditures comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance costs, finance and other office costs. Governance costs are those costs incurred in connection with maintaining compliance with the constitutional and statutory requirements of the Charity. Irrecoverable VAT is included as other costs.

Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements as it cannot be reliably measured.

i) Fixed Assets

All assets costing more than £500 are capitalised at their historical cost when purchased.

Fixed assets are depreciated evenly over their expected economic and anticipated useful lives on a straight line basis at the following rates:

- freehold land on which the Hospice exists, is not depreciated;
- freehold buildings depreciated at the rate of 2% per annum of original cost;
- the remaining fixed assets are depreciated at the rate of 20% per annum of original cost

The need for any impairment of a fixed asset write down is considered if there is a concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

The depreciation charge for the year is included in the Consolidated Statement of Financial Activities within the operation of Hospice expense category and is charged against the funds in which the relevant fixed assets are comprised.

Assets under construction are assets which have been capitalised and are not yet available for use. Once the asset is complete, a transfer is made to the final fixed asset class.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1 Accounting Policies (continued)

j) Investment property

Properties are sometimes received as legacies and are then sold by the company at a future date. Whilst waiting to be sold the property is often rented out. When such assets are held for a period of more than one year they are accounted for as investment properties.

Investment properties are initially recorded at the fair value determined at the date of the legacy for the property less the costs of sale and are not depreciated. After initial recognition, investment properties whose fair value can be reliably measured are measured at fair value. The surplus or deficit on revaluation is recognised in the profit and loss account. In the comparative year the Charity had one investment property which is being rented out on a month by month basis. See note 6 for further details.

k) Financial Instruments

As permitted by FRS 102, the group and company has elected to apply the recognition and measurements provisions of Sections 11 and 12 in full for all of its financial instruments.

The group and company classifies its financial instruments as either equity investments at fair value through profit or loss, loans and receivables, cash and cash equivalents, short- term debtors and creditors. Classification is determined at date of initial recognition.

Investments at fair value through profit or loss

The Charity holds positions in a number of listed and non-listed entities which are held as investments at fair value through profit and loss. These investments are initially recognised at fair value which equates to the transaction price, excluding any transaction costs. Subsequently they are measured at fair value through profit or loss except for those investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available.

The Charity uses the following hierarchy for determining the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted price is usually the bid price.
- Level 2: when quoted prices are unavailable the instrument is valued using inputs that are observable either directly or indirectly including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs that are observable such as interest rates and yield curves observable at commonly quoted intervals, implied volatility or credit spreads and market-corroborated inputs.
- Level 3: when observable inputs are not available, unobservable inputs are used to measure fair value by use of valuation techniques. The objective of using the valuation technique is to estimate what the fair value would have been on the measurement date.

See note 4 for details of financial instruments classified by fair value hierarchy.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The Charity does not acquire options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity investment markets due to the wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors. Risks are discussed further in note 5.

Loan notes receivable

Loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method. Loan notes that are receivable within one year are not discounted.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1 Accounting Policies (continued)

k) Financial Instruments (continued)

Cash and cash equivalents

Cash comprises current deposits with banks and balances with brokers. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of the meeting short-term cash commitments rather than for investments or other purposes.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities in other costs.

l) Stock

Stock of bought-in retail goods is included at the lower of cost or net realisable value. Net realisable value is the estimated selling price reduced by all costs of selling and marketing.

Donated goods for resale or distribution on hand, as at the balance sheet date, are not valued for stock purposes and are not to be included in the financial statements as the Board of Governors' consider it impractical to be able to assess the amount of donated stocks as there are no systems in place which record these items until they are sold and undertaking a stock take would incur undue cost for the Charity which far outweigh the benefits.

m) Public benefit entity concessionary loans

Public benefit entity concessionary loans are loans made or received between a public benefit entity or an entity within the public benefit entity group, and another party at below the prevailing market rate of interest that are not repayable on demand and are for the purpose of furthering the objectives of the public benefit entity or public benefit entity parent.

The group and company have elected to account for such loans in accordance with Section 34.90 – 34.97 of FRS 102. Such loans are initially measured at the amount received or paid and are recognised in the Balance Sheet at that amount. Subsequently the carrying value of concessionary loans are adjusted to reflect any accrued interest payable or receivable. To the extent that the loan made is irrecoverable, an impairment loss is recognised within other costs in the Statement of Financial Activities.

n) Foreign currencies

Transactions in foreign currencies are initially recorded in the group and company's functional currency by applying the spot rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities. All entities in the group have the same functional and presentational currency.

o) Pensions

The Charity operates two pension schemes. Qualifying members of the nursing staff are permitted to join the GUS (Government Unified Scheme). The GUS scheme provides for a pension based on earnings and salary but the Charity has no obligation beyond the requirement to pay annual contributions in respect of salary paid in the year. Other members of staff may be eligible to join a group defined contribution personal pension plan. The Charity contribution is restricted to the amounts shown below. All contributions payable in respect of the year to 31 December 2022 have been included in Statement of Financial Activities.

