WESSEX CHILDREN'S HOSPICE TRUST

England & Wales · Charity number 1002832

Details

Other names	NAOMI HOUSE, Naomi and Jack's
Status	Registered
Legal form	Charitable company
Company number	02601495
Registered	1991-05-09
Register	View on the Charity Commission register

Contact

Address	Wessex Childrens Hospice Trust Naomi House Stockbridge Road Sutton Scotney Winchester SO21 3JE
Phone	01962 760060
Email	MICHAEL.WARE@NAOMIHOUSE.ORG.UK
Website	www.naomihouse.org.uk

Activities

Objects: THE RELIEF OF SICKNESS AMONGST CHILDREN AND YOUNG PEOPLE.

Activities: Naomi House and Jacksplace Hospices provide essential care and support to life-limiting and life-threatened children, young adults and their families from across central southern England.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People

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Geography

- **Area of benefit:** IN PRACTICE WESSEX AND SURREY
- Dorset
- Hampshire
- Isle Of Wight
- Surrey
- West Berkshire
- West Sussex
- Wiltshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£9,052,177	£9,485,272	£32,183,702	177
2024-03-31	£9,131,460	£8,806,645	£32,399,429	171
2023-03-31	£7,945,068	£8,071,508	£30,323,789	165
2022-03-31	£7,978,796	£7,195,492	£30,651,228	161
2021-03-31	£7,631,096	£7,118,960	£28,734,326	173

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Trustees

Name	Role	Appointed
Andrew David Meehan	Chair	2022-06-28
Christopher John Pearce		2023-10-05
Dr Marie-Louise Millard		2025-01-28
Helen Annette Burrows		2019-10-08
Jane Ferguson		2021-01-26
Julie Dawes		2021-01-26
Malcolm John Allerton		2025-10-15
Melanie Joanne Hunter Yell		2025-10-15
Michelle Constantinou		2025-10-15
Rob Simpson		2018-10-09
Robin Hassan		2018-10-09
Sean Allen		2024-07-09

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WESSEX CHILDREN'S HOSPICE TRUST

England & Wales - Charity number 1002832

Accounts

Wessex Children's Hospice Trust

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31 March 25

Registered Number: 02601495 (England and Wales)
Charity Number: 1002832

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Reference & Administrative details of the Charity, its Trustees and Advisors

Company Number	02601495 (England and Wales)	
Charity Number	1002832	
Registered Office	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Mr Andrew Meehan	Chair
	Mr Julian Cracknell	Vice Chair
	Dr Michael Miller	
	Mr Julian Walker	
	Mrs Sam Nicolson MBE	
	Mr Robin Hassan	
	Mr Rob Simpson	
	Ms Helen Burrows	
	Mrs Julie Dawes MBE	
	Mrs Jane Ferguson	
	Ms Sarah Webb	(resigned 19th November 2024)
	Mr Alexander Delamere-White	(resigned 15th July 2025)
	Mr Chris Pearce	
	Mr Sean Allen	(appointed 9th July 2024)
	Dr Louise MIllard	(appointed 28th January 2025)
Key Management Personnel	Mr Mark Smith	Chief Executive Officer
	Mrs Katie Lumsden	Director of Finance
	Ms June Morton	Director of Human Resources (retired 31st October 2024)
	Mr Paul Morgan	Director of Fundraising & Communications
	Mrs Erika Lipscombe	Director of Care
	Mrs Amy Bearman	Director of People & Culture (appointed 4th November and resigned 21st March 2025)
Bankers	Royal Bank of Scotland Plc Drummond House, 1 Redheughs Avenue, Edinburgh, EH12 9JN	Barclay's Bank Plc PO Box 612, Ocean Way, Southampton, SO14 2ZP
Solicitors	Blake Morgan New Kings Court, Tollgate Chandlers Ford, SO23 9DA	Gardner Leader White Hart House 24 Market Place, Newbury, RG14 5BA
Independent Auditor	Crowe U.K. LLP R+ Building, 2 Blagrave Street, Reading, RG1 1AZ	
Investment Banker	Cazenove Capital 1 London Wall Place, London	

Chairman's Statement

Message from the Chair

I am pleased to present the Annual Report and Accounts for The Wessex Children's Hospice Trust, known as Naomi House & Jacksplace, for the Financial Year 2024/25.

It gives me great pride to reflect on the past year, which began with the wonderful news that we retained our CQC Outstanding rating. This recognition followed an inspection in November 2023, with the report published in May 2024. Now, a year on, the impact of this achievement continues to resonate across our organisation. Being among the first to be assessed under the CQC's new Assessment Framework, our success is a powerful testament to the dedication, compassion, and professionalism of our staff and volunteers. Their unwavering commitment ensures that the children, young adults, and families we support receive outstanding care every single day.

The range of care services we provide includes end-of-life and bereavement care, symptom management, step down from hospital, emergency respite, day services, play therapy, hydrotherapy and planned respite stays for children, young adults and their families. These services are supported by our Family Support Team providing advocacy, counselling, sibling support, a range of therapies, activities and groups along with spiritual support both pre and post bereavement. And of course, our catering, housekeeping, and facilities team, supported by volunteers, working together to deliver great care. Through these efforts we have supported 596 children, young adults and their families, providing 1,720 bed nights with multiples of that number provided to family members.

None of these services would be possible without the incredible efforts of our colleagues in Fundraising, Marketing, Communications and Retail, who work tirelessly to raise the funds we need every day to pay for our services and deliver our plans. As ever, our work is only possible thanks to the generosity of our supporters. The majority of our income continues to come from voluntary sources—individuals, community groups, trusts, companies, our shops, and our lottery programme. We are especially grateful for the legacy gifts we received this year, which exceeded expectations. To everyone who has supported us—thank you. Your kindness and generosity make everything we do possible.

A particularly exciting development this year has been the successful launch and first full year of operation of Naomi House in The Forest—our purpose-built, fully accessible holiday lodge at Hoburne Bashley Park in the New Forest. This initiative has enabled many families, who might otherwise be unable to take a break, to enjoy a short holiday in a beautiful and supportive environment. With full hospitality and leisure facilities on site, this service has provided invaluable opportunities for families to relax, reconnect, and create cherished memories together. In its first year 41 families were able to spend quality time on holiday together, either for a full week, long weekend or mid-week break.

This year saw the introduction of our new 2024–28 Strategic Framework, ensuring our priorities remain aligned with the needs of the families we serve and the challenges of the wider world. Entitled Reach More, Do More, our ambitious plan aims to provide greater access to families to a wider range of services in Hospital, Hospice and the Home. Our teams this year have been planning the operational activities that will drive our strategy across all areas of our organisation. Our progress against our plans and the vision for the years ahead are detailed later in this report.

Finally, I would like to thank my fellow trustees for their wise counsel and steadfast support. On their behalf, I extend our deepest gratitude to the senior management team, all our staff, and our many volunteers. Your dedication and resilience continue to inspire us all, especially in these still-challenging times.

Andrew Meehan
Chair of the Board of Trustees

Cassidy's Story

Cassidy generously shared her story with us to highlight how important Jacksplace was to her. Sadly, Cassidy died at Jacksplace before seeing her story published in this report.

Cassidy is living with complex and chronic illnesses. She is a regular visitor to Jacksplace, where the care and compassion she receives from our dedicated team gives Cassidy valuable and unique support.

I live with multiple terminal and chronic illnesses, including a rare and severe genetic skin condition and heart disease, which has deteriorated to the point that I am now in end-stage heart failure. I face daily health challenges and complications.

However, the most debilitating aspect of my condition is the relentless, severe chronic pain— primarily from my skin, but also from my joints, spine, and bones. The reality is that I have **never experienced a pain-free day in my life.**

My condition has progressively worsened every single day since birth, and, in the past year, this decline has accelerated rapidly. I have been given only a few months left to live due to my heart failure deteriorating so severely and not being eligible for a heart transplant.

Naomi House & Jacksplace will **support us through the most difficult stage—end of life care.** As my health continues to decline, they will be there to ensure I remain as comfortable as possible, helping to make each moment meaningful and creating precious memories for as long as time allows.

Naomi House & Jacksplace excel at providing unwavering support, not just for the individual but for the entire family during this heartbreaking transition. Their compassionate care will extend beyond my final moments, ensuring my loved ones are not left to navigate their grief alone. The bereavement support they offer brings me immense comfort, knowing that after I'm gone, my family will continue to be cared for, guided, and supported through what will undoubtedly be the most painful chapter of their lives.

"The palliative care and pain management provided by Naomi House & Jacksplace has allowed me to make the most of every moment over the years."

Cassidy

Trustees' Report

The Trustees are pleased to present their annual report and accounts of the Charity and its subsidiary for the year ending 31 March 2025.

The accounts have been prepared in accordance with:
• the Charities Act 2011
• the Companies Act 2006
• the Memorandum and Articles of Association (incorporated on 15 April 1991, last amended 9th October 2018)
• the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Vision and Mission

OUR VISION

Our Vision is a future where children, young adults and their families have access to compassionate support and expert palliative care, when and where they need it, on the good days, difficult days and last days.

OUR MISSION

Our Mission is to always provide outstanding care for children, young adults and families. Guided by the families we support, we will develop innovative services to provide personalised care and invest in our staff, our volunteers and our communities, to deliver an inclusive and collaborative service.

Underpinning our vision and our mission are our core values. We ASPIRE to be;

- Agile
- Supportive
- Proud
- Inclusive
- Responsive
- Encouraging

We place great reliance on committed staff and volunteers, whether they are caring for children, maintaining our hospices to a high standard, raising money or providing essential administration. During the year we have worked with our colleagues across the charity to embed our Vision, Mission and Values to reflect our ambitions and to describe our culture and ways of working. Living our values will continue to be a strong theme as we ensure that everybody, paid or otherwise, is valued and respected for their contribution to our work.

Governance and Public Benefit

TThe Trustees hold legal responsibility for setting the strategy of the charity and for ensuring the group complies with the Companies Act, Charities Act and Statement of Recommended Practice.

The Trustees delegate the day-to-day operational management of the charity to the Chief Executive and the Senior Management Team to facilitate the effective delivery of the charity's aims and objectives and to ensure compliance with all regulatory requirements.

The Trustees have many responsibilities that may be summarised as two overriding objectives:

- The first is to ensure that the Trust has a well-defined strategy and is well managed, particularly in terms of safeguarding and supporting children, young adults and their families.
- The second is to ensure the long-term financial sustainability of the Trust in an increasingly uncertain environment, through prudent use of commissioned and charitable income and control of expenditure.

As a Board we are confident that, while uncertainty remains around voluntary and statutory income, particularly

the continuation of the NHSE Children's Hospice Grant, the immediate and foreseeable future of the organisation is secure.

The aim of Naomi House & Jacksplace, is to provide end of life care, symptom management, step down, emergency and planned respite care to children, young adults and their families who live with a life limiting or life threating conditions. We operate across the south-central region providing services to families in Hampshire, the Isle of Wight, Berkshire, Dorset, Wiltshire, West Sussex and West Surrey.

Our beneficiaries' ages range from babies to young adults up to 35 years and their families. It is entirely consistent with the charity's objective as set out in its governing document, and statement of purpose. Services are delivered free of charge to beneficiaries or are provided under funded arrangements with Statutory bodies.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The core policy of the Trustees is to put families at the centre of our work and to support parents, carers, siblings and other family members, as well as the life limited children, and young adults.

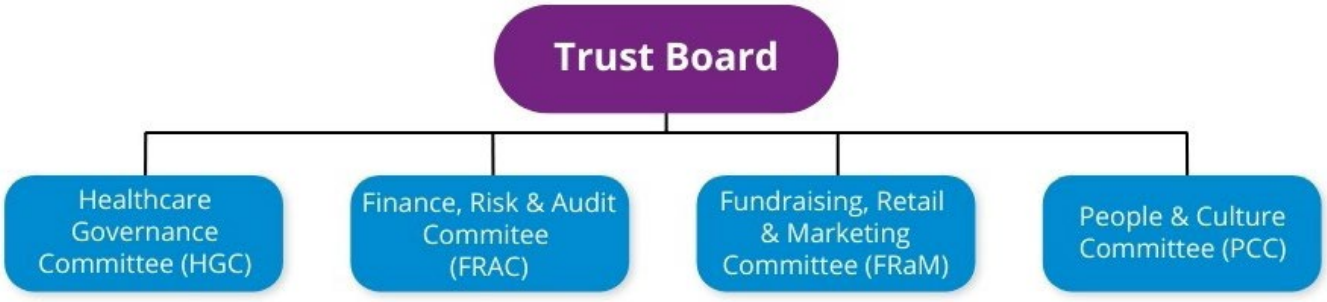
Structure and Management

The organisation is a charitable company limited by guarantee, incorporated on 15 April 1991.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trust is run by a Board of Trustees, which sets and monitors strategy and policies. The Board delegates authority to deliver the strategy to the Chief Executive and staff. The Board meets quarterly to receive reports of all the principal activities of the Trust. Two special meetings are arranged each year for Trustees to discuss and review the strategy.

Board Committee Structure



Trustees' Report Cont.

Trustees are elected in accordance with the memorandum and articles of association by the Trustee Members of the Trust. There are currently 13 Trustee Members who hold voting rights and 35 Advisory Members, all of whom have liability limited to £10.

In line with best practice and the Charity Governance Code, the Board continuously seeks to enhance the diversity of its skillset. Trustees are recruited following open advertisement, are subject to a rigorous interview and induction to support them in becoming effective members of the Board, working in the best interests of the charity. This includes formal Trustee Training with our professional legal advisors and through online training courses.

In February 2022, the Board and Senior Management Team undertook a Governance Review using the Digi-Board online review tool, which is based upon the Charity Governance Code. Following this review, the Board of Trustees and Senior Management Team have undertaken the recommendations included within the report which included reviewing our Purpose and Values and improving our approach to Equality, Diversity and Inclusion and our Environmental initiatives. This has resulted in a refreshed Vision, Mission and Values framework along with a dedicated initiative to develop our Environmental Sustainability guidelines and approach which is included within this report. Trustees repeated this good governance exercise in February 2025 with improved results, demonstrating an active approach from Trustees working towards the Charity Governance Code principles.

Strategic Report
New 2024-28 Strategic Plan

The financial year 2024-25 saw the Trust's activities continuing to grow to rebuild services to pre-pandemic levels and go beyond with a new 2024-28 Strategic Framework developed and launched.

Our new strategic approach and aims during the year were:

Reach More, Do More
- Increase our reach to the children, young adults and families who need our services and aim to provide greater access to families to a wider range of services in Hospital, Hospice and the Home.

Support the Healthcare System – In Partnership
- Continue to be a leading integrated specialist provider of palliative care services for children and young adults, investing in and providing outstanding services to Integrated Care Boards across the Wessex Region, working with the HIOW Children & Young Adult Palliative Care Network (HIOW CYAPCN) and the Wessex Children & Young Adult Palliative Care Network (WCYAPCN).

Grow Sustainably – People, Income & Environmentally
- Invest in and develop our people and workforce planning to ensure we have the professionally qualified and experienced staff required to deliver the range and volume of services we aspire to.
- Maximise the opportunities presented by the NHS Long Term Plan and new NHSE CYP (Children and Young People) Service Specification to work more collaboratively together with other providers and statutory bodies, to improve services for children, young adults and their families.
- Continue to develop our voluntary and statutory income streams to achieve a more balanced income portfolio that generates income from commissioned services provided to the Healthcare system and grow existing voluntary sources whilst investing in new income streams.
- Ensure we plan and invest in our environmental sustainability committing to be a charity that considers our impact on the world and the part we play in reducing our environmental effects.

Our achievements and progress against our key objectives are:

Reach More, Do More
- Supported 596 children, young adults and their families.

- 97 new referrals.
- Provided 1,720 bed nights to support children and young adults, with additional nights offered to their families.
- 421 admissions in the year.
- 235 nights provided for End of Life and post Bereavement Care.
- Delivered 353 sessions of Hydrotherapy and Swim therapy, with a new physiotherapy hydro session offered on a Monday.

Support the Healthcare System – In Partnership

- Seed funding CCN – Paediatric Palliative Care Nurse embedded in Hampshire Hospitals Community Team to improve access and care in the community. Plans to expand to 3 more roles.
- Through hosting Study Days and Consultant led Palliative Care Training onsite at the hospices, improved workforce knowledge and skills to 80+ healthcare professionals.
- Member of the Wessex CYA Palliative Care Network Steering Group.
- Working closely with colleagues from University Hospital Southampton to develop the CYP Service Specification and Network Strategy for the future.

Grow Sustainably – Income, People & Environmentally

- Income of £9.0 million generated.
- Expenditure of £9.69 million resulting in an operational deficit of £433k.
- 46 new colleagues joining the charity across all departments.
- 236 Solar panels fitted on Jacksplace, and 126 solar panels planned for completion in quarter one of 25/26 in Naomi House.
- Committed to paying the Real Living Wage set by the Living Wage Foundation.

The Trustees believe we are well positioned for the future. Through continued community support for our work and with our robust financial health, we've been able to make some important investments for the future and plan to continue to do so. The Trustees plan to increase staff numbers with the aim of increasing services and will continue to invest in facilities and services that benefit the children, young adults and families we serve. This will add to the underlying cost base of the charity and thereby put the current level of reserves to good use in forthcoming years.

Risk Management - Principal Risks and Uncertainties

A risk register is at the centre of the Trust's risk management process. It is regularly reviewed by the senior management team and scrutinised by committees for onward presentation and approval by the board. Risk management is inherent in all the charity's activities and key risks broadly cover patient care, data protection, finance, fundraising, governance and compliance, health and safety and information technology including cyber-attack.

We continue to develop our Risk Register within the Vantage system enabling risks to be more regularly reviewed and assessed by colleagues across the organisation. The Vantage system is also where Incident Reporting is recorded and so our intention is to have a more dynamic Risk Register informed by the incidents recorded and will be an organisational wide system improving the management of incidents, health and safety reporting and risk management overall, providing an organisational view of risks and controls.

Our currently identified key risks are:

- The challenge of recruiting skilled staff, particularly nurses, affecting our ability to deliver and develop services – this is being managed through looking at new opportunities to hire and train nursing staff, for example through the training schemes, and the establishment of shared service level agreements with NHS hospitals and HIOW ICB.
- Failure to safeguard children and vulnerable adults adequately – this is mitigated through strong safeguarding policies, regular safeguarding training for both staff and volunteers and DBS checks.

- Significant changes at short notice to funding arrangements and income generation activities – this is mitigated through holding a strong financial reserves position.

The Trustees have put in place mitigating measures to manage these risks and monitor the likelihood of these risk events occurring. It is felt that the financial and reputational impact on the Trust, is well controlled. Regular review and updates are managed through the charity's Risk Register and through review by internal governance committees.

Clinical governance is overseen by the Clinical Committee monthly and Healthcare Governance Committee quarterly. The Fundraising, Retail & Marketing Committee monitors the income streams of the Trust. The Finance, Risk & Audit Committee advises the Board on all finance and risk matters, and makes appropriate recommendations, when required. This includes reviewing the annual accounts and budgets, as well as appraising investment performance. The Board receives regular reports from the People & Culture Committee which oversees health, safety, mandatory training and organisational culture. During the year the Governance Committe was disbanded due to the work being integrated into the other committees and the Board.

Care Review

Our new Director of Care, Erika Lipscombe, started in March 2024 and has spent the year reviewing current ways of working, staffing and opportunities to develop our services going forward in line with our 2024-2028 strategy of 'Reach More, Do More', supporting the healthcare system through partnership working.

Across the year our delivery of End-of-Life care, both within the hospice and in supporting community teams when children are at home, has increased, as have symptom management stays to avoid hospital admissions. These admissions are supported at Naomi House by the continuing development of our relationship with the Specialist Paediatric Palliative Care (SPPC) team at University Hospital Southampton (UHS), through the two SPPC Consultants that work across both areas.

At Jacksplace, our relationship with the Adult Palliative Care team at UHS continues to develop through the cross organisation working of our Associate Specialist in Palliative Medicine, our Clinical Nurse Specialist (CNS) and with the recent addition of a part time Consultant the team continues to expand in support of our young adults.

Naomi House & Jacksplace provided:

- Bed nights – 1,720 with multiples of this number provided to family members
- Admissions in total 421
- 596 children, young adults and families are being supported on the case load
- Symptom management – 163 nights
- End of life care – 153 nights
- Bereavement care – 82 nights

The development for reducing our service user's time in hospital continues to be achieved through the partnership between Jacksplace and UHS and the ongoing delivery of a one stop clinic for young people with Duchenne Muscular Dystrophy (DMD). As reported previously this is the first of its kind in the UK and allows young adults to attend a clinic at Jacksplace, which combines the majority of their annual appointments into one day. The various clinical specialties involved include palliative care, neurology, respiratory, cardiology and physiotherapy. The innovative clinic frees up hospital time and means the young adults do not have to attend multiple appointments throughout the year. This initiative continues to grow and increased clinic time is planned for 2025/26.

During 2023/24 a partnership was formed with Hampshire Hospitals Foundation Trust (HHFT) and Naomi House which led to the Wessex Childrens Hospice Trust funding a two-year Children's Community Nurse (CCN). The CCN joined the team in early 2024, working with the community and Naomi House supporting those children in the community with complex neurological conditions and those children requiring palliative care. This role enables children to be discharged home from hospital to be cared for by the children's community team or enables care

to continue to be delivered in the community, preventing a hospital admission. This role is not a role that holds a 'case load', the primary care team remain responsible for the child, however the role aims to provide additional, support, advice, and education to enable children to be cared for within their 'appropriate preferred place'.

Investment in the Family Support Team during 2024/25, has enabled more children, young adults and families including siblings to be offered support; be that social work advice, sign posting, advocacy, bereavement support, memory making, one to one support, groups, therapeutic play, creative arts or spiritual care.

Day services at both Naomi House and Jacksplace continue; with sessions being provided enabling parents/ carers to attend with their child or their young adult involving themed activities such as social play sessions including music, and cooking.

A further development has been the use of the hydrotherapy pool at Naomi House & Jacksplace; the introduction of hydrotherapy sessions to support the management of symptoms has seen some positive outcomes, and many lasting memories have been made, through the opportunity to have a swim together as a family.

With the opening of our holiday lodge Naomi House in the Forest, in February 2024, many families benefitted from a holiday in the New Forest during 2024/25. The purpose built holiday lodge provides all the specialist facilities families need including fully accessible ramps and decking, widened entrances and hallways and a dedicated wet room and adapted bedroom with a full profiling bed and hoisting equipment.

This provides families with a dedicated space to create wonderful holiday memories together in a beautiful location with recreation, leisure, entertainment and restaurant facilities on hand. This extends our services for families, enabling holidays to be taken that otherwise would not be possible.

Trustees plan to invest in services during 2025/26; opening to eight beds supported by a more resilient workforce, increasing the number of charitable respite nights offered to children and young adults; a part time consultant to build resilience in the team providing care to young adults, the development of a centre for Education, Training and Research and work will continue to be undertaken to establish how advice and support can be accessed out of hours.

Our Impact

This is Charlie's story, told by his mum Dee.

Charlie can't walk or sit by himself, he is not able to talk and is registered blind. He has epilepsy, and very severe dystonia, which is a movement disorder. We have to do everything for Charlie, 24 hours a day.

Charlie's dystonia is severely triggered by pain and after he had hip surgery in 2024 and had been discharged from hospital, he had a symptom management stay at Naomi House & Jacksplace. The team monitored his pain regularly and the hospice doctors were able to increase his medication as he needed it. This is something that we can't do at home and being at Naomi House & Jacksplace made his recovery much quicker. Once Charlie's symptoms were stabilised, we are able to go home.

We've loved Naomi House & Jacksplace since the first time we visited. Sometimes I stay there with Charlie and it's nice to be mum and not carer. Sometimes he stays without us and it gives Steve and me the chance to spend some time away together, whether it's a night or even just a day.

Fundraising, Retail and Marketing Review of the Year 2024-2025

As we move through 2024-2025, the impact of global uncertainties continues to influence giving habits across all donor segments. Economic pressures continue to weigh heavily on charities as inflation, interest rate hikes, national insurance uplifts and the cost-of-living crisis reshuffle donor priorities and impact giving patterns.

Despite these challenges, Naomi House & Jacksplace is committed to innovating our fundraising strategies to ensure continued support and development of services for our beneficiaries. The Fundraising Management Team remains focused on generating income across voluntary, planned, and commercial income streams, adapting our approaches to align with the evolving interests of current and potential donors. Our diverse sources of income — including Events, Community/Regional fundraising, Corporate Partnerships, and our network of Charity Retail shops — are crucial as we seek to respond to new challenges. We remain grateful for the ongoing assistance from numerous Trusts and Foundations who support us and continue to engage some 10,000 regular players in our lottery with the support of our External Lottery Manager - Starvale.

In 2024-2025, our Retail Team successfully maintained 20 shops while exploring opportunities to expand our footprint. Efforts to expand the network were challenging. Nevertheless, we aim to grow our portfolio of retail locations in 2025-2026. Several opportunities were actively explored to achieve expansion that unfortunately did not materialise. Nevertheless, the year did see an expansion into e-Commerce reflecting recommendations received further to reviews by two external review bodies of our Retail and Fundraising operations. The purpose of the reviews was to help evaluate the opportunities of our income generation activities and provide recommendations to enhance our efficiencies and to increase income.

The volunteer team based in the warehouse, in the Recycle Bike Hub, also continue to benefit the charity, with additional funds generated of £20,795 from recycling and selling donated bikes both instore and latterly, online.

The impact of the Fundraising review in the second half of 2024-2025 saw a wholescale review of the voluntary giving activities, inviting a root and branch assessment of the opportunities and challenges associated with our current ways of working.

The outputs from the review were presented to the Fundraising Management Team in late 2024 and, like the Retail review, provided opportunities for the management team to reflect on income trends and explore ways to increase income to meet increased expenditure plans for the coming period. Whilst the eventual implementation of some of the recommendations will take place over time, immediate challenges around our charity brand and tone of voice will influence much of the work for the charity beyond the year ahead. The outputs from the reviews will also be incorporated into the strategic planning for the second half of the strategic period leading to and beyond the 30th Anniversary of the charity, reflecting the collective goal to Reach More and Do More.

One innovation in the year was the delivery of a campaign drawn from the annual rent payment. Supported by a local blacksmith, the campaign centred around donations for bespoke metal roses, some painted, others not. The campaign culminated in 300 roses being displayed in Winchester Cathedral Refectory and coverage for the charity on local BBC evening news including interviews with a family that uses charity care and respite services.

Fundraising Statement

At Naomi House & Jacksplace, we deeply appreciate the invaluable contributions made by our volunteers and paid employees across all income generation activities. Our volunteers enhance all aspects of our operations, from event support to administrative tasks, strengthening the capacity of the team.

Naomi House & Jacksplace remains committed to ethical fundraising practices. We are registered with the Fundraising Regulator and proudly display their logo on our website, reinforcing our dedication to the principles of transparency and accountability in our fundraising efforts.

In undertaking our work, the Fundraising Management Team continue to support the professional development of the wider team encouraging shared learning opportunities and have also engaged pro bono support from an external agency for collective coaching and development of the team. Three members of the fundraising team have completed the Fundraising Diploma in this period. All were supported and encouraged by their managers and the wider team. The Fundraising Management Team continue to monitor sector press and communication channels to ensure that they are compliant with the expectations of a professionally managed fundraising team, whilst the Fundraising Director remains Chair of the Chartered Institute of Fundraising Regional Committee.

The year ahead will see a review of the Third Party Fundraising Agreement shared with regional fundraising partners to ensure compliance with the updated Codes of Fundraising Practice. A continual review of the organisational compliance with Data Protection legislation is also supported from within the Fundraising Management Team.

In summary, as we look forward to 2025-2026, the core principles of our Strategic Framework have really begun to be operationalised, reflecting both our Values and the organisation's strategic imperative to Reach More, Do More.

People & Culture Review

Embedding the Trusts Vision, Mission and Values continued during 2024 with ongoing communication and the appointment of Values Champions across the organisation. Our quarterly Values Champion recognition scheme is well supported with many examples of positive displays of behavior consistent with the Trusts values being shared by colleagues. Throughout the year, a total of 105 Values Champion nominations were received, reflecting strong engagement and recognition of colleagues who demonstrate our values every day. A total of 45 colleagues actively participated in the nomination process, with some submitting multiple nominations over the year. 75 colleagues were nominated, with several receiving multiple nominations in acknowledgment of their contributions. This demonstrates a high level of appreciation and peer-driven recognition across the organisation.

The care and well-being of all staff continues to be important, and we saw 125 colleagues attending a course or learning event during the year on topics such as emotional well-being, emotional intelligence and neurodiversity. Supporting colleagues through training, supervision and through access to our employee assistance scheme continues to play an important part for our staff wellbeing approach.

Naomi House & Jacksplace is an employer committed to Equality, Diversity and Inclusion and aims to offer competitive, fair and equitable remuneration to all staff. Remuneration levels are reviewed annually in April and at other intervals from time to time and where appropriate, adjustments to either basic salary or other benefit terms and conditions are made. Whilst the Trust aims to pay salary levels that are comparable to other professionals and various labour markets appropriate to its staff, it must always consider the overall interests of the organisation and ensure a strategy that is affordable. Pay awards for members of the executive team are determined in line with this policy. Pay for the Chief Executive is subject to the same scrutiny and is approved by the Chair of the Board of Trustees.

Strengthening Health and Safety has been an important focus this year and included an awareness campaign across the organisation and support and encouragement of our managers to make this a regular discussion point at team meetings. This has been supported by written materials and online resources as well as an e-learning platform. The Health and Safety Committee is represented by all departments and time this year has been spent on ensuring incident reporting, improving fire security, tips for avoiding slips and trips, promotion for safer lone working and improved processes for those using computer screen equipment as a regular part of their role.

We recognise the important contribution that our valued volunteers make, and we're pleased to launch a new Volunteer Recognition Scheme with the first winner announced at the end of the first quarter. National Volunteers week during the first week of June was also an important occasion as we recognised the part that volunteering plays in the Trust, many of whom are in our shops. Throughout the year, either the Chair of the Board, or member of the Senior Management Team or Volunteer Services Manager visited every retail store to say thank you.

Recruitment has continued to be challenging and in particular nursing roles. A retention scheme, salaries matching the NHS, flexible working are all in place to ensure a competitive employment offering and retention strategy.

Policy work continues for the People Team updating to ensure statutory and regulatory compliance at all times and where we can, a best practice approach. A Carers Leave Policy and Parental Bereavement Leave are two examples as we seek to support employees experiencing particular challenges away from the workplace.

With a small People Team it's important that we operate efficiently and effectively and utilise technological solutions wherever possible. In July we launched a new applicant tracking system which enables us to share vacancies across multiple job boards in one go. The system also improves the candidate's experience and increases professionalism in the way that the initial contact is made with potential new recruits. This is all in preparation for the electronic distribution of contracts of employment and onboarding documentation.

The engagement of employees remains important and so views are sought through the staff survey, undertaken in June 2024, receiving a 78% response rate. The results show that employees are feeling more comfortable in approaching someone if they have a problem, as we encourage a speak out, speak up approach.

We have continued to improve the quality of our Equality, Diversity and Inclusion data this year so that we may better understand our staff and the extent to which they represent the communities in which we operate. Most employees of the Trust continue to be female, the average age of a Trust employee at the end of the year was 47 and the average employee remains in the organisation for 5 years. At the end of the year, we employed 174 people, which compares to 169 at the end of 2023/24 and during the year we recruited 43 people which is comparable to the previous year of 46.

Over the past year, 500 dedicated volunteers have given an astounding 83,482 hours of their time, with the majority of hours contributed within our retail network.

It was our pleasure to recognise this dedication by presenting 25 Long Service Awards, including two remarkable awards for over 25 years of service:

- 9 Volunteers awarded a 5 Year Long Service Award
- 13 Volunteers awarded a 10 Year Long Service Award
- 1 Volunteer awarded a 15 Year Long Service Award
- 2 Volunteers awarded 25 Year Long Service Award

To each and every one of our amazing volunteers – thank you. Our volunteers make a real difference, and we are so proud to be supported by each individual who choose to volunteer their time and skills.

Environmental

At Naomi House & Jacksplace we fully recognise the significant impact our services and activities have on the environment. We are committed to reducing greenhouse gas emissions and minimising our carbon footprint, placing sustainability high on our agenda. Our goal is to help ensure a healthier, more sustainable future for the children, young adults, and families we support as well as the wider community.

Over the past year, we have continued to monitor our carbon footprint against our established baseline. Enabling us to track progress and identify opportunities for improvement. Through this process, we have identified key areas where environmental initiatives can have the greatest impact in reducing emissions. As a result, we are implementing targeted projects designed to lower our carbon output and enhance sustainability across all areas of our operations.

Our initial carbon footprint measure was 1.23k total tCO2e (tonnes of carbon dioxide equivalent) per annum.

Since then, we have made meaningful progress in reducing our environmental impact. During the most recent financial year, our carbon footprint decreased to 730tCO2e, reflecting the effectiveness of our ongoing sustainability efforts.

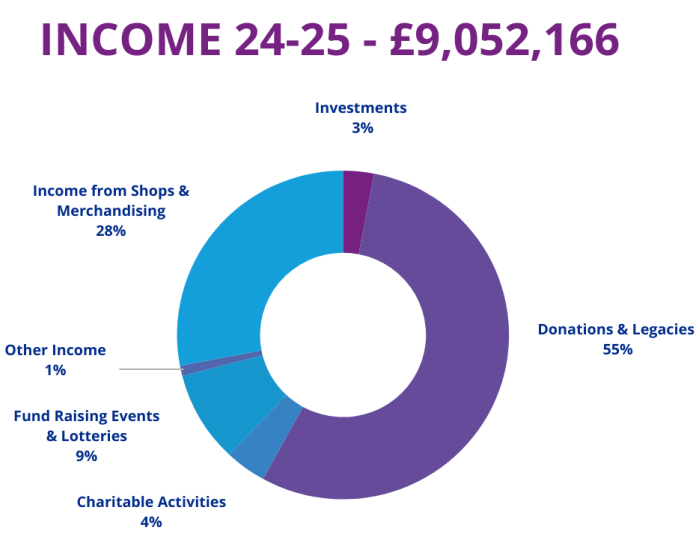
Environmental Achievements

- Installed 236 solar panels on Jacksplace which generated (insert generation for the year).
- Commissioned 126 solar panels for Naomi House to be operational by quarter 1 25/26.
- Installed a new secure, covered bike shed to encourage staff to cycle to work, supporting both our goal to reduce emissions and our commitment to improving staff well-being.
- Conducted an assessment to evaluate the feasibility and demand for installing electric vehicle charging points.
- Promoted responsible waste disposal by encouraging staff to recycle correctly and consistently by providing new recycling stations.
- By selling pre-loved clothes through our 20 charity shops, we help extend the life of products and reduce the volume of waste sent to landfill. In doing so, we have saved an estimated 1,072,316kg of CO2e, equivalent to diverting 315,975kg of clothing from landfill.
- 277 bikes sold through our recycle hub scheme with 27.7t of carbon positively recycled.

Financial Review

Our financial performance has remained strong. Although trustees had planned for an in-year deficit of £1.45million, we ended the year with a significantly reduced financial deficit of just £216,000. This improved position was primarily driven by income exceeding planned levels by 8%, alongside delays in the delivery of some planned service developments, with our investments achieving an unrealised gain of £217,000. For a detailed breakdown of funds held refer to page 41.

Total income for the year ending 31 March 2025 was £9,052,177 representing a small decrease of 7% compared to the previous year's total of £9,131,460.



Trustees' Report Cont.

We are fortunate to benefit from a diverse range of income streams, which reduces our reliance on any single source of funding.

Legacy income continued to be a key strength, surpassing £2.3 million for the second consecutive year.

Our retail network of 20 shops (2024: 21) continues to face challenging trading conditions. Retail remains our largest single source of income, generating £2,527,130 in 2025 (2024: £2,581,532). During the year, we made the strategic decision to close our Winton shop, as it was delivering only limited financial returns. In response to these challenges, the Retail team has actively explored new opportunities and invested time and resources into enhancing our e-commerce offering.

Retail Gift Aid claimed from HMRC totalled £182,863 (2024: £160,670).

Naomi House Children's Hospice Limited is a wholly owned subsidiary of the Trust. The subsidiary acts as the agent for the Retail Gift Aid scheme and handles all trading activities. All profits from the trading activities can be gift aided to the Trust, subject to HMRC regulations, benefiting the charity by reducing any corporation tax liability.

During the year the trading activity remained stable at £29,101 (2024:£30,781).

Since its inception in 2013, the NHS Children's Hospice Grant has been administered by NHS England. In the current year, the funding has been distributed through Integrated Care Boards (ICB's), aimed at supporting hospice services for children and young people via service development funding. We received a total of £920,000 in funding (2024: £900,050) from six ICB's, with the final payment received in February 2025. However, there remains considerable uncertainty regarding the long-term future of this funding, as it is only confirmed through to the end of our financial year in March 2026.

NHS funding received for end of life care, symptom management and related services totalled £311,514 (2024: £410,413).

Hospices continue to face significant financial pressures, and during the year, we were awarded a capital grant of £127,789 by the Department of Health and Social Care. We are grateful for this vital support, which funded the installation of solar panels at Jacksplace, as well as the purchase of essential information technology equipment.

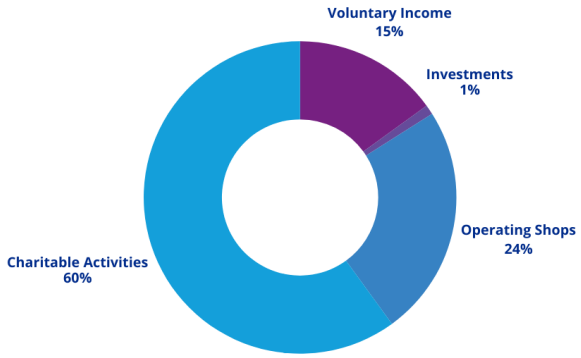
Overall, government funding accounted for 15% of our total income during the year.

The Trustees are dedicated to investing in our future to Reach More and Do More; therefore, any reduction in government funding could significantly impact our ability to provide services.

Expenditure

Expenditure for the year totalled £9,485,272 (2024/25: £8,806,645) an increase of £678,627, which is primarily driven by planned pay costs, driven by 4.75% inflationary pay pot, changes to the care floor skill mix and successful recruitment efforts, with a net increase of 6 full time equivalents.

Expenditure 24-25 - £9,485,272



Investments

As of the 31st March 2025, the Trust's investment portfolio was valued at £15,023,779 reflecting an unrealised gain of £217,368.

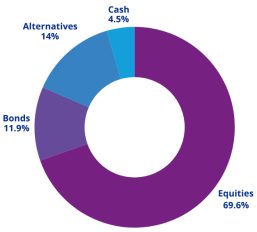
In line with good governance practices, a comprehensive investment review was conducted during the year, with the support of an independent investment consultant. As a result, The Trust's investment policy was reviewed and reaffirmed as follows:

- **Long-term investment objectives** - to achieve CPI+3% whilst generating a distribution rate to support the ongoing activities of the charity.
- **Short-term objective** - to preserve the capital value with a minimum level of risk.

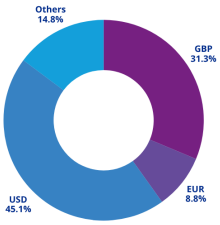
During the first half of the year, the Trust's investments continued to be managed by Meridiem Investment Management, with whom we maintained a successful long-term relationship. In the second half of the year, we transitioned our investment management to Cazenove Capital. Despite market volatility in March, the portfolio achieved a return of 0.5% under Cazenove's stewardship, which we consider a positive outcome given the broader investment climate.

Assets by Class and Currency as at 31st March 2025.

Assets by Class*



Assets by Currency*



Portfolio Sustainability Insights

Planet

Carbon footprint

Portfolio
209 tonnes of CO2

Benchmark
871 tonnes of CO2

People

Social dividend

Portfolio
2.7% p.a.

Benchmark
-0.3& p.a.

We look forward to developing a strong partnership with Cazenove Capital and benefiting from their extensive investment expertise.

Due to ongoing stock market volatility and anticipated cash requirements to cover projected financial deficits over the strategic period, the Trustees have allocated a portion of the Trust's assets to a money market fund, the COIF Investment Fund, managed by CCLA Investment Management Limited.

As of the 31st March 2025, the balance held within the COIF fund was £3,518,273.

Trustees' Report Cont.

Reserves Policy

The purpose of reserves is to secure the future of our services and fulfill our long-term commitment to the children, young adults and families we support. Our reserves ensure we maintain operations during periods of unpredictable income and allows us to absorb planned deficit budgets.

Our reserve policy incorporates a methodology that considers risk to our income streams and maintains coverage for six months of expenditure. The Trustees believe that the reserves policy is appropriate to ensure the future sustainability of our services and of our financial health.

The general unrestricted reserve funds increased by £2,469,445 as at the 31st March 2025 to £10,092,803 (24/25: £7,623,358).

Free Unrestricted Reserves	£10,074,070	31%
Free Reserve - Non-Charitable Trading	£18,733	0%
Free Reserves - Revaluation Reserve	£890,902	3%
Designated Funds Reserves	£21,107,778	66%
Restricted Funds	£92,219	0%
Total Funds	£32,183,702	100%

*Refer to the note 18 in the annual accounts for a full breakdown of funds.

The Trustees have committed to planned financial deficits for the strategic period to 2028.

Our trustees are committed to utilising our reserves to strengthen service delivery, to reach more and do more whilst maintaining long-term financial sustainability.

Financial Sustainability

On behalf of the Board of Trustees, the Finance Risk and Audit Committee (FRAC) has undertaken a detailed review of the cashflow forecast, unrestricted reserves and our investment portfolio of the group and has provided assurance to the Board of the sustainability of the group for the foreseeable future.

Key financial sustainability considerations were:

- Strong balance sheet.
- Investment portfolio of over £15m.
- Sufficient cash to support our operational needs for the year.
- Capital investment plan of £975k for 2025/26 which include the refurbishment of the Memory Garden, Parents Accommodation, a new garden in Naomi House, supported by the Greenfingers charity and a centre for Education, Training and Research.
- Trustee's commitment to utilise reserves to achieve our goals.
- The management team focus on our strategic aim to Reach More Do More.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Date: 14th October 2025

Statement of Trustees' Responsibilities

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

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust

Opinion

We have audited the financial statements of Wessex Children's Hospice Trust (the 'parent charitable company') and its subsidiary (the 'Group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on Other Matters Prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on Which we are Required to Report by Exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of Trustees

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the Group for fraud. The laws and regulations we considered in this context for the charity were the Gambling Commission, CQC Regulations and General Data Protection Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of certain income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, Risk and Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust

Use of our Report

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

Janette Joyce (Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
R+ Building
2 Blagrave Street
Reading
Berkshire
RG1 1AZ

Date: 16 October 2025

Consolidated Statement of Financial Activities for the year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Donations and legacies	3	**3,868,929**	**1,115,521**	**4,984,450**	*5,073,551*
Charitable activities		**356,814**	**-**	**356,814**	*474,013*
Other trading activities:					
Fund raising events and lotteries		**828,088**	**-**	**828,088**	*706,839*
Income from shops and merchandising		**2,527,130**	**-**	**2,527,130**	*2,581,532*
Investments	5	**291,264**	**-**	**291,264**	*221,733*
Other income		**64,431**	**-**	**64,431**	*73,792*
Total income		**7,936,656**	**1,115,521**	**9,052,177**	*9,131,460*
Expenditure on:					
Raising funds:					
Voluntary income	6	**1,388,508**	**-**	**1,388,508**	*1,189,032*
Operating shops	6	**2,274,679**	**-**	**2,274,679**	*2,144,713*
Investments		**87,918**	**-**	**87,918**	*128,243*
Charitable activities	7	**4,747,819**	**986,348**	**5,734,167**	*5,344,657*
Total expenditure		**8,498,924**	**986,348**	**9,485,272**	*8,806,645*
Net (expenditure)/income before net gains on investments		**(562,268)**	**129,173**	**(433,095)**	*324,815*
Net gains on investments		**217,368**	**-**	**217,368**	*1,750,825*
Net (expenditure)/income		**(344,900)**	**129,173**	**(215,727)**	*2,075,640*
Transfers between funds	18	**6,455,256**	**(6,455,256)**	**-**	*-*
Net movement in funds		**6,110,356**	**(6,326,083)**	**(215,727)**	*2,075,640*
Reconciliation of funds:					
Total funds brought forward		**25,981,127**	**6,418,302**	**32,399,429**	*30,323,789*
Net movement in funds		**6,110,356**	**(6,326,083)**	**(215,727)**	*2,075,640*
Total funds carried forward		**32,091,483**	**92,219**	**32,183,702**	*32,399,429*

The notes on pages 27 to 49 form part of these financial statements.