Payments were made to two (2021: two) employee's personal pension schemes for the year ended 31 December 2022. All contributions have been included within the Statement of Financial Activities. The costs of the defined contribution schemes are included with associated staff costs and allocated therefore to costs of raising funds and charitable activities and are charged to the unrestricted funds of the Charity.

The group personal pension scheme is managed by Aviva and the plan is tailored to the individual's requests and invests the contributions made by employee and employer into cash deposits or an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension unless another age from 65 years.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

1 Accounting Policies (continued)

o) Pensions (continued)

Upwards has been agreed with the individual. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

The contributions paid in the year were as follows:

	2022 £	2021 £
Group personal pension plan	61,579	43,795
Isle of Man Government Unified Scheme	305,591	246,685
Payments to employees own private pension schemes	7,723	7,616
	<u>374,893</u>	<u>298,096</u>

£2,246 (2021: £3,375) of the contributions due were unpaid at the year end.

A further £125,873 was identified and remained unpaid at the year end (see note 17).

p) Taxation

As the group and company is a registered charity, its income is exempt from Isle of Man Corporate Income Tax by virtue of Section 15 of the Income Tax Act 1970. As such, a provision for Isle of Man Corporate Income Tax has not been made.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

2 Statement of Financial Activities – Other Disclosures

Income and costs of management of the group are stated after charging / (crediting):

	2022	2021
	£	£
Group		
Interest received	(10,853)	(734)
Dividends	(73,818)	(87,302)
Rental income	-	-
Mortgage amortised interest	-	(4,396)
Depreciation	447,173	447,643
Audit Fee	21,000	12,000
	<u>21,000</u>	<u>12,000</u>

3 Tangible fixed assets

a) Group Fixed Assets

	Freehold Land & Buildings £	Furniture & Fittings £	Equipment £	Motor Vehicles £	Total £
Cost					
At 31 December 2021	15,176,211	693,450	533,360	129,686	16,532,707
Additions	73,453	34,626	52,850	-	160,929
Disposals	-	-	-	-	-
	<u>15,249,664</u>	<u>728,076</u>	<u>586,210</u>	<u>129,686</u>	<u>16,693,636</u>
At 31 December 2022					
Depreciation					
At 31 December 2021	(3,434,743)	(560,064)	(371,439)	(111,419)	(4,477,665)
Charge for the year Disposals	(293,194)	(60,799)	(83,210)	(9,970)	(447,173)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2022	<u>(3,727,937)</u>	<u>(620,863)</u>	<u>(454,649)</u>	<u>(121,389)</u>	<u>(4,924,838)</u>
Net Book Value					
At 31 December 2022	<u>11,521,727</u>	<u>107,213</u>	<u>131,561</u>	<u>8,297</u>	<u>11,768,798</u>
At 31 December 2021	<u>11,741,468</u>	<u>133,386</u>	<u>161,921</u>	<u>18,267</u>	<u>12,055,042</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

3 Tangible fixed assets (continued)

Included in Group Fixed Assets are four properties (2021 – four) which are rented to third parties with a net book value of £587,867 (2021: £599,008) in respect of which rent of £26,529 (2021: £38,914) has been received.

b) Company Fixed Assets

	Freehold Land & Buildings £	Furniture & Fittings £	Equipment £	Motor Vehicles £	Total £
Cost					
At 31 December 2021	13,279,067	571,428	504,574	72,884	14,427,953
Additions	68,886	34,626	39,669		143,181
Disposals	-	-	-	-	-
At 31 December 2022	13,347,953	606,054	544,243	72,884	14,571,134
Depreciation					
At 31 December 2021	(2,893,049)	(438,041)	(364,590)	(72,884)	(3,768,564)
Charge for the year	(266,963)	(60,799)	(75,089)	-	(402,851)
Disposals	-	-	-	-	-
At 31 December 2022	(3,160,012)	(498,840)	(439,679)	(72,884)	(4,171,415)
Net Book Value					
At 31 December 2022	10,187,941	107,214	104,564	-	10,399,719
At 31 December 2021	10,386,018	133,387	139,984	-	10,659,389

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

4 Investments

a) Investments at fair value through profit or loss – Company and Group

	2022 £	2021 £
Listed investments including listed equities and bonds -		
Level 1	4,659,271	5,224,937
Non listed investments	1	1
	<u>4,659,272</u>	<u>5,224,938</u>
Realised and unrealised gains and losses on investments at fair value through profit or loss		
Unrealised (loss) / gain	(565,566)	397,340
Realised (loss) / gain	(107,678)	172,813
	<u>(673,244)</u>	<u>570,153</u>

The financial instruments above are recognised at fair value, based on quoted prices in active markets for identical assets or liabilities (Level 1 as defined Section 11.27 of FRS 102).

a) Investment in Subsidiary undertakings – Company only

Share the Care Limited

The Charity's wholly-owned subsidiary, Share The Care Limited, operates the Hospice shops and is incorporated in the Isle of Man.

Hospice Properties Limited

The Charity's wholly owned subsidiary, Hospice Properties Limited owns and maintains the Douglas, Ramsey and Castletown shops and warehouses operated by Share the Care Limited. It is incorporated in the Isle of Man. During the year the company has reviewed the underlying net assets of this entity and identified no impairment (2021: Nil) against the cost of this investment.

Investment in Subsidiaries Comprises:

	2022 £	2021 £
Share Capital – Share the Care Limited	2,000	2,000
Investment in Hospice Properties Ltd	286,194	286,194
	<u>288,194</u>	<u>288,194</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

5 Investments and Risk Management

The company's assets comprise investments which include:

- Investments in listed and non-listed entities. These are held in accordance with the company and group's investment objectives and policies;
- Loans and receivables at amortised cost; and
- Cash.

As a charity, the company and group maintain high levels of cash reserves, which are to be utilised for charitable activities. As such the company and group aims to spread its credit risk by placing cash deposits with a number of financial institutions, and in addition during the year the company and group placed cash in listed investments, through a recognised broker, which provided greater yields than cash deposits.

The investment objective of the company and group is to achieve capital appreciation while maintaining a controlled level of risk and volatility.

The company and group is exposed to market risk (which includes fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk arising from the financial instruments it holds.

The company and group's investment guidelines are set at the discretion of the Board of Governors.

Market Risk

During the year the company and group has placed funds with a broker in investments, taking positions in listed investments, namely equities and bonds, to take advantage of market movements. The broker considers the asset allocation of the portfolio in order to minimise the risks associated with particular market sectors whilst continuing to follow the company and group's investment objectives.

Market risk represents the potential loss that can be caused by a change in the market value of the investments. The company and group's exposure to market risk is determined by a number of factors, including interest rates and market volatility. The investment committee continually monitors the company and group's exposure to market risk.

Management's estimate of the effect on net assets and profits of the company and group due to a decrease in market prices, is as follows:

	2022 Change in market prices %	2022 Effect on profit and net assets £	2021 Change in market prices %	2021 Effect on profit and net assets £
Investments	+/-5	232,964	+/-5	261,247

Interest Rate Risk

The company and group is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Cash and equivalents are exposed to cash flow interest rate risk, as these balances, although mostly held on fixed deposits, interest rates are reset on maturity to take into account any changes in the market rates. The value of interest in the current year was £10,853 (2021: £734). A movement in interest rates of 1% would not be expected to have a material impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

5 Investments and Risk Management (continued)

Liquidity Risk

The company and group's policy is to maintain cash balances with a spread of reputable financial institutions, and investments in tradable investments, to maintain a high degree of liquidity. The approach to liquidity is determined by the investment committee which discusses the liquidity of investments on a regular basis.

The Board of Governors established a policy to ensure that a minimum of 18 months cost is maintained within free reserves at any one time (2021: 18 months). At 31 December, this would have amounted to £11.26m (2021: £10.01m).

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. This definition excludes restricted income funds and endowment funds. Free reserves will also normally exclude tangible fixed assets held for the charity's use and amounts designated for future spending.

Credit Risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet commitments that it has entered into with the company and the group. Financial assets, which potentially expose the company and the group to concentrations of credit risk, consist of holdings in investments, balances with broker and cash balances. It is the company and group's policy to deal with a range of reputable financial institutions believed to be creditworthy, and place investments in listed and highly liquid investments. Therefore, the company and group do not expect to incur material credit losses on financial instruments.

The company and group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations as of 31 December 2022 in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the balance sheet.

The credit ratings of financial institutions with which the Charity and the group hold funds per S&P are Barclays Bank A, Santander A, Lloyds Bank A+ , Investec BB- and RBS Group A.

Concentrations of credit risk exist when changes in economic, industry or geographic factors affect counterparties whose aggregate credit exposure is significant in relation to the company's total credit exposure. Transactions are entered into with creditworthy counterparties, thereby mitigating any significant concentration of credit risk.