Consolidated Balance Sheet

Consolidated Balance Sheet as of 31 March 2025

Wessex Children's Hospice Trust - 02601495

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	12		**11,744,710**		*11,777,515*
Investments	13		**15,023,801**		*15,903,020*
			26,768,511		*27,680,535*
Current assets					
Stocks	14	**15,223**		*3,274*	
Debtors	15	**1,525,867**		*2,823,904*	
Cash at bank and in hand	21	**4,718,691**		*2,835,978*	
		6,259,781		*5,663,156*	
Current liabilities					
Creditors: amounts falling due within one year	16	**(844,590)**		*(944,262)*	
Net current assets			**5,415,191**		*4,718,894*
Total net assets			**32,183,702**		*32,399,429*
Charity funds					
Restricted funds	18		**92,219**		*6,418,302*
Unrestricted funds					
Designated funds	18	**21,107,778**		*14,530,081*	
General funds	18	**10,092,803**		*7,623,358*	
Revaluation reserve		**890,902**		*3,827,688*	
Total unrestricted funds	18		**32,091,483**		*25,981,127*
Total funds			**32,183,702**		*32,399,429*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

Andrew Meehan, Chair of the Board of Trustees
Date: 14th October 2025

The notes on pages 27 to 49 form part of these financial statements.

Company Balance Sheet

Company Balance Sheet as of 31 March 2025

Wessex Children's Hospice Trust - 02601495

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	12		**11,744,710**		*11,777,515*
Investments	13		**15,023,803**		*15,903,022*
			26,768,513		*27,680,537*
Current assets					
Stocks	14	**15,223**		*3,274*	
Debtors	15	**1,540,948**		*2,835,123*	
Cash at bank and in hand		**4,679,329**		*2,802,270*	
		6,235,500		*5,640,667*	
Current liabilities					
Creditors: amounts falling due within one year	16	**(839,778)**		*(940,301)*	
Net current assets			**5,395,722**		*4,700,366*
Total assets less current liabilities			**32,164,235**		*32,380,903*
Total net assets			**32,164,235**		*32,380,903*
Charity funds					
Restricted funds			**92,219**		*6,418,302*
Unrestricted funds					
Designated funds		**21,107,778**		*14,530,081*	
General funds		**10,073,336**		*5,327,350*	
Revaluation reserve		**890,902**		*6,105,170*	
Total unrestricted funds			**32,072,016**		*25,962,601*
Total funds			**32,164,235**		*32,380,903*

The Company's net movement in funds for the year was a deficit of £(216,668) (2024 - Surplus £2,074,305).

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

Andrew Meehan, Chair of the Board of Trustees
Date: 14th October 2025

The notes on pages 27 to 49 form part of these financial statements.

Consolidated Statement of Cash Flows

Consolidated Cash Flow as of 31 March 2025

	Note	2025 £	*2024 £*
Cash flows from operating activities			
Net cash provided by operating activities	20	**1,101,184**	*(367,522)*
Cash flows from investing activities			
Dividends and interest from investments		**291,264**	*221,733*
Purchase of tangible fixed assets		**(516,673)**	*(519,098)*
Withdrawals from investment portfolio		**1,187,864**	*1,205,485*
Additions to investment portfolio		**(180,926)**	*(203,629)*
Net cash provided by investing activities		**781,529**	**704,491**
Change in cash and cash equivalents in the year		**1,882,713**	**336,969**
Cash and cash equivalents at the beginning of the year		**2,835,978**	*2,499,009*
Cash and cash equivalents at the end of the year	21	**4,718,691**	*2,835,978*

The notes on pages 27 to 49 form part of these financial statements.

Notes to the Financial Statements

1. General Information

Wessex Children's Hospice Trust is a registered charity (charity number 1002832) and a private company limited by guarantee (company number 02601495) incorporated in England & Wales. The registered office and principal place of business is Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE. This is also the address of its wholly owned subsidiary Naomi House Children's Hospice Ltd.

2. Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Wessex Children's Hospice Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Naomi House Children's Hospice Ltd on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The Charity has taken advantage of the exemptions in FRS 102 from the requirement to present a charity only Cash Flow Statement and certain disclosures about its own financial instruments within the consolidated financial statements.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

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

The Trustees believe that the Group's financial resources and contingency planning is sufficient to ensure the ability of the Group as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

2.3 Income

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

Income from government grants (including retail grants) and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlement occurs before income is received, the income is accrued. Where income is received in advance of the Group having entitlement to the funds the income is deferred.

Donations and gifts represents amounts receivable during the year, together with any associated tax refund and do not include the value of any pledges secured for future donations. Income from gift aid tax reclaims is recognised for all donations made prior to the year end, where valid gift aid declarations are held.

The contribution of volunteers is not included in the Statement of Financial Activities, but is disclosed in the Trustees' Report in accordance with the SORP.

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

Where legacies have been notified to the Charity, but the criteria for income recognition have not fully been met, the legacy is treated as a contingent asset and disclosed in note 23.

Donations in the form of legacies are recognised when it is probable that the legacy will be received and its value can be measured reliably. These criteria will normally be met following probate once the executor(s) of the estate has established that there are sufficient assets in the estate, after settling liabilities, to pay the legacy. A 5% provision is netted off against accrued legacy income to cover legal and finalisation costs from obtaining the legacy income.

Evidence that the executor(s) has determined that a payment can be made, may arise on the agreement of the estate's accounts or notification that payment will be made. When notification is received after the year-end but it is clear that the executor(s) has agreed prior to the year-end that the legacy can be paid, the legacy is accrued in the financial statements. The certainty and measurability of the receipt may be affected by subsequent events such as valuations and disputes.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the Group in inducing third parties to make voluntary contributions to it, the costs of running the charity shops, as well as the cost of any activities with a fundraising purpose. It also includes the investment manager fees.
- Expenditure on charitable activities includes the costs of running the Naomi House & Jacksplace hospices together, including the long term ventilation unit, with the provision of support for the families of the referred children and young people.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Irrecoverable VAT is charged as a cost to the Statement Of Financial Activities when the expenditure is incurred.

2.5 Allocation of support costs

Expenditure is allocated to the specific activity directly associated with the corresponding cost.

However, the cost of overall direction and administration of each activity, which includes comprising the salary and overhead costs for our support functions and governance, are allocated based on the percentage of activity expenditure.

The percentage of management and administration costs allocated to each activity for the year is:

- Cost of Charitable Activity at Naomi House & Jacksplace **60%**
- Cost of generating income **15%**
- Costs of merchandising & shops **24%**
- Costs of investments **1%**

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities and are included within support costs.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the bank.

2.7 Operating leases

Rental charges are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Leasehold land	**- Over period lease**
Leasehold buildings	**- 50 years**
Motor vehicles	**- 4 years**
Fixtures and fittings	**- 5-10 years**
Computer equipment	**- 3 years**

2.9 Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted market price. Any change in fair value will be recognised in the Statement of Financial Activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the Balance Sheet. Investment gains and losses, are shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The Group does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries are valued at cost.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

2.11 Financial instruments

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

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

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

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

2.12 Pensions

The Trust operates two pension schemes. The first is a defined contribution pension scheme, the assets of which are held independently from those of the Group. Expenditure made through the Statement of Financial Activities represents the contributions arising in the year.

The second scheme is available to ex-NHS staff and is a defined benefit scheme. As the charity is not able to identify its share of the asset and liabilities of the scheme, the scheme is treated by Wessex Children's Hospice Trust as if it were a defined contribution scheme in accordance with Financial Reporting Standard 102. Any funding shortfall would be met by the Exchequer. See Note 24 for more detail.

2.13 Fund accounting

Unrestricted funds are donations and other income received or generated for the charitable purposes and have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Details of the aim and use of designated funds are included within the notes to the financial statements.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Details of the restrictions are included within the notes to the financial statements.

Endowment funds are investments donated to the Charity to generate income which can be spent on charitable activities. Details of the aim and use of endowment funds are included within the notes to the financial statements.

2.14 Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Management judgement is applied over the valuation of legacy income and the legacy pipeline where cash is not yet received. See note 2.3 for the legacy accounting policy and note 23 for the value of the legacy pipeline.

3. Income from Donations and Legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Grants				
Grants & Trusts	170,004	183,646	**353,650**	*452,625*
Government grants				
NHS England Children's Hospices Grants Programme	-	920,000	**920,000**	*900,050*
	170,004	1,103,646	**1,273,650**	*1,352,675*
Donations	1,367,927	11,875	**1,379,802**	*1,419,080*
Legacies	2,330,998	-	**2,330,998**	*2,301,796*
	3,868,929	1,115,521	**4,984,450**	*5,073,551*
Total 2024	*3,852,959*	*1,220,592*	*5,073,551*	

4. Income from Charitable Activities

	2025 £	*2024 £*
Clinical Commissioning Groups	**311,514**	*410,413*
Individuals	**45,300**	*52,800*
Other	**-**	*10,800*
	356,814	*474,013*

Income from charitable activities is unrestricted during this and the prior year.

5. Investment Income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Dividends	261,766	**261,766**	*201,600*
Interest	29,498	**29,498**	*20,133*
	291,264	**291,264**	*221,733*
Total 2024	*221,733*	*221,733*	

6. Expenditure on Raising Funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Other staff and volunteer costs	27,038	**27,038**	*27,269*
Direct costs	353,206	**353,206**	*274,905*
Overhead costs	222,374	**222,374**	*187,597*
Wages and salaries	574,345	**574,345**	*516,652*
National Insurance	56,437	**56,437**	*49,640*
Pension costs	37,111	**37,111**	*33,567*
Allocated centrally incurred fundraising and governance costs	117,997	**117,997**	*99,402*
Total 2025	1,388,508	**1,388,508**	*1,189,032*
Total 2024	*1,189,032*	*1,189,032*	

Costs of operating shops

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Facilities & maintenance	36,881	**36,881**	*14,127*
Direct costs	465,880	**465,880**	*503,635*
Other staff costs	6,225	**6,225**	*8,185*
Overhead costs	371,945	**371,945**	*367,912*
Wages and salaries	1,054,356	**1,054,356**	*955,039*
National Insurance	77,308	**77,308**	*61,297*
Pension costs	35,955	**35,955**	*32,501*
Depreciation	32,825	**32,825**	*24,295*
Allocated centrally incurred support and governance costs	193,304	**193,304**	*177,722*
Total 2025	2,274,679	**2,274,679**	*2,144,713*
Total 2024	*2,144,713*	*2,144,713*	

7. Analysis of Expenditure by Charitable Activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Naomi House	2,584,231	240,004	**2,824,235**	*3,052,824*
Jacksplace	2,099,518	194,989	**2,294,507**	*1,732,825*
Long Term Ventilation Unit	14,545	1,350	**15,895**	*14,545*
Community & Family Support	548,581	50,949	**599,530**	*544,463*
	5,246,875	487,292	**5,734,167**	*5,344,657*
Total 2024	*4,897,844*	*446,813*	*5,344,657*	

Analysis of direct costs

	Naomi House 2025 £	Jacksplace 2025 £	LTV 2025 £	Community & Family Support 2025 £	Total funds 2025 £	*Total funds 2024 £*
Staff costs	1,615,681	1,312,634	-	479,265	**3,407,580**	*3,049,159*
Depreciation	249,634	202,811	14,545	2,380	**469,370**	*455,233*
Other staff & volunteer costs	13,955	11,338	-	1,332	**26,625**	*31,028*
Direct costs	273,159	221,924	-	51,879	**546,962**	*458,735*
Facilities & maintenance	134,577	109,335	-	-	**243,912**	*336,301*
Overhead costs	297,225	241,476	-	13,725	**552,426**	*567,388*
	2,584,231	2,099,518	14,545	548,581	**5,246,875**	*4,897,844*
Total 2024	*2,799,056*	*1,588,786*	*14,545*	*495,457*	*4,897,844*	

Analysis of support costs

	Naomi House 2025 £	Jacksplace 2025 £	LTV 2025 £	Community & Family Support 2025 £	Total funds 2025 £	*Total funds 2024 £*
Staff costs	185,671	132,246	916	34,555	**353,388**	*317,240*
Other staff & volunteer costs	6,834	5,552	38	1,451	**13,875**	*7,542*
Direct costs	-	-	-	-	**-**	*33*
Overhead costs	47,499	57,191	396	14,943	**120,029**	*121,998*
	240,004	194,989	1,350	50,949	**487,292**	*446,813*
Total 2024	*253,768*	*144,039*	*-*	*49,006*	*446,813*	

Governance costs of £31,273 (2024: £27,845) are included within support costs.

8. Auditor's Remuneration

The auditor's remuneration amounts to an auditor fee of £24,050 (2024 - £22,900).

9. Staff Costs

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Wages and salaries	**4,987,870**	*4,491,369*	**4,987,870**	*4,491,369*
Social security costs	**479,225**	*418,874*	**479,225**	*418,874*
Contribution to defined contribution and defined benefit pension schemes	**322,689**	*282,574*	**322,689**	*282,574*
	5,789,784	*5,192,817*	**5,789,784**	*5,192,817*

Redundancy and termination payments totalling £8,000 were made to no employees during the financial year (2024: £nil).

The average number of persons employed by the Company during the year was as follows:

	Group 2025 No.	*Group 2024 No.*
Care	**88**	*83*
Fundraising	**19**	*18*
Retail & Merchandise	**58**	*58*
Management & Administration	**12**	*12*
	177	*171*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	*Group 2024 No.*
In the band £60,001 - £70,000	**4**	*1*
In the band £70,001 - £80,000	**1**	*1*
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	*1*

The total employee benefits including pension contributions and employers NI of the key management personnel were £478,350 (2024: £455,453). Key management personnel are listed on page 1.

10. Trustees' Remuneration and Expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

No expenses were paid for, or reimbursed to any trustees in the year (2024: Nil).

11. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity's trading subsidiary Naomi House Children's Hospice Ltd gift aids available profits to the parent Charity within nine months of the year end so it has no tax charge.

12. Tangible Fixed Assets

Group and Company

	Freehold property £	Leasehold land and property £	Motor vehicles £	Fixtures and fittings and computer equipment £	Assets under construction £	Total £
Cost or valuation						
At 1 April 2024	**700,000**	**14,497,223**	**269,134**	**1,594,982**	**66,854**	**17,128,193**
Additions	**-**	**70,084**	**16,741**	**293,875**	**135,973**	**516,673**
Disposals	**-**	**-**	**(7,375)**	**(17,280)**	**-**	**(24,655)**
VAT adjustment	**-**	**(47,285)**	**-**	**-**	**-**	**(47,285)**
At 31 March 2025	**700,000**	**14,520,022**	**278,500**	**1,871,577**	**202,827**	**17,572,926**
Depreciation						
At 1 April 2024	**31,640**	**3,889,417**	**196,149**	**1,233,472**	**-**	**5,350,678**
Charge for the year	**14,070**	**349,154**	**30,301**	**108,668**	**-**	**502,193**
On disposals	**-**	**-**	**(7,375)**	**(17,280)**	**-**	**(24,655)**
At 31 March 2025	**45,710**	**4,238,571**	**219,075**	**1,324,860**	**-**	**5,828,216**
Net book value						
At 31 March 2025	**654,290**	**10,281,451**	**59,425**	**546,717**	**202,827**	**11,744,710**
At 31 March 2024	*668,360*	*10,607,806*	*72,985*	*361,510*	*66,854*	*11,777,515*

13. Fixed Asset Investments

Group	Listed investments £
Cost or valuation	
At 1 April 2024	**15,903,020**
New money invested	**180,926**
Amounts extracted	**(1,187,864)**
Net profit on change in fair value	**217,368**
Investment management fee	**(89,649)**
At 31 March 2025	**15,023,801**

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2024	**2**	**15,903,020**	**15,903,022**
New money invested	**-**	**180,926**	**180,926**
Amounts extracted	**-**	**(1,187,864)**	**(1,187,864)**
Net profit on change in fair value	**-**	**217,368**	**217,368**
Investment management fees	**-**	**(89,649)**	**(89,649)**
At 31 March 2025	**2**	**15,023,801**	**15,023,803**

Principal subsidiary

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Naomi House Children's Hospice Ltd	02861158	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	Non-primary purpose trading	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Naomi House Children's Hospice Ltd	**29,101**	**(16,202)**	**12,899**	**18,732**

14. Stocks

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Finished goods and goods for resale	**15,223**	*3,274*	**15,223**	*3,274*

Stock levels are consistent with the previous year.

15. Debtors

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Trade debtors	**33,333**	*100,409*	**32,359**	*98,701*
Amounts owed by group undertakings	**-**	*-*	**16,055**	*12,927*
Other debtors	**76,507**	*108,514*	**76,507**	*108,514*
Prepayments and accrued income	**1,416,027**	*2,614,981*	**1,416,027**	*2,614,981*
	1,525,867	*2,823,904*	**1,540,948**	*2,835,123*

16. Creditors: Amounts Falling Due Within One Year

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Trade creditors	**312,853**	*427,350*	**312,853**	*427,350*
Other taxation and social security	**100,655**	*101,517*	**100,655**	*101,517*
Other creditors	**195,362**	*101,139*	**195,362**	*101,139*
Accruals and deferred income	**235,720**	*314,256*	**230,908**	*310,295*
	844,590	*944,262*	**839,778**	*940,301*

Deferred income of £52,173 (2024: £32,994) relates to amounts received in advance for events held in the next financial year and a deferred grant. All of the prior year deferred income has been released in the current year.

17. Financial instruments

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Financial assets				
Financial assets measured at fair value through income and expenditure	**15,023,801**	*15,903,020*	**15,023,803**	*15,903,022*

Financial assets measured at fair value through income and expenditure comprise listed investments.

18. Statement of Funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Fixed Asset fund	5,529,768	-	-	6,214,942	-	11,744,710
Designated risk Reserve	7,190,000	-	-	588,000	-	7,778,000
Capital Development Fund	908,000	-	-	(143,000)	-	765,000
Retail Operations Fund	716,467	-	-	(39,409)	-	677,058
Naomi House in the Forest	185,846	-	(7,655)	(35,181)	-	143,010
	14,530,081	-	(7,655)	6,585,352	-	21,107,778
General funds						
General Funds	7,605,568	7,919,512	(8,475,068)	3,024,058	-	10,074,070
Non-charitable trading funds	17,790	17,144	(16,201)	-	-	18,733
Revaluation reserve	3,827,688	-	-	(3,154,154)	217,368	890,902
	11,451,046	7,936,656	(8,491,269)	(130,096)	217,368	10,983,705
Total Unrestricted funds	25,981,127	7,936,656	(8,498,924)	6,455,256	217,368	32,091,483

Notes to the Financial Statements Cont.

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Restricted funds						
Fixed Asset Fund-Jacksplace	1,456,647	-	-	(1,456,647)	-	-
Fixed Asset Fund-Naomi House	4,791,100	-	-	(4,791,100)	-	-
Hospice Running Costs	3,002	975,847	(977,345)	-	-	1,504
Building & Facilities	151,452	9,185	(4,591)	(69,720)	-	86,326
DHSC Capital Grant Fund	-	127,789	-	(127,789)	-	-
Diversion Therapy	6,101	2,700	(4,412)	-	-	4,389
Endowment Fund	10,000	-	-	(10,000)	-	-
	6,418,302	1,115,521	(986,348)	(6,455,256)	-	92,219
Total of funds	32,399,429	9,052,177	(9,485,272)	-	217,368	32,183,702

Statement of funds - prior year

	Balance at 1 April 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2024* £
Unrestricted funds						
Designated funds						
Fixed Asset fund	*5,341,113*	-	-	*188,655*	-	*5,529,768*
Naomi House fund	*4,848,000*	-	-	*(4,848,000)*	-	-
Jacksplace fund	*3,893,000*	-	-	*(3,893,000)*	-	-
Designated risk Reserve	-	-	-	*7,190,000*	-	*7,190,000*
Capital Development Fund	*1,175,000*	-	-	*(267,000)*	-	*908,000*
Retail Operations Fund	*741,198*	-	-	*(24,731)*	-	*716,467*
Naomi House in the Forest	-	-	-	*185,846*	-	*185,846*
	15,998,311	-	-	*(1,468,230)*	-	*14,530,081*
General funds						
General Funds	*3,342,071*	*7,885,613*	*(7,371,310)*	*3,749,194*	-	*7,605,568*
Non-charitable trading funds	*11,359*	*25,255*	*(18,824)*	-	-	*17,790*
Revaluation reserve	*4,354,345*	-	-	*(2,277,482)*	*1,750,825*	*3,827,688*
	7,707,775	7,910,868	(7,390,134)	*1,471,712*	*1,750,825*	*11,451,046*
Total Unrestricted funds	23,706,086	7,910,868	(7,390,134)	*3,482*	*1,750,825*	*25,981,127*

Notes to the Financial Statements Cont.

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Fixed Asset Fund-Jacksplace	1,602,919	-	(146,272)	-	-	1,456,647
Fixed Asset Fund-Naomi House	4,841,200	-	(50,100)	-	-	4,791,100
Hospice Running Costs	5,000	1,203,248	(1,205,246)	-	-	3,002
Building & Facilities	145,866	16,844	(7,776)	(3,482)	-	151,452
Diversion Therapy	12,718	500	(7,117)	-	-	6,101
Endowment Fund	10,000	-	-	-	-	10,000
	6,617,703	1,220,592	(1,416,511)	(3,482)	-	6,418,302
Total of funds	30,323,789	9,131,460	(8,806,645)	-	1,750,825	32,399,429

Unrestricted funds
Unrestricted funds can be used for any charitable purpose. The non- charitable trading funds relate to the Trading subsidiary.

The revaluation reserve relates to the market uplift of the listed investments when comparing their year end market value to their historic cost at the year end.

Purpose of designated funds
The designated funds comprise:

Fixed Asset Fund
This is the net book value of unrestricted Tangible Fixed Assets. This mainly represents the Naomi House building and equipment.

Designated Risk Reserve
Children's and young adult's hospice services are expensive to run and highly dependent on the Trust providing continuous services from initial referral through to end of life.

Our funding depends on private rather than government sources. Trustees must ensure that sufficient funds are available to sustain our services for children, young adults and families in the event of reduced income.

The risk-based reserve assesses income risk and expenditure coverage to determine a target reserve level within + or – 15% range. This ensures we maintain sufficient reserves to manage potential income shortfalls and cover costs for up to six months.

Capital Development Fund
The Capital Development Fund represents our commitment to investing in the capital programme for buildings and fixed assets in the upcoming year.

Retail Operations Fund
This fund represents our future lease commitments for our retail network. While we typically negotiate short-term leases, some extend longer, with the longest commitment until the year 2031.

Naomi House in the Forest
In October 23 we purchased the Naomi House in the Forest holiday home, the holiday home is located on a holiday park whereby we have a license to occupy the plot for 25 years in exchange for a pitch fee. This fund represents our future pitch fee commitments.

Purposes of restricted funds
Restricted funds can only be expended in accordance with the donors' specific instructions. The purpose of each fund is as follows:

Fixed Asset Fund - Jacksplace
The net book value of restricted fixed assets purchased with restricted funds and predominantly relates to the Jacksplace hospice.

Fixed Asset Fund - Naomi House
This represents the refurbishment cost funded by restricted funds.

Jacksplace Fund
Funds received specifically to meet the running cost of Jacksplace.

Hospice Running Costs
This denotes donations received to pay for care staff and the direct costs of running both hospices.

Building & Facilities
This fund relates to donations received explicitly to meet the costs of improving and maintaining hospice facilities.

Diversion Therapies
This covers the cost of the wide range of therapies, play and activities which enrich the children and young adult's stays.

Endowment Fund
This was donated to the Trust to be held as investment cash to generate income from interest.

Fund transfers are either for capital purchases made during the year where the restriction has been fulfilled or they were transfers to accurately reflect the closing designated fund balances.

19. Analysis of Net Assets Between Funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	11,744,710	-	**11,744,710**
Fixed asset investments	15,023,801	-	**15,023,801**
Current assets	6,167,562	92,219	**6,259,781**
Creditors due within one year	(844,590)	-	**(844,590)**
Total	32,091,483	92,219	**32,183,702**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*5,529,768*	*6,247,747*	*11,777,515*
Fixed asset investments	*15,893,020*	*10,000*	*15,903,020*
Current assets	*5,502,601*	*160,555*	*5,663,156*
Creditors due within one year	*(944,262)*	-	*(944,262)*
Total	*25,981,127*	*6,418,302*	*32,399,429*

20. Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	Group 2025 £	*Group 2024 £*
Net (expenditure)/income for the year (as per Statement of Financial Activities)	**(215,727)**	*2,075,640*
Adjustments for:		
Depreciation charges	**502,193**	*479,530*
Investment management charges	**89,649**	*133,454*
(Gains)/losses on investments	**(217,368)**	*(1,750,825)*
Dividends, interests and rents from investments	**(291,264)**	*(221,733)*
(Increase)/decrease in stocks	**(11,949)**	*248*
Decrease/(increase) in debtors	**1,298,037**	*(1,197,468)*
(Decrease)/Increase in creditors	**(99,672)**	*66,347*
Capital Goods Scheme adjustment	**47,285**	*47,285*
Net cash provided by/(used in) operating activities	**1,101,184**	*(367,522)*

21. Analysis of Cash and Cash Equivalents

	Group 2025 £	*Group 2024 £*
Cash in hand	**1,200,418**	*2,835,978*
CCLA Liquid Cash Fund	**3,518,273**	*-*
Total cash and cash equivalents	**4,718,691**	*2,835,978*

During the year, a CCLA COIF liquid access fund was established to hold our operational cash reserves throughout the strategic period to 2028.

22. Analysis of Changes in Net Debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	**2,835,978**	**1,882,713**	**4,718,691**

Notes to the Financial Statements Cont.

23. Contingent Assets - Legacies

At the year end the Charity had a legacy pipeline with a potential value of £3,689,255 (2024: £3,312,993).

The legacy pipeline includes a generous pledge of £3m from a couple who have expressed their intention to leave their estate to Naomi House & Jacksplace.

24. Pension Commitments

The Group operates a defined contribution pension scheme for certain qualifying employees and contributes up to 8% of basic salary matching employee contributions. The total pension contributions payable in the year were £165,083 (2024: £154,345). There were £24,788 outstanding contributions at the year-end (2024: £23,513).

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

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

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

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

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%).

The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result there was no impact on the member benefit structure or contribution rates.

The total pension contributions payable in the year were £157,606 (2024: £128,229). There were £25,384 outstanding contributions at the year-end (2024: £21,190).

25. Capital Commitments

At the year end the Trust had contracted capital commitments of £37,264 (2024: £nil).

26. Operating Lease Commitments

At 31 March 2025 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	*Group 2024 £*	**Company 2025 £**	*Company 2024 £*
Not later than 1 year	**277,407**	*276,129*	**277,407**	*276,129*
Later than 1 year and not later than 5 years	**398,508**	*422,316*	**398,508**	*422,316*
Later than 5 years	**185,482**	*267,053*	**185,482**	*267,053*
	861,397	*965,498*	**861,397**	*965,498*

27. Related Party Transactions

The intercompany balance at the year end was £16,055 owed by Naomi House Children's Hospice Limited (2024: £12,927). Amounts of £4,478 (2024: £7,584) were recharged to the subsidiary during the year.

The Gift aid payment of £11,957 (2024: £5,526) payable to Wessex Children's Hospice Trust has been eliminated on consolidation.

During the year donations from Trustees to the charity were made of £2,988 (2024: £1,221).

Care and support for the good days, difficult days and last days

> Without the care of the Naomi House & Jacksplace team we would have been lost. The knowledge, compassion, attention to detail and care for us as a family was unending. Even now it continues in such a caring and open way.
>
> Joanne, Joseph's mum

Wessex Children's Hospice Trust (a company limited by guarantee) Charity Registration Number 1002832

WESSEX CHILDREN'S HOSPICE TRUST

England & Wales - Charity number 1002832

Accounts

Wessex Children's Hospice Trust

(A company limited by guarantee)

Trustee's Report and Financial Statements

For the year ended 31 March 24

Registered Number: 02601495 (England and Wales)
Charity Number: 1002832

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Reference & Administrative details of the Charity, its Trustees and Advisors

Company Number	02601495 (England and Wales)	
Charity Number	1002832	
Registered Office	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Mr Andrew Meehan	Chair
	Mr Julian Cracknell	Vice Chair
	Dr Michael Miller	
	Mr Julian Walker	
	Mrs Sam Nicolson MBE	
	Mr Shaun Southern	(resigned 5th October 2023)
	Mr Robin Hassan	
	Mr Rob Simpson	
	Ms Helen Burrows	
	Ms Julie Dawes	
	Ms Jane Ferguson	
	Ms Sarah Webb	
	Mr Alexander Delamere-White	
	Mr Chris Pearce	(appointed 9th October 2023)
	Mr Sean Allen	(appointed 18th June 2024)
Key Management Personnel	Mr Mark Smith	Chief Executive Officer
	Mrs Lesley Brook	Director of Care/Deputy CEO (retired 29th February 2024)
	Mrs Katie Lumsden	Director of Finance
	Ms June Morton	Director of Human Resources
	Mr Paul Morgan	Director of Fundraising & Communications
	Mrs Erika Lipscombe	Director of Care (appointed 4th March 2024)
Bankers	Royal Bank of Scotland Plc Drummond House, 1 Redheughs Avenue, Edinburgh, EH12 9JN	Barclay's Bank Plc PO Box 612, Ocean Way, Southampton, SO14 2ZP
Solicitors	Blake Morgan New Kings Court, Tollgate Chandlers Ford, SO23 9DA	Gardner Leader White Hart House 24 Market Place, Newbury, RG14 5BA
Independent Auditor	Crowe U.K. LLP R+ Building 2 Blagrave Street Reading, RG1 1AZ	

Chairman's Statement

Message from the Chair

I am pleased to present the Annual Report and Accounts for Wessex Children's Hospice Trust known as Naomi House & Jacksplace Hospices for the Financial Year 2023/24.

I am delighted to begin my report this year with the news that we have retained our CQC Outstanding award following an inspection in November 2023, with the report being finalised and published in May 2024. This is a very proud achievement for us for so many reasons, not least of which is that we were selected as an early adopter of the CQC's new Assessment Framework and therefore one of the first organisations to be inspected under this new regime. It is a real testament to our wonderful staff and volunteers, recognising their great care, commitment and hard work to ensure the children, young adults and families we serve experience outstanding care every day.

Our last CQC inspection was in 2015 when we achieved Outstanding and so we are delighted to have retained this important high standard award. However, we are far from complacent in what we do and continually strive to improve our standards and, as it had been so long since our previous inspection, we commenced the year by undertaking a mock CQC inspection using independent assessors, who reported against the existing framework. This exercise highlighted many areas that we were maintaining at the highest level and also gave us an important independent review of areas for us to improve, mostly to do with policies and processes to update, that we were pleased to action. We believe that our organisational approach towards independently benchmarking against external peers whilst working closely with our CQC relationship lead, prepared us well for our inspection later in the year. I congratulate our executive team and the whole of the medical, nursing and care staff for maintaining the highest CQC grading.

At the beginning of the year, we were still operating Naomi House & Jacksplace hospices on alternate weeks, although always responding to end of life and emergency situations for all ages when required. This ensured services were available to both children and young adults whilst we continued to restore our services with reduced numbers of qualified clinical staff, that resulted following the pandemic. Through a dedicated recruitment campaign, clinical staff numbers have improved although still not to full establishment levels and we have reopened both hospices 24/7 concurrently from July. This has helped to deliver more services throughout the year providing care to 533 children, young adults and their families through 1820 bed nights, symptom management stays, step down from hospital, emergency and planned respite, end of life care, regular day services, play therapies, hydrotherapy, counselling and bereavement support.

We are also delighted to announce an extension of our services through the establishment and provision of our purpose built, fully accessible holiday lodge based at Hoburne Bashley Park in the New Forest. For many of the families we support, taking a holiday together can be out of reach for either affordability reasons, or due to lack of the right facilities to meet the specialist needs of their children. Our new service, Naomi House in The Forest, overcomes these challenges and enables families to have a short break or one week holiday in a purpose-built lodge in a beautiful location with full hospitality, leisure, recreation and entertainment facilities on site. Although the specialist medical and support services available from the hospices are important to families, so is spending quality time together, creating wonderful family memories on holiday which Naomi House in The Forest enables.

This year has also seen us review our organisational strategy, being in the fourth year of our 2020-25 plan, which was the period in which the pandemic dominated world events and changed perspectives for all of us. The world is a very different place to the one we were in when creating our strategy in 2020, although our fundamental purpose of delivering outstanding care and support to the families who need us remained the same throughout.

The Board of Trustees and Executive Team felt it was the right time to look further forward and to refresh our strategic priorities to the changing world around us, ensuring that our plans remain current whilst developing our services for the future.

Later in the report, we detail our achievements against this year's plan and introduce our new 2024-28 Strategic Framework, which outlines how we intend to use our reserves to develop our service provision.

With the majority of our income being generated from voluntary sources, we are only able to provide the services we do due to the continued support of individuals, groups, trusts and companies in the community and through our shops and lottery programme. Legacy income is also a crucial funding source for us and has been higher than expected this year enabling us to deliver an operational surplus. Therefore, I would like to thank everyone who has supported us in the past and continues to do so. We couldn't do what we do without your generous donations and by those leaving us a gift in their will.

Finally, I would like to thank my fellow trustees for the wise counsel and support of the organisation throughout the past year and, on their behalf I would like to extend our grateful thanks to the Senior Management Team, all the staff in every part of the organisation and the very many volunteers for their dedication and unstinting hard work in what continues to be challenging times for everybody.

Andrew Meehan
Chair of the Board of Trustees

Ebony has a rare progressive neurological disorder called Ataxia-telangiectasia, which affects her nervous and immune systems. She loves to regularly visit Jacksplace to see her friends, relax and have fun, while she receives the specialist nursing care she needs.

"I like Jacksplace because they don't treat you like kids and they don't treat you like you've got a disability. They treat you like one of their own."

Ebony

Trustees' Report

The Trustees are pleased to present their annual report and accounts of the Charity and its subsidiary for the year ending 31 March 2024.

The accounts have been prepared in accordance with:

- the Charities Act 2011
- the Companies Act 2006
- the Memorandum and Articles of Association (incorporated on 15 April 1991, last amended 9th October 2018)
- the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Vision and Mission

OUR VISION

Our Vision is a future where children, young adults and their families have access to compassionate support and expert palliative care, when and where they need it, on the good days, difficult days and last days.

OUR MISSION

Our Mission is to always provide outstanding care for children, young adults and families. Guided by the families we support, we will develop innovative services to provide personalised care and invest in our staff, our volunteers and our communities, to deliver an inclusive and collaborative service.

Underpinning our vision and our mission are our core values. We **ASPIRE** to be;

- Agile
- Supportive
- Proud
- Inclusive
- Responsive
- Encouraging

We place great reliance on committed staff and volunteers, whether they are caring for children, raising money or providing essential administration. During the year we have worked with our colleagues across the charity to refresh our Vision, Mission and Values to reflect our ambitions and to describe our culture and ways of working.

Living our Values will continue to be a strong theme as we ensure that everybody, paid or otherwise, is valued and respected for their contribution to our work.

Governance and Public Benefit

The Trustees hold legal responsibility for setting the strategy of the charity and for ensuring the group complies with the Companies Act, Charities Act and Statement of Recommended Practice.

The Trustees delegate the day-to-day operational management of the charity to the Chief Executive and the Senior Management Team to facilitate the effective delivery of the charity's aims and objectives and to ensure compliance with all regulatory requirements.

The Trustees have many responsibilities that may be summarised as two overriding objectives:

- The first is to ensure that the Trust has a well-defined strategy and is well managed, particularly in terms of safeguarding and supporting children, young adults and their families.

- The second is to ensure the long-term financial sustainability of the Trust in an increasingly uncertain environment, through prudent use of commissioned and charitable income and control of expenditure.

As a Board we are confident that, while uncertainty remains around voluntary and statutory income, particularly the continuation of the NHSE Children's Hospice Grant, the immediate and foreseeable future of the organisation is secure.

The aim of Naomi House & Jacksplace, is to provide end of life care, symptom management, step down, emergency and planned respite care to children, young adults and their families who live with a life-limiting or life-threating condition. We operate across the south-central region providing services to families in Hampshire, the Isle of Wight, Berkshire, Dorset, Wiltshire, West Sussex and West Surrey. Our beneficiaries' ages range from babies to young adults up to 35 years and their families. It is entirely consistent with the charity's objective as set out in its governing document, and statement of purpose. Services are delivered free of charge to beneficiaries or are provided under funded arrangements with Statutory bodies.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The core policy of the Trustees is to put families at the centre of our work and to support parents, carers, siblings and other family members, as well as the life-limited children, and young adults.

Structure and Management

The organisation is a charitable company limited by guarantee, incorporated on 15 April 1991.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trust is run by a Board of Trustees, which sets and monitors strategy and policies. The Board delegates authority to deliver the strategy to the Chief Executive and staff. The Board meets quarterly to receive reports of all the principal activities of the Trust. Two special meetings are arranged each year for Trustees to discuss and review the strategy.

Board Committee Structure:

Trustees' Report Cont.

Trustees are elected in accordance with the memorandum and articles of association by the Trustee Members of the Trust. There are currently 14 Trustee Members who hold voting rights and 35 Advisory Members all of whom have liability limited to £10.

In line with best practice and the Charity Governance Code, the Board continuously seeks to enhance the diversity of its skillset. Trustees are recruited following open advertisement, are subject to a rigorous interview and induction to support them in becoming effective members of the Board, working in the best interests of the charity. This includes formal Trustee Training both in person and through online training courses.

In February 2022, the Board and Senior Management Team undertook a Governance Review using the Digi-Board online review tool, which is based upon the Charity Governance Code. Following this review, the Board of Trustees and Senior Management Team have undertaken the recommendations included within the report which included reviewing our Purpose and Values and improving our approach to Equality Diversity and Inclusion and our Environmental initiatives. This has resulted in a refreshed Vision, Mission and Values framework along with a dedicated initiative to develop our Environmental Sustainability guidelines and approach which is included within this report.

Strategic Report

The financial year 2023-24 saw the Trust's activities continuing to recover and rebuild services to pre-pandemic levels and in the fourth year of our 2020-25 Strategy.

Our continuing strategic aims during the year were:

Continue to Make a Difference to Families Everyday
By meeting their needs, delivering high quality specialist care services and to be there when needed.

Afford our Ambitions
Increase our statutory, voluntary and earned income whilst managing costs to develop services in a sustainable way.

Be at the Forefront of a Changing Healthcare Landscape
Maximise the opportunities presented by the NHS Long Term Plan and new NHSE CYP (Children and Young People) Service Specification to work more collaboratively together with other providers and statutory bodies, to improve services for children, young adults and their families

Our achievements and progress against our key objectives are:

Continue to make a difference to families everyday
- 533 children, young adults and their families supported
- 1,820 bed nights provided through overnight services
- 153 day care beds
- 32 families receiving End of Life, Symptom Management or Step-Down Care
- 248 sessions of Hydrotherapy and Swim therapy
- Multi-disciplinary in-house Neuromuscular clinics throughout the year
- Appointing a joint Children's Community Nurse (CCN) with the NHS allowing families choice of location of care

Afford our ambitions
- Income of £9.1 million generated
- Expenditure of £8.8 million producing an operational surplus of £325k
- Delivering a safe environment within budget through capital investment in our buildings and facilities

Be at the forefront of a changing healthcare landscape

- Member of the Wessex CYA Palliative Care Network Steering Group
- Member of the HIOW CYA Palliative Care Network Steering Group
- Representation on the ICB All Age Palliative and End of Life Care Board
- Host location for Network Training and Education study days
- Working closely with colleagues from University Hospital Southampton to develop the CYP Service Specification and Network Strategy for the future
- Collaboration with other providers across the region working clinically to improve family choice and place of care

The Trustees believe we are well positioned for the future. Through continued community support for our work and with our strong financial position, we've been able to make some important investments for the future and plan to continue to do so. The Trustees plan to increase staff numbers with the aim of increasing services and will continue to invest in facilities and services that benefit the children, young adults and families we serve. This will add to the underlying cost base of the charity and thereby put the current level of reserves to good use in forthcoming years.

Strategy 2024-28

The world has changed significantly since our 2020-25 Strategy was implemented and so during the year, the Board of Trustees and Senior Management Team have reviewed our strategy for the next four years. We are pleased to report our new Strategic Framework for the period 2024-28 is as follows:

Reach More, Do More
Utilise our reserves to increase our reach to the children, young adults and families who need our services and aim to provide greater access to families to a wider range of services in Hospital, Hospice and the Home.

Support the Healthcare System – In Partnership
Continue to be a leading integrated specialist provider of palliative care services for children and young adults, investing in and providing outstanding services to Integrated Care Boards across the Wessex Region, working with the HIOW Children & Young Adult Palliative Care Network (HIOW CYAPCN) and the Wessex Children & Young Adult Palliative Care Network (WCYAPCN).

Grow Sustainably – People, Income & Environment
Invest in and develop our people and workforce planning to ensure we have the professionally qualified and experienced staff required to deliver the range and volume of services we aspire to.

Continue to develop our voluntary and statutory income streams to achieve a more balanced income portfolio that generates income from commissioned services provided to the Healthcare system and grow existing voluntary sources whilst investing in new income streams.

Ensure we plan and invest in our environmental sustainability committing to be a charity that considers our impact on the world and the part we play in reducing our environmental effects.

Risk Management - Principal risks and uncertainties

A risk register is at the centre of the Trust's risk management process. It is regularly reviewed by the senior management team and scrutinised by committees for onward presentation and approval by the board. Risk management is inherent in all the charity's activities and key risks broadly cover patient care, data protection, finance, fundraising, governance and compliance, health and safety and information technology including cyber-attack.

Trustees' Report Cont.

We continue to develop our Risk Register within the Vantage system enabling risks to be more regularly reviewed and assessed by colleagues across the organisation. The Vantage system is also where Incident Reporting is recorded and so our intention is to have a more dynamic Risk Register informed by the incidents recorded and will be an organisational wide system improving the management of incidents, health and safety reporting and risk management overall, providing an organisational view of risks and controls.

Our currently identified key risks are:

- The challenge of recruiting skilled staff, particularly nurses, affecting our ability to deliver and develop services – this is being managed through looking at new opportunities to hire and train nursing staff, for example through the training schemes, international recruitment, and the establishment of shared service level agreements with NHS hospitals.
- Failure to safeguard children and vulnerable adults sucessfully – this is mitigated through strong safeguarding policies, regular safeguarding training for both staff and volunteers and DBS checks.
- Significant changes at short notice to funding arrangements and income generation activities – this is mitigated through holding a strong financial reserves position.

The Trustees have put in place mitigating measures to manage these risks and monitor the likelihood of these risk events occurring. It is felt that the financial and reputational impact on the Trust, is well controlled. Regular review and updates are managed through the charity's Risk Register and through review by internal governance committees.

Clinical governance is overseen by the Clinical Committee monthly and Healthcare Governance Committee quarterly. The Fundraising, Retail & Marketing Committee monitors the income streams of the Trust. The Finance, Risk & Audit Committee advises the Board on all finance and risk matters, and makes appropriate recommendations, when required. This includes reviewing the annual accounts and budgets, as well as appraising investment performance. The Board receives regular reports from the People & Culture Committee which oversees health, safety, mandatory training and organisational culture. During the year the Governance Committee was disbanded due to the work being integrated into the other committees and the Board.

Care Services

In 2023/2024 we focused on the reopening of both hospices; Naomi House & Jacksplace and worked towards returning to the service delivery and activity of pre-pandemic times. Although staffing remained a challenge, both hospices are now open simultaneously. The numbers of children and young adults in each house takes into consideration acuity, dependency, and staffing numbers.

Families continue to be encouraged to book nights from their allocation to ensure that they maximise what is available to them. There continues to be flexibility to ensure that end of life admissions are prioritised, and we continue to facilitate symptom management stays to support hospital avoidance and step down from hospital, where possible, supporting families as they transition home from hospital after a significant stay.

Nursing shortages remain a challenge for the Healthcare sector, and we are not immune from the effects of the national shortage of nurses. Despite this and through the creative use of staff scheduling and use of bank staff, we have provided more bed nights in 23/24 than we did in the previous year. The number of beds available for service users to be admitted to is flexed according to staffing and the acuity and dependency of the children and young adult to maximise occupancy. This is planned through a duty rota but also reviewed on a shift-by-shift basis. However, due to periods of staff sickness, low staff morale and a lull in recruitment, bed numbers were reduced in November 2023 across both hospices by two available beds. Despite this decision, through great teamwork and creativity by colleagues on the care floor, bed nights increased on 22/23 numbers.

Naomi House & Jacksplace provided:

- 1,820 bed nights
- 153 day service beds
- admissions in total 456
- held a caseload of 373 children and young adults
- symptom management – 107 nights
- end of life care – 135 nights
- bereavement care – 54 nights

The mock CQC inspection that Naomi House & Jacksplace undertook in 2023 resulted in improving our policies and processes, supporting a positive outcome when CQC inspected the hospices in November 2023; we retained our overall CQC 'Outstanding' rating; having received an outstanding rating for responsive and care.

Our new Director of Care, Erika Lipscombe, started in March 2024 and is reviewing current ways of working, staffing and opportunities to develop our services going forward in line with our 2024-2028 strategy of 'Reach More, Do More' and supporting the healthcare system through partnership working.

Despite our successful international recruitment during 22/23, nurse vacancies continue to be a challenge for the organisation, in line with national shortages, and impacts on the provision of service. This is particularly acute for senior paediatric registered nurses.

Our marketing team have worked with the care team to create a recruitment video to try and increase our reach for attracting nurses.

Across the year our delivery of End-of-Life care, both within the hospice and in supporting community teams when children are at home, has increased, as have symptom management stays to avoid hospital admissions. These admissions are supported at Naomi House by the continuing development of our relationship with the Specialist Paediatric Palliative Care (SPPC) team at University Hospital Southampton (UHS), through the two SPPC Consultants that work across both areas.

At Jacksplace, our relationship with the Adult Palliative Care team at UHS continues to develop through the cross-organisation working of our Associate Specialist in Palliative Medicine and our recently appointed Clinical Nurse Specialist (CNS).

The development for reducing our service user's time in hospital continues to be achieved through the partnership between Jacksplace and UHS and the ongoing delivery of a one stop clinic for young people with Duchenne Muscular Dystrophy (DMD). As reported previously this is the first of its kind in the UK and allows young adults to attend a clinic at Jacksplace, which combines the majority of their annual appointments into one day. The various clinical specialties involved include palliative care, neurology, cardiology and physiotherapy. The innovative clinic frees up hospital time and means the young adults do not have to attend multiple appointments throughout the year. This initiative continues to grow and increased clinic time is being considered for 24/25.

During 2023/24 a partnership was formed with Hampshire Hospitals Foundation Trust (HHFT) and Naomi House which led to the Wessex Childrens Hospice Trust funding a two-year Children's Community Nurse (CCN). The CCN joined the team in early 2024, working with the community and Naomi House supporting those children in the community with complex neurological conditions and those children requiring palliative care.

This role enables children to be discharged home from hospital to be cared for by the children's community team or enables care to continue to be delivered in the community, preventing a hospital admission. This role is not a role that holds a 'case load', the primary care team remain responsible for the child, however the role aims to provide additional, support, advice, and education to enable children to be cared for within their 'appropriate preferred place'.

Trustees' Report Cont.

Day services at both Naomi House and Jacksplace continue; with sessions being provided enabling parents/ carers to attend with their child or their young adult involving themed activities such as social play sessions including music, and cooking.

With the opening of our holiday lodge Naomi House in the Forest, in February 2024, many families will benefit from a holiday in the New Forest during 2024/25. The purpose built holiday lodge provides all the specialist facilities families need including fully accessible ramps and decking, widened entrances and hallways and a dedicated wet room and adapted bedroom with a full profiling bed and hoisting equipment. This provides families with a dedicated space to create wonderful holiday memories together in a beautiful location with recreation, leisure, entertainment and restaurant facilities on hand. This extends our services for families, enabling holidays to be taken that otherwise would not be possible.

The opening of Jesters in April 2024 provides young adults with an opportunity to embrace the outdoor grounds of the hospice. Jesters aims to accommodate multiple wheelchairs and beds and has electricity points for ventilation, oxygen pumps and more. The space will be used as a pub, as a dining area, for a cinema experience, as a sensory room, for parties and special occasions, for gaming and movie nights, for themed activities, and more, an exciting opportunity and experience for our young adults.

Expansion of services for the forthcoming year includes the consideration of a research nurse post, the development of a Naomi House & Jacksplace Education Training Centre and work will continue to be undertaken to establish single points of contact that can be accessed in and out of hours.

Our Impact - Danielle's Story

Danielle was known for her lovely smile. No matter what she was going through, she loved to smile. Danielle had a rare progressive brain disorder and died at just 17 years old. She and her family were supported by Naomi House & Jacksplace for respite, and in the last days of her life.

Danielle's mum, Lisa, shares their family story with us.

Danielle's personality was brilliant. No matter what she was going through, she was always smiling. She was 12 when we started to visit Naomi House. We all absolutely loved it; everyone was so kind.

At Naomi House, Danielle used to love riding the assisted bikes, spending time in the sensory room and going in the hydrotherapy pool. Sometimes we didn't stay at the hospice with Danielle. Even though she had serious health issues, we didn't worry about leaving her there without us because we trusted the care team to look after her.

Danielle was having trouble breathing and was rushed to hospital where she deteriorated quickly. She was in a lot of pain and, within 24 hours, we were told by the doctor that she was coming to the end of her life. We arranged for Danielle to go to Naomi House for End-of-Life care.

When we got there I was told to go and get some sleep, as I hadn't slept for 72 hours. I kissed Danielle goodnight, and I gave her permission and said it's OK, you can go.

At about 10.30pm we heard a knock on our bedroom door. The care team had been trying to wake us, but we had gone into a deep sleep, we were so tired. By the time we got to Danielle, she had already gone. In a way, I think she wanted it that way, she just wanted to go peacefully.

Danielle was settled into the Butterfly bereavement room, and we were able to spend as much time with her as we wanted, there were no restrictions. The staff were brilliant, they were so caring towards us. If we needed to talk or needed to cry, they were there for us.

> Being at Naomi House made the world of difference to us and we can't thank them enough. The way the care staff are with the children and the parents is brilliant, they put in 100%. They are just so loving and caring.

Fundraising, Retail and Marketing Review

If the 2022-2023 period was noteworthy for the unexpected change in perspective brought about by the crisis in Ukraine and other global events, last year 2023-2024, was a period when the dawning reality of the impact of such events started to truly bite. Despite endemic economic challenges, increases to interest rates and the cost-of-living crisis, charities the length and breadth of the country were determined to support their beneficiaries whilst adapting to the continuing changes in appetite and interest of donors and supporters.

The Fundraising Management Team for Naomi House & Jacksplace oversee income generation across voluntary giving, Retail and the Lottery. Plans for teams are developed in consultation with the team and based on the opportunities and potential for each income stream. In voluntary giving, the Events team begin the year focused on offering a series of events and activities that generate engagement, income and publicity for the charity whilst increasing understanding about the cause and the needs of our children, young adults and their families. Our flagship event, Clarendon Way Walk, planned for the first weekend in June, once again takes up several months of planning for the team and incorporates the support of hundreds of volunteers from the community as well as a significant volunteer boost from the Army Training Regiment based in Winchester. Having raised over £2m since inception, the event between Salisbury and Winchester is supported by old and young alike and is a magnificent celebration of the diversity of support that the charity receives.

Amongst the array of groups, schools, universities, colleges and other groups and individuals, the Community Team continued to expand the relationship with our friends at CarFest in to a fourth year. This year, young ambassadors from Jacksplace were front and centre to the charity element of the event sharing time with the event founder and radio personality, Mr Chris Evans, as well as some of the many celebrities that attend the event.

Our Corporate team continue to engage with a mix of ongoing and charity of the year partners. They work via a series of five pillars outlining how we maximise value working with our corporate partners. We are fortunate to work with several partners where we enjoy ongoing relationships not just with the company but with suppliers and business links that they have. The mutuality of these ongoing relationships sees teams undertake extraordinary feats of bravery, endurance and fun to raise funds for the cause.

Trustees' Report Cont.

Thanks to the generosity of one of those partners, we were able to take a group of supporters for a team building activity centre in the New Forest that has then helped further deepen relationships and move forward the range of ways that we engage with corporate supporters.

Our Trust & Foundation income experienced significant challenge in the year. A review of the trends in the market highlighted that a number of regularly supporting Trusts had either reduced charitable support, changed support criteria or decided to move funds to supporting the cost-of-living crisis. Nevertheless, our most generous Trust, The Geoff and Fiona Squire Foundation, continue to generously support our bereavement and post bereavement services.

Working in conjunction with our External Lottery Manager, we continue to develop our Lottery. Following a period where we were unable to find a suitable canvassing partner to work with, we had contracted a new canvassing agency with a focus and ethos around player recruitment that gelled more with our values. The Fundraising Partnership recruited new canvassers in the region to support the recruitment of new players. Internally, a new colleague focussed on enhanced donor engagement and stewardship. A lot of this focus is on offering long term players and winners tours of the hospice so that they can see how their funds make a difference.

Our Retail team comprised of 21 shops, a warehouse team, delivery drivers and stock sorters continue to underpin the retail operation with stock receipt, sorting, distribution and recycling from the warehouse.

The introduction of Sales promotions in the shops at season-end has continued to help move through large quantities of unsold stock whilst also helping manage space in the warehouse. Our managers have worked hard to maintain the relationships with many of the volunteers that operate throughout the network and underpin all aspects of the retail operation.

The Recycle Bike Hub continued to expand the number of bikes that they have sold for the charity and have a regular team of volunteers undertaking all aspects of the operation including assessing, servicing, dismantling, and transporting bikes to raise vital funds for the charity. They hit the cumulative landmark £50,000 worth of sales this year.

A central part of the team remains the work of the Supporter Care team. They answer calls, process income, deal with general queries and support the wider team in delivery of their aims and targets. They work with and coordinate the work of the volunteer ambassadors and enable lots of the community activity that underpins income generation throughout the year.

The reality of our operation is that the majority of donations we receive are less than £1,000. We know that the "small" gift really does make a difference to our ability to deliver all of our plans and services. The support of volunteers, whether individuals, corporate or community groups adds enormous capacity to an otherwise small team and the value of their contributions exceeds the cash value associated with the individual tasks or activities that they support.

As a team we seek to represent the same levels of care and professionalism as our nurses and care teams. We can only provide outstanding care because of the continued support of the community that we come from. Naomi House & Jacksplace looks to the coming strategic period with excitement at what we can potentially achieve to build on this ethos whilst also challenging ourselves to think about increasing our reach and geographical penetration and money raised to support our cause.

Fundraising Statement

Naomi House & Jacksplace recognises the enormous contribution made across the income generation activities from volunteers and paid employees. Volunteers underpin and add value across all aspects of the work of the team whether helping at events, supporting office duties and much more besides. Volunteers supporting our work form a natural part of the extended team and are central to all of our operations.

Following a varied year for our Retail team, we have continued to operate 21 shops whilst seeking to increase this number with suitable propositions to add to the portfolio. Although several sites are under consideration, cost and opportunity are also carefully considered before moving forward. Hopefully, 2024/25 will be the year when we start to add to the portfolio. Another adjustment in the Retail team is the addition of a Commercial Manager in the final quarter of the year. A significant focus of the role is in supporting managers to ensure consistent standards and focus maintained on the opportunities and activities that provide the best return.

We continue to work well with our External Lottery Manager – Starvale and the new canvassing partner The Fundraising Partnership continues to operate at a level and to a standard that minimizes our attrition rate. The rise in the number of canvassers dedicated solely to our campaign has ensured that our player numbers have remained stable throughout the year and there is a focus to increase numbers in the coming year. Our attrition rates are within industry standards. We were deeply saddened to learn at the beginning of 2024 that the agency CEO died unexpectedly. Although we had only worked together for a short period of time, we appreciated the professionalism, care and passion that he brought to the relationship and the industry. Our condolences to all those who knew and worked with him.

Naomi House & Jacksplace is registered with the Fundraising Regulator and carries the Fundraising Regulator Logo on the website as a sign of our ongoing commitment to the principles and aims of that body and sector best practice.

The Fundraising Management Team support and encourage the professional development of the Fundraising team sourcing and providing regular training. Of the four people in the team who started a funded course to achieve the Fundraising Diploma in the year, one left us to take a new role with a national charity. We continue to support and encourage the others pursuing the diploma. As a team we have regular team and individual development meetings, 1:1's and support training.

The Director of Fundraising remains Chair of the regional Committee of the Chartered Institute of Fundraising and regularly offers the team opportunities to join or take part in free or low-cost training and peer to peer networking sessions. All new fundraisers are encouraged to take the Chartered Institute of Fundraising's Fundraising Foundation Course.

The Fundraising Management team continually monitor guidance and regulations from the Charity Commission, the Fundraising Regulator, and the Gambling Commission. Specifically, we review information relating to GDPR, data protection and the Gambling activities.

In the past year, we have received just two suppression requests from the Regulator. Both of which have been actioned and addressed. All complaints that we receive in relation to income generation activities are reviewed by the Board Sub-Committee responsible for Fundraising Retail and Marketing on a quarterly basis. We received a total of 21 Complaints – all of which were investigated and resolved. Again the majority of reports came from either Retail or Lottery and were managed and handled by the respective managers and reported to Trustees via the governance subcommittee. Of the three Serious Incidents that we reported last year, one has been resolved by the police with no further action against the third party that was at the centre of the case. The other two incidents are ongoing with nothing further to report at this time. A complaint regarding a collection pot lost between our shops and being returned to the office (the first in over 10 years) initiated a review of the process employed around how we manage collection pots.

As noted previously, due to the Lottery and the nature of the work of the charity, we are alive to the needs of vulnerable people and use the framework from the Gambling Commission and the Code of Fundraising Practice to guide our approach to dealing with any such individual or group. In the Retail operation, each shop has a manager and assistant who undertake regular training in these areas supported by Relief Managers our volunteer coordinator and the HR partner. Each shop displays information on contacts for anyone to report concerns. All staff undertake relevant Safeguarding and Health & Safety, Safeguarding training.

Trustees' Report Cont.

We continue to provide third party fundraisers with a fundraising agreement. This sets out expectations in regard of health and safety arrangements together with information for insurance, cash handling etc. We acknowledge donations electronically or by post and provide receipts on controlled stationery for staff involved in cash collections.

In the coming year we look forward to updating our fundraising activities to maximise income, embrace new technology and further embed the principles and values reflected in the Vision, Mission and Values of the charity.

People Review

At the start of 2023 we began a major initiative to refresh our Vision, Mission and Values, and the focus for the Human Resources team was to develop a new set of values that described what the Trust feels it stands for. Just as personal values describe the codes, beliefs and personality of an individual, we wanted to capture, promote and celebrate what working with us means to our 170 staff and over 500 volunteers. A series of interactive workshops were held during the late Spring and over 80 people participated with representation also from our Trustee Board and a small group of service users. Each group was asked a very simple but thought-provoking question: "what do we stand for?" and each group found common themes as well as some personal or functional behavioral trends.

Some sentiments stood out; reflecting, quality, flexibility, understanding, belonging, respect, ambition, teamwork, expertise, listening, pride. Teams described not only what they thought we demonstrated but also where they wanted to improve and innovate. The challenge then was to distill a long list of nouns, adjectives and phrases into one set of words that embraced those themes, and to design an acronym which described our personality and reflected the Trust's hopes and ambitions for the future. Hence, ASPIRE was born, from Agile, taking the initiative, being innovative, showing flexibility and always listening and learning. Supportive, being committed to helping others and by acknowledging and rewarding contribution. Proud, recognising and celebrating our colleagues, the work we do and the difference we all make. Inclusive, creating an environment where everyone feels valued, empowered, respected, and heard, where everyone feels they belong. Responsive, being committed to taking responsibility, taking action, and getting results. Encouraging, inspiring everyone to do their best, to get involved and to strive to improve.

Having a culture where our people ASPIRE to deliver the promise we make in our vision and mission will now underpin our people initiatives over the next strategic period.

Naomi House & Jacksplace is an employer committed to Equality, Diversity and Inclusion and aims to offer competitive, fair and equitable remuneration to all staff. Remuneration levels are reviewed annually in April and at other intervals from time to time and where appropriate, adjustments to either basic salary or other benefit terms and conditions are made. Whilst the Trust aims to pay salary levels that are comparable to other professionals and various labour markets appropriate to its staff, it must always consider the overall interests of the organisation and ensure a strategy that is affordable. Pay awards for members of the executive team are determined in line with this policy. Pay for the Chief Executive is subject to the same scrutiny and is approved by the Chair of the Board of Trustees.

During the year, we have continued with our efforts to increase our number of qualified nurses and our recruitment and retention scheme, introduced at the end of 2022 helped us attract 10 new recruits in total, including a new Head of Jacksplace. We also promoted internally to fill our vacancy for a Head of Family Support. Our most significant appointment however was into the role of Director or Care following the retirement of our previous colleague of 13 years. Our replacement is a very well-qualified and well-respected senior nurse who brings additional expertise in research as well as an excellent knowledge of hospice care.

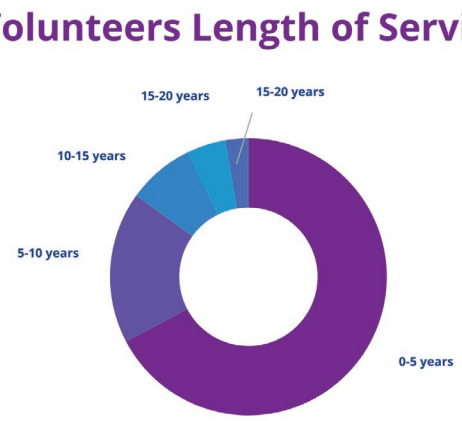
We have also made progress in the area of employee engagement and communication introducing a new Intranet site with pages dedicated to the different parts of the Trust.

As an employee information tool, the People page is one of the most visited and our content has become more interactive as we gain more experience how to make the most of the site.

Our Staff Survey indicated that engagement continues to improve with an increase in response rate from 60% to 80%. Overall, the survey showed that people were positive about working here although they recognise we could improve our processes for getting feedback from one another. In response, we have promoted more face-to-face meetings and also held more soft skills training with all our managers, including workshops on emotional intelligence, compassion fatigue and neurodiversity. We know more, too, about our colleagues from our Equality, Diversity and Inclusion data.

- 93% of our staff are white British, and we also have colleagues from Turkey, Nigeria, Ghana and Kenya
- 53% of our staff consider themselves to have Christian beliefs and we have colleagues of Muslim, Buddhist and Spiritual faiths
- 84% of our staff are female, 16% are male. 4% are gay or lesbian
- 7% of our staff disclosed a physical or emotional condition they feel they may need help with

This data will help us promote further new initiatives that support, engage and celebrate our people. Of course, our colleagues are not only those who earn a salary. We currently have 509 regular volunteers across all departments who gave a staggering 85,204 hours of voluntary work during the financial year. Many of our volunteers have been involved with the charity for some time, often providing their help and support in a number of departments.



As we engage with such a broad selection of dedicated and talented people, we have decided to change the name of our HR team to the People Team which gives a better reflection of both our work and what we ASPIRE to achieve. We are enormously proud of everyone who makes this organisation a success.

Environmental

At Naomi House & Jacksplace we acknowledge the impact our services and activities have on the environment. We are committed to reducing our greenhouse gas emissions and our carbon footprint to ensure a healthier future for those that we serve and the community around us.

Throughout the year, we have diligently worked to establish our carbon footprint, allowing us to determine our baseline, identify environmental projects to reduce our emissions and track our future progress.

Trustees' Report Cont.

Our Current Carbon Footprint
As part of this commitment, we have measured our current carbon footprint (using the Scope 1,2 & 3 guidance) to establish our baseline emissions of 1.23k total tCO2e (tonnes of carbon dioxide equivalent) per annum.

This measurement comes from calculations across the charity incorporating Naomi House & Jacksplace Hospices, 21 retail shops and our warehouse operation.

Over the strategic period we will plan to reduce our Scope 1 & 2 factors in the following ways:

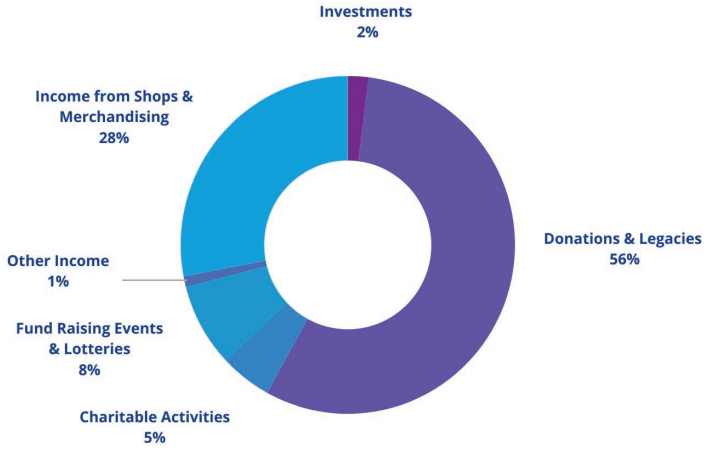
1. **Scope 1:** Cut down on single use plastic, reducing waste going into landfill across all departments. Use sustainably sourced products throughout each department. Generate our Carbon footprint and include this data in our annual reports. Our sustainability initiatives become part of our story across all communications. Create training assets and advice guidelines via the intranet to inform all staff.
2. **Scope 2:** Reduce power usage in all the buildings, smart lights, LED lights - awareness of usage across the organisation. Use greener energy suppliers, fit solar panels to the hospice buildings. Install a BMS system to smartly manage our HVAC systems. All shops to be standardised in having recycling bins, support training and internal process in dealing with waste & recycling.

2023/24 Environmental Achievements
- Developed an environmental policy
- Established our first carbon footprint baseline
- Placed an order to purchase 119 solar panels for installation in 2024
- Developed the 'Valuencer' role for a group of staff to influence our Values work including environmental factors
- Recycled 52.94 tonnes of waste
- 277 bikes sold through our recycle hub scheme with 27.7t of carbon positively recycled

Financial Review

We are pleased to report a successful financial year, achieving an operational surplus of £325,000. This was accomplished despite our trustees initially setting an anticipated in-year deficit budget of (£685,000). The main factor contributing to our operational surplus was an outstanding year for legacy income. Our investments also performed exceptionally well, achieving an unrealised gain of £1,751,000, which contributed to an overall surplus of £2,076,000. For a detailed breakdown of funds held refer to page 41.

INCOME 23-24 - £9,131,000



Total income for the year ending 31 March 2024 amounted to £9,131,000.

NHS England continued to support our services through the Children's Hospice Grant Scheme with an increased annual grant of £900,050 (2023: £754,769). Income from Integrated Care Boards (ICB's) amounted to £410,413 (2023: £211,975). This increase is due to our ability to charge for End-of-Life care in accordance with the NHS's statutory obligations. There has been significant uncertainty regarding the future of the Children's Hospice Grant, and we are pleased to report the grant has been guaranteed for 2024/25. Moving forward there is less certainty with a requirement to contract with the six ICB's that we support through the healthcare system. It is important to acknowledge that this income stream, which represents 9.8% of our income, is crucial to support our children, young adults and families in the future and any risk to this income may have an impact on our future service provision.

Our retail network of 21 shops (2023: 21) has had a challenging year compared to the outstanding year they had in 22/23. Retail remains our largest income stream with income of over £2.5m and accounting for 28% of our total income. The Retail team continue to seek opportunities to expand the retail network and grow retail income.

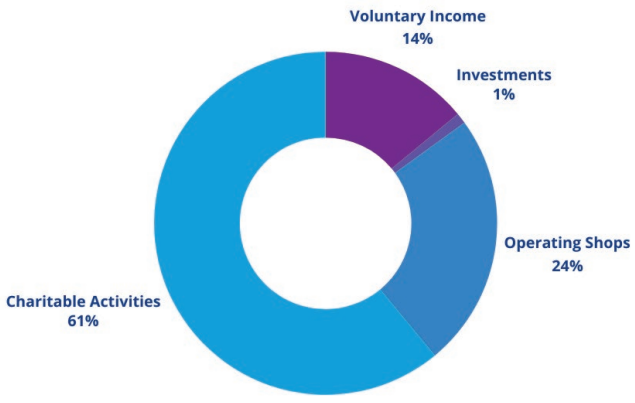
Legacy income for 2023/24 has been exceptional, totaling over £2.3m, which is double our income from 2022/23. Although legacy income can be volatile, it remains a crucial revenue stream for us. This year, our positive financial performance has been driven by outstanding legacy income and a substantial unrealised gain of £1,751,000.

Retail Gift Aid claimed from HMRC totalled £160,670 (2023: £136,876). Our retail network has also benefitted from continued reduction in business rates on retail premises, which is a government support measure.

Naomi House Children's Hospice Trust is a wholly owned subsidiary of the Trust. The subsidiary acts as the agent for the Retail Gift Aid scheme and handles all trading activities. All profits from the trading activities can be gift aided to the Trust, subject to HMRC regulations, benefiting the charity by reducing any corporation tax liability. During the year the trading activity income grew to £30,781 (2023:£20,103).

The Board had ambitious plans during 2023/24 including the provision of a new holiday home, a drive to increase care activity, invest in our staff and buildings and identify new fundraising activities. To achieve this the Board recognised that financial investment was required which has resulted in us spending over £700,000 more in 2023/24 than 2022/23.

Expenditure 23-24 - £8,806,645



Total expenditure amounted to £8,806,645 (2022/23:£8,071,508).

Trustees' Report Cont.

Managing the financial challenges of the hospices and identifying future income opportunities requires careful planning and resource allocation. It is crucial to continually evaluate our cost effectiveness and explore opportunities for efficiency gains without compromising the quality of care and service provided here at Naomi House & Jacksplace.

Investments

As of the 31st March 2024, the Trust's investment portfolio was valued at £15,903,022. Despite ongoing global instability and the withdrawal of £1million to support our cash requirements and capital programme, our investments performed well during the year, achieving an exceptional unrealised gain of £1,750,825 (2023: decreased by £200,999)

The management of the Trust's investments portfolio is entrusted to an independent fund manager Meridiem Investment Management formerly known as Veritas. Investments are managed in line with our investment policy, aiming for a "real return on a rolling 5-year view with an emphasis on capital growth with income" achieving 47.7% over the last 5-year period.

Environmental, Social and Governance (ESG) integration and stewardship feature at multiple stages of Meridiem's investment process and they actively monitor and assess the ESG risk associated with companies in which they invest.

Maintaining a long-term perspective and considering market condition is crucial. The Trust's commitment to responsible investing and its partnership with an independent fund manager play a crucial role in navigating the challenges and optimising returns over the long term.

We have enjoyed a successful relationship with our investment managers for several years. However, in line with good governance practices, we conducted a review of our investment management services. Following a competitive selection process, we have awarded Cazenove the contract to manage our investments.

Reserves Policy

The purpose of reserves is to secure the future of our services and fulfill long-term commitments to the children, young adults and families we support. Our reserves ensure that we can maintain operations during periods of unpredictable income and allows us to absorb planned deficit budgets.

In light of significant global events such as the COVID-19 pandemic, war in the Ukraine and the Cost-of-Living crisis, it's been evident that charities need to maintain sufficient reserves for the future. In recent years there has been a shift by charities towards adopting risk-based reserve policies, moving away from the traditional approach of maintaining reserves to cover a specific number of months expenditure, which for us was historically set at 18 months.

We conducted a review of our reserve policy during the year and have adopted a new approach. Our new policy incorporates a methodology that considers risk to our income streams and maintains coverage for six months of expenditure. The Trustees believe that the new reserve policy is appropriate to ensure future sustainability of our services and of our financial health.

The general unrestricted reserve funds increased by £4,263,497 as at the 31st March 2024 to £7,605,568 (2023: £3,342,501) this improvement can be attributed to an exceptional unrealised gain in the year and receiving significant legacy income during the year, resulting in an operational surplus for the financial year. In addition an adjustment to the revaluation reserve to bring it in line with the uplift on investments at the year end from historic cost to market value has contributed to the increase.

Free Unrestricted Reserves	£7,605,568	23%
Free Reserve - Non-Charitable Trading	£17,790	0%
Free Reserves - Revaluation Reserve	£3,827,688	12%
Designated Funds Reserves	£14,530,081	45%
Restricted Funds (Including endowment)	£6,418,302	20%
Total Funds	£32,399,429	100%

Our trustees are committed to using our unrestricted reserves to strengthen service delivery, particularly in light of the current challenges facing the hospice sector, including operational demands and long-term financial sustainability.

- **Support Core Operations** – Trustees have approved an operational deficit budget for 2024/25 of (£1,450,000)
- **Invest in Capital Buildings and Equipment** - £908,000 has been allocated for the 2024/25 capital programme
- **Invest in New Projects** - The new Director of Care has been allocated £250,000 to support service development initiatives alongside an additional £120,000 dedicated to provision within the community

Financial Sustainability

On behalf of the Board of Trustees, the Finance, Risk and Audit Committee (FRAC) has undertaken a detailed review of the cashflow forecasts, unrestricted reserves and investment position of the group and has provided assurance to the Board of the sustainability of the group for the foreseeable future.

Key financial sustainability considerations were:

- Strong balance sheet of £32,399,429
- Investment Portfolio of £15,903,022
- Sufficient cash to support operational activities
- Investment into our annual capital plan programme for 24/25 of £908k
- Robust financial management ensuring value for money
- Management team focused on service delivery
- Board's desire to invest in service provision, utilising reserves

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Mr Andrew Meehan
(Chair of Trustees)
Date: 8th October 2024

Statement of Trustees' Responsibilities

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

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust

Opinion

We have audited the financial statements of Wessex Children's Hospice Trust (the 'parent charitable company') and its subsidiary (the 'Group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust Cont.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the Group for fraud. The laws and regulations we considered in this context for the charity were the Gambling Commission, CQC Regulations and General Data Protection Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of certain income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, Risk and Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust Cont.

Use of our report

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

Janette Joyce (Senior statutory auditor)
for and on behalf of

Crowe U.K. LLP
Statutory Auditor
R+ Building,
2 Blagrave Street
Reading
Berkshire
RG1 1AZ

Date: 10 October 2024

Consolidated Statement of Financial Activities for the year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and legacies	3	**3,852,959**	**1,220,592**	**5,073,551**	*4,291,711*
Charitable activities		**474,013**	**-**	**474,013**	*270,377*
Other trading activities:					
Fund raising events and lotteries		**706,839**	**-**	**706,839**	*510,730*
Income from shops and merchandising		**2,581,532**	**-**	**2,581,532**	*2,671,639*
Investments	5	**221,733**	**-**	**221,733**	*175,608*
Other income		**73,792**	**-**	**73,792**	*25,003*
Total income		**7,910,868**	**1,220,592**	**9,131,460**	*7,945,068*
Expenditure on:					
Raising funds:					
Voluntary income	6	**1,189,032**	**-**	**1,189,032**	*1,118,902*
Operating shops	6	**2,144,713**	**-**	**2,144,713**	*2,125,694*
Investments		**128,243**	**-**	**128,243**	*118,061*
Charitable activities	7	**3,928,146**	**1,416,511**	**5,344,657**	*4,708,851*
Total expenditure		**7,390,134**	**1,416,511**	**8,806,645**	*8,071,508*
Net income/(expenditure) before net gains/(losses) on investments		**520,734**	**(195,919)**	**324,815**	*(126,440)*
Net gains/(losses) on investments		**1,750,825**	**-**	**1,750,825**	*(200,999)*
Net income/(expenditure)		**2,271,559**	**(195,919)**	**2,075,640**	*(327,439)*
Transfers between funds	18	**3,482**	**(3,482)**	**-**	*-*
Net movement in funds		**2,275,041**	**(199,401)**	**2,075,640**	*(327,439)*
Reconciliation of funds:					
Total funds brought forward		**23,706,086**	**6,617,703**	**30,323,789**	*30,651,228*
Net movement in funds		**2,275,041**	**(199,401)**	**2,075,640**	*(327,439)*
Total funds carried forward		**25,981,127**	**6,418,302**	**32,399,429**	*30,323,789*

The notes on pages 29 to 50

Consolidated Balance Sheet

Wessex Children's Hospice Trust - 02601495
As at 31 March 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	12		**11,777,515**		*11,785,232*
Investments	13		**15,903,020**		*15,287,505*
			27,680,535		*27,072,737*
Current assets					
Stocks	14	**3,274**		*3,522*	
Debtors	15	**2,823,904**		*1,626,436*	
Cash at bank and in hand		**2,835,978**		*2,499,009*	
		5,663,156		*4,128,967*	
Creditors: amounts falling due within one year	16	**(944,262)**		*(877,915)*	
Net current assets			**4,718,894**		*3,251,052*
Total net assets			**32,399,429**		*30,323,789*
Charity funds					
Restricted funds	18		**6,418,302**		*6,617,703*
Unrestricted funds					
Designated funds	18	**14,530,081**		*15,998,311*	
General funds	18	**7,623,358**		*3,353,430*	
Revaluation reserve	18	**3,827,688**		*4,354,345*	
Total unrestricted funds	18		**25,981,127**		*23,706,086*
Total funds			**32,399,429**		*30,323,789*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

Andrew Meehan
(Chair of Trustees)
Date: 8th October 2024

The notes on pages 29 to 50 form part of these financial statements.

Company Balance Sheet

Wessex Children's Hospice Trust - 02601495
As at 31 March 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	12		**11,777,515**		*11,785,232*
Investments	13		**15,903,022**		*15,287,507*
			27,680,537		*27,072,739*
Current assets					
Stocks	14	**3,274**		*3,522*	
Debtors	15	**2,835,123**		*1,626,527*	
Cash at bank and in hand		**2,802,270**		*2,477,964*	
		5,640,667		*4,108,013*	
Creditors: amounts falling due within one year	16	**(940,301)**		*(874,154)*	
Net current assets			**4,700,366**		*3,233,859*
Total assets less current liabilities			**32,380,903**		*30,306,598*
Total net assets			**32,380,903**		*30,306,598*
Charity funds					
Restricted funds	18		**6,418,302**		*6,617,703*
Unrestricted funds					
Designated funds	18	**14,530,081**		*15,998,311*	
General funds	18	**5,327,350**		*3,336,239*	
Revaluation reserve	18	**6,105,170**		*4,354,345*	
Total unrestricted funds	18		**25,962,601**		*23,688,895*
Total funds			**32,380,903**		*30,306,598*

The surplus for the Charity for the year was £2,074,305 (2023 - deficit of (332,965).

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

Andrew Meehan
(Chair of Trustees)
Date: 8th October 2024

The notes on pages 29 to 50 form part of these financial statements.

Consolidated Statement of Cash Flows

Wessex Children's Hospice Trust - 02601495
As at 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	20	**(367,522)**	*549,829*
Cash flows from investing activities			
Dividends and interest from investments		**221,733**	*175,608*
Purchase of tangible fixed assets		**(519,098)**	*(285,413)*
Withdrawals from investment portfolio		**1,205,485**	*172,098*
Additions to investment portfolio		**(203,629)**	*(1,173,636)*
Net cash provided by/(used in) investing activities		**704,491**	**(1,111,343)**
Change in cash and cash equivalents in the year		**336,969**	**(561,514)**
Cash and cash equivalents at the beginning of the year		**2,499,009**	*3,060,523*
Cash and cash equivalents at the end of the year	21	**2,835,978**	*2,499,009*

The notes on pages 29 to 50 form part of these financial statements.

Notes to the Financial Statements

1. General Information

Wessex Children's Hospice Trust is a registered charity (charity number 1002832) and a private company limited by guarantee (company number 02601495) incorporated in England & Wales. The registered office and principal place of business is Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE. This is also the address of its wholly owned subsidiary Naomi House Children's Hospice Ltd.

2. Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Wessex Children's Hospice Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Naomi House Children's Hospice Ltd on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The Charity has taken advantage of the exemptions in FRS 102 from the requirement to present a charity only Cash Flow Statement and certain disclosures about its own financial instruments within the consolidated financial statements.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

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

The Trustees believe that the Group's financial resources and contingency planning is sufficient to ensure the ability of the Group as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

2.3 Income

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

Income from government grants (including retail grants) and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlement occurs before income is received, the income is accrued. Where income is received in advance of the Group having entitlement to the funds the income is deferred.

Donations and gifts represents amounts receivable during the year, together with any associated tax refund and do not include the value of any pledges secured for future donations. Income from gift aid tax reclaims is recognised for all donations made prior to the year end, where valid gift aid declarations are held.

The contribution of volunteers is not included in the Statement of Financial Activities, but is disclosed in the Trustees' Report in accordance with the SORP.

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

Where legacies have been notified to the Charity, but the criteria for income recognition have not fully been met, the legacy is treated as a contingent asset and disclosed in note 23.

Donations in the form of legacies are recognised when it is probable that the legacy will be received and its value can be measured reliably. These criteria will normally be met following probate once the executor(s) of the estate has established that there are sufficient assets in the estate, after settling liabilities, to pay the legacy. A 5% provision is netted off against accrued legacy income to cover legal and finalisation costs from obtaining the legacy income.

Evidence that the executor(s) has determined that a payment can be made, may arise on the agreement of the estate's accounts or notification that payment will be made. When notification is received after the year-end but it is clear that the executor(s) has agreed prior to the year-end that the legacy can be paid, the legacy is accrued in the financial statements. The certainty and measurability of the receipt may be affected by subsequent events such as valuations and disputes.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the Group in inducing third parties to make voluntary contributions to it, the costs of running the charity shops, as well as the cost of any activities with a fundraising purpose. It also includes the investment manager fees
- Expenditure on charitable activities includes the costs of running the Naomi House & Jacksplace hospices together, including the long term ventilation unit, with the provision of support for the families of the referred children and young adults
- Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading
- Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs
- Irrecoverable VAT is charged as a cost to the Statement Of Financial Activities when the expenditure is incurred

2.5 Allocation of support costs

Expenditure is allocated to the specific activity directly associated with the corresponding cost.

However, the cost of overall direction and administration of each activity, which includes comprising the salary and overhead costs for our support functions and governance, are allocated based on the percentage of activity expenditure.

The percentage of management and administration costs allocated to each activity for the year is:

- Cost of Charitable Activity at Naomi House & Jacksplace **61%**
- Cost of generating income **14%**
- Costs of merchandising & shops **24%**
- Costs of investments **1%**

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities and are included within support costs.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the bank.

2.7 Operating leases

Rental charges are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,500 or more are capitalised.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Leasehold land	**- Over period lease**
Leasehold buildings	**- 50 years**
Motor vehicles	**- 4 years**
Fixtures and fittings	**- 5-10 years**
Computer equipment	**- 3 years**

2.9 Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted market price. Any change in fair value will be recognised in the Statement of Financial Activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the Balance Sheet. Investment gains and losses, are shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The Group does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries are valued at cost.

Notes to the Financial Statements Cont.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

2.11 Financial instruments

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

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

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

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

2.12 Pensions

The Trust operates two pension schemes. The first is a defined contribution pension scheme, the assets of which are held independently from those of the Group. Expenditure made through the Statement of Financial Activities represents the contributions arising in the year.

The second scheme is available to ex-NHS staff and is a defined benefit scheme. As the charity is not able to identify its share of the asset and liabilities of the scheme, the scheme is treated by Wessex Children's Hospice Trust as if it were a defined contribution scheme in accordance with Financial Reporting Standard 102. Any funding shortfall would be met by the Exchequer. See Note 25 for more detail.

2.13 Fund accounting

Unrestricted funds are donations and other income received or generated for the charitable purposes and have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Details of the aim and use of designated funds are included within the notes to the financial statements.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Details of the restrictions are included within the notes to the financial statements.

Endowment funds are investments donated to the Charity to generate income which can be spent on charitable activities. Details of the aim and use of endowment funds are included within the notes to the financial statements.

2.14 Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Management judgement is applied over the valuation of legacy income and the legacy pipeline where cash is not yet received. See note 2.3 for the legacy accounting policy and note 23 for the value of the legacy pipeline.

3. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Grants				
Grants & Trusts	132,083	320,542	**452,625**	*598,593*
Government grants				
NHS England Children's Hospices Grants Programme	-	900,050	**900,050**	*754,769*
	132,083	1,220,592	**1,352,675**	*1,353,362*
Donations	1,419,080	-	**1,419,080**	*1,806,040*
Legacies	2,301,796	-	**2,301,796**	*1,132,309*
	3,852,959	1,220,592	**5,073,551**	*4,291,711*
Total 2023	*3,184,820*	*1,106,891*	*4,291,711*	

4. Income from charitable activities

	2024 £	*2023 £*
Clinical Commissioning Groups	**410,413**	*192,077*
Individuals	**52,800**	*48,300*
Other	**10,800**	*30,000*
	474,013	*270,377*

Income from charitable activities is unrestricted during this and the prior year.

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Dividends	201,600	**201,600**	*173,497*
Interest	20,133	**20,133**	*2,111*
	221,733	**221,733**	*175,608*
Total 2023	*175,608*	*175,608*	

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Other staff and volunteer costs	27,269	**27,269**	*14,723*
Direct costs	274,905	**274,905**	*301,612*
Overhead costs	187,597	**187,597**	*119,461*
Wages and salaries	516,652	**516,652**	*502,491*
National Insurance	49,640	**49,640**	*49,866*
Pension costs	33,567	**33,567**	*31,679*
Allocated centrally incurred fundraising and governance costs	99,402	**99,402**	*98,944*
	1,189,032	**1,189,032**	*1,118,776*
Total 2023	*1,118,776*	*1,118,776*	

Costs of operating shops

Facilities & maintenance	14,127	**14,127**	*12,358*
Direct costs	503,635	**503,635**	*485,871*
Other staff costs	8,185	**8,185**	*9,833*
Overhead costs	367,912	**367,912**	*388,002*
Wages and salaries	955,039	**955,039**	*951,230*
National Insurance	61,297	**61,297**	*65,554*
Pension costs	32,501	**32,501**	*31,242*
Depreciation	24,295	**24,295**	*27,413*
Allocated centrally incurred support and governance costs	177,722	**177,722**	*154,317*
	2,144,713	**2,144,713**	*2,125,820*
Total 2023	*2,125,820*	*2,125,820*	

7. Analysis of expenditure by charitable activities

	Activities undertaken directly 2024 £	**Support costs 2024 £**	**Total funds 2024 £**	*Total funds 2023 £*
Naomi House	2,799,056	253,768	**3,052,824**	*2,416,711*
Jacksplace	1,588,786	144,039	**1,732,825**	*1,770,167*
Long Term Ventilation Unit	14,545	-	**14,545**	*19,658*
Community & Family Support	495,457	49,006	**544,463**	*502,315*
	4,897,844	446,813	**5,344,657**	*4,708,851*
Total 2023	*4,304,984*	*403,867*	*4,708,851*	

Notes to the Financial Statements Cont.