The maximum credit exposure of the company is as follows:

	2022 £	2021 £
Investments	4,659,272	5,224,938
Due from subsidiaries	871,938	871,938
Debtors and Loans Receivable	196,882	224,576
Cash	1,545,508	3,459,368
Balances with Brokers	21,112	93,838
	7,294,712	9,874,658

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

5 Investments and Risk Management (continued)

Credit Risk (continued)

The maximum credit exposure of the group is as follows:

	2022 £	2021 £
Investments	4,659,272	5,224,938
Debtors and Loans Receivable	218,052	245,317
Cash	2,395,864	4,229,106
Balances with Brokers	21,112	93,838
	<hr/> 7,294,300	<hr/> 9,793,199

There are no financial assets that are past due or impaired.

Currency Risk

Exchange rate risk represents the risk that the exchange rate of the British Pound relative to other currencies may change in a manner, which has an adverse effect of the reported value of assets, which are denominated in currencies other than the British Pounds. Currency investments account for £329,358 (2021: £359,883) of the total investment value. A movement in exchange rates of 5% is not expected to have a material impact on the financial statements.

6 Investment Property

The Hospice occasionally receives residential properties as part of legacies. These properties are occasionally rented out whilst awaiting sale and recorded at fair value.

The company and group currently has no investment property on its balance sheet.

	2022 £	2021 £
Brought forward	-	252,309
Investment property disposal	-	-252,309
	<hr/>	<hr/>
Carried forward	-	-

7 Debtors due after more than one year: Loan receivable

Half of the amount due in respect of a loan secured on residential property was received as a legacy in prior years. Hospice Care acquired the other half of the loan at an estimate of fair value. The loan was fully repaid on 10th September 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

8 Amounts due to / from subsidiaries

Amount due from Subsidiaries Comprises:

	2022 £	2021 £
Public Benefit Concessionary Loan – Hospice Properties Limited	871,938	871,938
	<u>871,938</u>	<u>871,938</u>

This public benefit entity concessionary loan is unsecured, interest free and repayable upon demand, although repayment will not be sought within one year.

Amount due to subsidiaries comprises:

	2022 £	2021 £
Loan – Share the Care Limited	1,448,542	960,711
	<u>1,448,542</u>	<u>960,711</u>

9 Notes to the statement of cash flows

a) Reconciliation of (Deficit) to net cash (outflow) from operating activities

	2022 £	2021 £
Group (deficit) for the year	(3,160,114)	(447,724)
Adjustments to reconcile (deficit) / surplus for the year to net cash flow from operating activities		
Depreciation of tangible fixed assets	447,173	447,643
Decrease / (increase) in debtors	29,633	(143,511)
(Increase) in stocks	-3,860	(2,484)
Increase / (decrease) in creditors	376,669	(38,168)
Interest received	(10,853)	(734)
Dividend income	(73,818)	(87,302)
Funds for specific capital items	(32,516)	(54,622)
Realised and unrealised movement on investments	673,244	(570,153)
Realised gain on sale of fixed asset	-	(60,338)
Realised gain on sale of investment property	-	(23,691)
Realised gain on repayment of debtor due after one year	-	(41,546)
Net cash (outflow) from operating activities	<u>(1,754,442)</u>	<u>(1,022,630)</u>

b) Reconciliation of cash and cash equivalents

	Opening cash 1 January 2022 £	Cash flow £	Closing cash 31 December 2022 £
Cash and cash equivalents (group)	4,324,065	-1,905,762	2,418,303
	<u>4,324,065</u>	<u>-1,905,762</u>	<u>2,418,303</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

10 Public Benefit Concessionary Loan Payable

The Charity has received a loan of £750,000 from the Henry Bloom Noble Healthcare Trust. The funds were provided in order to assist in the funding of building the new Hospice in 2007. The loan is interest free, repayable in 2156 and is secured on the site of the new Hospice. If the charity ceases to be a charity, ceases to operate the children's hospice or transfers the hospice to the Department of Health then the loan becomes repayable. The Board of Governors has considered the circumstances of the loan and have concluded that it meets the requirements of a Public Benefit Concessionary Loan and have accounted for it in this way.

11 Share capital

Hospice Care is a private company limited by guarantee and not having a share capital.