Analysis of direct costs

	Naomi House 2024 £	Jacksplace 2024 £	LTV 2024 £	Community & Family Support 2024 £	Total funds 2024 £	*Total funds 2023 £*
Staff costs	1,670,394	948,138	-	430,627	**3,049,159**	*2,741,931*
Depreciation	278,183	157,901	14,545	4,604	**455,233**	*418,563*
Other staff & volunteer costs	19,039	10,807	-	1,182	**31,028**	*68,568*
Direct costs	266,578	151,314	-	40,843	**458,735**	*324,925*
Facilities & maintenance	214,529	121,772	-	-	**336,301**	*355,748*
Overhead costs	350,333	198,854	-	18,201	**567,388**	*395,249*
	2,799,056	1,588,786	14,545	495,457	**4,897,844**	*4,304,984*
Total 2023	*2,223,116*	*1,624,594*	*15,614*	*441,660*	*4,304,984*	

Analysis of support costs

	Naomi House 2024 £	Jacksplace 2024 £	LTV 2024 £	Community & Family Support 2024 £	Total funds 2024 £	*Total funds 2023 £*
Staff costs	173,791	98,646	-	44,803	**317,240**	*271,959*
Other staff & volunteer costs	4,628	2,627	-	287	**7,542**	*13,731*
Direct costs	19	11	-	3	**33**	-
Overhead costs	75,330	42,755	-	3,913	**121,998**	*118,177*
	253,768	144,039	-	49,006	**446,813**	*403,867*
Total 2023	*193,595*	*145,573*	*4,044*	*60,655*	*403,867*	

Governance costs of £27,845 (2023: £31,952) are included within support costs.

8. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £22,900 (2023 - £21,250).

9. Staff costs

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Wages and salaries	**4,491,369**	*4,138,271*	**4,491,369**	*4,138,271*
Social security costs	**418,874**	*393,555*	**418,874**	*393,555*
Contribution to defined contribution and defined benefit pension schemes	**282,574**	*268,443*	**282,574**	*268,443*
	5,192,817	*4,800,269*	**5,192,817**	*4,800,269*

Redundancy and termination payments totalling £nil were made to no employees during the financial year (2023: £12,000 to 2 employees).

The average number of persons employed by the Company during the year was as follows:

	Group 2024 No.	*Group 2023 No.*
Care	**83**	*80*
Fundraising	**18**	*18*
Retail & Merchandise	**58**	*57*
Management & Administration	**12**	*10*
	171	*165*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	*Group 2023 No.*
In the band £60,001 - £70,000	**1**	*1*
In the band £70,001 - £80,000	**1**	-
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	*1*

The total employee benefits including pension contributions and employers NI of the key management personnel were £455,453 (2023: £431,927). Key management personnel are listed on page 1.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

No expenses were paid for, or reimbursed to any trustees in the year (2023: Nil).

11. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity's trading subsidiary Naomi House Children's Hospice Ltd gift aids available profits to the parent Charity within nine months of the year end so it has no tax charge.

12. Tangible fixed assets

Group and Company

	Freehold property £	Leasehold land and property £	Motor vehicles £	Fixtures and fittings and computer equipment £	Assets under construction £	Total £
Cost						
At 1 April 2023	**700,000**	**14,227,508**	**287,384**	**1,387,230**	**88,926**	**16,691,048**
Additions	**-**	**317,000**	**-**	**224,170**	**(22,072)**	**519,098**
Disposals	**-**	**-**	**(18,250)**	**(16,418)**	**-**	**(34,668)**
VAT adjustment	**-**	**(47,285)**	**-**	**-**	**-**	**(47,285)**
At 31 March 2024	**700,000**	**14,497,223**	**269,134**	**1,594,982**	**66,854**	**17,128,193**
Depreciation						
At 1 April 2023	**17,570**	**3,545,810**	**185,731**	**1,156,705**	**-**	**4,905,816**
Charge for the year	**14,070**	**343,607**	**28,668**	**93,185**	**-**	**479,530**
On disposals	**-**	**-**	**(18,250)**	**(16,418)**	**-**	**(34,668)**
At 31 March 2024	**31,640**	**3,889,417**	**196,149**	**1,233,472**	**-**	**5,350,678**
Net book value						
At 31 March 2024	**668,360**	**10,607,806**	**72,985**	**361,510**	**66,854**	**11,777,515**
At 31 March 2023	*682,430*	*10,681,698*	*101,653*	*230,525*	*88,926*	*11,785,232*

13. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2023	**15,287,505**
New money invested	**203,629**
Amounts extracted	**(1,205,485)**
Net profit on change in fair value	**1,750,825**
Investment management fees	**(133,454)**
At 31 March 2024	**15,903,020**

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2023	**2**	**15,287,505**	**15,287,507**
New money invested	**-**	**203,629**	**203,629**
Amounts extracted	**-**	**(1,205,485)**	**(1,205,485)**
Net profit on change in fair value	**-**	**1,750,825**	**1,750,825**
Investment management fees	**-**	**(133,454)**	**(133,454)**
At 31 March 2024	**2**	**15,903,020**	**15,903,022**

Principal subsidiary

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Naomi House Children's Hospice Ltd	02861158	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	Non-primary purpose trading	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Naomi House Children's Hospice Ltd	**30,781**	**(18,824)**	**11,957**	**17,790**

14. Stocks

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Finished goods and goods for resale	**3,274**	*3,522*	**3,274**	*3,522*

Stock levels are consistent with the previous year.

15. Debtors

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Trade debtors	**100,409**	*43,309*	**98,701**	*43,309*
Amounts owed by group undertakings	**-**	*-*	**12,927**	*1,765*
Other debtors	**108,514**	*130,109*	**108,514**	*128,435*
Prepayments and accrued income	**2,614,981**	*1,453,018*	**2,614,981**	*1,453,018*
	2,823,904	*1,626,436*	**2,835,123**	*1,626,527*

16. Creditors: Amounts falling due within one year

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Trade creditors	**427,350**	*216,620*	**427,350**	*216,620*
Other taxation and social security	**101,517**	*84,065*	**101,517**	*84,065*
Other creditors	**101,139**	*111,539*	**101,139**	*111,539*
Accruals and deferred income	**314,256**	*465,691*	**310,295**	*461,930*
	944,262	*877,915*	**940,301**	*874,154*

Deferred income of £32,994 (2023: £274,860) relates to amounts received in advance for events held in the next financial year and a deferred grant. All of the prior year deferred income has been released in the current year.

17. Financial instruments

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Financial assets				
Financial assets measured at fair value through income and expenditure	**15,903,020**	*15,287,505*	**15,903,020**	*15,287,505*

Financial assets measured at fair value through income and expenditure comprise listed investments.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Fixed Asset fund	5,341,113	-	-	188,655	-	5,529,768
Naomi House fund	4,848,000	-	-	(4,848,000)	-	-
Jacksplace fund	3,893,000	-	-	(3,893,000)	-	-
Designated risk Reserve	-	-	-	7,190,000	-	7,190,000
Capital Development Fund	1,175,000	-	-	(267,000)	-	908,000
Retail Operations Fund	741,198	-	-	(24,731)	-	716,467
Naomi House in the Forest	-	-	-	185,846	-	185,846
	15,998,311	-	-	(1,468,230)	-	14,530,081
General funds						
General Funds	3,342,071	7,885,613	(7,371,310)	3,749,194	-	7,605,568
Non-charitable trading funds	11,359	25,255	(18,824)	-	-	17,790
Revaluation reserve	4,354,345	-	-	(2,277,482)	1,750,825	3,827,688
	7,707,775	7,910,868	(7,390,134)	1,471,712	1,750,825	11,451,046
Total Unrestricted funds	23,706,086	7,910,868	(7,390,134)	3,482	1,750,825	25,981,127

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Fixed Asset Fund-Jacksplace	**1,602,919**	**-**	**(146,272)**	**-**	**-**	**1,456,647**
Fixed Asset Fund-Naomi House	**4,841,200**	**-**	**(50,100)**	**-**	**-**	**4,791,100**
Hospice Running Costs	**5,000**	**1,203,248**	**(1,205,246)**	**-**	**-**	**3,002**
Building & Facilities	**145,866**	**16,844**	**(7,776)**	**(3,482)**	**-**	**151,452**
Diversion Therapy	**12,718**	**500**	**(7,117)**	**-**	**-**	**6,101**
Endowment Fund	**10,000**	**-**	**-**	**-**	**-**	**10,000**
	6,617,703	**1,220,592**	**(1,416,511)**	**(3,482)**	**-**	**6,418,302**
Total of funds	**30,323,789**	**9,131,460**	**(8,806,645)**	**-**	**1,750,825**	**32,399,429**

Notes to the Financial Statements Cont.

Statement of funds - prior year

	Balance at 1 April 2022 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2023* £
Unrestricted funds						
Designated funds						
Fixed Asset fund	*5,365,223*	-	-	*(24,110)*	-	*5,341,113*
Naomi House fund	*4,151,000*	-	-	*697,000*	-	*4,848,000*
Jacksplace fund	*3,620,000*	-	-	*273,000*	-	*3,893,000*
Capital Development Fund	*921,000*	-	-	*254,000*	-	*1,175,000*
Retail Operations Fund	*1,050,102*	-	-	*(308,904)*	-	*741,198*
	15,107,325	-	-	*890,986*	-	*15,998,311*
General funds						
General Funds	*4,162,373*	*6,823,170*	*(6,761,524)*	*(881,948)*	-	*3,342,071*
Non-charitable trading funds	*10,929*	*15,007*	*(14,577)*	-	-	*11,359*
Revaluation reserve	*4,555,344*	-	-	-	*(200,999)*	*4,354,345*
	8,728,646	6,838,177	(6,776,101)	*(881,948)*	*(200,999)*	*7,707,775*
Total Unrestricted funds	23,835,971	6,838,177	(6,776,101)	*9,038*	*(200,999)*	*23,706,086*

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Restricted funds						
Fixed Asset Fund-Jacksplace	*1,643,135*	-	*(57,686)*	*17,470*	-	*1,602,919*
Fixed Asset Fund-Naomi House	*4,985,318*	-	*(149,710)*	*5,593*	-	*4,841,201*
Hospice Running Costs	*5,000*	*1,062,421*	*(1,062,422)*	-	-	*4,999*
Building & Facilities	*153,513*	*44,470*	*(20,016)*	*(32,101)*	-	*145,866*
Diversion Therapy	*18,291*	-	*(5,573)*	-	-	*12,718*
Endowment Fund	*10,000*	-	-	-	-	*10,000*
	6,815,257	1,106,891	(1,295,407)	*(9,038)*	-	*6,617,703*
Total of funds	*30,651,228*	*7,945,068*	*(8,071,508)*	-	*(200,999)*	*30,323,789*

Unrestricted funds
Unrestricted funds can be used for any charitable purpose. The non- charitable trading funds relate to the Trading subsidiary.

The revaluation reserve relates to the market uplift of the listed investments when comparing their year end market value to their historic cost at the year end.

Purpose of designated funds
The designated funds comprise:

Fixed Asset Fund
This is the net book value of unrestricted Tangible Fixed Assets. This mainly represents the NaomiHouse building and equipment.

Designated Risk Reserve
Children's and young adult's hospice services are expensive to run and highly dependent on the Trust providing continuous services from initial referral through to end of life.

Our funding depends on private rather than government sources. Trustees must ensure that sufficient funds are available to sustain our services for children, young adults and families in the event of reduced income.

Notes to the Financial Statements Cont.

The risk-based reserve assesses income risk and expenditure coverage to determine a target reserve level within + or – 15% range. This ensures we maintain sufficient reserves to manage potential income shortfalls and cover costs for up to six months.

Capital Development Fund
The Capital Development Fund represents our commitment to investing in the capital programme for buildings and fixed assets in the upcoming year.

Retail Operations Fund
This fund represents our future lease commitments for our retail network. While we typically negotiate short-term leases, some extend longer, with the longest commitment until the year 2031.

Naomi House in the Forest
In October 23 we purchased the Naomi House in the Forest holiday home, the holiday home is located on a holiday park whereby we have a license to occupy the plot for 25 years in exchange for a pitch fee. This fund represents our future pitch fee commitments.

Purposes of restricted funds
Restricted funds can only be expended in accordance with the donors' specific instructions. The purpose of each fund is as follows:

Fixed Asset Fund - Jacksplace
The net book value of restricted fixed assets purchased with restricted funds and predominantly relates to the Jacksplace hospice.

Fixed Asset Fund - Naomi House
This represents the refurbishment cost funded by restricted funds.

Jacksplace Fund
Funds received specifically to meet the running cost of Jacksplace.

Hospice Running Costs
This denotes donations received to pay for care staff and the direct costs of running both hospices.

Building & Facilities
This fund relates to donations received explicitly to meet the costs of improving and maintaining hospice facilities.

Diversion Therapies
This covers the cost of the wide range of therapies, play and activities which enrich the children and young adult's stays.

Endowment Fund
This was donated to the Trust to be held as investment cash to generate income from interest.

Fund transfers are either for capital purchases made during the year where the restriction has been fulfilled or they were transfers to accurately reflect the closing designated fund balances.

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	5,529,768	6,247,747	**11,777,515**
Fixed asset investments	15,893,020	10,000	**15,903,020**
Current assets	5,502,601	160,555	**5,663,156**
Creditors due within one year	(944,262)	-	**(944,262)**
Total	25,981,127	6,418,302	**32,399,429**

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	*5,341,112*	*6,444,120*	*11,785,232*
Fixed asset investments	*15,277,505*	*10,000*	*15,287,505*
Current assets	*3,965,384*	*163,583*	*4,128,967*
Creditors due within one year	*(877,915)*	-	*(877,915)*
Total	*23,706,086*	*6,617,703*	*30,323,789*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	*Group 2023 £*
Net income/expenditure for the period (as per Statement of Financial Activities)	**2,075,640**	*(327,439)*
Adjustments for:		
Depreciation charges	**479,530**	*445,978*
Investment management charges	**133,454**	*129,110*
(Gains)/losses on investments	**(1,750,825)**	*200,903*
Dividends, interests and rents from investments	**(221,733)**	*(175,608)*
Increase in stocks	**248**	*10,928*
Decrease/(increase) in debtors	**(1,197,468)**	*29,798*
Increase in creditors	**66,347**	*188,280*
Capital Goods Scheme adjustment	**47,285**	*47,879*
Net cash provided by/(used in) operating activities	**(367,522)**	*549,829*

21. Analysis of cash and cash equivalents

	Group 2024 £	*Group 2023 £*
Cash in hand	**2,835,978**	*2,499,009*

22. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	**2,499,009**	**336,969**	**2,835,978**

23. Contingent assets - legacies

At the year end the Charity had a legacy pipeline with a potential value of £3,312,993 (2023: £3,457,640).

The legacy pipeline includes a generous pledge of £3m from a couple who have expressed their intention to leave their estate to Naomi House & Jacksplace.

24. Pension commitments

The Group operates a defined contribution pension scheme for certain qualifying employees and contributes up to 8% of basic salary matching employee contributions. The total pension contributions payable in the year were £154,345 (2023: £134,105). There were £23,513 outstanding contributions at the year-end (2023: £21,635).

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

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

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

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

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result there was no impact on the member benefit structure or contribution rates.

The total pension contributions payable in the year were £128,229 (2023: £134,338). There were £21,190 outstanding contributions at the year-end (2023: £17,154).

25. Operating lease commitments

At 31 March 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Not later than 1 year	**276,129**	*330,586*	**276,129**	*330,586*
Later than 1 year and not later than 5 years	**422,316**	*312,228*	**422,316**	*312,228*
Later than 5 years	**267,053**	*107,562*	**267,053**	*107,562*
	965,498	*750,376*	**965,498**	*750,376*

26. Related party transactions

The intercompany balance at the year end was £12,927 owed by Naomi House Children's House Hospice Limited (2023: £1,764). Amounts of £7,584 (2023: £3,943) were recharged to the subsidiary during the year.

The Gift aid payment of £5,526 (2023: £5,096) payable to Wessex Children's Hospice Trust has been eliminated on consolidation.

During the year donations from Trustees to the charity were made of £1,221.

Care and support for the good days, difficult days and last days

"I think Naomi House & Jacksplace have given Cathers an improved quality of life and when we talk about her visits, she lights up. It's her special place where she can come and stay and we know that she's looked after. That's the most important thing for any mum."

Fiona, Cathers' mum

naomihouse.org.uk @naomiandjack

Wessex Children's Hospice Trust (a company limited by guarantee) Charity Registration Number 1002832

WESSEX CHILDREN'S HOSPICE TRUST

England & Wales - Charity number 1002832

Accounts

Naomi House & Jacksplace
hospices for children and young adults

WESSEX CHILDREN'S HOSPICE TRUST

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31 March 2023

Registered Number: 02601495 (England and Wales)
Charity Number: 1002832

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Reference & Administrative details of the Charity, its Trustees and Advisors

Company Number	02601495 (England and Wales)	
Charity number	1002832	
Registered office	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Mrs Faith Ramsay	Chair (retired 31st December 2022)
	Mr Andrew Meehan	Chair (appointed 28th June 2022. Chair appointment from 1st January 2023)
	Mr Julian Cracknell	Vice Chair
	Mr Steve Radjen	(retired 18th July 2023)
	Dr Michael Miller	
	Mr Julian Walker	
	Mrs Sam Nicolson	Treasurer
	Mr Shaun Southern	
	Mr Robin Hassan	
	Mr Rob Simpson	
	Mrs Nicola Redfern	(resigned 14th March 2023)
	Ms Helen Burrows	
	Ms Julie Dawes	
	Ms Lucy Smith	(resigned 4th May 2023)
	Ms Jane Ferguson	
	Ms Sarah Webb	(appointed 24th January 2023)
	Mr Alexander Delamere-White	(appointed 24th January 2023)
Key Management Personnel	Mr Mark Smith	Chief Executive Officer
	Mrs Lesley Brook	Director of Care/Deputy CEO
	Mrs Katie Lumsden	Director of Finance
	Ms June Morton	Director of Human Resources
	Mr Paul Morgan	Director of Fundraising & Communications
Bankers	Royal Bank of Scotland Plc Drummond House, 1 Redheughs Avenue, Edinburgh, EH12 9JN	Barclay's Bank Plc PO Box 612, Ocean Way, Southampton, SO14 2ZP
Solicitors	Blake Morgan New Kings Court, Tollgate Chandlers Ford, SO23 9DA	Gardner Leader White Hart House 24 Market Place, Newbury, RG14 5BA
Independent Auditor	Crowe U.K. LLP Aquis House 49-51 Blagrave Street Reading Berkshire	

Chairman's Statement

Message from the Chair

I am pleased to present the Annual Report and Accounts for Wessex Children's Hospice Trust known as Naomi House & Jacksplace Hospices, as my first report for the charity following my appointment as Trustee in June 2022 and Chair from January 2023.

I am delighted to have been appointed as the new Chair for Naomi House & Jacksplace following relocation to the area served by the Trust. Having previously been Chair of Myton Hospices in Warwickshire. The opportunity to be become Chair of the region's leading specialist hospices for children and young adults was just the role I was looking for. Since my appointment, I have had the chance to meet many of the staff and volunteers who work at the hospices and some of the children, young adults and families we support. I am immensely impressed and proud of the excellent services we provide and look forward to working with my fellow trustees and all the staff, volunteers and supporters of the hospices to develop our services further.

One of my first tasks as Chair is to recognise and thank my predecessor Faith Ramsay for her wonderful service and commitment to the charity over the last ten years, firstly as Trustee and Chair of the Finance Risk and Audit Committee and for the last three years of her term of office, as Chair of the Board of Trustees. During that time, the Charity has seen significant change, not only to the physical buildings in which we operate, but also to the type of services we now need to provide. With the opening of Jacksplace in 2010 and the refurbishment of Naomi House in 2014 we have beautiful state of the art hospice buildings set in the wonderful grounds of the Sutton Manor estate, which provide amazing facilities for the children, young adults and their families who we serve.

Our services are becoming increasingly complex due to medical advances resulting in more children and young people living into adulthood. This means there is a greater need for the provision of Specialist Palliative Care Services and the need for greater investment into the development of staff and workforce to ensure these constantly changing care needs are met. Naomi House & Jacksplace have been working towards these aims for many years working in association with University Hospital Southampton and through the establishment of a specialist consultant team of three, working across the development of Specialist Palliative Care Services, Education and Training and Transition services, we continue to play an important part in the delivery of these now and into the future.

2022-23 has seen a further year of recovery and rebuilding of our services to post pandemic levels although we still have some way to go before we achieve similar volumes of services. We have throughout, continued to remain open 24/7 across both Naomi House & Jacksplace hospices, always responding to end of life care, symptom management, step down and emergency respite when we can and continuing to provide planned respite to families, alternating weeks across the hospices. With the continuing national challenge of nurse and social care staff shortages, we are not isolated from the challenges of recruiting and retaining a qualified staff team which this year has also seen difficulties in recruiting medical cover too.

In response to the challenges of the nurse shortage, we have during the year embarked upon a successful programme of international nurse recruitment and had the opportunity to invest in property in the village of Sutton Scotney, allowing us to provide nurse accommodation for our international recruits and in some cases, their families too. This initiative has seen us recruit six new qualified nurse colleagues from countries across Africa, adding to our workforce whilst bringing a renewed diversity and wide-ranging experience to our team. We also kept pace with the NHS pay review ensuring we remained competitive and indeed ahead of NHS pay through the introduction of a recruitment and retention scheme to encourage nurses and carers to join and remain with us.

All of these initiatives are aimed at providing great services to the children, young adults and families who need us whether it is in the hospices, emotional support and play services in the home, or in hospital through our links with University Hospital Southampton. We continue to develop collaborative approaches with other hospices both children's and adult's locally and play a contributing role in the development of the new Integrated Care Boards.

Financially we have adapted our Fundraising activities to meet changing donor behaviours providing more individualised opportunities for supporters to donate and connect with the work we do. Our Corporate and Trust fundraising has also performed well and our Retail performance continues to exceed expectations. It is however a challenging fundraising market with high competition and restricted disposable income due to the ongoing cost of living crisis.

With only 12% of our income from Government sources, we are able to provide the services we do only due to the continued support of individuals, groups, trusts and companies in the community with the majority of our income coming from voluntary sources, legacies and through our shops and lottery programme. Therefore, I would like to thank everyone who has supported us in the past and continues to do so. We couldn't do what we do without your generous donations.

Finally, on behalf of the board, I would like to extend my grateful thanks to the senior management team, all the staff in every part of the organisation and the very many volunteers for their dedication and unstinting hard work in what continue to be challenging times for everybody.

Andrew Meehan
Chair of the Board of Trustees

"As a young woman with a chronic disability, it's difficult to watch friends and family having independent lives. Coming to Jacksplace gives me that independence, even though I am fully dependent on care. Being away from family and my day-to-day care allows me the much-needed space from my daily routine."

Lucy

Trustees' Report

The Trustees are pleased to present their annual report and accounts of the Charity and its subsidiary for the year ending 31 March 2023.

The accounts have been prepared in accordance with:
- the Charities Act 2011
- the Companies Act 2006
- the Memorandum and Articles of Association (incorporated on 15 April 1991, last amended 9th October 2018)
- the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Vision and Mission

OUR VISION

Is that every child, young adult, and their families receive the care services they need, when and where they need them, and for as long as needed.

OUR MISSION (The Charity's Objectives)

Is to provide high quality care services to children, young adults and their families and through innovation, partnership working, good governance and leadership, to ensure their sustainability for the future.

Underpinning our vision and our mission, are our core values:
- People focus
- Openness
- Pride
- Ambition
- Resourcefulness

We place great reliance on committed staff and volunteers, whether they are caring for children, raising money or providing essential administration. Living our values will continue to be a strong theme as we ensure that everybody, paid or otherwise, is valued and respected for their contribution to our work.

Governance and Public Benefit

The Trustees hold legal responsibility for setting the strategy of the charity and for ensuring the group complies with the Companies Act, Charities Act and Statement of Recommended Practice.

The Trustees delegate the day-to-day operational management of the charity to the Chief Executive and the Senior Management Team to facilitate the effective delivery of the charity's aims and objectives and to ensure compliance with all regulatory requirements.

The Trustees have many responsibilities that can be summarised as two overriding objectives:

- The first is to ensure that the Trust has a well-defined strategy and is well managed, particularly in terms of safeguarding and supporting children, young adults and their families.

- The second is to ensure the long-term financial sustainability of the Trust in an increasingly uncertain environment and continued inflationary pressures, through prudent use of commissioned and charitable income and control of expenditure.

As a Board we are confident that, while uncertainty remains around income and the cost-of-living crisis, the immediate and foreseeable future of the organisation is secure.

The aim of Naomi House & Jacksplace, is to provide end of life care, symptom management, step down, emergency and planned respite care to children, young adults and their families who live with a life-limiting or life-threatening condition. We operate across the south-central region providing services to families in Hampshire, the Isle of Wight, Berkshire, Dorset, Wiltshire, West Sussex and West Surrey. Our beneficiaries' ages range from babies to young adults up to 35 years and their families. It is entirely consistent with the charity's objective as set out in its governing document, and statement of purpose. Services are delivered free of charge to beneficiaries or are provided under funded arrangements with Statutory bodies.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The core policy of the Trustees is to put families at the centre of our work and to support parents, carers, siblings and other family members, as well as the life-limited children, and young adults.

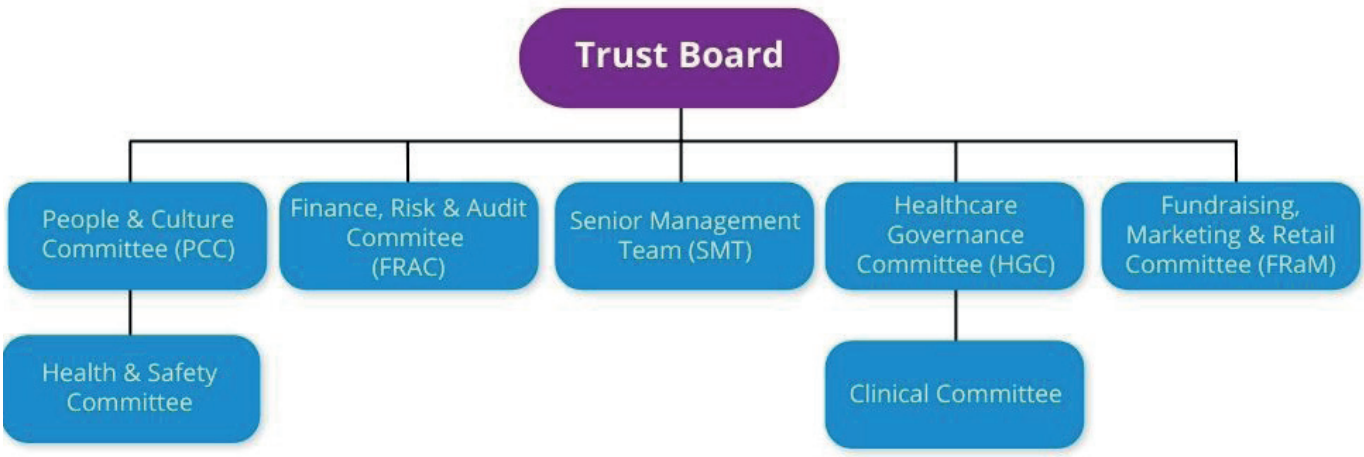
Structure and Management

The organisation is a charitable company limited by guarantee, incorporated on 15 April 1991.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trust is run by a Board of Trustees, which sets and monitors strategy and policies. The Board delegates authority to deliver the strategy to the Chief Executive and staff. The Board meets quarterly to receive reports of all the principal activities of the Trust. Two special meetings are arranged each year for Trustees to discuss and review the strategy.

Board Committee Structure
Trustees have established standing committees, each with its own terms of reference, as follows:



Trustees' Report Cont.

Trustees are elected in accordance with the memorandum and articles of association by the Trustee Members of the Trust. There are currently 13 Trustee Members who hold voting rights and 33 Advisory Members, all of whom have liability limited to £10.

In line with best practice and the Charity Governance Code, the Board continuously seeks to enhance the diversity of its skill set. Trustees are recruited following open advertisement, are subject to a rigorous interview, probationary period, and induction to support them in becoming effective members of the Board, working in the best interests of the charity. This includes formal Trustee Training with our professional legal advisors and through online training courses. We have this year appointed a new Chair to succeed our former Chair, Faith Ramsay, whose term of office including a one-year extension due to Covid-19 concluded in December 2022.

In February 2022, the Board and Senior Management Team undertook a Governance Review using the Digi-Board online review tool, which is based upon the Charity Governance Code. It includes additional areas of Board Behaviours and Culture, Safeguarding, Governance of Committees, Income Generation and Use of Digital, which then provides an Overall Governance Rating. The Digi-Board Overall Governance Rating scored "Very Well" or "Quite Well" in 15 of the 16 principles and highlighted that we are "OK but could do better" in the principle of Equality, Diversity & Inclusion. Trustees have undertaken work to address the areas for improvement including reviewing the charity's Purpose, Vision and Mission and will continue to progress this work into 2023 by reviewing organisational Values in support of our Equality, Diversity and Inclusion aims.

Equality, Diversity & Inclusion

At Naomi House & Jacksplace, we appreciate how important it is to create a welcoming environment. While a building and its surroundings help to do that, it's our philosophy and ethos that really show who we are and what we can achieve. That is why we are launching an Equality, Diversity and Inclusion Plan to ensure that we create a truly positive and welcoming place for everyone who interacts with us.

The aim of our philosophy is simple: we want Naomi House & Jacksplace to be a place where everyone feels valued, respected and included regardless of their background, identity or experiences; somewhere where they feel they belong. We aim to create a culture where everyone, no matter what race, age, physical ability, religion or sexual orientation, can access our services, work for us, or support us.

The objectives of our plan are clear: as a whole team we will:

- Ensure that all families, children and young people of all backgrounds receive the same high standard of care and support.
- Ensure that opportunities are open to everyone.
- Ensure that our employment practices do not discriminate against group or any individual.
- Promote equality, diversity and inclusion through training and education, understanding and awareness.
- Ensure that the Values of the organisation reflect a Trust wide commitment to equality, diversity and inclusion.
- Encourage feedback from all groups who interact with us, giving us new perspectives to further develop and enhance our culture.
- Develop programmes with organisations and communities who share our commitment to equality, diversity and inclusion.

In our ever-changing society, accepting and welcoming people and their differences is vitally important. Over the next two years we will adopt new practices that enable us to do that. Those practices, will become second nature as we all grow and develop with our wonderful cause, making us an organisation that truly champions equality, diversity and inclusion, a place where everyone feels they belong.

Environmental, Social and Governance (ESG)

We are dedicated to modernising our workplace so that we can meet the needs of our children, young adults and families and thrive for the future.

The Board is driving our leadership team on environmental, social and governance (ESG) and are committed to developing a plan to act on environmental sustainability, drive progress on social issues and reinforce our commitment to strong governance.

As a whole team we will aim to:

Make a positive impact on our environmental sustainability.
Scientific reports continue to reinforce the urgency of climate change and we all have a role to play. It is important that ESG factors in all decision-making processes, ensuring we are here for our future children.

Progress Social Issues
As a charity we have a social impact: providing a safe, supportive, and inclusive environment for our service users. Striving to make progress on our equality, diversity, and inclusivity plan and promoting awareness and understanding through advocacy and education of the issues facing children with life-limiting and life-threatened illnesses.

Reinforce our Commitment to Strong Governance
Strong governance is essential in any organisation, but particularly so in a children's hospice, where the well-being and care of vulnerable children is the top priority. To strengthen our commitment to strong governance we will develop clear policies and procedures, strengthen the diversity of our board trustees and directors, fostering a culture of transparency and accountability, achieved through investment and development of our staff.

This year we are delighted that we've taken positive steps to improve our ESG impact. These initiatives demonstrate our commitment to sustainability and responsible practices. The actions we have taken include:

Governance Review: Conducting a governance review shows our dedication to ensuring strong ethical practices, transparency and accountability within our organisation.

Electric Vehicle Purchase: By purchasing our first electric vehicle, we have made a significant stride towards reducing our carbon footprint.

Assessing Solar Panel Potential: Exploring the potential for solar panels demonstrates our commitment to renewable energy sources.

These initiatives are important steps towards integrating ESG considerations into our organisational culture, ensuring our actions align with sustainable practices and contribute positively to the well-being of the children, young adults and families we serve. Demonstrating our commitment to provide the best possible care while minimising our environmental impact and promoting social responsibility.

Trustees' Report Cont.

Strategic Report

The financial year 2022-23 saw the Trust's activities continuing to recover and rebuild services to pre-pandemic levels and was midway through our 2020-25 Strategy.

Our key strategic aims;

Continue to Make a Difference to Families Everyday
By meeting their needs, delivering high quality specialist care services and to be there when needed.

Afford our Ambitions
Increase our statutory, voluntary and earned income whilst managing costs to develop services in a sustainable way.

Be at the Forefront of a Changing Healthcare Landscape
Maximise the opportunities presented by the NHS Long Term Plan and new NHSE CYP (Children and Young People) Service Specification to work more collaboratively together with other providers and statutory bodies, to improve services for children, young adults and their families.

Our achievements and progress against our key objectives;

Continue to make a difference to families everyday
- 533 children, young adults and their families supported
- The equivalent of 1,803 bed nights provided through overnight and day services
- 32 families receiving End of Life, Symptom Management or Step-Down Care
- 186 children, young people and their families receiving respite or emergency respite care
- 240 sessions of Hydrotherapy and Swim therapy
- Multi-disciplinary in-house Neuromuscular clinics throughout the year

Afford our ambitions
- Income of £7.9million generated.
- Expenditure of £8 million producing an operational deficit of £126k.
- Delivering a safe environment within budget.

Be at the forefront of a changing healthcare landscape
- Member of the Wessex CYP Managed Clinic Network Steering Group.
- Working closely with colleagues from University Hospital Southampton to develop the CYP Service Specification and Network Strategy for the future.
- Active member of the Hampshire & Isle of Wight (HIOW) Hospice Collaborative of 5 hospices holding a place on the HIOW Palliative & End of Life Care Board.
- Membership of the Together for Short Lives Advisory Council representing Children's Hospices Nationally.
- Collaboration with other children's hospices across the region working clinically to improve family choice and place of care.

The Trustees believe we are well positioned for the future. Through continued community support for our work and with our strong financial position, we've been able to make some important investments for the future and plan to continue to do so. The purchase of staff accommodation to assist with nurse recruitment and retention in 2022, along with a planned capital programme of nearly £1.2m in 23/24 including the purchase of a Holiday Lodge in the New Forest helping us to achieve and extend our charitable objectives going forward.

The Trustees plan to increase staff numbers with the aim of increasing services, which will add to the underlying cost base and thereby put the current level of reserves to good use in forthcoming years.

Risk Management - Principal risks and uncertainties

A risk register is at the centre of the Trust's risk management process. It is regularly reviewed by the senior management team and scrutinised by committees for onward presentation and approval by the board. Risk management is inherent in all the charity's activities and key risks broadly cover patient care, data protection, finance, fundraising, governance and compliance, health and safety and information technology including cyber-attack.

During 2022/23 we have transferred our Risk Register onto the Vantage system enabling risks to be more regularly reviewed and assessed by colleagues across the organisation. The Vantage system is also where Incident Reporting is recorded and so our intention is to have a more dynamic Risk Register informed by the incidents recorded and will be an organisational wide system improving the management of incidents, health and safety reporting and risk management overall, providing an organisational view of risks and controls.

Our currently identified key risks are:

- The challenge of recruiting skilled staff, particularly nurses, affecting our ability to deliver and develop services – this is being managed through looking at new opportunities to hire and train nursing staff, for example through the apprenticeship scheme, international recruitment, and the establishment of shared service level agreements with NHS hospitals.
- Failure to safeguard children and vulnerable adults adequately – this is mitigated through regular safeguarding training for both staff and volunteers and DBS checks.
- Significant changes at short notice to funding arrangements and income generation activities – this is mitigated through holding a strong financial reserves position.

The Trustees have put in place mitigating measures to manage these risks and monitor the likelihood of these risk events occurring. It is felt that the financial and reputational impact on the Trust, is well controlled. Regular review and updates are managed through the charity's Risk Register and through review by internal governance committees.

Clinical governance is overseen by the Clinical Committee monthly and Healthcare Governance Committee quarterly. The Fundraising, Retail & Marketing Committee monitors the income streams of the Trust. The Finance, Risk & Audit Committee advises the Board on all finance and risk matters, and makes appropriate recommendations, when required. This includes reviewing the annual accounts and budgets, as well as appraising investment performance. The Board receive regular reports from the People & Culture Committee which oversees health, safety, mandatory training and organisational culture.

Trustees' Report Cont.

Care Services

In 2022/2023 we focused on putting the restrictions of the pandemic behind us and returning to the service delivery and activity of pre-pandemic times.

However, the shortage of nursing staff has meant that hospice occupancy has still been limited, despite this we have provided more bed nights in 22/23 than we did in the previous year. The number of beds available for service users to be admitted to is flexed according to staffing and the acuity and dependency of the children and young people to maximise occupancy. This is planned through a duty rota but also reviewed on a shift-by-shift basis. Unfortunately, one area of the service we have little control over is when families cancel their stays with us, however, in 22/23 we managed to replace a third of these nights at short notice.

In addition to respite stays both hospices also provided:

- First Nights (family stays overnight for the very first time) – 44 nights.
- Crisis/Supportive care – 23 nights.
- Symptom management – 24 nights.
- Step down care (transitioning from hospital) – 70 nights.
- End of life care – 142 nights.
- Bereavement care – 65 nights.

Our international nurse recruitment programme has been a major focus through the year with the challenges of training and NMC registration, alongside psychosocial and cultural integration for the whole team. However, by March 2023 we had reached a point of supporting 5 NMC registered nurses working independently within our care team.

Despite our successful international recruitment, nurse vacancies continue to be a challenge for the organisation, in line with national shortages, and impacts on the provision of service. This is particularly acute for senior paediatric registered nurses. Our marketing team have worked with the care team to create a recruitment video to try and increase our reach for attracting nurses.

Across the year our delivery of end-of-life care, both within the hospice and in supporting community teams when children are at home, has increased. As have symptom management stays to avoid hospital admissions and step-down care which reduces the length of a hospital stay. These admissions are supported at Naomi House by the continuing development of our relationship with the Specialist Paediatric Palliative Care (SPPC) team at University Hospital Southampton (UHS), our two SPPC consultants whom we share with that team. At Jacksplace, our relationship with the Adult Palliative Care team continues to develop through the cross-organisation working of our Associate Specialist in Palliative Medicine and our newly appointed Clinical Nurse Specialist.

Another development for reducing our service user's time in hospital is the partnership between Jacksplace and UHS to deliver a one stop clinic for young people with Duchenne Muscular Dystrophy (DMD). This is the first of its kind in the UK and allows young people to attend a clinic at Jacksplace, which combines the majority of their annual appointments in to one day. The various clinical specialities involved include palliative care, neurology, cardiology and physiotherapy. The innovative clinic also frees up hospital time and means the young person doesn't have to attend multiple appointments throughout the year. The benefit for young people was publicised in the local media including a short film on the local news.

Young people from Jacksplace have also directed and produced a short film which introduces Jacksplace services from their perspective which will be used in marketing, for professionals and other young people.

Naomi House has developed its day service to a monthly session for parents/carers to attend with their child to enjoy themed activities and social play sessions including music and Makaton signing. We also enjoyed themed activity weekends for those in house for respite, facilitating Jubilee activities, teddy bears' picnic and pirate adventures.

Expansion of services for the forthcoming year include a research nurse post and a dedicated post for joint working between the hospices and the local community nursing teams to support palliative and end of life care at home.

Our Impact

14-month-old Logan-Ann is a happy and content little girl with an infectious smile who loves to be held and cuddled. She has Down's Syndrome (Trisomy 21) and a heart condition, together with respiratory and gastrointestinal problems.

Logan-Ann is supported by Naomi House & Jacksplace where she receives the complex nursing care that she needs. Logan-Ann's mum, Emma, shares their story.

Staying at Naomi House makes such a difference to me. For instance, it means I don't have to get up at 5.30 in the morning to get Logan-Ann's first feed going and sort out her medication. The care team will take care of all of this for me. I know that I can have that down time that I don't get when I'm at home.

While I'm at Naomi House, it means I can actually breathe and let myself relax because I know that the staff are highly trained, so it's not down to me to watch every little thing that Logan-Ann is doing. It helps me unwind and I go home refreshed and more settled in myself, even if it is just for one night. It's just a pleasure to be there.

We try and treat every day as special and cram each one with making memories. Having the support of Naomi House means that Logan-Ann can have the care that she needs and she can do things that we aren't able to do at home.

Children's hospices are vital and so incredibly important to children like Logan-Ann. But it's not only about the children, they are there to support the parents too.

Fundraising, Retail and Marketing Review

In recent weeks, the term perma-crisis has been used in a couple of national fundraising conferences to describe the wider operating environment that fundraisers are working within. Whilst this is not reflective of the operational base of Fundraising, Retail and Marketing in Naomi House & Jacksplace, the term does highlight pressures and challenges around us during the past year. Whatever your perspective, income generation and voluntary giving has experienced a variety of challenges, and whilst some challenges provide opportunities, one thing is certainly true; namely, that the fundraising, retail and marketing teams have had to make multiple adjustments throughout the year. Some of these highlights and challenges are noted below.

On a national level, the optimism and positive expectations associated with emerging from COVID quickly evaporated in the Spring as eyes turned to Russia and Ukraine. The impact of the heartfelt response to events in Eastern Europe saw cash and goods that might have gone to our appeals and Charity retail operations given in support of the people of Ukraine. Add in the evolving impact of increases in interest rates and the cost of living and it is understandable that there should be an impact on consumer confidence and giving behaviour.

Despite the above, our Flagship fundraising event, the Clarendon Way Walk, returned to its more regular spot in June. We were pleased to once again offer a selection of options for participants, including Ultimate Clarendon, which saw participants walk between Salisbury and Winchester and back again. We are grateful that ATR Winchester once again provided a team of Army recruits to support the day. We were equally pleased that so many corporate supporters and volunteers not only took part in the event, but also volunteered throughout the evening and into the small hours of the morning to support and encourage our walkers.

In the early summer Steve Radjen, one of our long-standing Trustees and our most prolific individual fundraiser celebrated his 60th Birthday. Steve has undertaken a variety of endurance challenges over the years and for his 60th Birthday decided to run 60 marathons in 60 days. Steve planned to start his challenge in August and invited family and friends to run with him for this super-human daily challenge. Very quickly, it was apparent that something was not going as planned. Steve lost nearly 10Kg in the first few days of running. Guided by his wife, family, friends and close advisors, Steve was forced to withdraw from his challenge until his body had recovered. Amazingly, Steve remained determined to complete the endurance challenge and the whole team were delighted to welcome Steve and his supporters to the hospices when he completed his 60th marathon on 18th February 2023. A huge thanks to Steve and the whole family for their incredible achievement. Apart from the achievement of the marathon, Steve's wife and several friends organized a spectacular, gala fundraising evening in Lymington. Collectively, 60 in 60 raised in excess of £200,000 for the charity.

Another highlight for us in the year is a grant received via Southampton Hospital Charity as a portion of the money that was raised by the sale of a Banksy's "Game Changer" picture. The incredibly generous donation will be used to fund services that add value to the work of our NHS partners over a two-year period.

Although there are several other noteworthy successes, the past year has also posed several challenges. Giving habits have certainly changed. Participation in charity and commercial events is different. People are signing up later and participants are reporting that people are more cautious when it comes to sponsorship. Donations from postal campaigns and appeals has also been impacted, and whilst we are pleased with the results during the year, we are working harder to demonstrate value and impact from the support we receive.

Trustees' Report Cont.

As a consequence of the above, the Fundraising Management Team, including the Head of Retail, have focused over several months on the key levers that we can continue to influence to positively impact on giving and return on investment. Securing a canvassing partner for our lottery is one part of this. Other elements include increased focus on stewardship and retention as well as enhancing the donor experience to maximise their engagement with the charity as well as overall lifetime value of each supporter relationship we enjoy.

In summary, whilst we recognise the wider factors influencing the propensity to give generally, Naomi House & Jacksplace continue to hold a special place in the heart of the communities we serve. Our aim in the coming year is to continue to demonstrate the value, impact and relevance of the work we share with those communities and engage, maintain and enhance meaningful and appropriate relationships with those elements of the community that continue to support us.

Fundraising Statement

Naomi House & Jacksplace enjoys the support of volunteers and paid employees supporting the fundraising for the charity. Fundraising volunteers are central to our effectiveness as a wider voluntary giving team. They operate at all levels of the fundraising mix. Some give their time to help assist in the delivery of events and activities, others have specific roles that they help with in the office. There are others, such as Ambassadors, that have specific volunteering duties, acting as representatives of the charity at functions or events. In turn, they support, and are supported by an experienced and skilled employed fundraising team. The added capacity and value that volunteers bring to the team enables colleagues in the office to work with greater focus and with greater capacity, confident that the organisation is represented appropriately with similar support and resourcing to any other member of the team. Overall, the team are line managed by function and supported to work all aspects of income generation for the charity.

We also continue to support our Retail operation made up of a warehouse, 21 shops, and a mix of paid and volunteer delivery drivers. The team is overseen by the Head of Retail who reports to the Director of Fundraising and Communications. This year John Egan, who guided the team so ably for the past six years decided that he would retire in the Autumn. We successfully appointed a replacement, Rob Gordon, who had one month's handover before taking over the role. Sadly, in early January 2023, we learnt that John had died unexpectedly whilst on holiday in Scotland. We send our sincerest condolences to John's widow and family.

The income for the charity includes voluntary giving from the Community, Retail and an established Lottery operation. In recent years we have struggled to secure an appropriate canvassing agency. However, in mid-December 2022, we began discussions with The Fundraising Partnership. Following appropriate due diligence, they were appointed as our canvassing agency early in December. They are supported in role by our External Lottery Manager – Starvale Management and Technologies. Naomi House & Jacksplace continue to be members of the Hospice Lotteries Association.

Naomi House & Jacksplace is registered with the Fundraising Regulator and carries the Fundraising Regulator Logo on the website as a sign of our ongoing commitment to the principles and aims of that body and sector best practice.

Moreover, members of the fundraising team receive regular training and updates supporting their knowledge and understanding regarding changes. We do this via a combination of regular team training sessions, 1:1's and induction training. Throughout the year, the Fundraising Management team incorporate learning from external training and resources via monthly team learning and sharing sessions.

The Director of Fundraising remains Chair of the regional association of the Chartered Institute of Fundraising and regularly offers the team opportunities to join or take part in free or low-cost training and peer to peer networking sessions. All new fundraisers are encouraged to take the Chartered Institute of Fundraising's Fundraising Foundation Course.

The Fundraising Management Team continually monitor guidance and regulations from the Charity Commission, the Fundraising Regulator, and the Gambling Commission. Specifically, we review information relating to GDPR, data protection and the Gambling activities.

In the past year we have received just two suppression requests from the Regulator. Both of which have been actioned and addressed. All complaints that we receive in relation to income generation activities are reviewed by the Board Sub-Committee responsible for Fundraising, Retail and Marketing on a quarterly basis. We received a total of 14 Complaints – all of which were investigated and resolved. We reported two Serious Incidents to the Charity Commission; both related to persons who are alleged to have held fundraising events in our name. These have been reported to Action Fraud and are subject to criminal investigations. Neither incident involved Naomi House employees.

As we have a Lottery, we are alert to the needs of vulnerable people and use the framework from the Gambling Commission and the Code of Fundraising Practice to guide our approach to dealing with any such individual or group. In the Retail operation each shop has a manager and assistant who undertake regular training in these areas supported by Relief Managers our volunteer coordinator and the HR partner. Each shop displays information on contacts for anyone to report concerns. All staff undertake relevant Safeguarding and Health & Safety training.

We provide Third Party fundraisers with a fundraising agreement. This sets out expectations in regard of health and safety arrangements together with information for insurance, cash handling etc. We acknowledge donations electronically or by post and provide receipts on controlled stationery for staff involved in cash collections.

Human Resource Review

Businesses across the world experienced a new people challenge in 2022. This time it was not caused by the impact of a pandemic but by the rising pressure of record numbers of job vacancies, skills shortages and increased wage demands. In the UK we experienced industrial action not seen for decades with public sector staff including nurses taking to the picket lines. The rising cost of living impacted everyone as prices of food and utilities increased due to the impact of the war in the Ukraine, and the CIPD, the professional body for HR practitioners urged all employers to provide whatever financial support they could to help ease the pressure on their people.

We responded to our own challenges quickly. Our main priority for many years has been the recruitment and retention of nurses and in 2022 we embarked on an international recruitment campaign, managed in house by our HR team. The project was a success and by the end of the calendar year, we had welcomed six new colleagues from Africa to the team. Once in the UK, they began their intense training to obtain their UK registration, and all have now received this and are able to work as fully registered nurses.

As well as recruiting these new colleagues we have offered them extensive pastoral support which continues as they learn to adapt to a new way of living and working. We were also acutely aware of the challenge of working in a remote location and took the opportunity to purchase a block of flats in the village which we now rent to the new nurses.

Trustees' Report Cont.

In addition to our international colleagues we continue to look for highly skilled UK trained nurses. The Board approved a recruitment and retention payment scheme worth up to £5,000 across three years for all our nursing staff, and up to £2,500 for our carers. Payments from the scheme will start from the end of 2023. We are also committing to keeping the rates of pay for nurses in line with the NHS. Whilst we are aware that this increases our spending, we realise that without a team of motivated nurses, we will be unable to deliver our services to the families who depend on us.

After extensive research we also agreed to a one-off cost of living support package of £750 for all staff below Senior Management Team level and this was paid to staff in November.

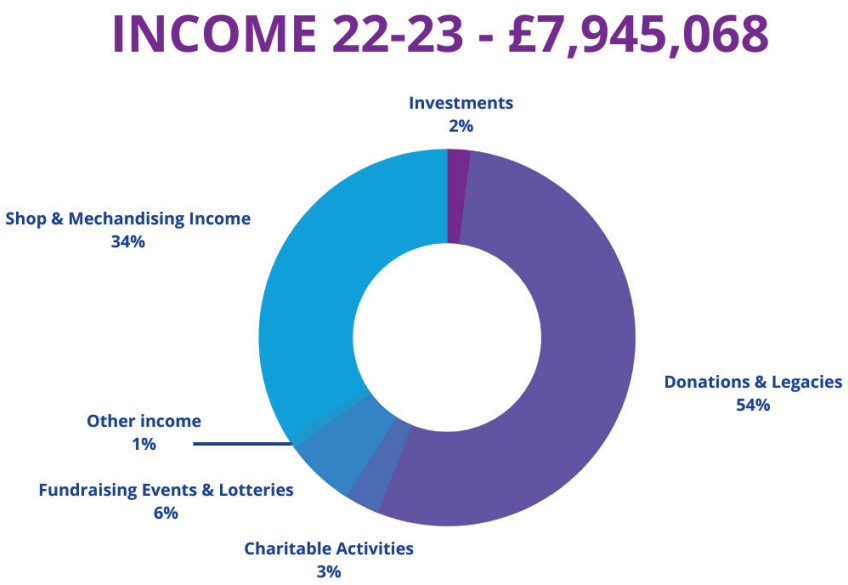
People and their well-being has been a focus for the Trust over the last year, and in February we were re-accredited as an Investors In People organisation. We are now embarking on new initiatives to redefine our Vision, Mission and Values and to continue to develop a culture which is welcoming and inclusive.

Financial Review

Despite successfully managing through the challenges posed by the Covid-19 pandemic, the financial landscape in 2022/23 remained demanding due to various factors such as the ongoing war in Ukraine, rising inflation and a cost-of-living crisis however, our financial health has remained strong.

In terms of our financial performance for the year, we had initially planned for an in-year deficit of (£420,000) excluding investment gains and losses. The financial year ended with an operational deficit of (£126,440) with an unrealised loss of investments of (£200,999), resulting in an overall deficit for the year ending 31 March 2023 of (£327,439). At the end of the financial year total funds held are £30,323, 789 (2021: £30,651,228). For a detailed breakdown of the total funds held, refer to page 43.

Total income for the year ending 31 March 2023 amounted to £7,945,068.



NHS England continued to support our services through the Children's Hospice Grant Scheme with an increased annual grant of £754,769 (2022: £620,755). Income from Integrated Care Boards (ICB's) was £192,077 (2022: £211,975).

Our retail network of 21 shops (2022: 21) has had an outstanding year, contributing significantly to our income. The shops sold donated goods as well as a small quantity of bought-in-goods, generating a total income of £2,671,639 (2022: £2,352,717). This represents a 13.5% increase in sales from the previous year. The growth in sales demonstrates the success of our retail operations and the support we receive from the community.

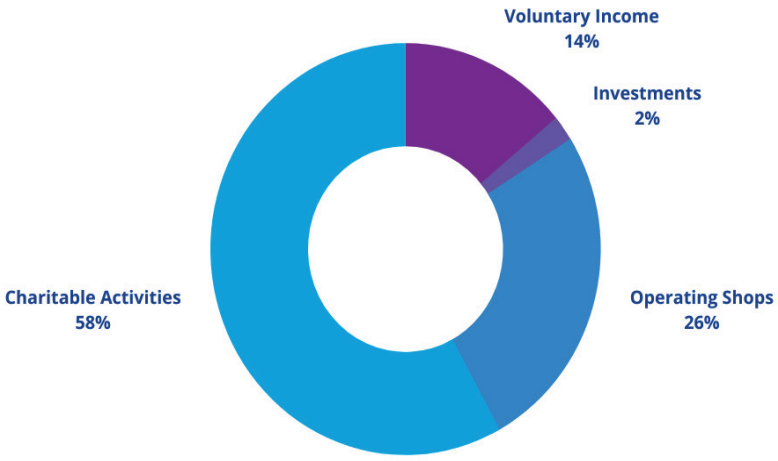
Retail Gift Aid claimed from HMRC totalled £136,876 (2022: £115,948). Our retail network has also benefited from the reduction of business rates on retail premises, which is a government support measure.

Naomi House Children's Hospice Trust is a wholly owned subsidiary of the Trust. The subsidiary is the agent for the Retail Gift Aid Scheme along with carrying out all trading activities. All profits from the trading activities can be gift aided to the Trust, subject to HMRC regulations, benefiting the charity by reducing any corporation tax liability. During the year the trading activities improved slightly from 2022, with sales of £20,103 (2022: £18,463).

While our service provision was reduced during the pandemic, the Board made efforts to increase our services with the understanding that it would lead to an increase in our cost base. Consequently, total expenditure for the period 2022/23 increased by over 12%, reaching a total of £8,071,508 (2022: £7,195,492). The increase in expenditure was driven by maintaining competitive pay levels to attract staff and the additional costs associated with high inflation.

Managing these financial challenges requires careful planning and resource allocation. It is crucial to continually evaluate our cost effectiveness and explore opportunities for efficiency gains without compromising the quality of care we provide.

Expenditure 22-23 - £8,071,508



Trustees' Report Cont.

Investments

The Trust's investment portfolio had a value of £15,287,505 as at the 31 March 2023. The capital value of the investments experienced a decrease of (£200,999) (2022: increased by £1,133,598) during 2022/23.

The management of the Trust's investments portfolio is entrusted to an independent fund manager, Veritas, in accordance with the Trust's investment policy. The investment managers objectives are "real return on a rolling 5-year view with an emphasis on capital growth with income" they achieved 42.9% over the 5-year rolling period.

Veritas actively monitor and assess the Ethical, Social and Governance risk associated with companies in which they invest, with the majority of investments rank in the top 20% for ESG risk compared to their peers.

The value of the Trust's investments was influenced by events throughout the year on the value of our investments. Despite experiencing a significant decline in investment value, the Trust maintained its long-term investment commitment and added £1million in cash to the portfolio. As a result, the year concluded with a small unrealised loss of (£200,999).

Looking ahead to 2023/24, the Trust anticipates another deficit year, projecting a deficit of (£685,000) along with planned capital expenditure of £1.2 million. These circumstances may necessitate accessing some of the cash held within the investment portfolio.

It is important to maintain a long-term perspective in managing investments and to consider market conditions. The Trust's commitment to responsible investing and its partnership with an independent fund managers will continue to play a crucial role in navigating the challenges and optimising returns over the long term.

Reserve Policy

The purpose of reserves is to secure the future of our services and long-term obligation to the children, young adults and families we support. Our reserves ensure that we can sustain periods where our income is unpredictable and allows us to absorb our 2023/24 forecast deficit of (£685,000).

It is the opinion of the Trustees that it is prudent that the Naomi House and Jacksplace services require ideally reserves of 18 months, to ensure the continuity of care, in the event of a large fluctuation of income. The balance at the 31 March 2023 of £4,848,000 for the Naomi House designated fund and £3,893,000 for the Jacksplace designated fund represents a coverage of 18 months of care and fundraising costs.

Free Unrestricted Reserves	£3,342,071	11%
Free Reserve - Non-Charitable Trading	£11,359	0%
Free Reserves - Revaluation Reserve	£4,354,345	14%
Designated Funds Reserves	£15,998,311	53%
Restricted Funds (Including endowment)	£6,617,703	22%
Total Funds	£30,323,789	100%

The general unrestricted reserves funds decreased as at the 31 March 2023 to £3,342,501 (2022: £4,173,302) this decline can be attributed to increased annual costs and an unrealised loss on our investment portfolio.

Financial Sustainability

On behalf of the Board, the Finance Risk and Audit Committee (FRAC) has undertaken a detailed review of the cashflow forecasts, unrestricted reserves and investment position of the group and has provided assurance to the Board of the sustainability of the group for the foreseeable future.

Key financial sustainability considerations were:

- Strong balance sheet of £30,323,789.
- Investment Portfolio of £15,287,505.
- Annual capital plan programme of £1.2m.
- Robust financial management ensuring value for money.
- Management team focused on service delivery.
- Board's desire to utilise reserves for service provision.

Strategy 2020-25

As we approach the three-year mark of our current strategy, we are pleased with the accomplishments we have achieved, as highlighted in our strategic report. Our key objectives have been:

- Continue to Make a Difference to Families Every Day
- Afford our Ambitions
- Be at the Forefront of a Changing Healthcare Landscape

However, over the past year there has been significant change in the Healthcare Landscape, notably the introduction of the Health and Care Bill which received Royal Assent and became an Act of Parliament on 28 April 2022. Additionally, the development of the Integrated Care Systems (ICSs) and Integrated Care Boards (ICBs) within the NHS has further transformed the healthcare landscape.

In light of these changes, the Board believes it is an appropriate time to review our current strategy to ensure its continued relevance and effectiveness.

Statement of Trustees' Responsibilities

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

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SOPR.
- Make judgments and estimates that are reasonable and prudent.

Trustees' Report Cont.

- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial; statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees undertake and complete training, as defined and required by the Board, and themselves, to ensure they can effectively perform their Trustee role.

Auditor

Crowe U.K. LLP have indicated their willingness to continue as statutory auditors to the Trust.

The Trustees approved this report, including the strategic report on 4th October 2023 and it was signed on their behalf by

Andrew Meehan - Chair

"The support of Naomi House & Jacksplace was amazing for our family. The specialist care and support they give is irreplaceable. It almost feels like you're up high in the trees and Naomi House & Jacksplace is your safety net. If we were going to fall, they were going to catch us."

Sophie & Sean, Reuben's mum and dad

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust

Opinion

We have audited the financial statements of Wessex Children's Hospice Trust (the 'parent charitable company') and its subsidiary (the 'Group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust Cont.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the Group for fraud. The laws and regulations we considered in this context for the charity were the Gambling Commission, CQC Regulations and General Data Protection Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of certain income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, Risk and Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust Cont.

For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

Janette Joyce (Senior statutory auditor)
for and on behalf of

Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrave Street
Reading
Berkshire
RG1 1PL

Date: 16th October 2023

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account)

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Donations and legacies	3	**3,184,820**	**1,106,891**	**4,291,711**	*4,267,531*
Charitable activities	4	**270,377**	**-**	**270,377**	*282,127*
Other trading activities:					
Fund raising events and lotteries		**510,730**	**-**	**510,730**	*879,462*
Income from shops and merchandising		**2,671,639**	**-**	**2,671,639**	*2,352,717*
Investments	5	**175,608**	**-**	**175,608**	*187,486*
Other income		**25,003**	**-**	**25,003**	*9,473*
Total income		**6,838,177**	**1,106,891**	**7,945,068**	*7,978,796*
Expenditure on:					
Raising funds:	6				
Voluntary income		**1,118,902**	**-**	**1,118,902**	*993,927*
Operating shops		**2,125,694**	**-**	**2,125,694**	*1,932,021*
Investments		**118,061**	**-**	**118,061**	*114,319*
Charitable activities	7	**3,413,444**	**1,295,407**	**4,708,851**	*4,155,225*
Total expenditure		**6,776,101**	**1,295,407**	**8,071,508**	*7,195,492*
Net income/(expenditure) before net (losses)/gains on investments		**62,076**	**(188,516)**	**(126,440)**	*783,304*
Net (losses)/gains on investments		**(200,999)**	**-**	**(200,999)**	*1,133,598*
Net (expenditure)/income		**(138,923)**	**(188,516)**	**(327,439)**	*1,916,902*
Transfers between funds	18	**9,038**	**(9,038)**	**-**	*-*
Net movement in funds		**(129,885)**	**(197,554)**	**(327,439)**	*1,916,902*
Reconciliation of funds:					
Total funds brought forward	18	**23,835,971**	**6,815,257**	**30,651,228**	*28,734,326*
Net movement in funds		**(129,885)**	**(197,554)**	**(327,439)**	*1,916,902*
Total funds carried forward	18	**23,706,086**	**6,617,703**	**30,323,789**	*30,651,228*

The notes on pages 28 to 51 form part of these financial statements.

Consolidated Balance Sheet

Wessex Children's Hospice Trust - 02601495
As at 31 March 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	12		**11,785,232**		*11,993,676*
Investments	13		**15,287,505**		*14,615,933*
			27,072,737		*26,609,609*
Current assets					
Stocks	14	**3,522**		*14,450*	
Debtors	15	**1,626,436**		*1,656,234*	
Cash at bank and in hand		**2,499,009**		*3,060,523*	
		4,128,967		*4,731,207*	
Creditors: amounts falling due within one year	16	**(877,915)**		*(689,588)*	
Net current assets			**3,251,052**		*4,041,619*
Total net assets			**30,323,789**		*30,651,228*
Charity funds					
Restricted funds	18		**6,617,703**		*6,815,257*
Unrestricted funds					
Designated funds	18	**15,998,311**		*15,107,325*	
General funds	18	**3,353,430**		*4,173,302*	
Revaluation reserve	18	**4,354,345**		*4,555,344*	
Total unrestricted funds	18		**23,706,086**		*23,835,971*
Total funds			**30,323,789**		*30,651,228*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

Andrew Meehan
(Chair of Trustees)
Date: 4th October 2023

The notes on pages 28 to 51 form part of these financial statements.

Company Balance Sheet

Wessex Children's Hospice Trust - 02601495
As at 31 March 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	12		**11,785,232**		*11,993,676*
Investments	13		**15,287,507**		*14,615,935*
			27,072,739		*26,609,611*
Current assets					
Stocks	14	**3,522**		*13,685*	
Debtors	15	**1,626,527**		*1,659,697*	
Cash at bank and in hand		**2,477,964**		*3,042,583*	
		4,108,013		*4,715,965*	
Creditors: amounts falling due within one year	16	**(874,154)**		*(686,013)*	
Net current assets			**3,233,859**		*4,029,952*
Total assets less current liabilities			**30,306,598**		*30,639,563*
Total net assets			**30,306,598**		*30,639,563*
Charity funds					
Restricted funds	18		**6,617,703**		*6,815,257*
Unrestricted funds					
Designated funds	18	**15,998,311**		*15,107,325*	
General funds	18	**3,336,239**		*4,161,637*	
Revaluation reserve	18	**4,354,345**		*4,555,344*	
Total unrestricted funds	18		**23,688,895**		*23,824,306*
Total funds			**30,306,598**		*30,639,563*

The deficit for the Charity dealt with in the financial statements was £332,965 (2022: £1,912,548 surplus).
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Andrew Meehan
(Chair of Trustees)
Date: 4th October 2023

The notes on pages 28 to 51 form part of these financial statements.

Consolidated Statement of Cash Flows

Wessex Children's Hospice Trust - 02601495
For the year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	20	**549,829**	*1,905,863*
Cash flows from investing activities			
Dividends and interest from investments		**175,608**	*187,486*
Purchase of tangible fixed assets		**(285,413)**	*(919,185)*
Withdrawals from investment portfolio		**172,098**	*166,802*
Additions to investment portfolio		**(1,173,636)**	*(1,169,633)*
Net cash used in investing activities		**(1,111,343)**	**(1,734,530)**
Change in cash and cash equivalents in the year		**(561,514)**	**171,333**
Cash and cash equivalents at the beginning of the year		**3,060,523**	*2,889,190*
Cash and cash equivalents at the end of the year	21	**2,499,009**	*3,060,523*

The notes on pages 28 to 51 form part of these financial statements.

Notes to the Financial Statements

1. General information

Wessex Children's Hospice Trust is a registered charity (charity number 1002832) and a private company limited by guarantee (company number 02601495) incorporated in England & Wales. The registered office and principal place of business is Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE. This is also the address of its wholly owned subsidiary Naomi House Children's Hospice Ltd.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Wessex Children's Hospice Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Naomi House Children's Hospice Ltd on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The Charity has taken advantage of the exemptions in FRS 102 from the requirement to present a charity only Cash Flow Statement and certain disclosures about its own financial instruments within the consolidated financial statements.

2.2 Going concern

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

Despite the current economic pressures of the Cost-of-Living Crisis and the war in the Ukraine, the Trustees believe that the Group's financial resources and contingency planning is sufficient to ensure the ability of the Group as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

2.3 Income

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

Income from government grants (including retail grants) and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Notes to the Financial Statements Cont.

Where entitlement occurs before income is received, the income is accrued. Where income is received in advance of the Group having entitlement to the funds the income is deferred.

Donations and gifts represents amounts receivable during the year, together with any associated tax refund and do not include the value of any pledges secured for future donations. Income from gift aid tax reclaims is recognised for all donations made prior to the year end, where valid gift aid declarations are held.

The contribution of volunteers is not included in the Statement of Financial Activities, but is disclosed in the Trustees' Report in accordance with the SORP.

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

Where legacies have been notified to the charity, but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material in note 23.

Donations in the form of legacies are recognised when it is probable that the legacy will be received and its value can be measured reliably. These criteria will normally be met following probate once the executor(s) of the estate has established that there are sufficient assets in the estate, after settling liabilities, to pay the legacy.

Evidence that the executor(s) has determined that a payment can be made, may arise on the agreement of the estate's accounts or notification that payment will be made. When notification is received after the year-end but it is clear that the executor(s) has agreed prior to the year-end that the legacy can be paid, the legacy is accrued in the financial statements. The certainty and measurability of the receipt may be affected by subsequent events such as valuations and disputes.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the Group in inducing third parties to make voluntary contributions to it, the costs of running the charity shops, as well as the cost of any activities with a fundraising purpose. It also includes the investment manager fees.
- Expenditure on charitable activities includes the costs of running the Naomi House and Jacksplace hospices together, including the long term ventilation unit, with the provision of support for the families of the referred children and young people.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Irrecoverable VAT is charged as a cost to the Statement Of Financial Activities when the expenditure is incurred.

2.5 Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity.

However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are reallocated to each of the activities on the following basis:

• Cost of generating income	**15%**
• Costs of merchandising & shops	**23%**
• Costs of investments	**1%**
• Naomi House	**31%**
• Jacksplace	**23%**
• LTV	**0.3%**
• Community & Family Support	**6.7%**

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities and are included within support costs.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the bank.

2.7 Operating leases

Rental charges are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,500 or more are capitalised.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Notes to the Financial Statements Cont.

Depreciation is provided on the following bases:

Leasehold land	**- Over period lease**
Leasehold buildings	**- 50 years**
Motor vehicles	**- 4 years**
Fixtures and fittings	**- 5 years**
Computer equipment	**- 3 years**

2.9 Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted market price. Any change in fair value will be recognised in the Statement of Financial Activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the Balance Sheet. Investment gains and losses, are shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The Group does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries are valued at cost.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation Provision is made where necessary for obsolete, slow moving and defective stocks.

2.11 Financial Instruments

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

Debtors

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

Cash at bank and in hand

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

Creditors

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

2.12 Pensions

The Trust operates two pension schemes. The first is a defined contribution pension scheme, the assets of which are held independently from those of the Group. Expenditure made through the Statement of Financial Activities represents the contributions arising in the year.

The second scheme is a final salary multi-employer pension plan which is available for certain employees only. It is not possible to identify separately the assets and liabilities relating to Wessex Children's Hospice Trust for the purposes of FRS 102 disclosure. As neither the Trust nor its employees are liable to pay any additional sums towards a funding shortfall, which is met directly by the Exchequer, pension contributions are accounted for in the year in which they become payable. See Note 25 for more details.

2.13 Fund accounting

Unrestricted funds are donations and other income received or generated for the charitable purposes and have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Details of the aim and use of designated funds are included within the notes to the financial statements.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Details of the restrictions are included within the notes to the financial statements.

Endowment funds are investments donated to the Charity to generate income which can be spent on charitable activities. Details of the aim and use of endowment funds are included within the notes to the financial statements.

2.14 Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Management judgement is applied over the valuation of legacy income and the legacy pipeline where cash is not yet received. See note 2.3 for the legacy accounting policy and note 23 for the value of the legacy pipeline.

Notes to the Financial Statements Cont.

3. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Grants				
Grants & Trusts	281,594	316,999	**598,593**	*371,907*
Government grants				
NHS England Children's Hospices Grants Programme	-	754,769	**754,769**	*620,755*
COVID-19 Retail Grant	-	-	**-**	*82,666*
Coronavirus Job Retention Scheme	-	-	**-**	*70,007*
NHSE Emergency COVID-19 grant funding	-	-	**-**	*67,640*
	281,594	1,071,768	**1,353,362**	*1,212,975*
Donations	1,800,917	5,123	**1,806,040**	*1,250,385*
Legacies	1,102,309	30,000	**1,132,309**	*1,804,171*
	3,184,820	1,106,891	**4,291,711**	*4,267,531*
Total 2022	*3,391,322*	*876,209*	*4,267,531*	

In 2021/2022 NHSE awarded funding to allow the hospice to make available bed capacity and community support from December 21 to March 22 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support.

4. Income from charitable activities

	2023 £	*2022 £*
Clinical Commissioning Groups	**192,077**	*211,975*
Individuals	**48,300**	*33,450*
Other	**30,000**	*36,702*
	270,377	*282,127*

Income from charitable activities is unrestricted during this and the prior year.

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Dividends	173,497	**173,497**	*187,405*
Interest	2,111	**2,111**	*81*
	175,608	**175,608**	*187,486*
Total 2022	*187,486*	*187,486*	

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Other staff and volunteer costs	14,723	**14,723**	*2,734*
Direct costs	301,612	**301,612**	*215,827*
Overhead costs	119,587	**119,587**	*155,874*
Wages and salaries	502,491	**502,491**	*453,483*
National Insurance	49,866	**49,866**	*43,715*
Pension costs	31,679	**31,679**	*29,349*
Allocated centrally incurred fundraising and governance costs	98,944	**98,944**	*92,945*
	1,118,902	**1,118,902**	*993,927*
Total 2022	*993,927*	*993,927*	

Notes to the Financial Statements Cont.

6. Expenditure on raising funds (continued)

Costs of operating shops

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Facilities & maintenance	12,358	**12,358**	*91,803*
Direct costs	485,871	**485,871**	*499,051*
Other staff costs	9,833	**9,833**	*6,394*
Overhead costs	387,876	**387,876**	*250,984*
Wages and salaries	951,230	**951,230**	*848,809*
National Insurance	65,554	**65,554**	*53,195*
Pension costs	31,242	**31,242**	*26,104*
Depreciation	27,413	**27,413**	*13,953*
Allocated centrally incurred support and governance costs	154,317	**154,317**	*141,728*
	2,125,694	**2,125,694**	*1,932,021*
Total 2022	*1,932,021*	*1,932,021*	

7. Analysis of expenditure by charitable activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Naomi House	2,223,116	193,595	**2,416,711**	*1,952,204*
Jacksplace	1,624,594	145,573	**1,770,167**	*1,627,415*
Long Term Ventilation Unit	15,614	4,044	**19,658**	*18,969*
Community & Family Support	441,660	60,655	**502,315**	*556,637*
	4,304,984	403,867	**4,708,851**	*4,155,225*
Total 2022	*3,776,428*	*378,797*	*4,155,225*	

7. Analysis of expenditure by charitable activities (continued)

Analysis of direct costs

	Naomi House 2023 £	Jacksplace 2023 £	LTV 2023 £	Community & Family Support 2023 £	Total funds 2023 £	*Total funds 2022 £*
Staff costs	1,357,333	992,400	-	392,198	**2,741,931**	*2,528,009*
Depreciation	229,560	168,410	15,614	4,979	**418,563**	*397,925*
Other staff & volunteer costs	64,345	3,129	-	1,094	**68,568**	*6,500*
Direct costs	139,016	151,446	-	34,463	**324,925**	*345,093*
Facilities & maintenance	355,748	-	-	-	**355,748**	*166,243*
Overhead costs	77,114	309,209	-	8,926	**395,249**	*332,658*
	2,223,116	1,624,594	15,614	441,660	**4,304,984**	*3,776,428*
Total 2022	*1,760,117*	*1,484,899*	*17,110*	*514,302*	*3,776,428*	

Analysis of support costs

	Naomi House 2023 £	Jacksplace 2023 £	LTV 2023 £	Community & Family Support 2023 £	Total funds 2023 £	*Total funds 2022 £*
Staff costs	130,542	97,903	2,720	40,794	**271,959**	*233,663*
Depreciation	-	-	-	-	**-**	*1,141*
Other staff & volunteer costs	6,591	4,943	137	2,060	**13,731**	*60,969*
Direct costs	-	-	-	-	**-**	*26*
Overhead costs	56,462	42,727	1,187	17,801	**118,177**	*82,998*
	193,595	145,573	4,044	60,655	**403,867**	*378,797*
Total 2022	*192,087*	*142,516*	*1,859*	*42,335*	*378,797*	

Notes to the Financial Statements Cont.

7. Analysis of expenditure by charitable activities (continued)

Analysis of support costs (continued)

Governance costs of £31,952 (2022: £21,130) are included within support costs.

8. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £18,250 (2022 - £15,875), and non-audit fees of £3,000 (2022 - £4,850).

9. Staff costs

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Wages and salaries	**4,138,271**	*3,758,125*	**4,138,271**	*3,758,125*
Social security costs	**393,555**	*337,624*	**393,555**	*337,624*
Contribution to defined contribution and defined benefit pension schemes	**268,443**	*265,934*	**268,443**	*265,934*
	4,800,269	*4,361,683*	**4,800,269**	*4,361,683*

Redundancy and termination payments totalling £12,000 were made to 2 employees during the financial year *(2022: £17,250 to 3 employees).*

The average number of persons employed by the Company during the year was as follows:

	Group 2023 No.	*Group 2022 No.*
Care	**80**	*80*
Fundraising	**18**	*17*
Retail & Merchandise	**57**	*55*
Management & Administration	**10**	*9*
	165	*161*

9. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	*Group 2022 No.*
In the band £60,001 - £70,000	**1**	*1*
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	*1*

The total employee benefits including pension contributions and employers NI of the key management personnel were £431,927 (2022: £413,675). Key management personnel are listed on page 1.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

Expenses of £Nil (2022: £10) were paid for, or reimbursed to, any Trustee (2022: one Trustee).

11. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity's trading subsidiary Naomi House Children's Hospice Ltd gift aids available profits to the parent Charity within nine months of the year end so it has no tax charge.

Notes to the Financial Statements Cont.

12. Tangible fixed assets

Group and Company

	Freehold property £	Leasehold land and property £	Motor vehicles £	Fixtures and fittings and computer equipment £	Assets under construction £	Total £
Cost						
At 1 April 2022	**700,000**	**13,420,224**	**221,414**	**1,382,810**	**887,073**	**16,611,521**
Additions	**-**	**57,016**	**101,715**	**126,682**	**-**	**285,413**
Disposals	**-**	**-**	**(35,745)**	**(122,262)**	**-**	**(158,007)**
Transfers between classes	**-**	**798,147**	**-**	**-**	**(798,147)**	**-**
VAT adjustment	**-**	**(47,879)**	**-**	**-**	**-**	**(47,879)**
At 31 March 2023	**700,000**	**14,227,508**	**287,384**	**1,387,230**	**88,926**	**16,691,048**
Depreciation						
At 1 April 2022	**-**	**3,211,678**	**209,510**	**1,196,657**	**-**	**4,617,845**
Charge for the year	**17,570**	**334,132**	**11,966**	**82,310**	**-**	**445,978**
On disposals	**-**	**-**	**(35,745)**	**(122,262)**	**-**	**(158,007)**
At 31 March 2023	**17,570**	**3,545,810**	**185,731**	**1,156,705**	**-**	**4,905,816**
Net book value						
At 31 March 2023	**682,430**	**10,681,698**	**101,653**	**230,525**	**88,926**	**11,785,232**
At 31 March 2022	*700,000*	*10,208,546*	*11,904*	*186,153*	*887,073*	*11,993,676*

13. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2022	**14,615,933**
New money invested	**1,173,636**
Amounts extracted	**(172,098)**
Net loss on change in fair value	**(200,999)**
Investment management fees	**(128,967)**
At 31 March 2023	**15,287,505**

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2022	**2**	**14,615,933**	**14,615,935**
New money invested	**-**	**1,173,636**	**1,173,636**
Amounts extracted	**-**	**(172,098)**	**(172,098)**
Net loss on change in fair value	**-**	**(200,999)**	**(200,999)**
Investment management fees	**-**	**(128,967)**	**(128,967)**
At 31 March 2023	**2**	**15,287,505**	**15,287,507**

Notes to the Financial Statements Cont.

13. Fixed asset investments (continued)

Principal subsidiary

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Naomi House Children's Hospice Ltd	02861158	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	Non-primary purpose trading	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Naomi House Children's Hospice Ltd	**20,103**	**(14,578)**	**5,525**	**11,358**

14. Stocks

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Finished goods and goods for resale	**3,522**	*14,450*	**3,522**	*13,685*

Reduction is due to less stock being held for PPE associated to COVID-19 and the trading Co. no longer buying in merchandise to sale.

15. Debtors

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Trade debtors	**43,309**	*18,218*	**43,309**	*18,218*
Amounts owed by group undertakings	**-**	*-*	**1,765**	*5,217*
Other debtors	**130,109**	*59,971*	**128,435**	*58,217*
Prepayments and accrued income	**1,453,018**	*1,578,045*	**1,453,018**	*1,578,045*
	1,626,436	*1,656,234*	**1,626,527**	*1,659,697*

16. Creditors: Amounts falling due within one year

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Trade creditors	**216,620**	*199,265*	**216,620**	*199,265*
Other taxation and social security	**84,065**	*80,989*	**84,065**	*80,989*
Other creditors	**111,539**	*115,398*	**111,539**	*115,398*
Accruals and deferred income	**465,691**	*293,936*	**461,930**	*290,361*
	877,915	*689,588*	**874,154**	*686,013*

Deferred income of £274,860 *(2022: £121,494)* relates to amounts received in advance for events held in the next financial year and a deferred grant. All of the prior year deferred income has been released in the current year.

17. Financial instruments

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Financial assets				
Financial assets measured at fair value through income and expenditure	**15,287,505**	*14,615,933*	**15,287,505**	*14,615,933*

Financial assets measured at fair value through income and expenditure comprise listed investments.

Notes to the Financial Statements Cont.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Fixed Asset fund	5,365,223	-	-	(24,110)	-	5,341,113
Naomi House fund	4,151,000	-	-	697,000	-	4,848,000
Jacksplace fund	3,620,000	-	-	273,000	-	3,893,000
Capital Development Fund	921,000	-	-	254,000	-	1,175,000
Retail Operations Fund	1,050,102	-	-	(308,904)	-	741,198
	15,107,325	-	-	890,986	-	15,998,311
General funds						
General Funds	4,162,373	6,823,170	(6,761,524)	(881,948)	-	3,342,071
Non-charitable trading funds	10,929	15,007	(14,577)	-	-	11,359
Fair value reserve	4,555,344	-	-	-	(200,999)	4,354,345
	8,728,646	6,838,177	(6,776,101)	(881,948)	(200,999)	7,707,775
Total Unrestricted funds	23,835,971	6,838,177	(6,776,101)	9,038	(200,999)	23,706,086

18. Statement of funds (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Restricted funds						
Fixed Asset Fund-Jacksplace	**1,643,135**	**-**	**(57,686)**	**17,470**	**-**	**1,602,919**
Fixed Asset Fund-Naomi House	**4,985,318**	**-**	**(149,710)**	**5,593**	**-**	**4,841,201**
Hospice Running Costs	**5,000**	**1,062,421**	**(1,062,422)**	**-**	**-**	**4,999**
Building & Facilities	**153,513**	**44,470**	**(20,016)**	**(32,101)**	**-**	**145,866**
Diversion Therapy	**18,291**	**-**	**(5,573)**	**-**	**-**	**12,718**
Endowment Fund	**10,000**	**-**	**-**	**-**	**-**	**10,000**
	6,815,257	**1,106,891**	**(1,295,407)**	**(9,038)**	**-**	**6,617,703**
Total of funds	**30,651,228**	**7,945,068**	**(8,071,508)**	**-**	**(200,999)**	**30,323,789**

Notes to the Financial Statements Cont.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Fixed Asset fund	4,730,574	-	-	634,649	-	5,365,223
Naomi House fund	4,486,000	-	-	(335,000)	-	4,151,000
Jacksplace fund	4,029,000	-	-	(409,000)	-	3,620,000
Capital Development Fund	234,000	-	-	687,000	-	921,000
Retail Operations Fund	1,173,600	-	-	(123,498)	-	1,050,102
	14,653,174	-	-	454,151	-	15,107,325
General funds						
General Funds	3,540,943	7,084,863	(6,117,542)	(463,189)	117,298	4,162,373
Non-charitable trading funds	6,574	17,724	(13,369)	-	-	10,929
Fair value reserve	3,539,044	-	-	-	1,016,300	4,555,344
	7,086,561	7,102,587	(6,130,911)	(463,189)	1,133,598	8,728,646
Total Unrestricted funds	21,739,735	7,102,587	(6,130,911)	(9,038)	1,133,598	23,835,971

18. Statement of funds (continued)

	Balance at 1 April 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2022* £
Restricted funds						
Fixed Asset Fund-Jacksplace	*1,676,775*	-	*(55,797)*	*22,157*	-	*1,643,135*
Fixed Asset Fund-Naomi House	*5,136,621*	-	*(151,303)*	-	-	*4,985,318*
Jacksplace Fund	-	*100,000*	*(100,000)*	-	-	-
Hospice Running Costs	*6,500*	*747,086*	*(748,586)*	-	-	*5,000*
Building & Facilities	*146,404*	*29,123*	*(8,895)*	*(13,119)*	-	*153,513*
Diversion Therapy	*18,291*	-	-	-	-	*18,291*
Endowment Fund	*10,000*	-	-	-	-	*10,000*
	6,994,591	876,209	(1,064,581)	*9,038*	-	*6,815,257*
Total of funds	*28,734,326*	*7,978,796*	*(7,195,492)*	-	*1,133,598*	*30,651,228*

Notes to the Financial Statements Cont.

18. Statement of funds (continued)

Unrestricted funds
Charity only unrestricted funds total £23,694,727, being total unrestricted funds of £23,706,086 less the trading subsidiary retained earnings of £11,359.

Purposes of restricted funds
Restricted funds can only be expended in accordance with the donors' specific instructions. The purpose of each fund is as follows:

Fixed Asset Fund - Jacksplace
The net book value of restricted fixed assets purchased with restricted funds and predominantly relates to the Jacksplace hospice.

Fixed Asset Fund - Naomi House
This represents the refurbishment cost funded by restricted funds.

Jacksplace Fund
Funds received specifically to meet the running cost of Jacksplace.

Hospice Running Costs
This denotes donations received to pay for care staff and the direct costs of running both hospices.

Building & Facilities
This fund relates to donations received explicitly to meet the costs of improving and maintaining hospice facilities.

Diversion Therapies
This covers the cost of the wide range of therapies, play and activities which enrich the children and young adult's stays.

Endowment Fund
This was donated to the Trust to be held as investment cash to generate income from interest.

Purpose of designated funds
The designated funds comprise:

Fixed Asset Fund
This is the net book value of unrestricted Tangible Fixed Assets. This mainly represents the Naomi House building and equipment.

Naomi House Fund
Children's hospice services are expensive to run and the families are highly dependent on the Trust providing uninterrupted services from initial referrals right through to end of life.

Our funding is highly dependent on private rather than government sources. The Trustees have to ensure that there are sufficient reserves to keep our Naomi House hospice open and running to capacity.

This fund ensures that a continued service can be delivered in the event of an unforeseen income disruption. This would include a failure of fundraising arising from changes in sentiment, relationships and reputation.

The Trustees have calculated that a reserve to secure 18 months running costs of the Naomi House hospice (and the related community & family services) would ensure continuity in the event of a large variation in income. The balance at 31 March 2023 of £5.0m represents 18 months of Care, Fundraising and Management costs.

Jacksplace Fund
Similar to Naomi House above. This is to ensure that a continued service can be delivered in the event of an unforeseen income disruption. The fund should represent 18 months running costs of the Jacksplace young adult's hospice to ensure continuity in the event of a large variation in income.

The balance at 31 March 2023 of £4.0m represents 18 months of Care, Fundraising and Management costs.

Fund transfers are either for capital purchases made during the year where the restriction has been fulfilled or they were transfers to accurately reflect the closing designated fund balances.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	5,341,112	6,444,120	**11,785,232**
Fixed asset investments	15,277,505	10,000	**15,287,505**
Current assets	3,965,384	163,583	**4,128,967**
Creditors due within one year	(877,915)	-	**(877,915)**
Total	23,706,086	6,617,703	**30,323,789**

Notes to the Financial Statements Cont.

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	*Restricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	*5,365,223*	*6,628,453*	*11,993,676*
Fixed asset investments	*14,605,933*	*10,000*	*14,615,933*
Current assets	*4,554,403*	*176,804*	*4,731,207*
Creditors due within one year	*(689,588)*	-	*(689,588)*
Total	*23,835,971*	*6,815,257*	*30,651,228*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	*Group 2022 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(327,439)**	*1,916,902*
Adjustments for:		
Depreciation charges	**445,978**	*413,749*
Investment management charges	**129,110**	*120,082*
(Gains)/losses on investments	**200,903**	*(1,133,549)*
Dividends, interests and rents from investments	**(175,608)**	*(187,486)*
Increase in stocks	**10,928**	*712*
Decrease in debtors	**29,798**	*942,045*
Increase/(decrease) in creditors	**188,280**	*(213,285)*
Capital Goods Scheme adjustment	**47,879**	*46,693*
Net cash provided by operating activities	**549,829**	*1,905,863*

21. Analysis of cash and cash equivalents

	Group 2023 £	*Group 2022 £*
Cash in hand	**2,499,009**	*3,060,523*

22. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	3,060,523	(561,514)	2,499,009

23. Contingent assets - legacies

At the year end the Charity had a legacy pipeline with a potential value of £3,457,640 (2022: £348,727).