12 Unrestricted Funds

	2022 £	2021 £
General Funds	2,592,844	5,408,055
Tangible Fixed Assets	11,768,798	12,055,042
	<hr/> 14,361,642	<hr/> 17,463,097

13 Restricted Funds

	2022 £	2021 £
Capital Fund	3,255,709	3,314,368
Endowment Fund	15,000	15,000
	<hr/> 3,270,709	<hr/> 3,329,368

A sum of £15,000 has been received on the basis that the capital of the funds is retained intact but the income is used for the maintenance and operation of the Hospice. This fund is included within restricted funds in the balance sheet.

14 The Diana Princess of Wales Palliative Care at Home Trust

The Diana Princess of Wales Hospice Care at Home Trust was created on 19 June 1998. The aim of the trust is to provide financial support to Hospice Care to support the provision of its Palliative Care Home Nursing Service. £101,700 was received during the year ended 31st December 2022 (2021: £122,000). This has been included within donations and legacies in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

15 Related Party Transactions of Hospice Care

The following transactions took place with the Charity's wholly owned subsidiaries, Share the Care Limited and Hospice Properties Limited.

<i>Share the Care Limited</i>	2022 £	2021 £
Balance brought forward – due to Share the Care Limited	960,711	769,781
Cash received from subsidiary as payment on account in respect of dividend	550,000	254,000
Expense recharge	(62,169)	(63,070)
Dividend Paid	-	-
Amount at the end of the year – due to Share the Care Limited	1,448,542	960,711
 <i>Hospice Properties Limited</i>	 2022 £	 2021 £
Balance brought forward – amount (payable)	(871,938)	(1,167,815)
Loan re expenses	-	(4,123)
Repayment	-	300,000
Amount at the end of the year – due from Hospice Properties Limited	(871,938)	(871,938)

Key management personnel

All Governors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. The Governors give their time freely and receive no remuneration for their services. During the year executive management team was made up of 6 key roles (2021: 7 key roles). Total remuneration in respect of these individuals is £602,002 (2021 £611,177).

16 Capital commitments

The Group had entered into commitments to carry out improvement works to its main building. The total contracted price was £3.77m (2021: £3.75m) of which £3.77m (2021: £3.75m) was invoiced and £7.5k (2021: £56k) being retention monies remains unpaid as at 31 December 2022.

17 Post Balance Sheet Events

In April 2022, it was agreed to offer staff the new style Freedom Pension. Several new staff had not been able to join the Hospice Care Group Personal Pension until this decision had been made. The age restriction was also removed. The Board of Governors agreed to pay backdated contributions to affected staff at a total cost of £149,540. This is expected to be paid June 2023.



*After meeting the staff
and seeing how they
cared for my son like
he was their own it was
clear he is in safe
hands.*



CEO'S CONCLUSION

CEO'S CONCLUSION

There can be little doubt that Hospice has gone through a turbulent time throughout the past year. Well documented events such as the lasting impact of the global pandemic have continued to cause a negative impact upon the organisation. Services for patients and families that, for very good reasons, were curtailed have not been re-opened as finances have also struggled to recover. Unsettled stock markets, a significant drop in legacy income and some areas of over ambition have all taken their toll.

Acknowledging the above, the Board of Governor's made some difficult decisions, mindful of their responsibility to safeguard the long term future of the charity. The Senior Leadership Team were charged with developing and then delivering a plan to reduce headcount, lowering core costs and to implement other operational efficiencies, all with the intention of gaining full control of costs that were exceeding income.

I am pleased to say that this strategy is now bearing fruit. Many members of the Manx community both individuals and corporate organisations have rallied to support the hospice 'turnaround'. Looking ahead we are now on the cusp of re-opening the Day Unit, we have secured funding to open two IPU beds explicitly for Respite Care, we have a Clinical Nurse Specialist placed permanently in Nobles Hospital to help ensure patients are referred to Hospice at an earlier stage. These are early signs of a new and positive chapter for the organisation.

The Board has requested a new 3 to 5 year strategy to be developed ready for January 2024. This is an exciting opportunity, to help model the future of our service provision to the Island's community. Hospice provides crucial services to individuals and their loved ones throughout one of the most challenging periods of any family journey.

The Island has an ageing population, people living longer with multiple conditions of increased complexity. We can be sure that Hospice is a vital provision that must be safeguarded, ambitious and responsive but also sustainable. This can only be achieved with the ongoing support of the entire community.

My thanks go to the professional and highly dedicated staff team in each and all areas of the Hospice, and also to the volunteers who give their time so willingly. They are a veritable army adding energy, skills and personality to our charity.



John Knight
Chief Executive



I was thrilled to be offered the post as Chief Executive at Hospice Isle of Man, and then to have joined the charity on January 3rd 2023.





Hospice

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Hospice Isle of Man is also known as Hospice Care and is a registered charity in the Isle of Man - Charity Number 317