24. Contingent liabilities

In the year ended 31 March 2010, Hampshire PCT awarded a capital grant of £1,500,000 towards the construction cost of Jacksplace. The Grant Agreement and underlying Charge operate for an unlimited duration; therefore the potential to repay the Grant will remain indefinitely. The Grant can be required to be repaid mandatorily in a number of circumstances such as the Trust ceasing to be a charity or Jacksplace ceasing to be used for the provision of hospice services.

25. Pension commitments

The Group operates a defined contribution pension scheme for certain qualifying employees and contributes up to 8% of basic salary matching employee contributions. The total pension contributions payable in the year were £134,105 (2022: £122,924). There were £21,635 outstanding contributions at the year-end (2022: £18,597).

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

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

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes.

Notes to the Financial Statements Cont.

The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

The total pension contributions payable in the year were £134,338 (2022: £143,013). There were £17,154 outstanding contributions at the year-end (2022: £22,645).

26. Operating lease commitments

At 31 March 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Not later than 1 year	**330,586**	*388,738*	**330,586**	*388,738*
Later than 1 year and not later than 5 years	**312,228**	*524,859*	**312,228**	*524,859*
Later than 5 years	**107,562**	*140,062*	**107,562**	*140,062*
	750,376	*1,053,659*	**750,376**	*1,053,659*

27. Related party transactions

The intercompany balance at the year end was £1,764 owed by Naomi House Children's House Hospice Limited (2022: £5,956 owed to Naomi House Children's Hospice Limited). Amounts of £3,943 (2022: £4,062) were recharged to the subsidiary during the year.

WESSEX CHILDREN'S HOSPICE TRUST

England & Wales - Charity number 1002832

Accounts

Naomi House & Jacksplace
hospices for children and young adults

WESSEX CHILDREN'S HOSPICE TRUST

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31 March 2022

Registered Number: 02601495 (England and Wales)
Charity Number: 1002832

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Reference & Administrative details of the Charity, its Trustees and Advisors

Company Number	02601495 (England and Wales)	
Charity number	1002832	
Registered office	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Mrs Faith Ramsay	Chair
	Mr Julian Cracknell	Vice Chair (appointed 8 July 2021)
	Mr Steve Radjen	
	Dr Michael Miller	
	Mr Julian Walker	
	Mrs Sam Nicolson	Treasurer
	Mr Shaun Southern	
	Mr Robin Hassan	
	Mr Rob Simpson	
	Mrs Nicola Redfern	
	Ms Helen Burrows	
	Ms Lucinda Smith	
	Ms Julie Dawes	
	Ms Jane Ferguson	
	Mr Andrew Meehan	(appointed 28 June 2022)
Key Management Personnel	Mr Mark Smith	Chief Executive Officer
	Mrs Lesley Brook	Director of Care/Deputy CEO
	Mrs Katie Lumsden	Director of Finance
	Ms June Morton	Director of Human Resources
	Mr Paul Morgan	Director of Fundraising & Communications
Bankers	Royal Bank of Scotland Plc Drummond House, 1 Redheughs Avenue, Edinburgh EH12 9JN	Barclay's Bank Plc PO Box 612, Ocean Way, SO14 2ZP
Solicitors	Blake Morgan New Kings Court, Tollgate Chandlers Ford SO23 9DA	Gardner Leader White Hart House 24 Market Place, Newbury RG14 5BA
Independent Auditor	Crowe U.K. LLP Aquis House 49-51 Blagrave Street Reading Berkshire RG1 1PL	

Chairman's Statement

Message from the Chair

I am pleased to present the Annual Report and Accounts for the Wessex Children's Hospice Trust known as Naomi House and Jacksplace, hospices for children and young adults who live with life-limiting and life-threatening conditions and their families.

Through the committed support of our individual donors, corporate supporters, retail customers, trusts and foundations and wonderful volunteers, we have been able to continue to provide services to children, young adults and their families in the hospices, at home and through numerous virtual activities whilst the long-term effects of the COVID-19 pandemic remain. Whilst much of society has opened up as COVID restrictions are relaxed, the clinical world has remained cautious, particularly in support of the life limited and life threatened children we serve.

The last year has seen us rebuilding our services in the hospices while continuing to reach and support families through online and virtual services. Although the major difficulties presented by COVID are now easing, the continuing challenge of skilled staff shortages, particularly registered nurses recognised as a national problem for both the public and charitable sectors, remains. The volume of services we deliver has not yet returned to pre-pandemic levels although demand for our services is now increasing again following several years of isolation and lockdown for families. We are providing services in both Naomi House and Jacksplace alternately to ensure that all the communities we support have availability and our aim is to open all services again concurrently in the coming months.

As the pandemic progressed over the last year, we have continued to be ready to support our NHS colleagues as the need arises. We have helped children, young adults and their families avoid hospital admissions by enabling them to receive care here at the hospices, through symptom management, step down care and emergency respite stays alongside our planned respite service. A new initiative was set up during the year, a dedicated Duchenne Muscular Dystrophy Clinic, creating a one stop multi-specialty/multi-disciplinary clinic working across the boundaries of the NHS and non-statutory services, improving quality of life, making efficient use of time and resources whilst freeing up space within the NHS.

Our Retail colleagues have worked hard throughout the year with nearly a full year's trading activity in our shops, which saw a constant flow of customers and donors keen to support the charity return, helping our retail network produce an excellent recovery from the closures of the previous year. Our Fundraisers also had a good year with people returning to fundraising activities along with continued support from Community, Trusts and Corporate supporters. Event income increased from the previous year although has still not returned to pre pandemic levels but is showing promise for the year ahead. Legacy income has performed above expectation, and we have now received the last of the NHSE COVID grants. Overall, we have made a surplus this year, through a combination of reduced expenditure and strong income generation activities putting us in a good position for the forthcoming year.

We look forward to the year ahead and in particular, to welcoming our first International Nurse colleagues who will be joining us in the coming months. As the challenge of nurse recruitment in the UK continues, we have worked with Hampshire Hospitals Foundation Trust to learn from their experience to enable us to recruit nurses internationally. We were also pleased to secure the opportunity to purchase at auction, a block of 4 flats in the village of Sutton Scotney to provide accommodation for our international nurse colleagues as they arrive. The combination of access to international nurse recruitment and the availability of local accommodation will significantly help us to address the challenges of nurse vacancies so that we can grow the volume of services we provide in the future.

Our progress to work collaboratively with neighbouring hospices, the local NHS and statutory bodies continues with the introduction of the Health & Care Bill 2021 receiving Royal Ascent in April 2022, meaning the proposed changes to the healthcare and authority structures and ways of working are taking shape. The Bill also means the provision of palliative care becomes a statutory responsibility and so we look forward to working with all our colleagues to improve the availability, access and quality of services provided to children, young adults and their families in the region, along with the funding to support it. To this strategic aim, we continue to be an active member of the Hampshire and Isle of Wight Hospice Collaborative, the developing Wessex Managed Clinical Network and have formal agreements in place with Chestnut Tree House in Sussex and Julia's House in Dorset to provide access to our specialist paediatric palliative care consultants.

The year has been another challenging one although with the pandemic easing, we have been able to provide more services to the children, young adults and families who need us and we continue to rebuild and grow our services to pre-pandemic levels. Everyone at Naomi House & Jacksplace remains dedicated to that aim and we have made significant progress this year towards our strategic aims of making a difference to families every day, affording our ambitions and being at the forefront of a changing healthcare landscape. I would like to thank all our staff and volunteers for their hard work and dedication to making Naomi House & Jacksplace the wonderful place it is.

It is only with the continued support of individuals, groups, trusts and companies in the community with the majority of our income coming from voluntary sources, legacies and through our shops and lottery programme that we are able to deliver the services we do. Therefore, I would like to thank everyone who continues to support us, we couldn't do what we do without your generous donations and support.

Faith Ramsay
Chair of the Board of Trustees

Trustees' Report

The Trustees are pleased to present their annual report and accounts of the Charity and its subsidiary for the year ending 31 March 2022.

The accounts have been prepared in accordance with:

- the Charities Act 2011
- the Companies Act 2006
- the Memorandum and Articles of Association (incorporated on 15 April 1991, last amended1 October 2013)
- the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)

Vision and Mission

OUR VISION

Is that every child, young adult, and their families receive the care services they need, when and where they need them, and for as long as needed.

OUR MISSION (The Charity's Objectives)

Is to provide high quality care services to children, young adults and their families and through innovation, partnership working, good governance and leadership, to ensure their sustainability for the future.

Underpinning our vision and our mission, are our core values:

- People focus
- Openness
- Pride
- Ambition
- Resourcefulness

We place great reliance on committed staff and volunteers, whether they are caring for children, raising money or providing the essential administration. Living our values will continue to be a strong theme as we ensure that everybody, paid or otherwise, is valued and respected for their contribution to our work.

Governance and Public Benefit

The Trustees hold legal responsibility for setting the strategy of the charity and for ensuring the group complies with the Companies Act, Charities Act and Statement of Recommended Practice. The Trustees delegate the day to day operational management of the charity to the Chief Executive and the Senior Management Team to facilitate the effective delivery of the charity's aims and objectives and to ensure compliance with all regulatory requirements.

The Trustees have many responsibilities that can be summarised as two overriding objectives:

- The first is to ensure that the Trust is run well in safeguarding and supporting children, young adults and families and by using donations wisely.

- The second is to ensure the long-term sustainability of the Trust in an increasingly demanding environment of financial uncertainty, compliance and regulation further compounded by the effects of the global pandemic

As a Board we are confident that, whilst uncertainty remains around income and the continuance of the effects of COVID-19, the war in Ukraine and the cost of living crisis, the immediate and foreseeable future of the organisation is secure.

The aim of Naomi House & Jacksplace, is to provide end of life care, symptom management, step down, emergency and planned respite care to children, young adults and their families who live with a life-limiting or life-threatening condition. We operate across the south-central region providing services to families in Hampshire, the Isle of Wight, Berkshire, Dorset, Wiltshire, West Sussex and West Surrey. Our beneficiary's ages range from 0 years to young adults up to 35 years and their families. It is entirely consistent with the charity's objective as set out in its governing document, and statement of purpose. Services are delivered free of charge to beneficiaries or are provided under funded arrangements with Statutory bodies.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The core policy of the Trustees is to put families at the centre of our work and to support parents, carers, siblings and other family members, as well as the life-limited children, and young adults.

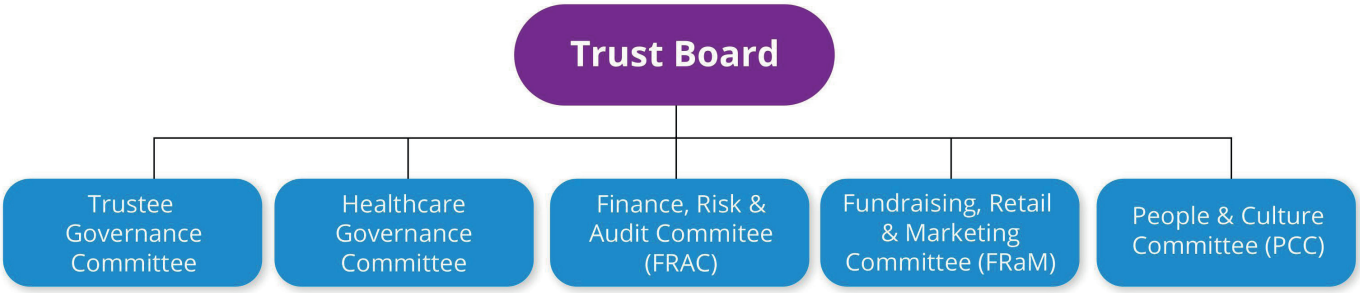
Structure and Management

The organisation is a charitable company limited by guarantee, incorporated on 15 April 1991.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trust is run by a Board of Trustees, which sets and monitors strategy and policies. The Board delegates authority to deliver the strategy to the Chief Executive and staff. The Board meets quarterly to receive reports of all the principal activities of the Trust. Two special meetings are arranged each year for Trustees to discuss and review the strategy.

Trustees have established standing committees, each with its own terms of reference, as follows:



Trustees' Report Cont.

Trustees are elected in accordance with the memorandum and articles of association by the Trustee Members of the Trust. There are currently 14 Trustee Members who hold voting rights and 24 Advisory Members, all of whom have liability limited to £10.

In line with best practice and the Charity Governance Code, the Board continuously seeks to enhance the diversity of its skill set. Trustees are recruited following open advertisement, are subject to a rigorous interview, probationary period, and induction to support them in becoming effective members of the Board, working in the best interests of the charity. This includes formal Trustee Training with our professional legal advisors and through online training courses. We are currently seeking a new Chair to succeed our current Chair, Faith Ramsay, who at the request of the Board to provide consistency following the COVID pandemic, has extended her tenure to a fourth term until a new Chair is recruited.

The People and Culture Committee set the remuneration for the Trust, including key personnel, benchmarking against the NHS, similar organisations within the local area and performing salary research.

In February, the Board and Senior Management Team undertook a Governance Review using the Digi-Board online review tool which is based upon the Charity Governance Code with the additional areas of Board Behaviours and Culture, Safeguarding, Governance of Committees, Income Generation and Use of Digital covered, which then provides an Overall Governance Rating. The Digi-Board Overall Governance Rating scored "Very Well" or "Quite Well" in 15/16 principles and highlighted that we are "OK but could do better" in the principle of Equality, Diversity & Inclusion. Trustees have already commenced work to address the areas for improvement highlighted through the Digi-Board report and will continue to progress this work. The Trustees were reassured by the Digi-Board report of the high standard of governance delivered in the charity, with particularly high scores in the areas of Safeguarding, Risk & Control and Income Generation. Our Governance review also scored well when benchmarking against other hospices and charities who have undertaken the process.

Strategic Report

The financial year 2021-22 saw the Trust's activities recovering from the effects of the Coronavirus pandemic and was the second year of our 2020-25 Strategy.

Our key strategic aims;

Continue to Make a Difference to Families Everyday
By meeting their needs, delivering high quality specialist care services and to be there when needed.

Afford our Ambitions
Increase our statutory, voluntary and earned income whilst managing costs to develop services in a sustainable way

Be at the Forefront of a Changing Healthcare Landscape
Maximise the opportunities presented by the NHS Long Term Plan and new NHSE CYP (Children and Young People) Service Specification to work more collaboratively together with other providers and statutory bodies, to improve services for children, young adults and their families

Our achievements and progress against our key objectives.

Continue to make a difference to families everyday
- 533 children, young adults and their families supported.
- The equivalent of 1,692 bed nights provided through overnight and day services.
- 27 families receiving End of Life, Symptom Management or Step-Down Care.
- 173 children, young people and their families receiving respite or emergency respite care.
- New initiative for in-house Neuromuscular clinics.

Afford our ambitions
- Income of £8 million generated.
- Expenditure of £7.2 million producing an operational surplus of £783k
- Delivering a safe environment within budget.
- Investment of £900k for Nurse Accommodation, to assist with staff recruitment and retention.

Be at the forefront of a changing healthcare landscape
- Active member of the Hampshire & Isle of Wight (HIOW) Hospice Collaborative of 5 hospices holding a place on the HIOW Palliative & End of Life Care Board.
- Member of the Wessex CYP Managed Clinic Network Steering Group.
- Naomi House & Jacksplace now provide access to Specialist Paediatric Palliative Care Consultant advice through formal Memorandum of Understanding agreements with Chestnut Tree House in Sussex and Julia's House in Dorset.

The trustees believe we are well positioned for the future. Through continued community support through the pandemic and with our strong financial performance, we've been able to make some important investments for the future and plan to continue to do so. The purchase of staff accommodation to assist with nurse recruitment and retention, along with a planned capital programme of nearly £1m in 22/23 helping us to achieve our charitable objectives going forward. The trustees plan to increase staff numbers with the aim of increasing services will add considerably to underlying costs and so current reserves will be put to good use in the forthcoming years.

Risk Management - Principal risks and uncertainties

A risk register is at the centre of the Trust's risk management process. It is regularly reviewed by the senior management team and scrutinised by committees for onward presentation and approval by the board. Risk management is inherent in all the charity's activities and key risks broadly cover patient care, data protection, finance, fundraising, governance and compliance, health and safety and information technology including cyberattack.

The risk assessment process identified the following major risks:
- Failure to safeguard children and vulnerable adults adequately – this is mitigated through regular safeguarding training for both staff and volunteers and DBS checks.
- The challenge of recruiting skilled staff, particularly Nurses, affecting our ability to deliver and develop services – this is being managed through looking at new opportunities to hire and train nursing staff, for example through the apprenticeship scheme, international recruitment, and the establishment of shared service level agreements with NHS hospitals.
- Significant changes at short notice to funding arrangements and income generation activities – this is mitigated through holding a strong financial reserves position.

The Trustees have put in place mitigating measures to manage these risks and monitor the likelihood of these risk events occurring. It is felt that the financial and reputational impact on the Trust, has been controlled and minimised.

Trustees' Report Cont.

Regular review and updates are managed through the charity's Risk Register and through review by internal governance committees. This is further being strengthened by the introduction of Vantage, a charity wide data system allowing risks and incidents to be recorded and managed in one place, providing an organisational view of risks and controls.

Clinical governance is overseen by the Clinical Committee monthly and Healthcare Governance Committee quarterly. The Fundraising, Retail & Marketing Committee monitors the income streams of the Trust. The Finance, Risk & Audit Committee advises the Board on all finance and risk matters, and makes appropriate recommendations, when required. This includes reviewing the annual accounts and budgets, as well as appraising investment performance. The Governance Committee provides assurance to the Board of Trustees in discharging its responsibility for scrutiny, compliance and probity. The Trust also has an external consultant, on health and safety, which the Trustees receive regular reports from the People & Culture Committee which oversees health, safety and mandatory training.

Care Services

As in 2020/2021 COVID restrictions in healthcare continued throughout 2021 and into 2022. This was due both to adverse staffing through the need to isolate as household contacts and/or contracting COVID and the need to adhere to social distancing guidelines. As restrictions for the public eased many of the families using our services remained very cautious and preferred to receive ongoing play and activity support at home rather than stay in the hospices, 66 community visits were provided as a result.

Online day services also continued on a weekly basis and then from August 2021 in house, Days @ Jack's sessions re-started on a Tuesday and a Thursday, alongside the online sessions via Zoom. The play and activities team continued to develop the virtual peer support group once a month to help support young adults at Jacksplace isolated due to COVID. Working closely with the Family Support Team (FST) helped provide online sibling and Duchenne Muscular Dystrophy (DMD) boys' group sessions throughout the year in the school holidays.

During the year the need for a day service at Naomi House was identified and the first session was held in April 2022. This Day Service provides a great opportunity for children at Naomi House to engage and have fun with a wide range of different activities, as well as familiarising themselves with our environment, either for the first time or once again, whilst socialising and playing with fellow peers in accessible, safe and fun surroundings.

Re-opening of the pool for hydrotherapy proved very popular and working as a team, the care staff, play staff and physios made sure the child or young adult had a relaxing and therapeutic swim in our pool.

As the year progressed, we welcomed families once again to stay in the hospices whilst maintaining social distancing. We were able to bring festive cheer to the hospices over the Christmas period by decorating Naomi House and Jacksplace. We enjoyed visits from Santa twice a week including a visit from him in a helicopter, as well as giving every child and young adult a present throughout December. It was very special to hold our twice weekly Christmas parties and winter trails enabling the hospices to celebrate once again. We were able to host a socially distanced Christmas in Naomi House for three families and returned to our customary New Year party in Jacksplace for four young people.

The FST continued to adapt their way of working to enable engagement and support continued for children,young people and their families, using whichever method worked at the time including face to face, zoom and phone support.

The team have continued to focus on developing a holistic approach to the support offered to families which includes practical aspects such as funeral planning and memory making, emotional and therapeutic support through individual and group counselling and face to face play activities for siblings and children using our services. A chaplaincy service for those families requiring out of hours and end of life support has expanded to include representatives from a diverse range of faiths to better represent the population we serve.

The larger events such as Remembering Days were provided for bereaved families this year by changing the format to offering several smaller ceremonies whilst restrictions were gradually easing. Remembering Day at Christmas was offered from St Cross Church in Winchester during December and was very well attended.

Looking to the future the team is planning to expand the therapy support offered through bank counsellors who can offer more evening support to meet the needs of those working during the day.

Whilst most services can now be offered face to face some of the family support services have by request remained virtual. The ability to offer either provides a flexibility we didn't utilise pre COVID and helps us think differently. The neuromuscular clinics introduced during COVID, bringing clinicians together in one place rather than the young adult having to attend multiple clinic appointments has been very successful and has been scheduled throughout 2022/2023.

Admissions for symptom control have increased throughout 2021/2022 preventing the need to go into hospital which many families are keen to avoid in the current climate, for the same reason we saw an increase in children and young people coming to the hospice for step down care after a stay in hospital.

End of life care has always been a priority and during 2021/2022 the hospices supported 11 children and young people at end of life.

Following the pandemic, the practice education (PE) team started to welcome student nurses back in May 2021. Since then, we have supported eight students through their placements, the students come from Surrey, Southampton and Winchester universities. The students we support are predominantly studying paediatric nursing although some may be linking this with another nursing discipline. In order to increase the options for teaching, we have introduced short pop-up sessions involving a variety of the multidisciplinary team to share knowledge and skills with the care team. These sessions have been well received by the team and due to the small numbers in each group, have ensured that staff can receive teaching that is more individualised.

The care team are always happy to welcome students onto placement and support them during their time with us. Supporting a student allows the staff to share their extensive knowledge and skills whilst acknowledging staff can also learn from students.

This year we have developed a team, consisting of nurses, carers, play and physio, who can deliver training around the use of the hydrotherapy pool and evacuation techniques.

As well as supporting the clinical team in house the PE team promote and develop best practice by collaborating with other children's hospices, presenting at conference and forums and forging links with NHS education and development teams. PE team members are on the Steering group for the National Practice Education Forum for Children's Hospices run by Together for Short Lives and also Chair the National Long Term Ventilation Forum. These are opportunities to share expertise and develop common standards of practice in Children's Palliative care. Initially set up for Children's hospices, these Forums are now attracting attendees from the wider field of paediatric and young adult palliative care.

Trustees' Report Cont.

Conferences are an ideal opportunity to network and share development initiatives, clinical practice, innovation and research. As a hospice we have presented at the RCN Education Conference, the International Nurses Conference and submitted abstracts to the Together for Short Lives Conference and the European Academy of Paediatric Societies. We have also been invited to present at the NHS Practice Education Network.

As a result of COVID and staffing constraints only one hospice at a time has been operational, nurse recruitment has long been a problem for any healthcare setting and remains a challenge for Naomi House and Jacksplace. The need to think differently and with support from our local NHS Trust we have embarked upon international nurse recruitment and have welcomed three nurses with another three planned. The PE team will support these nurses to complete the pathway to UK registration with the Nursing and Midwifery Council (NMC). They are also developing an in-house preceptorship programme to provide post registration professional development. Once registered with the UK NMC these nurses will help the Trust to have both hospices operational at the same time, increasing capacity and allowing a greater volume of services to be delivered.

Our Impact

Thank you, Naomi House, and Jacksplace and everyone who supports and fundraises, for giving this little boy a very special Christmas holiday with his baby brother. We have so many treasured memories in his last few weeks, and we still receive support, all thanks to you.

Children's hospices are not just about end of life, it's so much more

The medical skill, the knowledge and experience are wonderful. But the human care is far, far beyond that. They put themselves out, everyone at Naomi House , to give us the best three days we could have possibly hoped for.

Jacksplace is our lifeline, I drop Bonnie off knowing that all her care, social and support needs will be met in a fun, safe and loving environment, this enables me to totally relax. Goodness, it's really hard to convey what Naomi House & Jacksplace have done for us, and mean to us, over the many years that Bonnie has been visiting them

- Bonnie's mum

Naomi House provides superb care, giving Oliver VIP treatment doing things he loves. This gives me comfort, reassurance and the freedom to do other things we can't usually do. We all love Naomi House.

I don't know how we would have gotten through this without this amazing charity that has helped our family tremendously at the worst point in our lives thank you so much ❤ xxx

I love the independence I have at Jacksplace; taking a bit of responsibility and making more decisions for myself. I enjoy the social side of things too and being able to catch up with friends

Trustees' Report Cont.

Fundraising Review

After a turbulent 18 months dominated by COVID restrictions, there was a very real sense that 2021/22 would reflect the roadmap out of Lockdown. The vaccination roll-out was going well and there were high hopes that the reduction in COVID restrictions would begin to see a return to the kinds of options and choices that we collectively enjoyed pre-COVID. Although restrictions on movement were being gradually lifted, the fundraising management team felt it prudent to take a cautious approach when setting out our plans for the year. Foremost in our thinking was trying to anticipate how the ongoing changes in fundraising behaviour and interests would develop in the year ahead. As a team, we were keen to explore what opportunities could be created. Equally, our Retail team were excited to get our shops open and trading again after the many and varied interruptions that had dominated the past year or so.

Supported by an excellent management team and a small but dedicated group in our central warehouse, the consistent success of our Retail team is one of the absolute highlights of the year. After the challenges of furlough, and having had to shut two shops permanently, the reduced team have demonstrated their creative flare and adaptability, welcoming back customers and volunteers, offering safe environments so that we could maximise the value of the donations we received throughout the previous period. Consequently, our shops continued to be bright and vibrant marketplaces in towns across the region, always striving to offer a warm welcome and share our focus as a charity supporting young people with the most challenging medical conditions. As a result our Retail performance over the last year was 10% over budget and returning to pre pandemic levels.

There was still an appetite for fundraising. However, we were aware that changes in working practices and some of the COVID specific funding opportunities might not be as they had been during the previous 12 months. In looking forward, we needed to ensure that our workspaces and working practices supported how people wanted to work and how our supporters want to engage with the charity. After extended periods of working from home, many were excited about seeing colleagues again but also nervous about being in shared spaces with other people. As our team developed new rotas so that colleagues could return to the office, we mirrored discussions and changes that were taking place across the community. Ultimately, our aim remained the development of safe, engaging, and successful fundraising campaigns.

During the year, we saw various changes and developments in the Marketing Team. A new Head of Marketing brought new energy and insights to help with both fundraising and the wider organisation. We were determined to keep the focus of the team on the creation and support of effective campaigns and initiatives. We opted to proceed with our flagship fundraising event – Clarendon Way Walk once again in the autumn and hold other established events such as the Santa Fun Run's in new locations to expand their reach across the region. It was good to see that Events income increased by over 70% despite the obvious challenges and changes that came along within the period.

A major source of income for the charity relates to generous individual gifts left in the form of legacies. Despite its very unpredictable nature it plays a vital part in funding our services. Legacy receipts were much higher than anticipated during the year at £1,804,171 (2020/21; £1,058,557), accounting for nearly 23% of total income.

Another highlight for the team was the support received from the many corporate donors across the region. A further 10% increase on like for like income is a positive indication of the way in which supporters in businesses kept the charity in their thinking developing their fundraising efforts to support us despite the changes in working practices and team needs.

Giving habits changed during the year with notable changes in personal gifts and fundraised activity. Other income streams such as Trusts and Major Donor gifts remained a consistent part of the income matrix.

We continued to incorporate Direct Mail activities into the annual mix of supporter communication activities and evolve our techniques and partners to maximise the value of our campaigns, aiming to attract new supporters whilst expanding our core income base for fundraising.

Fundraising Statement

The Director of Fundraising and Communications overseas the Fundraising and Retail function. The charity employs a team of Fundraisers based at the Hospices in Sutton Scotney. The team are line managed by function and oversee all aspects of income generation for the charity. The Retail operation, 21 retail shops and a warehouse, is managed by the Head of Retail with a mix of paid staff and volunteers.

Fundraising income for the charity includes voluntary giving, Retail and an established Lottery operation which is supported by our External Lottery Manager – Starvale Management and Technologies Ltd. The team are seeking to establish new canvassing partners to help with the solicitation of new players, for future sustainable income. The solicitation process is carried out in line with the guidance from the Chartered Institute of Fundraising.

Naomi House & Jacksplace is registered with the Fundraising Regulator and are committed to the principles and aims of that body and sector best practice.

Fundraisers receive regular training and updates to the development of new regulatory changes through a combination of regular team training sessions, 1:1's and induction training. The Director of Fundraising continues to act as Chair of the regional association of the Chartered Institute of Fundraising and regularly offers the team opportunities to join or take part in free or low-cost training and peer to peer networking sessions. All new fundraisers are encouraged to take the Chartered Institute of Fundraising's Fundraising Foundation Course.

The Fundraising Management team continually monitor guidance and regulations from the Charity Commission, the Fundraising Regulator and the Gambling Commission. Specifically, we review information relating to GDPR, data protection and the Gambling activities.

In the past year we have not received any suppression requests from the Regulator. All complaints that we receive in relation to income generation activities are reviewed by the Board Sub-Committee responsible for Fundraising Retail and Marketing on a quarterly basis. A total of 33 complaints were received, which is more than received in the previous year but potentially a reflection of attitude, ease of reporting and better record keeping. All the complaints received were investigated and resolved.

As we have a Lottery, we are alert to the needs of vulnerable people and use the framework from the Gambling Commission and the Code of Fundraising Practice to guide our approach to dealing with any such individual or group.

In the retail operation each shop has a manager and assistant who undertake regular training in these areas supported by Relief Managers our volunteer coordinator and the HR partner. Our shops display contact information for colleagues and volunteers to report concerns.

Trustees' Report Cont.

We provide Third party fundraisers with a fundraising agreement. This sets out expectations regarding health and safety arrangements together with information for insurance, cash handling etc. We acknowledge donations electronically or by post and provide receipts on controlled stationery for staff involved in cash collections.

Human Resources Review

The world of work has been creeping back to a degree of normality during the last year. In April 21 lockdown started to ease with the opening up of Retail and we enjoyed instant success with our sales performance across our network of shops. As hospitality began to re-open, we were also able to increase our in-house services and more of our staff started to return to work on their normal hours.

Our final furlough claim in September 2021 was for only four people. Recruitment has also started to increase, especially within retail where there is traditionally a higher turnover of staff. Headcount has remained at a similar rate to the previous year with 152 (159:2021) employed staff at the end of March which represents 139.54 full-time equivalent roles.

With most of our people back at work, we conducted a Trust wide staff survey in the summer of 2021. We had a 74% response rate, comparable to previous surveys with a high degree of overall satisfaction. Key themes have emerged from the results including welfare support, communication and looking ahead.

One major change in the last year has been a move to "hybrid" working and now almost all our office-based staff are working two or three days a week from home. This is reported as a significant aid to work-life balance and everyone, including non-office-based colleagues has adapted to the practice.

The impact of COVID has been felt due to an increase in sickness absence with many staff needing to isolate on a regular basis. This was particularly difficult when the highly transmissible Omicron variant was prevalent during the Winter months. We have continued to follow all the government guidance on isolation (for both office and clinical spaces) and staff who are diagnosed with COVID receive sick pay in line with our sick pay scheme.

Like many employers we are finding that the expectations of workers and job hunters have changed since the start of the pandemic, we continue to experience difficulties attracting the right candidates. This year, we have also been keen to retain staff and in support of that strategy, the Board approved a minimum pay award of 4.5% in April 2022, following a number of years with low or no increase to basic salaries. The board agreed to increase all staff pay to a minimum of the Living Wage and to make some further adjustments above the 4.5% pay award to position ourselves well within the job market. We will continue to monitor developments throughout the coming year.

Nurse recruitment has not eased over the last year, but we are addressing our needs by recruiting from the international market. The Trust is now established as a Level One Visa sponsor and to date we have offered roles to three African nurses who joined in June 2022.

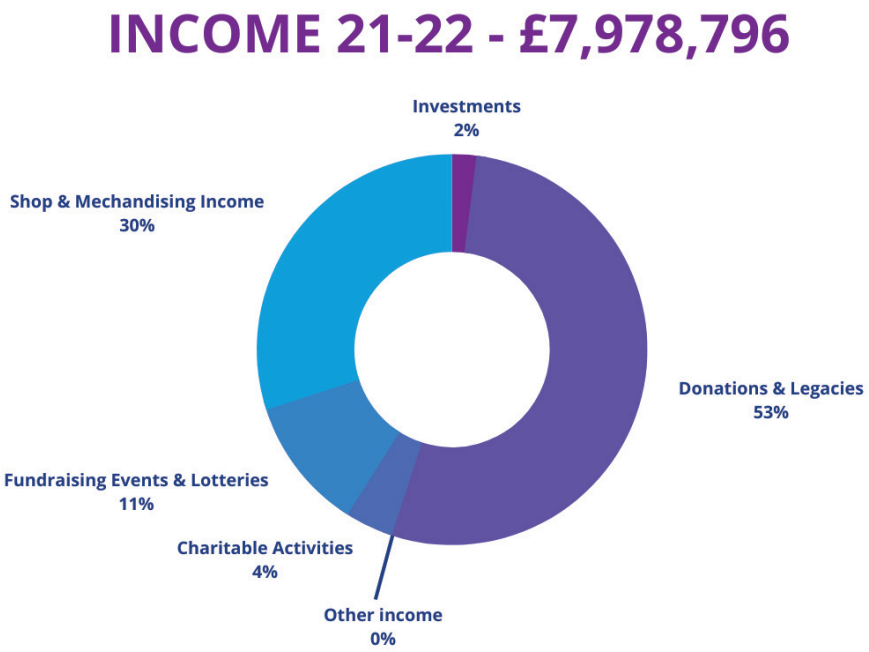
Our Volunteering has seen an improvement since the lifting of restriction and the number of active volunteers is close to pre-pandemic levels. In March 2022 we had 490 volunteers (360 of whom were in our Charity Shops). We have also started a new volunteer led project, recycling unwanted bikes. To date, we have repaired over 140 donated bikes raising over £10,000.

Financial Review

The pandemic continued to cause financial uncertainty for many during 2021/22. Our financial position has remained strong with a healthy surplus of £1,916,902 for the year ending 31 March 2022, much of which is attributable to good investment performance of £1,133,598. At the end of the financial year total funds held are £30,651,228 (2021: £28,734,326). For an explanation of the breakdown of total funds held, refer to page 17.

COVID-19 Support continued during the year from the NHS and government through the Job retention scheme, Retail restart grants, business rate reductions and the NHS COVID-19 emergency funding, ensuring our services are here for the future.

Total income for the year ending 31 March 2022 amounted to £7,978,796 (2021: £7,631,096).



NHS England supported our services through the Children's Hospice Grant Scheme with an increased annual grant of £620,755 (2021: £602,676). Income from Clinical Commissioning Groups (CCG's) was £211,975 (2021:£416,590). The NHSE awarded funding to allow the hospice to make available bed capacity and community support from December 2021 to March 2022 providing support to people with complex needs in the context of the COVID-19 situation.

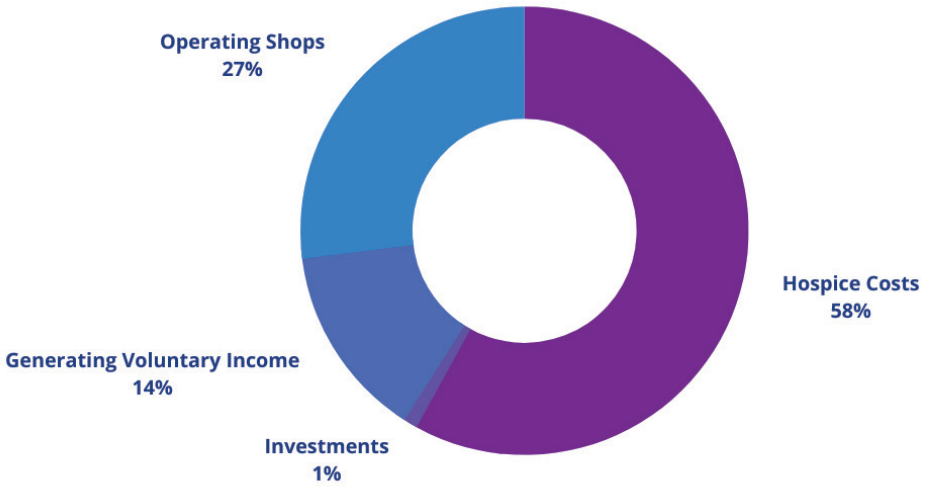
At the end of the year, our retail network was made up of 21 shops (2021: 22) selling donated goods and a small quantity of bought in goods. The financial results were pleasing with nearly a full year's trading, generating income of £2,352,717 (2021: £613,365). Retail Gift Aid claimed from HMRC totalled £115,948 (2021: £33,848). Our retail network continued to utilise the Government support on offer throughout the year with the re-start grants in April and reduced business rates.

Naomi House Children's Hospice Limited is a wholly owned subsidiary of the Trust. The subsidiary is the agent for the Retail Gift Aid Scheme along with carrying out all trading activities. All profits from the trading activities can be gift aided to the Trust, subject to HMRC regulations, benefiting the charity by reducing any corporation tax liability on trading activities. Retail activity came back strongly after the COVID restrictions, resulting in increased trading company turnover of £18,463 (2021: £9,080).

Trustees' Report Cont.

As we manoeuvred our way out of COVID-19 restrictions it was anticipated that our cost base would increase, through careful management we have maintained our costs at £7,195,492 (2021: £7,118,960). During 2022/23, our aim is to open both Naomi House and Jacksplace simultaneously, which will result in increased costs during the year with the intention that we will make use of our reserves to fund additional investment.

Expenditure 21-22 - £7,195,492



Investments

The Trust's investment portfolio was valued at £14,615,933 as at the 31 March 2022. The capital value of the investments increased by £1,133,598 (2021: £2,233,082).

The Trust's investment portfolio is managed by an independent fund manager, Veritas, in accordance with the Trust's investment policy. As with all investment portfolios this is subject to market conditions. The investment managers objectives are "real return on a rolling 5-year view with an emphasis on capital growth with income". Achieving 50.4% over the 5-year rolling period.

Veritas monitor and assess the overall Ethical, Social and Governance risk of all companies they invest in, with the majority of investments ranking in the top 20% for ESG risk compared to their peers.

World events, such as the invasion of the Ukraine, increased inflation rates and a cost-of-living crisis have had a detrimental effect on investment markets, resulting in a dip in our portfolio valuation since the end of March. Trustees continue to monitor this situation albeit are aware that stock market investment is for the long term. We are in a fortunate cash position whereby it is unlikely we'll need to draw upon our investments in the short term.

Reserve Policy

The purpose of reserves is to secure the future of our services and long-term obligation to the children, young adults and families we support. Our reserves ensure that we can sustain periods where our income is unpredictable and allows us to absorb our forecast deficit of £420,000 in 2022/23.

It is the opinion of the Trustees that it is prudent that the Naomi House and Jacksplace services, require ideally reserves of 18 months, to ensure the continuity of care, in the event of a large variation of income. The balance at the 31 March 2022, of £4,151,000 for the Naomi House designated fund and £3,620,000 for the Jacksplace designated fund, represents a coverage of 18 months of care and fundraising costs.

Free Unrestricted Reserves	£4,162,373	14%
Free Reserve - Non-Charitable Trading	£10,929	0%
Free Reserves - Revaluation Reserve	£4,555,344	15%
Designated Funds Reserves	£9,742,102	32%
Designated Fixed Asset Funds	£5,365,223	17%
Restricted Funds (Including endowment)	£6,815,257	22%
Total Funds	£30,651,228	100%

The general unrestricted reserves fund increased as at 31 March 2022 to £4,173,302 (2021: £3,547,517) due to an in-year surplus and unrealised investment gains.

Financial Sustainability

On behalf of the Board, the Finance Risk and Audit Committee (FRAC) has undertaken a detailed review of the cashflow forecasts, unrestricted reserves and investment position of the group and has provided assurance to the Board of the sustainability of the group for the foreseeable future.

Key financial sustainability considerations were:

- Strong balance sheet of £30,651,228.
- Board confidence to plan for a deficit budget, utilising reserves to benefit the service.
- Robust cost management ensuring efficiencies whilst maintaining an excellent service.
- Planned capital programme of nearly £1m.
- Investment portfolio of £14,615,933.

Strategy 2020-25

Our 5-year strategy remains applicable despite the difficulties encountered over the last few years with the impact of COVID-19.

- Continue to Make a Difference to Families Every day.
- Afford our Ambitions.
- Be at the Forefront of a Changing Healthcare Landscape.

As we approach the halfway point of our strategy, we recognise the achievements highlighted within the Strategic Report and strive to make a difference going forward by increasing staff numbers with the aim of growing activity.

Trustees' Report Cont.

Statement of Trustees' Responsibilities

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

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees undertake and complete training, as defined and required by the Board, and themselves, to ensure they can effectively perform their Trustee role.

Auditor

Crowe U.K. LLP have indicated their willingness to continue as statutory auditors to the Trust.

The Trustees approved this report, including the strategic report on and it was signed on their behalf by

Faith Ramsay - Chair

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust

Opinion

We have audited the financial statements of Wessex Children's Hospice Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust Cont.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the charity were the Gambling Commission, CQC Regulations and General Data Protection Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of certain income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, Risk and Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Independent Auditor's Report to the Members of Wessex Children's Hospice Trust Cont.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Janette Joyce (Senior statutory auditor)
for and on behalf of

Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrave Street
Reading
Berkshire
RG1 1PL

Date: 4th October 2022

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account)

Wessex Children's Hospice Trust - 02601495
For the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and legacies	3	**3,391,322**	**876,209**	**4,267,531**	*5,594,077*
Charitable activities	4	**282,127**	**-**	**282,127**	*511,127*
Other trading activities:					
Fund raising events and lotteries		**879,462**	**-**	**879,462**	*749,301*
Income from shops and merchandising		**2,352,717**	**-**	**2,352,717**	*613,365*
Investments	5	**187,486**	**-**	**187,486**	*147,280*
Other income		**9,473**	**-**	**9,473**	*15,946*
Total income		7,102,587	876,209	**7,978,796**	*7,631,096*
Expenditure on:					
Raising funds:	6				
Voluntary income		**993,927**	**-**	**993,927**	*1,042,858*
Operating shops		**1,932,021**	**-**	**1,932,021**	*1,610,859*
Investments		**114,319**	**-**	**114,319**	*93,273*
Charitable activities	7	**3,090,644**	**1,064,581**	**4,155,225**	*4,371,970*
Total expenditure		6,130,911	1,064,581	**7,195,492**	*7,118,960*
Net income/(expenditure) before net gains on investments		971,676	(188,372)	**783,304**	*512,136*
Net gains on investments	13	**1,133,598**	**-**	**1,133,598**	*2,233,082*
Net income/(expenditure)		2,105,274	(188,372)	**1,916,902**	*2,745,218*
Transfers between funds	18	**(9,038)**	**9,038**	**-**	*-*
Net movement in funds		2,096,236	(179,334)	**1,916,902**	*2,745,218*
Reconciliation of funds:					
Total funds brought forward	18	**21,739,735**	**6,994,591**	**28,734,326**	*25,989,108*
Net movement in funds		**2,096,236**	**(179,334)**	**1,916,902**	*2,745,218*
Total funds carried forward	18	23,835,971	6,815,257	**30,651,228**	*28,734,326*

The notes on pages 27 to 50 form part of these financial statements

Consolidated Balance Sheet

Wessex Children's Hospice Trust - 02601495
As at 31 March 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	12		**11,993,676**		*11,534,933*
Investments	13		**14,615,933**		*12,599,635*
			26,609,609		*24,134,568*
Current assets					
Stocks	14	**14,450**		*15,162*	
Debtors	15	**1,656,234**		*2,598,279*	
Cash at bank and in hand		**3,060,523**		*2,889,190*	
		4,731,207		*5,502,631*	
Creditors: amounts falling due within one year	16	**(689,588)**		*(902,873)*	
Net current assets			**4,041,619**		*4,599,758*
Total net assets			30,651,228		*28,734,326*
Charity funds					
Restricted funds	18		**6,815,257**		*6,994,591*
Unrestricted funds					
Designated funds	18	**15,107,325**		*14,653,174*	
General funds	18	**4,173,302**		*3,547,517*	
Revaluation reserve	18	**4,555,344**		*3,539,044*	
Total unrestricted funds	18		**23,835,971**		*21,739,735*
Total funds			30,651,228		*28,734,326*

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

Faith Ramsay - Chair

Date: 4th October 2022

The notes on pages 27 to 50 form part of these financial statements

Company Balance Sheet

Wessex Children's Hospice Trust - 02601495
As at 31 March 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	12		**11,993,676**		*11,534,933*
Investments	13		**14,615,935**		*12,599,637*
			26,609,611		*24,134,570*
Current assets					
Stocks	14	**13,685**		*13,346*	
Debtors	15	**1,659,697**		*2,597,926*	
Cash at bank and in hand		**3,042,583**		*2,881,868*	
		4,715,965		*5,493,140*	
Creditors: amounts falling due within one year	16	**(686,013)**		*(899,956)*	
Net current assets			**4,029,952**		*4,593,184*
Total assets less current liabilities			**30,639,563**		*28,727,754*
Total net assets			30,639,563		*28,727,754*
Charity funds					
Restricted funds	18		**6,815,257**		*6,994,591*
Unrestricted funds					
Designated funds	18	**15,107,325**		*14,653,174*	
General funds	18	**4,161,637**		*3,540,945*	
Revaluation reserve	18	**4,555,344**		*3,539,044*	
Total unrestricted funds	18		**23,824,306**		*21,733,163*
Total funds			30,639,563		*28,727,754*

The surplus for the Charity dealt with in the financial statements was £1,912,548 (2021: £2,749,969 surplus).
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Faith Ramsay- Chair

Date: 4th October 2022

The notes on pages 27 to 50 form part of these financial statements

Consolidated Statement of Cash Flows

Wessex Children's Hospice Trust - 02601495
For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	20	**1,905,863**	*1,832,457*
Cash flows from investing activities			
Dividends and interest from investments		**187,486**	*147,280*
Purchase of tangible fixed assets		**(919,185)**	*(178,890)*
Withdrawals from investment portfolio		**166,802**	*158,026*
Additions to investment portfolio		**(1,169,633)**	*(1,135,455)*
Net cash used in investing activities		**(1,734,530)**	*(1,009,039)*
Change in cash and cash equivalents in the year		**171,333**	*823,418*
Cash and cash equivalents at the beginning of the year		**2,889,190**	*2,065,772*
Cash and cash equivalents at the end of the year	21	3,060,523	*2,889,190*

The notes on pages 27 to 50 form part of these financial statements

Notes to the Financial Statements

1. General information

Wessex Children's Hospice Trust is a registered charity (charity number 1002832) and a private company limited by guarantee (company number 02601495) incorporated in England & Wales. The registered office and principal place of business is Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE. This is also the address of its wholly owned subsidiary Naomi House Children's Hospice Ltd.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Wessex Children's Hospice Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Naomi House Children's Hospice Ltd on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The Charity has taken advantage of the exemptions in FRS 102 from the requirement to present a charity only Cash Flow Statement and certain disclosures about its own financial instruments within the consolidated financial statements.

2.2 Going concern

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

After the significant impact of COVID-19 the Trustees are acutely aware of the importance of planning and forecasting to assess the sustainability of the Group. Despite the current economic pressures of the Cost-of-Living Crisis and the war in the Ukraine, the Trustees believe that the Group's financial resources and contingency planning is sufficient to ensure the ability of the Group as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

2.3 Income

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

Notes to the Financial Statements Cont.

Income from government grants (including retail grants) and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlement occurs before income is received, the income is accrued. Where income is received in advance of the Group having entitlement to the funds the income is deferred.

Donations and gifts represents amounts receivable during the year, together with any associated tax refund and do not include the value of any pledges secured for future donations. Income from gift aid tax reclaims is recognised for all donations made prior to the year end, where valid gift aid declarations are held.

The contribution of volunteers is not included in the Statement of Financial Activities, but is disclosed in the Trustees' Report in accordance with the SORP.

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

Where legacies have been notified to the charity, but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material in note 23.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the Group in inducing third parties to make voluntary contributions to it, the costs of running the charity shops, as well as the cost of any activities with a fundraising purpose. It also includes the investment manager fees.
- Expenditure on charitable activities includes the costs of running the Naomi House and Jacksplace hospices together, including the long term ventilation unit, with the provision of support for the families of the referred children and young people.

Irrecoverable VAT is charged as a cost to the Statement Of Financial Activities when the expenditure is incurred.

2.5 Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity.

However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are reallocated to each of the activities on the following basis:

- Cost of generating income **15%**
- Costs of merchandising & shops **23%**
- Costs of investments **1%**
- Naomi House **31%**
- Jacksplace **23%**
- LTV **0.3%**
- Community & Family Support **6.7%**

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities and are included within support costs.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the bank.

2.7 Operating leases

Rental charges are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,500 or more are capitalised.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Leasehold land	**- Over period lease**
Leasehold buildings	**- 50 years**
Motor vehicles	**- 4 years**
Fixtures and fittings	**- 5 years**
Computer equipment	**- 3 years**

Notes to the Financial Statements Cont.

2.9 Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted market price. Any change in fair value will be recognised in the Statement of Financial Activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the Balance Sheet. Investment gains and losses, are shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The Group does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries are valued at cost.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

2.11 Debtors

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

2.12 Cash at bank and in hand

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

2.13 Creditors

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

2.14 Financial instruments

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

2.15 Pensions

The Trust operates two pension schemes. The first is a defined contribution pension scheme, the assets of which are held independently from those of the Group. Expenditure made through the Statement of Financial Activities represents the contributions arising in the year.

The second scheme is a final salary multi-employer pension plan which is available for certain employees only. It is not possible to identify separately the assets and liabilities relating to Wessex Children's Hospice Trust for the purposes of FRS 102 disclosure.

As neither the Trust nor its employees are liable to pay any additional sums towards a funding shortfall, which is met directly by the Exchequer, pension contributions are accounted for in the year in which they become payable. See Note 25 for more details.

2.16 Fund accounting

Unrestricted funds are donations and other income received or generated for the charitable purposes and have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Details of the aim and use of designated funds are included within the notes to the financial statements.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Details of the restrictions are included within the notes to the financial statements.

Endowment funds are investments donated to the charity to generate income which can be spent on charitable activities. Details of the aim and use of endowment funds are included within the notes to the financial statements.

2.17 Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Management judgement is applied over the valuation of legacy income and the legacy pipeline where cash is not yet received. See note 2.3 for the legacy accounting policy and note 23 for the value of the legacy pipeline.

Notes to the Financial Statements Cont.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Grants				
Grants & Trusts	184,093	187,814	**371,907**	*368,073*
Government grants				
NHS England Children's Hospices Grants Programme	-	620,755	**620,755**	*602,676*
COVID-19 Retail Grant	82,666	-	**82,666**	*310,605*
Coronavirus Job Retention Scheme	70,007	-	**70,007**	*880,640*
NHSE Emergency COVID-19 grant funding	-	67,640	**67,640**	*1,203,333*
	336,766	876,209	**1,212,975**	*3,365,327*
Donations	1,250,385	-	**1,250,385**	*1,170,193*
Legacies	1,804,171	-	**1,804,171**	*1,058,557*
	3,391,322	876,209	**4,267,531**	*5,594,077*
Total 2021	*3,582,405*	*2,011,672*	*5,594,077*	

In 2021/2022 NHSE awarded funding to allow the hospice to make available bed capacity and community support from December 21 to March 22 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support.

4. Income from charitable activities

	2022 £	*2021 £*
Clinical Commissioning Groups	**211,975**	*416,590*
Individuals	**33,450**	*26,400*
Other	**36,702**	*68,137*
	282,127	*511,127*

Income from charitable activities is unrestricted during this and the prior year.

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Dividends	187,405	**187,405**	*146,840*
Interest	81	**81**	*440*
	187,486	**187,486**	*147,280*
Total 2021	*147,280*	*147,280*	

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Other staff and volunteer costs	2,734	**2,734**	*1,078*
Direct costs	215,827	**215,827**	*300,868*
Overhead costs	155,874	**155,874**	*140,653*
Wages and salaries	453,483	**453,483**	*438,457*
National Insurance	43,715	**43,715**	*40,783*
Pension costs	29,349	**29,349**	*28,542*
Depreciation	-	**-**	*3,028*
Allocated centrally incurred fundraising and governance costs	92,945	**92,945**	*89,449*
	993,927	**993,927**	*1,042,858*
Total 2021	*1,042,858*	*1,042,858*	

Notes to the Financial Statements Cont.

6. Expenditure on raising funds (continued)

Costs of operating shops

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Facilities & maintenance	91,803	**91,803**	*622,259*
Direct costs	499,051	**499,051**	-
Other staff costs	6,394	**6,394**	-
Overhead costs	250,984	**250,984**	-
Wages and salaries	848,809	**848,809**	*761,753*
National Insurance	53,195	**53,195**	*45,336*
Pension costs	26,104	**26,104**	*25,034*
Depreciation	13,953	**13,953**	*18,367*
Allocated centrally incurred support and governance costs	141,728	**141,728**	*138,110*
	1,932,021	**1,932,021**	*1,610,859*
Total 2021	*1,610,859*	*1,610,859*	

7. Analysis of expenditure by charitable activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Naomi House	1,760,117	192,087	**1,952,204**	*2,222,817*
Jacksplace	1,484,899	142,516	**1,627,415**	*1,676,862*
Long Term Ventilation Unit	17,110	1,859	**18,969**	*24,055*
Community & Family Support	514,302	42,335	**556,637**	*448,236*
	3,776,428	378,797	**4,155,225**	*4,371,970*
Total 2021	*4,005,386*	*366,584*	*4,371,970*	

7. Analysis of expenditure by charitable activities (continued)

Analysis of direct costs

	Naomi House 2022 £	Jacksplace 2022 £	LTV 2022 £	Community & Family Support 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	1,178,254	994,018	11,454	344,283	**2,528,009**	*2,687,811*
Depreciation	185,465	156,465	1,803	54,192	**397,925**	*429,280*
Other staff & volunteer costs	3,030	2,556	29	885	**6,500**	*30,580*
Direct costs	160,841	135,691	1,564	46,997	**345,093**	*318,603*
Facilities & maintenance	77,483	65,367	753	22,640	**166,243**	*179,763*
Overhead costs	155,044	130,802	1,507	45,305	**332,658**	*359,349*
	1,760,117	1,484,899	17,110	514,302	**3,776,428**	*4,005,386*
Total 2021	*2,036,974*	*1,536,663*	*21,990*	*409,759*	*4,005,386*	

Analysis of support costs

	Naomi House 2022 £	Jacksplace 2022 £	LTV 2022 £	Community & Family Support 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	118,747	88,102	1,149	25,665	**233,663**	*261,253*
Depreciation	580	430	6	125	**1,141**	*2,862*
Other staff & volunteer costs	30,987	22,991	300	6,691	**60,969**	*22,208*
Direct costs	13	10	-	3	**26**	-
Overhead costs	41,760	30,983	404	9,851	**82,998**	*80,261*
	192,087	142,516	1,859	42,335	**378,797**	*366,584*
Total 2021	*185,843*	*140,199*	*2,065*	*38,477*	*366,584*	

Notes to the Financial Statements Cont.

7. Analysis of expenditure by charitable activities (continued)

Analysis of support costs (continued)

Governance costs of £21,130 (2021: £20,446) are included within support costs.

8. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £15,875 (2021 - £15,120), and non-audit fees of £4,850 (2021 - £4,850).

9. Staff costs

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Wages and salaries	**3,758,125**	*3,852,997*	**3,758,125**	*3,852,997*
Social security costs	**337,624**	*344,866*	**337,624**	*344,866*
Contribution to defined contribution and defined benefit pension schemes	**265,934**	*255,896*	**265,934**	*255,896*
	4,361,683	*4,453,759*	**4,361,683**	*4,453,759*

Redundancy and termination payments totalling £17,250 were made to three employees during the financial year *(2021: £20,161 to seven employees).*

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	*Group 2021 No.*
Care	**80**	*91*
Fundraising	**17**	*16*
Retail & Merchandice	**55**	*54*
Management & Administration	**9**	*12*
	161	*173*

9. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	*Group 2021 No.*
In the band £60,001 - £70,000	**1**	*1*
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	*1*

The total employee benefits including pension contributions and employers NI of the key management personnel were £413,675 (2021: £438,580). Key management personnel are listed on page 1.

10. Trustees' remuneration and expenses

The Charity Trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £Nil). No Charity Trustee received payment for professional or other services supplied to the charity (2021: £Nil).

Expenses of £10 (2021: £55) were paid for, or reimbursed to, one trustee (2021: one trustee). Expenses related to travel and subsistence.

11. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity's trading subsidiary Naomi House Children's Hospice Ltd gift aids available profits to the parent Charity within nine months of the year end so it has no tax charge.

Notes to the Financial Statements Cont.

12. Tangible fixed assets

Group and Company

	Freehold property £	Leasehold land and property £	Motor vehicles £	Fixtures and fittings and computer equipment £	Assets under construction £	Total £
Cost						
At 1 April 2021	**700,000**	**13,466,917**	**218,665**	**1,377,846**	**-**	**15,763,428**
Additions	**-**	**-**	**2,749**	**29,363**	**887,073**	**919,185**
Disposals	**-**	**-**	**-**	**(24,399)**	**-**	**(24,399)**
VAT adjustment	**-**	**(46,693)**	**-**	**-**	**-**	**(46,693)**
At 31 March 2022	**700,000**	**13,420,224**	**221,414**	**1,382,810**	**887,073**	**16,611,521**
Depreciation						
At 1 April 2021	**-**	**2,881,538**	**192,244**	**1,154,713**	**-**	**4,228,495**
Charge for the year	**-**	**330,140**	**17,266**	**66,343**	**-**	**413,749**
On disposals	**-**	**-**	**-**	**(24,399)**	**-**	**(24,399)**
At 31 March 2022	**-**	**3,211,678**	**209,510**	**1,196,657**	**-**	**4,617,845**
Net book value						
At 31 March 2022	**700,000**	**10,208,546**	**11,904**	**186,153**	**887,073**	**11,993,676**
At 31 March 2021	*700,000*	*10,585,379*	*26,421*	*223,133*	*-*	*11,534,933*

13. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2021	**12,599,635**
New money invested	**1,169,633**
Amounts extracted	**(166,802)**
Net gain on change in fair value	**1,133,549**
Investment management fees	**(120,082)**
At 31 March 2022	**14,615,933**

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2021	**2**	**12,599,635**	**12,599,637**
New money invested	**-**	**1,169,633**	**1,169,633**
Amounts extracted	**-**	**(166,802)**	**(166,802)**
Net gain on change in fair value	**-**	**1,133,549**	**1,133,549**
Investment management fees	**-**	**(120,082)**	**(120,082)**
At 31 March 2022	**2**	**14,615,933**	**14,615,935**

Notes to the Financial Statements Cont.

13. Fixed asset investments (continued)

Principal subsidiary

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Naomi House Children's Hospice Ltd	02861158	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	Non-primary purpose trading

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Naomi House Children's Hospice Ltd	**18,463**	**(13,367)**	**5,096**	**10,929**

14. Stocks

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Finished goods and goods for resale	**14,450**	*15,162*	**13,685**	*13,346*

15. Debtors

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Trade debtors	**18,218**	*95,404*	**18,218**	*95,404*
Amounts owed by group undertakings	**-**	*-*	**5,217**	*-*
Other debtors	**59,971**	*60,732*	**58,217**	*60,379*
Prepayments and accrued income	**1,578,045**	*2,442,143*	**1,578,045**	*2,442,143*
	1,656,234	*2,598,279*	**1,659,697**	*2,597,926*

16. Creditors: Amounts falling due within one year

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Trade creditors	**199,265**	*263,205*	**199,265**	*263,205*
Amounts owed to group undertakings	**-**	*-*	**-**	*533*
Other taxation and social security	**80,989**	*72,312*	**80,989**	*72,312*
Other creditors	**115,398**	*149,225*	**115,398**	*149,225*
Accruals and deferred income	**293,936**	*418,131*	**290,361**	*414,681*
	689,588	*902,873*	**686,013**	*899,956*

Deferred income of £121,494 *(2021: £160,785)* relates to amounts received in advance for events held in the next financial year and a deferred grant. All of the prior year deferred income has been released in the current year.

17. Financial instruments

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Financial assets				
Financial assets measured at fair value through income and expenditure	**14,615,933**	*12,599,635*	**14,615,933**	*12,599,635*

Financial assets measured at fair value through income and expenditure comprise listed investments.

Notes to the Financial Statements Cont.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Fixed Asset fund	**4,730,574**	**-**	**-**	**634,649**	**-**	**5,365,223**
Naomi House fund	**4,486,000**	**-**	**-**	**(335,000)**	**-**	**4,151,000**
Jacksplace fund	**4,029,000**	**-**	**-**	**(409,000)**	**-**	**3,620,000**
Capital Development Fund	**234,000**	**-**	**-**	**687,000**	**-**	**921,000**
Retail Operations Fund	**1,173,600**	**-**	**-**	**(123,498)**	**-**	**1,050,102**
	14,653,174	-	-	454,151	-	**15,107,325**
General funds						
General Funds	**3,540,943**	**7,084,863**	**(6,117,542)**	**(463,189)**	**117,298**	**4,162,373**
Non-charitable trading funds	**6,574**	**17,724**	**(13,369)**	**-**	**-**	**10,929**
Fair value reserve	**3,539,044**	**-**	**-**	**-**	**1,016,300**	**4,555,344**
	7,086,561	7,102,587	(6,130,911)	(463,189)	1,133,598	**8,728,646**
Total Unrestricted funds	21,739,735	7,102,587	(6,130,911)	(9,038)	1,133,598	**23,835,971**

18. Statement of funds (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Restricted funds						
Fixed Asset Fund-Jacksplace	**1,676,775**	**-**	**(55,797)**	**22,157**	**-**	**1,643,135**
Fixed Asset Fund-Naomi House	**5,136,621**	**-**	**(151,303)**	**-**	**-**	**4,985,318**
Jacksplace Fund	**-**	**100,000**	**(100,000)**	**-**	**-**	**-**
Hospice Running Costs	**6,500**	**747,086**	**(748,586)**	**-**	**-**	**5,000**
Building & Facilities	**146,404**	**29,123**	**(8,895)**	**(13,119)**	**-**	**153,513**
Diversion Therapy	**18,291**	**-**	**-**	**-**	**-**	**18,291**
Endowment Fund	**10,000**	**-**	**-**	**-**	**-**	**10,000**
	6,994,591	876,209	(1,064,581)	9,038	-	**6,815,257**
Total of funds	28,734,326	7,978,796	(7,195,492)	-	1,133,598	**30,651,228**

Notes to the Financial Statements Cont.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2021* £
Unrestricted funds						
Designated funds						
Fixed Asset fund	*4,795,885*	-	-	*(65,311)*	-	*4,730,574*
Naomi House fund	*4,486,000*	-	-	-	-	*4,486,000*
Jacksplace fund	*4,029,000*	-	-	-	-	*4,029,000*
Capital Development Fund	*314,550*	-	-	*(80,550)*	-	*234,000*
Retail Operations Fund	*774,000*	-	-	*399,600*	-	*1,173,600*
	14,399,435	-	-	*253,739*	-	*14,653,174*
General funds						
General Funds	*2,613,382*	*5,615,834*	*(4,556,438)*	*(253,739)*	*121,904*	*3,540,943*
Non-charitable trading funds	*11,325*	*3,590*	*(8,341)*	-	-	*6,574*
Fair value reserve	*1,427,866*	-	-	-	*2,111,178*	*3,539,044*
	4,052,573	5,619,424	(4,564,779)	*(253,739)*	*2,233,082*	*7,086,561*
Total Unrestricted funds	18,452,008	5,619,424	(4,564,779)	-	*2,233,082*	*21,739,735*

18. Statement of funds (continued)

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2021* £
Restricted funds						
Fixed Asset Fund-Jacksplace	*5,165,004*	*35,712*	*(155,157)*	*91,064*	-	*5,136,623*
Fixed Asset Fund-Naomi House	*1,999,429*	-	*(367,052)*	*44,397*	-	*1,676,774*
Jacksplace Fund	*51,348*	*100,000*	*(151,348)*	-	-	-
Hospice Running Costs	*5,001*	*1,845,960*	*(1,844,461)*	-	-	*6,500*
Building & Facilities	*260,228*	-	-	*(113,825)*	-	*146,403*
Diversion Therapy	*46,090*	-	*(6,163)*	*(21,636)*	-	*18,291*
Endowment Fund	*10,000*	-	-	-	-	*10,000*
Bereavement Support	-	*30,000*	*(30,000)*	-	-	-
	7,537,100	2,011,672	(2,554,181)	-	-	*6,994,591*
Total of funds	*25,989,108*	*7,631,096*	*(7,118,960)*	-	*2,233,082*	*28,734,326*

Notes to the Financial Statements Cont.

18. Statement of funds (continued)

Unrestricted funds
Charity only unrestricted funds total £22,741,880, being total unrestricted funds of £22,752,178 less the trading subsidiary retained earnings of £10,278.

Purposes of restricted funds
Restricted funds can only be expended in accordance with the donors' specific instructions. The purpose of each fund is as follows:

Fixed Asset Fund - Jacksplace
The net book value of restricted fixed assets purchased with restricted funds and predominantly relates to the Jacksplace hospice.

Fixed Asset Fund - Naomi House
This represents the refurbishment cost funded by restricted funds.

Jacksplace Fund
Funds received specifically to meet the running cost of Jacksplace.

Hospice Running Costs
This denotes donations received to pay for care staff and the direct costs of running both hospices.

Building & Facilities
This fund relates to donations received explicitly to meet the costs of improving and maintaining hospice facilities.

Diversion Therapies
This covers the cost of the wide range of therapies, play and activities which enrich the children and young adult's stays.

Endowment Fund
This was donated to the Trust to be held as investment cash to generate income from interest.

Purpose of designated funds
The designated funds comprise:

Fixed Asset Fund
This is the net book value of unrestricted Tangible Fixed Assets. This mainly represents the Naomi House building and equipment.

Naomi House Fund
Children's hospice services are expensive to run and the families are highly dependent on the Trust providing uninterrupted services from initial referrals right through to end of life.

Our funding is highly dependent on private rather than government sources. The Trustees have to ensure that there are sufficient reserves to keep our Naomi House hospice open and running to capacity.

This fund ensures that a continued service can be delivered in the event of an unforeseen income disruption. This would include a failure of fundraising arising from changes in sentiment, relationships and reputation.

The Trustees have calculated that a reserve to secure 18 months running costs of the Naomi House hospice (and the related community & family services) would ensure continuity in the event of a large variation in income. The balance at 31 March 2022 of £4.5m represents 18 months of Care, Fundraising and Management costs.

Jacksplace Fund
Similar to Naomi House above. This is to ensure that a continued service can be delivered in the event of an unforeseen income disruption. The fund should represent 18 months running costs of the Jacksplace young adult's hospice to ensure continuity in the event of a large variation in income.

The balance at 31 March 2022 of £4.0m represents 18 months of Care, Fundraising and Management costs.

Fund transfers are either for capital purchases made during the year where the restriction has been fulfilled or they were transfers to accurately reflect the closing designated fund balances.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	5,365,223	6,628,453	**11,993,676**
Fixed asset investments	14,605,933	10,000	**14,615,933**
Current assets	4,554,403	176,804	**4,731,207**
Creditors due within one year	(689,588)	-	**(689,588)**
Total	23,835,971	6,815,257	**30,651,228**

Notes to the Financial Statements Cont.

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	4,718,386	6,816,547	*11,534,933*
Fixed asset investments	12,589,635	10,000	*12,599,635*
Current assets	5,334,587	168,044	*5,502,631*
Creditors due within one year	(902,873)	-	*(902,873)*
Total	21,739,735	6,994,591	*28,734,326*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	*Group 2021 £*
Net income for the year (as per Statement of Financial Activities)	**1,916,902**	*2,745,218*
Adjustments for:		
Depreciation charges	**413,749**	*455,377*
Investment management charges	**120,082**	*99,284*
(Gains)/losses on investments	**(1,133,549)**	*(2,233,082)*
Dividends and interests from investments	**(187,486)**	*(147,280)*
Increase/(decrease) in stocks	**712**	*(12,587)*
Decrease in debtors	**942,045**	*749,890*
Increase/(decrease) in creditors	**(213,285)**	*26,739*
Capital Goods Scheme adjustment	**46,693**	*148,898*
Net cash provided by operating activities	1,905,863	*1,832,457*

21. Analysis of cash and cash equivalents

Analysis of cash and cash equivalents

	Group 2022 £	*Group 2021 £*
Cash in hand	**3,060,523**	*2,889,190*
Total cash and cash equivalents	3,060,523	*2,889,190*

22. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	2,889,190	171,333	3,060,523

23. Contingent assets - legacies

At the year end the Charity had a legacy pipeline with a potential value of £348,727 (2021: £816,857).

24. Contingent liabilities

In the year ended 31 March 2010, Hampshire PCT awarded a capital grant of £1,500,000 towards the construction cost of Jacksplace. The Grant Agreement and underlying Charge operate for an unlimited duration; therefore the potential to repay the Grant will remain indefinitely. The Grant can be required to be repaid mandatorily in a number of circumstances such as the Trust ceasing to be a charity or Jacksplace ceasing to be used for the provision of hospice services.

25. Pension commitments

The Group operates a defined contribution pension scheme for certain qualifying employees and contributes up to 8% of basic salary matching employee contributions. The total pension contributions payable in the year were £122,924 (2021: £126,617). There were £18,597 outstanding contributions at the year-end (2021: £18,950).

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

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

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

Notes to the Financial Statements Cont.

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

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhspension-scheme-accounts-and-valuation-reports.

The total pension contributions payable in the year were £143,013 (2021: £129,279). There were £22,645 outstanding contributions at the year-end (2021: £19,632).

26. Operating lease commitments

At 31 March 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Not later than 1 year	**388,738**	*350,035*	**388,738**	*350,035*
Later than 1 year and not later than 5 years	**524,859**	*657,220*	**524,859**	*657,220*
Later than 5 years	**140,062**	-	**140,062**	-
	1,053,659	*1,007,255*	**1,053,659**	*1,007,255*

27. Related party transactions

The intercompany balance at the year end was £5,956 owed by Naomi House Children's House Hospice Limited (2021: £553 owed to Naomi House Children's Hospice Limited). Amounts of £4,062 (2021:£2,743) were recharged to the subsidiary during the year.

WESSEX CHILDREN'S HOSPICE TRUST

England & Wales - Charity number 1002832

Accounts

Registered number: 02601495 (England and Wales)
Charity number: 1002832

WESSEX CHILDREN'S HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

WESSEX CHILDREN'S HOSPICE TRUST
(A company limited by guarantee)

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WESSEX CHILDREN'S HOSPICE TRUST
(A company limited by guarantee)

REFERENCE & ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS FOR THE YEAR ENDED 31 MARCH 2021

Company Number	02601495 (England and Wales)	
Charity number	1002832	
Registered office	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Mrs Faith Ramsay	Chair
	Mr Julian Cracknell	Vice Chair (appointed 8 July 2021)
	Mr Steve Radjen	
	Dr Michael Miller	
	Mr Julian Walker	
	Mrs Sam Nicolson	Treasurer
	Mr Shaun Southern	
	Mrs Alison Richardson	(resigned 10 December 2020)
	Mr Robin Hassan	
	Mr Rob Simpson	
	Mrs Nicola Redfern	
	Ms Lucinda Smith	(appointed 26 January 2021)
	Ms Julie Dawes	(appointed 26 January 2021)
	Ms Jane Ferguson	(appointed 26 January 2021)
	Ms Helen Burrows	
Key Management Personnel		
	Mr Mark Smith	Chief Executive Officer
	Mrs Lesley Brook	Director of Care/Deputy CEO
	Ms Claire Imhofe	Director of Finance/Secretary (resigned 31 August 2020)
	Mrs Katie Lumsden	Director of Finance (appointed1 February 2021)
	Ms June Morton	Director of Human Resources
	Mr Paul Morgan	Director of Fundraising & Communications
Bankers	Royal Bank of Scotland Plc Drummond House, 1 Redheughs Avenue, Edinburgh EH12 9JN	Barclay's Bank Plc PO Box 612, Ocean Way, SO14 2ZP
Solicitors	Blake Morgan New Kings Court, Tollgate Chandlers Ford SO23 9DA	Gardner Leader White Hart House 24 Market Place, Newbury RG14 5BA
Independent Auditor	Crowe U.K. LLP Aquis House 49-51 Blagrave Street Reading Berkshire RG1 1P	

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

A Message from the Chair

I am pleased to present the Annual Report and Accounts for Wessex Children's Hospice Trust known as Naomi House and Jacksplace, Hospices for children and young adults who live with life-limiting and life-threatening conditions and their families.

The last year has been one of the most challenging we have all faced as individuals, families, communities, organisations and as a nation due to the Coronavirus pandemic. For the children, young people and their families that Naomi House & Jacksplace are here to support, the year has been particularly hard with many families and young people facing lengthy periods of shielding and isolation. Due to Government restrictions throughout lockdown periods, we were forced to cease our planned respite stays for families although remained open for end of life care, symptom management, step down care from hospital and supportive and emergency respite care for families in most need of support.

Our Family Support Team has been busier than ever providing remote support and counselling services to families by phone, email and Zoom meetings. Our Play and Activities Team have also been supporting families by arranging many different creative play packs to send to families and by also arranging play activities and sessions online and through some community visits when permitted. Through the increased frequency and volume of contact, we have been able to identify those families who may need further support and have offered supportive or emergency respite stays.

In the early days of the pandemic, we supported our local NHS organisations too by providing the opportunity for patients to be discharged to Jacksplace from hospital therefore freeing NHS beds when in the height of the first wave of the pandemic. Since then, we have continued to be on standby to assist our NHS colleagues and have helped children, young people and their families avoid hospital admissions by enabling them to receive care here at the hospices when possible to do so.

Amid all of the uncertainty and changes to our short-term plans as a result of COVID-19, our new strategy for the period 2020-2025 was launched in April, the underlying themes of which still remain. Our strategic aims are to provide outstanding services to the families we support; to be financially sustainable for the foreseeable future; and to be an integral part of the local healthcare environment. I am pleased to report that we have made progress in all these areas which will be covered in more depth later in this report.

At the beginning of the year, our financial forecast looked incredibly challenging, with all of our Retail network closing and the majority of our fundraising activities and events either postponed or cancelled. As the year progressed however, we were able to make use of all the support made available by HM Government as a result of COVID-19 including the Retail Grant Scheme and Rate Relief, the Job Retention Scheme and in particular, grants from NHSE through Hospice UK. The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

Our Fundraising Team and Retail colleagues also rose to the challenges presented throughout the year by adapting their plans and activities to continue generating funds wherever possible and by keeping in touch with donors individually and in groups through many different virtual meetings and events. Our Shops have performed well when they have been able to open and have been well supported through significant volumes of donated stock. Although income has been significantly lower than in a normal year, income generation has performed ahead of expectation and combined with close monitoring of expenditure, we have finished the year in a strong financial position producing a surplus for the year. We recognise that there are still challenging times ahead as our fundraised income recovers however,

we are well placed to support activities with the aim of returning our income generation to pre COVID-19 levels.

As we look forward to a year full of optimism beyond COVID-19, we will double our efforts to re-establish a full range of services for families to use and continue to develop our aims and ambitions for better access to specialist paediatric palliative care services for the families who need them. We have made progress this year by working with our neighbouring children's hospices to explore ways of working together towards this aim and are also pleased to be an active member of the Hampshire and Isle of Wight Hospice Collaborative Group. This Group will work together with local NHS and statutory bodies with the aim of supporting and contributing to improved services to all families who need palliative care across the South Central Region.

Everyone at Naomi House & Jacksplace is dedicated to providing excellent services to the children, young adults and their families, who need us despite the financial and operational challenges we are all facing as a result of COVID-19. At this time therefore, I would like to take the opportunity to thank all our staff and volunteers for their hard work and dedication to making Naomi House & Jacksplace the wonderful place it is. They have faced the challenges of COVID-19 with courage, resilience and adaptability and a focus on making sure that we do the utmost to support both those in our immediate care and the wider community.

We are only able to provide the services we do due to the continued support of individuals, groups, trusts and companies in the community with the majority of our income coming from voluntary sources, legacies and through our shops and lottery programme. Therefore, I would like to thank everyone who has supported us in the past, we couldn't do what we do, without your generous donations.

Faith Ramsay
Chair of the Board of Trustees

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their annual report and accounts of the Charity and its subsidiary for the year ending 31 March 2021.

The accounts have been prepared in accordance with:

- the Charities Act 2011
- the Companies Act 2006
- the Memorandum and Articles of Association (incorporated on 15 April 1991, last amended 1 October 2013)
- the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)

Vision and Mission

OUR VISION

Is that every child, young adult, and their families receive the care services they need, when and where they need them, and for as long as needed.

OUR MISSION (The Charity's Objectives)

Is to provide high quality care services to children, young adults and their families and through innovation, partnership working, good governance and leadership, to ensure their sustainability for the future.

Underpinning our vision and our mission, are our core values:

- People focus
- Openness
- Pride
- Ambition
- Resourcefulness

We place great reliance on committed staff and volunteers, whether they are caring for children, raising money or providing the essential administration. Living our values will continue to be a strong theme as we ensure that everybody, paid or otherwise, is valued and respected for their contribution to our work.

Governance and Public Benefit

The Trustees hold legal responsibility for setting the strategy of the charity and for ensuring the group complies with the Companies Act, Charities Act and Statement of Recommended Practice. The Trustees delegate the day to day operational management of the charity to the Chief Executive and the Senior Management Team to facilitate the effective delivery of the charity's aims and objectives and to ensure compliance with all regulatory requirements.

The Trustees have many responsibilities that can be summarised as two overriding objectives:

- The first is to ensure that the Trust is run well in safeguarding and supporting children, young adults and families and by using donations wisely.

- The second is to ensure the long-term sustainability of the Trust in an increasingly demanding environment of financial uncertainty, compliance and regulation further compounded by the effects of the global pandemic.

As a Board we are confident that, whilst uncertainty remains around income and the continuance of the effects of COVID-19, the immediate and foreseeable future of the organisation is secure.

The aim of Naomi House & Jacksplace, as stated in its vision, clearly sets out who the beneficiaries are, where they are located and what is being offered to those children from 0 years to young adults up to 35 years and their families. It is entirely consistent with the charity's objective as set out in its governing document, and statement of purpose. Services are delivered free of charge to beneficiaries and are also provided under funded arrangements with Statutory bodies.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The core policy of the Trustees is to put families at the centre of our work and to support parents, carers, siblings and other family members, as well as the life-limited children, and young adults.

Structure and Management

The organisation is a charitable company limited by guarantee, incorporated on 15 April 1991.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trust is run by a Board of Trustees, which sets and monitors strategy and policies. The Board delegates authority to deliver the strategy to the Chief Executive and staff. The Board meets quarterly to receive reports of all the principal activities of the Trust. Two special meetings are arranged each year for Trustees to discuss and review the strategy.

In addition, the Trustees have established standing committees, each with its own terms of reference, for Finance Risk & Audit, Fundraising Retail & Marketing, Healthcare Governance, Trust Governance and People & Culture which also incorporates health and safety and remuneration.

Trustees are elected in accordance with the memorandum and articles of association by the Trustee Members of the Trust. There are currently 14 Trustee Members who hold voting rights and 24 Advisory Members, all of whom have liability limited to £10.

In line with best practice and the Charity Governance Code, the Board continuously seeks to enhance the diversity of its skillset. Trustees are recruited following open advertisement, are subject to a rigorous interview, probationary period, and induction to support them in becoming effective members of the Board, working in the best interests of the charity. This includes formal Trustee Training with our professional legal advisors and through online training courses. In the year, we have seen one Trustee step down and three new Trustees joining the board strengthening our clinical expertise and also the crucially important role of parent Trustee to ensure our service users are represented on the board.

Strategic Report

The financial year 2020-21 saw the Trust's activities significantly interrupted by the Coronavirus Pandemic which is outlined later in this report, however we continued to make progress on our strategic objectives during the year. Our new 2020-2025 Strategy was launched at the beginning of the year although was overshadowed by global events. Nevertheless, our strategic direction continued from our previous strategy and so we have managed to make progress in a number of significant areas.

A number of the key objectives set and the progress towards them included;

- **Recruit a 2nd Level 4 Paediatric Palliative Care Consultant (PPPC) – Achieved**
    - The 2nd PPCC was agreed with University Hospitals Southampton with a Locum Consultant in post from Sept 19 to March 20 and the permanent appointment made in April 2020
    - Our original L4 PPCC post holder, Dr Michelle Koh, moved to a new position in Sept 20 and we were pleased to be able to appoint Dr Tim Warlow to the vacant position maintaining 2 L4 PPCC

- **Become the Regional Paediatric Palliative Care Specialist Provider in association with UHS – Progress made**
    - Naomi House is now the regional specialist hospice providing services not available at other children's hospices in the region. With the establishment of the 2nd PPCC role, we are now in a position to work with our fellow children's hospices in the region to extend access to Specialist Paediatric Palliative Care Consultant (SPPCC) advice
    - Naomi House and Chestnut Tree House in Chichester entered into a Memorandum of Understanding in Jan 2021 to facilitate working together to extend the SPPCC service to the east of the region

- **Working collaboratively across the Hampshire & Isle of Wight (HIOW) region to make progress towards the aims of the NHS Long Term Plan and be an active partner in the development of the Integrated Care System (ICS) and establishment of a Managed Clinical Network – Progress made**
    - Naomi House & Jacksplace are in regular dialogue with merging Clinical Commissioning Group representatives as the healthcare landscape evolves into the ICS model
    - Naomi House & Jacksplace is a member of the developing HIOW Hospice Collaborative Group consisting of the independent adult and children's hospices in the HIOW ICS region support the development of the evolving Palliative & End of Life Care Boards

We have also made progress in our aim to reduce our recurring deficit budget position and have a surplus year end position along with significant unrealised investment gains further strengthening our financial position. The Trustees are confident that with this strong base and continued community support along with our strategy to be an active partner in the development of integrated and collaborative ways of working across the voluntary and statutory organisations, we are well positioned for a sustainable future.

Risk Management - Principal risks and uncertainties

A risk register is at the centre of the Trust's risk management process. It is regularly reviewed by the senior management team and scrutinised by committees for onward presentation and approval by the board. Risk management is inherent in all the charity's activities and key risks broadly cover patient care, data protection, finance, fundraising, governance and compliance, health and safety and information technology.

The risk assessment process identified the following major risks:

- Failure to safeguard children and vulnerable adults adequately – this is mitigated through regular safeguarding training for both staff and volunteers, DBS checks.
- Significant changes at short notice to funding arrangements and income generation activities – this is mitigated through holding a strong financial reserves position.
- The challenge of recruiting skilled staff, particularly Nurses, affecting our ability to deliver and develop services – this is being managed through looking at new opportunities to hire and train nursing staff, for example through the apprenticeship scheme, and also the establishment of shared service level agreements with NHS hospitals.

The Trustees have put in place mitigating measures to manage these risks and monitor the likelihood of these risk events occurring. It is felt that the financial and reputational impact on the Trust, has been controlled and minimised. Regular review and updates are managed through the charity's Risk Register and through review by internal governance committees.

Clinical governance is overseen by the Clinical Committee monthly and Healthcare Governance Committee quarterly. The Fundraising, Retail & Marketing Committee monitors the income streams of the Trust. The Finance, Risk & Audit Committee advises the Board on all finance and risk matters, and makes appropriate recommendations, when required. This includes reviewing the annual accounts and budgets, as well as appraising investment performance. The Governance Committee provides assurance to the Board of Trustees in discharging its responsibility for scrutiny, compliance and probity. The Trust also has an external consultant, on health and safety, which the Trustees receive regular reports from and have this year introduced a new People & Culture Committee.

Care Services Review

As for all providers the 2020/21 year has been challenging. 30 January 2020 saw the World Health Organisation declare an outbreak of Coronavirus as a 'Public Health Emergency of International Concern', and a 'pandemic' on 11 March 2020. This pandemic declaration shaped the services that we were able to provide to children, young people and their families over the last year, led to new ways of delivering services and also changed the way we raised funds and generated income. Difficult decisions had to be made, often at short notice, due to the ever changing guidance that was being received whilst ensuring that the maintenance of high quality standards throughout was at the centre of our decision making and actions.

In the early stages of the Pandemic the decision was made to close both hospices to respite services but take a child out of the high risk hospital environment and support them in house whilst a long term placement was sourced. The Trust also agreed to provide a service to adult NHS patients to free up hospital capacity, these patients were no longer requiring acute services and were transferred into Jacksplace to support their ongoing rehabilitation until they were fit for their discharge destination. End of life and emergency referrals continued to be accepted during this time. All adult patients had been discharged by early May and our support in this role was no longer required. At this point services were transferred back to Naomi House to facilitate planned works being undertaken in Jacksplace and

support families who had been identified by us or other healthcare professionals as requiring emergency support.

Throughout the year we have continued to support families at end of life and post death. This has been particularly important to families where siblings and the extended family have had limited access in the hospitals due to COVID-19 restrictions. Our space and facilities have given these families the opportunity to spend some time together and make memories that weren't possible in other settings.

As usual the staff pulled out all the stops to accommodate family wishes where able, including Christmas in October Naomi House style!

The pandemic has given us the opportunity to review how we deliver some of our services and the Family Support Team have been busier than ever continuing to support people initially via virtual platforms and telephone, moving to socially distanced meetings as and when restrictions allowed. All teams have learnt to be flexible in their contact methods and provide support in ways we would previously not have considered. Additional models of supporting people have also been commenced such as providing play sessions in the community for those not in full time education/college or accessing other services for play community visits.

We now have two established Paediatric Palliative Care Consultants and an Adult Associate Specialist. Their joint working between the hospices and University Hospital Southampton ensures that we have good links with acute services and has enabled us to identify children and young people that would benefit from additional services. This has included step down from hospital following an extended, or traumatic stay, to support transition home or admission to the hospices for symptom management avoiding a hospital admission. Their involvement in planning is likely to shape the future development of the services alongside the clinical management team.

The introduction of a Neuromuscular Clinic, alternate months, at Jacksplace has been very well received by both clinicians and service users. This allows young men with neuromuscular conditions, such as Duchenne Muscular Dystrophy, to be seen by a variety of clinicians in the one setting in one day. Feedback has been very positive and particularly appreciated at this time due to the avoidance of having to attend the hospital setting in such uncertain times.

This year has seen us review our eligibility criteria and develop an eligibility assessment tool that supports us in ensuring that the same criteria for acceptance, or discharge, is applied to all service users.

The integration of two electronic systems, i Want Great Care (iWGC) and Vantage continues. i Want Great Care allows us to collect anonymous feedback from service users and their families to identify where changes and improvements can be made to services. Vantage, a risk management software system, supports the electronic reporting of incidents. Both systems ensure that potential problems can be identified and followed up early and learning cascaded to address any gaps or concerns.

Fundraising, Retail and Marketing Review

The benefit of hindsight is that we can look back on the entirety of the year and see both the individual elements as well as the overall impact of the pandemic on our effectiveness as fundraisers, managers, colleagues and as a team. Like everyone else, the last year brought a raft of challenges and opportunities. The only certainty was at the beginning of the financial year when we had to discard, or place on hold, carefully crafted plans and schedules as we were all called upon to flex and adapt according to the prevailing need or permitted way of working at any one time.

Initially, many presumed the impact of the pandemic might possibly stretch out as far as the summer. However, as we continued to evolve and be shaped by the rolling development in knowledge and understanding of what would and would not be possible or permitted, so too our plans and options began to grow as short-term needs adapted to meet the longer-term challenges. Whilst plans may have had to become more fluid, the overriding outcome from the year is that the team collectively needed to remain pragmatic and flexible - adapting to circumstance and maximizing every opportunity that arose.

An early decision in adapting to the impact of COVID was as awareness that the reactive approach that we had adopted in the first few weeks of the pandemic was not sustainable. Our focus needed to become strategic and planned. Plans were quickly improvised so that we could adjust ways of giving for people to give and support as they wanted to.

One of the most visible immediate impacts from Lockdown was on the Retail sales operation. Our retail colleagues stoically wanted to keep trading for as long as possible, but it quickly became clear that what was hoped for and what was practicable or safe was on two entirely separate plains. When lockdowns eased, like other charity retail operations, we saw an increase in the number of goods being donated to our warehouse. It is pleasing to report that we were fortunate that the quality of the goods remained relatively high throughout the period.

A standard part of our fundraising portfolio is the range of challenge and physical events that we offer supporters throughout the year. A refreshed Clarendon Way Walk was planned for 2020 incorporating a night walk. Due to COVID, this element, together with some other planned events had to be postponed. However, the team were focused on delivery of a COVID Safe event and managed to achieve safe delivery of a controlled Clarendon Way Walk in September with 232 participants and over £70,000 raised.

The team were early adopters of the London Marathon alternative event The 2.6 Challenge. We had over 48 people raise £18,000. A series of daily evening gigs throughout Lockdown 1 cumulatively raised over £10,000 for the charity. Each performer generously donated their time and talents and helped lift the spirits of all those who logged in to watch and enjoy the gigs. Other innovations included a variety of virtual events such as the online Mexican Night, our Celebration of Christmas and our Christmas Party all delivered by the team from the hospices using the newfound skills on Zoom. Overall, the learnings of the year spanned several areas including better use of data, increased flexibility in taking events and campaigns to supporters and better use of digital giving channels to empower supporters to give in the ways that suit their lifestyles.

The final major learning of the year was the success of our first direct mail activity for several years. Focused on the practical impact of COVID over the year, our summer and Christmas campaigns highlighted the impact of the pandemic on the services we offer and the children and families we support. Although no one could have expected the year to develop as it has, the fundraising and income generation teams have adapted as required and our supporters have continued to demonstratethe trust, faith, and support for the work of the charity.

Fundraising Statement

The charity employs a team of Fundraisers based at the Hospices in Sutton Scotney. The team are line managed by function and oversee all aspects of income generation for the charity. We also have a retail operation made up of a warehouse, 21 shops, and a mix of paid and volunteer delivery drivers. The team is overseen by the Head of Retail who reports to the Director of Fundraising and Communications. The income for the charity includes voluntary giving from the Community, Retail and an established Lottery operation which is supported by our External Lottery Manager – Starvale Management and Technologies Ltd. During the year our canvassing of new lottery players was subcontracted to Local Fundraising Ltd.

Naomi House & Jacksplace is registered with the Fundraising Regulator and carries the Fundraising Regulator Logo on the website as a sign of our ongoing commitment to the principles and aims of that body and sector best practice.

Fundraisers receive regular training and updates to the development of new regulatory changes through a combination of regular team training sessions, 1:1's and induction training. The Director of Fundraising continues to act as Chair of the regional association of the Chartered Institute of Fundraising and regularly offers the team opportunities to join or take part in free or low-cost training and peer to peer networking sessions. All new fundraisers are encouraged to take the Chartered Institute of Fundraising's Fundraising Foundation Course.

The Fundraising Management team continually monitor guidance and regulations from the Charity Commission, the Fundraising Regulator and the Gambling Commission. Specifically, we review information relating to GDPR, data protection and the Gambling activities.

In the past year we have not received any suppression requests from the Regulator. All complaints that we receive in relation to income generation activities are reviewed by the Board Sub-Committee responsible for Fundraising Retail and Marketing on a quarterly basis. We received a total of 18 Complaints – all of which were investigated and resolved.

As we have a Lottery, we are alert to the needs of vulnerable people and use the framework from the Gambling Commission and the Code of Fundraising Practice to guide our approach to dealing with any such individual or group. In the retail operation each shop has a manager and assistant who undertake regular training in these areas supported by Relief Managers, our volunteer coordinator and the HR partner. Each shop displays information on contacts for anyone to report concerns.

We provide Third party fundraisers with a fundraising agreement. This sets out expectations in regard of health and safety arrangements together with information for insurance, cash handling etc. We acknowledge donations electronically or by post and provide receipts on controlled stationery for staff involved in cash collections.

Human Resources Review

The year has been dominated by the Pandemic which has had a major impact on the working lives of everyone across the world. At the start on the financial year, we placed over 70 of our staff on furlough as the first national lockdown began. As the year unfolded, we had to furlough more of our staff, hitting the 100 mark at one time with some colleagues from every department being unable to work due to the outbreak. Our criteria has been simple: if your job has temporarily disappeared due to the impact of Coronavirus, we will ask you to accept a period of furlough. No colleague refused to be placed on furlough and once we were able to take advantage of flexi furlough, all but four colleagues accepted these arrangements. Both staff and the managers who have to plan work rotas have demonstrated considerable flexibility during these stressful and uncertain times. We have remained in contact with staff, both working and furloughed, throughout the year with over 50 Trust wide newsletters, Zoom social gatherings and numerous individual calls and e-mails and bulletins from the Chief Executive, Chair of the Board of Trustees and Divisional Heads.

Despite the benefit of the furlough scheme, we have had to declare a small number of roles redundant but we have also been able to successfully redeploy some staff. Recruitment over the last year was very limited and we ended the year with 159 staff (excluding bank staff), 20 fewer than at the start. Notable appointments have been a new Head of Marketing and an internal promotion into the role of Director of Finance.

Like most employers, we swiftly moved to a home working arrangement when lockdown was announced. Staff adjusted to this very well and as a result, we have agreed to embrace a "hybrid" model, allowing office based staff to work up to 40% of their time from home by agreement. Our staff survey conducted with our Investors in People partner in August indicated that there was no desire to move to total homeworking and in fact, staff reported that they missed the office atmosphere and the social support they received from their colleagues.

Volunteering was sadly very badly impacted by the pandemic and the restrictions. With all our shops closed for long and repeated periods, and no household mixing allowed, we have had fewer opportunities for our loyal teams of volunteers. Moreover, Shop volunteer numbers have reduced as many of our elderly colleagues have spent the year shielding. At present we have approximately 200 active shop volunteers and are hoping to increase that to 350 in the year ahead. Hospice based volunteering has been more difficult to manage. As a clinical environment we have discouraged non-essential visitors and indeed asked our office staff to work from home where possible. Our office procedures continue to change which means many previous volunteer tasks are no longer required. Our garden and maintenance volunteers have returned to the premises with vigour and we hope to identify more opportunities for our communities to support fundraising initiatives once the current restrictions are finally lifted.

The Pandemic placed further pressure on our finances and the Board of Trustees made a decision to postpone a planned pay increase for 2020-21. Staff salaries were therefore not increased in the financial year, for staff at any level, including the five members of the Senior Management Team (SMT). For reference, the SMT pay is traditionally reviewed annually in March along with all other staff. The Trust aims to offer a competitive salary and compares rates of pay to counterpart level roles from other charities or similar sized organisations. Salary increases for the SMT are approved by the Board. It was agreed to top up furlough pay (from 80% to 100% and to national minimum wage) for a limited period to ease the financial pressure on those colleagues whose roles had been impacted via the pandemic. After a whole year of uncertainty and disruption for our employees, the Trustees agreed a pay award of 1.5%, effective from April 2021.

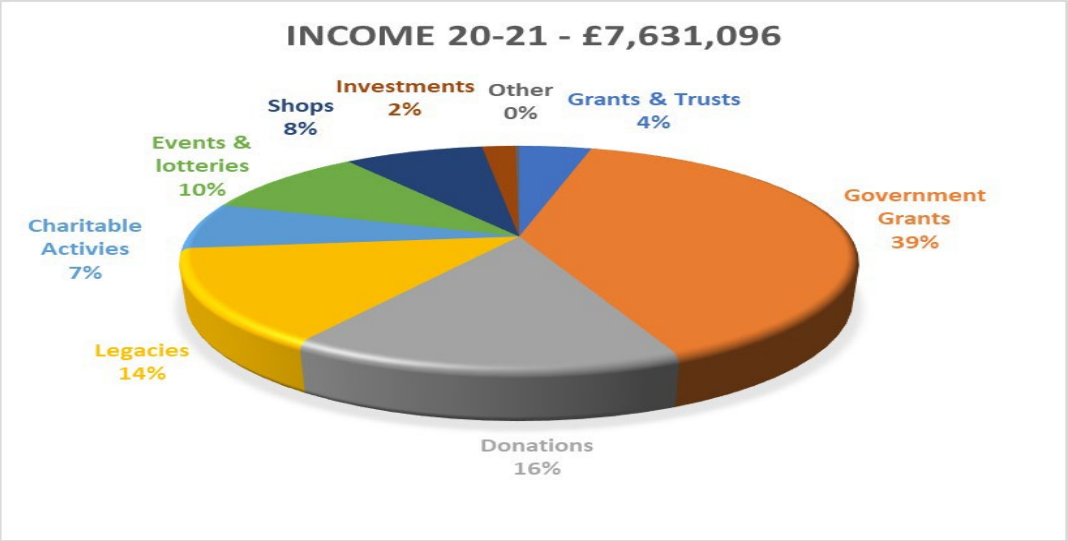
We have appointed two new clinical Trustees from an open recruitment campaign and we approached a parent of a former service user to join the Board as Parent Trustee.

Financial Review

Despite significant uncertainty at the start of the financial year due to the ongoing pandemic, we have achieved a healthy surplus of £2,745,218 for the year-ending 31 March 2021, much of this surplus £2,233,082 has resulted from good investment performance. Total funds held are £28,734,326 (2020: £25,989,108).

COVID-19 has impacted Naomi House and Jacksplace, as it has the rest of the UK and world. We have been fortunate to receive significant aid from the NHS and government to support our activities throughout the year, enabling us to maintain our income levels to continue to deliver services and ensure a sustainable future.

Total income for the year ending 31 March 2021 amounted to £7,631,096 (2020: £7,516,015).



NHS England have supported our services through the Children's Hospice Grant Scheme with an annual grant of £602,676 (2020: £414,469). Income from Clinical Commissioning Groups (CCGs) was £416,590 (2020: £731,312) in 2020 we had two children who had extensive long-term stays.

During the year we've utilised emergency government funding to mitigate the fall in income due to the pandemic. The NHSE awarded funding to allow the hospices to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

COVID-19 Grants	Total £
NHSE Grant (Emergency and Bed Capacity)	£1,203,333
COVID-19 Retail Grants	£310,605
Government Job Retention Scheme	£880,640
Total COVID-19 Grant Support	£2,394,578

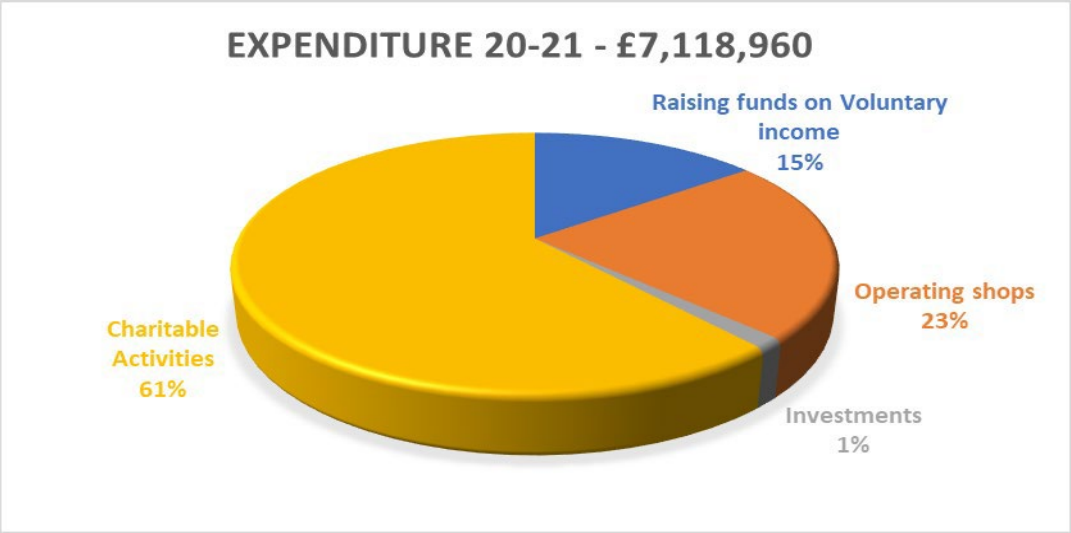
On the 1 April 2020 the Trust had a network of 23 shops selling donated goods and a small quantity of bought in goods. The retail network had significant disruption during the year with the imposed local and national lockdown restrictions. Many of our landlords have been supportive and allowed favourable payment terms and, in some cases, a rent reduction. Unfortunately, despite this support we exited our Waterlooville shop in the last quarter of the year and our Hythe shop has closed in Q1 of 2021/22.

Naomi House Children's Hospice Limited is a wholly owned subsidiary of the Trust. The subsidiary is the agent for the Retail Gift Aid scheme along with carrying out all trading activities. All profits from the trading activities can be gift aided to the Trust, subject to HMRC regulation, benefiting the charity by reducing any corporation tax liability on trading activities.

Shops and merchandising income totalled £613,365 (2020: £2,235,794) this decline demonstrates the impact of COVID-19, a reduction of 73% of income compared to the prior year. Retail Gift Aid claimed from HMRC during the year was £33,848 (2020: £185,016). During the year we continued to utilise Retail Government support including business rate reductions, local restriction support grants and circuit break lockdown grants.

Naomi House Children's Hospice Limited turnover, for the year was £9,080 (2020: £13,846). Income is low due to limited ability to run the Retail Gift Aid Scheme with enforced shop closures for a major portion of the year.

During a year of uncertainty, it was imperative that we worked to increase our efficiency and control our costs. Annual costs for the year totalled £7,118,960 compared to £8,300,475 in 2020, a reduction of 14%.



Investments

The Trust's investments totalled £12,599,635 as at 31 March 2021. The capital value of the Trust's investment portfolio increased by £2,233,082 (2020: decrease of £228,998).

The Trust's investment portfolio is managed by an independent fund manager, Veritas, in accordance with the Trust's investment policy. As with all investment portfolios this is subject to market conditions. The investment manager's objectives are "real returns on a rolling 5-year view with an emphasis on capital growth with income". The performance aim is to outperform UK CPI +3% net of all costs over the medium term (5 years). Despite the global pandemic our portfolio has achieved 59.4% return over a rolling five-year period compared to UK CPI+3% at 25%.

Reserves policy

The purpose of the reserves is to secure the future of our services and our long-term obligation to the children, young people and families we support. Our reserves ensure that we can sustain periods where our income is unpredictable and allows us to absorb our forecast deficit of £448,000 in 2021/22.

It is the opinion of the Trustees that it is prudent that the Naomi House and Jacksplace services, require ideally reserves of 18 months, to ensure the continuity of care, in the event of a large variation of income. The balance at the 31 March 2021, of £4,486,000 for the Naomi House Designated Fund and £4,029,000 for the Jacksplace Designated Fund, represents a coverage of 18 months of care, and fundraising costs.

Our unrestricted reserves total £21,739,735, of which £14,653,174 has been designated for specific purposes.

Total Fund	£28,734,326	100%
Less Restricted Funds (including endowment)	£6,994,591	24%
Less Designated Fixed Asset Fund	£4,730,574	17%
Less Designated Reserves	£9,922,600	35%
Free Reserves – Revaluation Reserve	£3,539,044	12%
Free Reserves – Non-charitable trading funds	£6,574	0%
Free Unrestricted Reserves	**£3,540,943**	**12%**

The general unrestricted reserves fund at the 31 March 2021 is £3,540,943 (2020: £2,613,382). The increase has occurred due to the in-year surplus and investment gains.

Financial Sustainability including COVID-19 considerations

On behalf of the Board the Finance Risk and Audit Committee (FRAC) has undertaken a detailed review of the cashflow forecasts, unrestricted reserves and investments position of the group in response to the COVID-19 pandemic and the risks this places on income generation in the immediate and medium-term future. The FRAC has reported to the Board to assure Trustees of the sustainability of the group and considered the level of reserves, the liquidity and resilience of the organisation's financial position and ability to create a sustainable future.

As at 31 March 2021 the consolidated Wessex Children's Hospice Trust financial statements are reporting funds totalling £28,734,326 of which £7,086,561 would be freely available to use if the need arises.

A review of our liquidity and resilience shows:

- Bank balance of £2,889,190 at 31 March 2021
- Unrestricted investments of £12,589,635 at 31 March 2021
- Utilisation of Government grants including the Job Retention Scheme of £880,640 and Retail Grants of £310,605 in 2020/21 and £82,668 associated to restart grants in 2021/22
- Confirmation of no claw backs for NHSE (Hospice UK) grants
- Care service review

The Board of Trustees recognise that there continues to be uncertainty over the level of income achievable in the next year and has taken this into consideration when reviewing the group's sustainability and status as a going concern. In addition to the financial information set out above, Trustees have also considered;

- Strength within the Senior Management Team to adapt to new challenges
- Excellent and long-standing relationships that have been built with Charitable Trusts, Supporters and statutory sector organisations who provide funds for the Charity
- £14.5m held in Investments and £2.1m held in Cash at the end of July 2021
- Cashflow forecast to March 2023 showing a positive cash balance of £1m without accessing investment reserves and based on realistic and prudent assumptions

Trustees have, therefore, concluded that the group is in a sustainable position for the foreseeable future and will continue to review, monitor and act as necessary to remain so.

Strategy 2020-25

In the next five years, our strategic priorities are to:

- **Continue to Make a Difference to Families Everyday**
    - Provide high quality care services and be here for families when they need us
- **Afford our Ambitions**
    - Increase our income and manage costs to develop services in a sustainable way
- **Be at the Forefront of a Changing Healthcare Landscape**
    - Maximise the opportunities presented by the NHS Long Term Plan to work more collaboratively together with other providers to improve services for children, young people, young adults, and their families.

The NHS Long Term Plan published in January 2019 outlines the changing healthcare landscape. This will see the provision of services across larger geographical areas and movement towards the NHS, CCGs, Local Authorities, and public and voluntary service providers working together through Strategic Transformation Partnerships (STPs). This should lead to the development of Integrated Care Systems (ICSs) to improve service delivery and funding. It outlines the need to deliver services through Managed Clinical Networks (MCNs), encouraging a system wide approach to the delivery of high quality CYP palliative care services that meet families' needs.

The revised NHS England Children's and Young Peoples (CYP) Palliative Care Service Specification sets out the framework for delivering a comprehensive palliative care service across all service providers. We will work with UHS and the NHS more broadly, Specialist Palliative Care Consultants, Paediatricians, Community Nursing Teams, Commissioners, other hospices, and charity providers to work toward delivering the service standards as specified across the region.

Statement of Trustees' Responsibilities

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

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

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

The Trustees undertake and complete training, as defined and required by the Board, and themselves, to ensure they can effectively perform their Trustee role.

Auditor

Crowe U.K. LLP have indicated their willingness to continue as statutory auditors to the Trust.

The Trustees approved this report, including the strategic report on 5th October 2021 and it was signed on their behalf by

Faith Ramsay - Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESSEX CHILDREN'S HOSPICE TRUST

Opinion

We have audited the financial statements of Wessex Children's Hospice Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an uditor'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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team member]. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were the Gambling Commission, CQC Regulations and General Data Protection Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, Risk and Audit Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESSEX CHILDREN'S HOSPICE TRUST (CONTINUED)

Use of our report

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

Janette Joyce (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrave Street
Reading
Berkshire
RG1 1PL

Date: 2 November 2021

WESSEX CHILDREN'S HOSPICE TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations and legacies	3	**3,582,405**	**2,011,672**	**5,594,077**	*3,273,767*
Charitable activities	4	**511,127**	**-**	**511,127**	*811,112*
Other trading activities:					
Fund raising events and lotteries		**749,301**	**-**	**749,301**	*895,102*
Income from shops and merchandising		**613,365**	**-**	**613,365**	*2,235,794*
Investments	5	**147,280**	**-**	**147,280**	*269,946*
Other income		**15,946**	**-**	**15,946**	*30,294*
Total income		**5,619,424**	**2,011,672**	**7,631,096**	*7,516,015*
Expenditure on:					
Raising funds:	6				
Voluntary income		**1,042,858**	**-**	**1,042,858**	*1,283,123*
Operating shops		**1,610,859**	**-**	**1,610,859**	*2,315,898*
Investments		**93,273**	**-**	**93,273**	*99,798*
Charitable activities	7	**1,817,789**	**2,554,181**	**4,371,970**	*4,601,656*
Total expenditure		**4,564,779**	**2,554,181**	**7,118,960**	*8,300,475*
Net income/(expenditure) before net gains/(losses) on investments		**1,054,645**	**(542,509)**	**512,136**	*(784,460)*
Net gains/(losses) on investments	13	**2,233,082**	**-**	**2,233,082**	*(228,998)*
Net movement in funds		**3,287,727**	**(542,509)**	**2,745,218**	*(1,013,458)*
Reconciliation of funds:					
Total funds brought forward	18	**18,452,008**	**7,537,100**	**25,989,108**	*27,002,566*
Net movement in funds		**3,287,727**	**(542,509)**	**2,745,218**	*(1,013,458)*
Total funds carried forward	18	**21,739,735**	**6,994,591**	**28,734,326**	*25,989,108*

The notes on pages 25 to 48 form part of these financial statements.

WESSEX CHILDREN'S HOSPICE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 02601495 (England and Wales)

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	12		**11,534,933**		*11,960,318*
Investments	13		**12,599,635**		*9,488,408*
			24,134,568		*21,448,726*
Current assets					
Stocks	14	**15,162**		*2,575*	
Debtors	15	**2,598,279**		*3,348,169*	
Cash at bank and in hand		**2,889,190**		*2,065,772*	
		5,502,631		*5,416,516*	
Creditors: amounts falling due within one year	16	**(902,873)**		*(876,134)*	
Net current assets			**4,599,758**		*4,540,382*
Total net assets			**28,734,326**		*25,989,108*
Charity funds					
Restricted funds	18		**6,994,591**		*7,537,100*
Unrestricted funds					
Designated funds	18	**14,653,174**		*14,399,435*	
General funds	18	**3,547,517**		*2,624,707*	
Revaluation reserve	18	**3,539,044**		*1,427,866*	
Total unrestricted funds	18		**21,739,735**		*18,452,008*
Total funds			**28,734,326**		*25,989,108*

The surplus for the Charity dealt with in the financal statements was £2,749,969 *(2020: £1,004,978 deficit).*
The financial statements were approved and authorised for issue by the Trustees on 5th October 2021.
and signed on their behalf by:

Faith Ramsay
Chair

The notes on pages 25 to 48 form part of these financial statements.

WESSEX CHILDREN'S HOSPICE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 02601495 (England and Wales)

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	12		**11,534,933**		*11,960,318*
Investments	13		**12,599,637**		*9,488,410*
			24,134,570		*21,448,728*
Current assets					
Stocks	14	**13,346**		-	
Debtors	15	**2,597,926**		*3,343,889*	
Cash at bank and in hand		**2,881,868**		*2,058,106*	
		5,493,140		*5,401,995*	
Creditors: amounts falling due within one year	16	**(899,956)**		*(872,938)*	
Net current assets			**4,593,184**		*4,529,057*
Total net assets			**28,727,754**		*25,977,785*
Charity funds					
Restricted funds	18		**6,994,591**		*7,537,100*
Unrestricted funds					
Designated funds	18	**14,653,174**		*14,399,435*	
General funds	18	**3,540,945**		*4,041,250*	
Revaluation reserve	18	**3,539,044**		-	
Total unrestricted funds	18		**21,733,163**		*18,440,685*
Total funds			**28,727,754**		*25,977,785*

The financial statements were approved and authorised for issue by the Trustees on 5th October 2021, and signed on their behalf by:

Faith Ramsay
Chair

The notes on pages 25 to 48 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	*2020 £*
Cash flows from operating activities			
Net cash provided by operating activities	20	**1,832,457**	*547,428*
Cash flows from investing activities			
Dividends and interest from investments		**147,280**	*269,946*
Proceeds from the sale of tangible fixed assets		**-**	*29,000*
Purchase of tangible fixed assets		**(178,890)**	*(153,299)*
Withdrawals from investment portfolio		**158,026**	*438,302*
Additions to investment portfolio		**(1,135,455)**	*(187,344)*
Net cash (used in)/provided by investing activities		**(1,009,039)**	**396,605**
Change in cash and cash equivalents in the year		**823,418**	**944,033**
Cash and cash equivalents at the beginning of the year		**2,065,772**	*1,121,739*
Cash and cash equivalents at the end of the year	21	**2,889,190**	*2,065,772*

The notes on pages 25 to 48 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Wessex Children's Hospice Trust is a registered charity (charity number 1002832) and a private company limited by guarantee (company number 02601495) incorporated in England & Wales. The registered office and principal place of business is Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE. This is also the address of its wholly owned subsidiary Naomi House Children's Hospice Ltd.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Wessex Children's Hospice Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Naomi House Children's Hospice Ltd on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The Charity has taken advantage of the exemptions in FRS 102 from the requirement to present a charity only Cash Flow Statement and certain disclosures about its own financial instruments within the consolidated financial statements.

2.2 Going concern

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

In light of the current climate in relation to the COVID-19 pandemic the Trustees have undertaken planning and forecasting and continue to closely monitor the developing situation. Despite the current circumstances the Trustees believe that the Group's financial resources and contingency planning is sufficient to ensure the ability of the Group to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

2.3 Income

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

Income from government grants (including retail grants) and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and

2. Accounting policies (continued)

2.3 Income (continued)

the amount can be measured reliably.

Where entitlement occurs before income is received, the income is accrued. Where income is received in advance of the Group having entitlement to the funds the income is deferred.

Donations and gifts represents amounts receivable during the year, together with any associated tax refund and do not include the value of any pledges secured for future donations. Income from gift aid tax reclaims is recognised for all donations made prior to the year end, where valid gift aid declarations are held.

The contribution of volunteers is not included in the Statement of Financial Activities, but is disclosed in the Trustees' Report in accordance with the SORP.

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

Where legacies have been notified to the charity, but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material in note 23.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

• Costs of raising funds relate to the costs incurred by the Group in inducing third parties to make voluntary contributions to it, the costs of running the charity shops, as well as the cost of any activities with a fundraising purpose. It also includes the investment manager fees.

• Expenditure on charitable activities includes the costs of running the Naomi House and Jacksplace hospices together, including the long term ventilation unit, with the provision of support for the families of the referred children and young people.

Irrecoverable VAT is charged as a cost to the Statement Of Financial Activities when the expenditure is incurred.

2.5 Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity.

2. Accounting policies (continued)

However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are reallocated to each of the activities on the following basis:

- Cost of generating income 15%
- Costs of merchandising & shops 23%
- Costs of investments 1%
- Naomi House 31%
- Jacksplace 23%
- LTV 0.3%
- Community & Family Support 6.7%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities and are included within support costs.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the bank.

2.7 Operating leases

Rental charges are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,500 or more are capitalised.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Leasehold land	- Over period lease
Leasehold buildings	- 50 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 years
Computer equipment	- 3 years

2. Accounting policies (continued)

2.9 Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted market price. Any change in fair value will be recognised in the Statement of Financial Activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the Balance Sheet. Investment gains and losses, are shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The Group does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiaries are valued at cost.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

2.11 Debtors

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

2.12 Cash at bank and in hand

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

2.13 Creditors

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

2.14 Financial instruments

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

2.15 Pensions

The Trust operates two pension schemes. The first is a defined contribution pension scheme, the assets of which are held independently from those of the Group. Expenditure made through the Statement of Financial Activities represents the contributions arising in the year.

2. Accounting policies (continued)

2.15 Pensions (continued)

The second scheme is a final salary multi-employer pension plan which is available for certain employees only. It is not possible to identify separately the assets and liabilities relating to Wessex Children's Hospice Trust for the purposes of FRS 102 disclosure. As neither the Trust nor its employees are liable to pay any additional sums towards a funding shortfall, which is met directly by the Exchequer, pension contributions are accounted for in the year in which they become payable. See Note 25 for more details.

2.16 Fund accounting

Unrestricted funds are donations and other income received or generated for the charitable purposes and have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Details of the aim and use of designated funds are included within the notes to the financial statements.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Details of the restrictions are included within the notes to the financial statements.

Endowment funds are investments donated to the charity to generate income which can be spent on charitable activities. Details of the aim and use of endowment funds are included within the notes to the financial statements.

2.17 Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Management judgement is applied over the valuation of legacy income and the legacy pipeline where cash is not yet received. See note 2.3 for the legacy accounting policy and note 23 for the value of the legacy pipeline.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Grants				
Grants & Trusts	240,234	127,839	**368,073**	*300,580*
Government grants				
Government Retail, Leisure & Hospitality Grant	-	-	**-**	*500,000*
NHS England Children's Hospices Grants Programme	-	602,676	**602,676**	*414,469*
COVID-19 Retail Grant	310,605	-	**310,605**	-
Coronavirus Job Retention Scheme	880,640	-	**880,640**	-
NHSE Emergency COVID-19 grant funding	-	1,203,333	**1,203,333**	-
	1,431,479	1,933,848	**3,365,327**	*1,215,049*
Donations	1,092,369	77,824	**1,170,193**	*1,416,634*
Legacies	1,058,557	-	**1,058,557**	*642,084*
	3,582,405	2,011,672	**5,594,077**	*3,273,767*
Total 2020	*2,732,201*	*541,566*	*3,273,767*	

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from Novermber 2020 to March 2021 for the same purpose.

4. Income from charitable activities

	2021 £	*2020 £*
Clinical Commissioning Groups	**416,590**	*731,312*
Individuals	**26,400**	*76,050*
Other	**68,137**	*3,750*
	511,127	*811,112*

Income from charitable activities is unrestricted during this and the prior year.

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Dividends	146,840	**146,840**	*269,683*
Interest	440	**440**	*263*
	147,280	**147,280**	*269,946*
Total 2020	*269,946*	*269,946*	

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Other staff and volunteer costs	1,078	**1,078**	*5,530*
Direct costs	300,868	**300,868**	*338,056*
Overhead costs	140,653	**140,653**	*170,135*
Wages and salaries	438,457	**438,457**	*462,889*
National Insurance	40,783	**40,783**	*43,634*
Pension costs	28,542	**28,542**	*28,632*
Depreciation	3,028	**3,028**	*3,028*
Allocated centrally incurred support and governance costs	89,449	**89,449**	*231,219*
	1,042,858	**1,042,858**	*1,283,123*
Total 2020	*1,283,123*	*1,283,123*	

Costs of operating shops

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Facilities & maintenance	622,259	**622,259**	*853,890*
Wages and salaries	761,753	**761,753**	*876,380*
National Insurance	45,336	**45,336**	*59,740*
Pension costs	25,034	**25,034**	*25,037*
Depreciation	18,367	**18,367**	*70,317*
Allocated centrally incurred support and governance costs	138,110	**138,110**	*430,534*
	1,610,859	**1,610,859**	*2,315,898*
Total 2020	*2,315,898*	*2,315,898*	

7. Analysis of expenditure by charitable activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
Naomi House	2,036,974	185,843	**2,222,817**	*2,212,698*
Jacksplace	1,536,663	140,199	**1,676,862**	*1,599,236*
Long Term Ventilation Unit	21,990	2,065	**24,055**	*95,102*
Community & Family Support	409,759	38,477	**448,236**	*694,620*
	4,005,386	366,584	**4,371,970**	*4,601,656*
Total 2020	*3,527,863*	*1,073,793*	*4,601,656*	

Analysis of direct costs

	Naomi House 2021 £	Jacksplace 2021 £	LTV 2021 £	Community & Family Support 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	1,315,223	992,185	-	380,403	**2,687,811**	*2,829,856*
Depreciation	229,568	173,183	19,456	7,073	**429,280**	*80,262*
Other staff & volunteer costs	17,183	12,962	-	435	**30,580**	*138,719*
Direct costs	171,676	129,510	2,534	14,883	**318,603**	*357,243*
Facilities & maintenance	102,465	77,298	-	-	**179,763**	-
Overhead costs	200,859	151,525	-	6,965	**359,349**	*121,783*
	2,036,974	1,536,663	21,990	409,759	**4,005,386**	*3,527,863*
Total 2020	*1,606,477*	*1,314,389*	*67,845*	*539,152*	*3,527,863*	

7. Analysis of expenditure by charitable activities (continued)

Analysis of support costs

	Naomi House 2021 £	Jacksplace 2021 £	LTV 2021 £	Community & Family Support 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	134,816	98,075	1,445	26,917	**261,253**	*434,342*
Depreciation	1,451	1,095	16	300	**2,862**	*249,128*
Other staff & volunteer costs	8,887	10,333	152	2,836	**22,208**	*66,876*
Direct costs	-	-	-	-	**-**	*11,760*
Facilities & maintenance	-	-	-	-	**-**	*113,359*
Overhead costs	40,689	30,696	452	8,424	**80,261**	*198,328*
	185,843	140,199	2,065	38,477	**366,584**	*1,073,793*
Total 2020	*606,221*	*284,847*	*27,257*	*155,468*	*1,073,793*	

Governance costs of £20,446 *(2020: £57,371*) are included within support costs.

8. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £15,120 *(2020 - £14,750)*, and non-audit fees of of £4,850 (*2020 - £3,100*).

9. Staff costs

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Wages and salaries	**3,852,997**	*4,325,809*	**3,852,997**	*4,325,809*
Social security costs	**344,866**	*403,738*	**344,866**	*403,738*
Contribution to defined contribution and defined benefit pension schemes	**255,896**	*305,922*	**255,896**	*305,922*
	4,453,759	*5,035,469*	**4,453,759**	*5,035,469*

Redundancy and termination payments totalling £20,161 were made to seven employees during the financial year *(2020: £2,500 to two employees).*

9. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	Group 2021 No.	*Group 2020 No.*
Care	**91**	*96*
Fundraising	**16**	*17*
Retail & Merchandice	**54**	*61*
Management & Administration	**12**	*13*
	173	*187*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	*Group 2020 No.*
In the band £60,001 - £70,000	**1**	*1*
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	*1*

The total employee benefits including pension contributions and employers NI of the key management personnel were £438,580 *(2020: £432,505).* Key management personnel are listed on page 1.

10. Trustees' remuneration and expenses

The Charity trustees were neither paid nor received any other benefits from employment with the charity in the year *(2020: £Nil)*. No Charity trustee received payment for professional or other services supplied to the charity *(2020: £Nil).*

Expenses of £55 *(2020: £50)* were paid for, or reimbursed to, one trustee *(2020: one trustee)*. Expenses related to travel and subsistence.

11. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity's trading subsidiary Naomi House Children's Hospice Ltd gift aids available profits to the parent Charity within nine months of the year end so it has no tax charge.

12. Tangible fixed assets

Group and Company

	Freehold property £	Leasehold land and property £	Assets under construction £	Motor vehicles £	Fixtures and fittings and computer equipment £	Total £
Cost or valuation						
At 1 April 2020	**700,000**	**13,508,835**	**34,187**	**218,665**	**1,393,834**	**15,855,521**
Additions	**-**	**102,772**	**-**	**-**	**76,118**	**178,890**
Disposals	**-**	**(21,712)**	**-**	**-**	**(100,373)**	**(122,085)**
Transfers between classes	**-**	**25,920**	**(34,187)**	**-**	**8,267**	**-**
VAT adjustment	**-**	**(148,898)**	**-**	**-**	**-**	**(148,898)**
At 31 March 2021	**700,000**	**13,466,917**	**-**	**218,665**	**1,377,846**	**15,763,428**
Depreciation						
At 1 April 2020	**-**	**2,575,333**	**-**	**154,950**	**1,164,920**	**3,895,203**
Charge for the year	**-**	**327,917**	**-**	**37,294**	**90,166**	**455,377**
On disposals	**-**	**(21,712)**	**-**	**-**	**(100,373)**	**(122,085)**
At 31 March 2021	**-**	**2,881,538**	**-**	**192,244**	**1,154,713**	**4,228,495**
Net book value						
At 31 March 2021	**700,000**	**10,585,379**	**-**	**26,421**	**223,133**	**11,534,933**
At 31 March 2020	*700,000*	*10,933,502*	*34,187*	*63,715*	*228,914*	*11,960,318*

13. Fixed asset investments

Group	Listed investments £
Valuation	
At 1 April 2020	**9,488,408**
New money invested	**1,135,455**
Amounts extracted	**(158,026)**
Net gain on change in fair value	**2,233,082**
Investment management fees	**(99,284)**
At 31 March 2021	**12,599,635**

Company	Investments in subsidiary companies £	Listed investments £	Total £
Valuation			
At 1 April 2020	**2**	**9,488,408**	**9,488,410**
New money invested	**-**	**1,135,455**	**1,135,455**
Amounts extracted	**-**	**(158,026)**	**(158,026)**
Net gain on change in fair value	**-**	**2,233,082**	**2,233,082**
Investment management fees	**-**	**(99,284)**	**(99,284)**
At 31 March 2021	**2**	**12,599,635**	**12,599,637**

13. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Naomi House Children's Hospice Ltd	02861158	Naomi House, Stockbridge Road, Sutton Scotney, Winchester, SO21 3JE	Non-primary purpose trading

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	(Loss) for the year £	Net assets £
Naomi House Children's Hospice Ltd	**9,080**	**(13,830)**	**(4,750)**	**6,574**

14. Stocks

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Finished goods and goods for resale	**15,162**	*2,575*	**13,346**	-

15. Debtors

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Trade debtors	**95,638**	*90,791*	**95,404**	*86,511*
Other debtors	**60,498**	*87,746*	**60,379**	*87,746*
Prepayments and accrued income	**2,442,143**	*3,169,632*	**2,442,143**	*3,169,632*
	2,598,279	*3,348,169*	**2,597,926**	*3,343,889*

16. Creditors: Amounts falling due within one year

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Trade creditors	**263,205**	*256,580*	**263,205**	*254,450*
Amounts owed to group undertakings	**-**	*-*	**533**	*2,285*
Other taxation and social security	**72,312**	*95,630*	**72,312**	*95,630*
Other creditors	**149,225**	*133,261*	**149,225**	*133,261*
Accruals and deferred income	**418,131**	*390,663*	**414,681**	*387,312*
	902,873	*876,134*	**899,956**	*872,938*

Deferred income of £160,785 *(2020: £60,819)* relates to amounts received in advance for events held in the next financial year and a deferred grant. All of the prior year deferred income has been released in the current year.

17. Financial instruments

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Financial assets				
Financial assets measured at fair value through income and expenditure	**12,599,635**	*9,488,408*	**12,599,635**	*9,488,408*

Financial assets measured at fair value through income and expenditure comprise listed investments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Fixed Asset fund	**4,795,885**	**-**	**-**	**(65,311)**	**-**	**4,730,574**
Naomi House fund	**4,486,000**	**-**	**-**	**-**	**-**	**4,486,000**
Jacksplace fund	**4,029,000**	**-**	**-**	**-**	**-**	**4,029,000**
Capital Development Fund	**314,550**	**-**	**-**	**(80,550)**	**-**	**234,000**
Retail Operations Fund	**774,000**	**-**	**-**	**399,600**	**-**	**1,173,600**
	14,399,435	**-**	**-**	**253,739**	**-**	**14,653,174**
General funds						
General Funds	**2,613,382**	**5,615,834**	**(4,556,438)**	**(253,739)**	**121,904**	**3,540,943**
Non-charitable trading funds	**11,325**	**3,590**	**(8,341)**	**-**	**-**	**6,574**
Revaluation reserve	**1,427,866**	**-**	**-**	**-**	**2,111,178**	**3,539,044**
	4,052,573	**5,619,424**	**(4,564,779)**	**(253,739)**	**2,233,082**	**7,086,561**
Total Unrestricted funds	**18,452,008**	**5,619,424**	**(4,564,779)**	**-**	**2,233,082**	**21,739,735**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

18. Statement of funds (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Restricted funds						
Fixed Asset Fund-Jacksplace	**5,165,004**	**35,712**	**(155,157)**	**91,064**	**-**	**5,136,623**
Fixed Asset Fund-Naomi House	**1,999,429**	**-**	**(367,052)**	**44,397**	**-**	**1,676,774**
Jacksplace Fund	**51,348**	**100,000**	**(151,348)**	**-**	**-**	**-**
Hospice Running Costs	**5,001**	**1,845,960**	**(1,844,461)**	**-**	**-**	**6,500**
Building & Facilities	**260,228**	**-**	**-**	**(113,825)**	**-**	**146,403**
Diversion Therapy	**46,090**	**-**	**(6,163)**	**(21,636)**	**-**	**18,291**
Endowment Fund	**10,000**	**-**	**-**	**-**	**-**	**10,000**
Bereavement Support	**-**	**30,000**	**(30,000)**	**-**	**-**	**-**
	7,537,100	**2,011,672**	**(2,554,181)**	**-**	**-**	**6,994,591**
Total of funds	**25,989,108**	**7,631,096**	**(7,118,960)**	**-**	**2,233,082**	**28,734,326**

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2020* £
Unrestricted funds						
Designated funds						
Fixed Asset fund	*4,352,231*	-	-	*443,654*	-	*4,795,885*
Naomi House fund	*6,170,000*	-	-	*(1,684,000)*	-	*4,486,000*
Jacksplace fund	*3,900,000*	-	-	*129,000*	-	*4,029,000*
Capital Development Fund	*279,900*	-	-	*34,650*	-	*314,550*
Retail Operations Fund	*655,000*	-	-	*119,000*	-	*774,000*
	15,357,131	-	-	*(957,696)*	-	*14,399,435*
General funds						
General Funds	*1,716,917*	*6,974,449*	*(7,382,259)*	*957,696*	*346,579*	*2,613,382*
Non-charitable trading funds	*19,803*	-	*(8,478)*	-	-	*11,325*
Revaluation reserve	*2,003,443*	-	-	-	*(575,577)*	*1,427,866*
	3,740,163	6,974,449	(7,390,737)	*957,696*	*(228,998)*	*4,052,573*
Total Unrestricted funds	19,097,294	6,974,449	(7,390,737)	-	*(228,998)*	*18,452,008*

18. Statement of funds (continued)

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2020* £
Restricted funds						
Fixed Asset Fund-Jacksplace	*5,322,963*	*14,795*	*(176,799)*	*4,045*	-	*5,165,004*
Fixed Asset Fund-Naomi House	*1,999,429*	-	-	-	-	*1,999,429*
Jacksplace Fund	*128,749*	*2,288*	*(79,689)*	-	-	*51,348*
Hospice Running Costs	*95,000*	*452,444*	*(542,443)*	-	-	*5,001*
Building & Facilities	*197,074*	*67,199*	-	*(4,045)*	-	*260,228*
Diversion Therapy	*152,057*	*4,840*	*(110,807)*	-	-	*46,090*
Endowment Fund	*10,000*	-	-	-	-	*10,000*
	7,905,272	541,566	(909,738)	-	-	*7,537,100*
Total of funds	*27,002,566*	*7,516,015*	*(8,300,475)*	-	*(228,998)*	*25,989,108*

18. Statement of funds (continued)

Unrestricted funds
Charity only unrestricted funds total £21,733,163, being total unrestricted funds of £21,739,735 less the trading subsidiary retained earnings of £6,572.

Purposes of restricted funds
Restricted funds can only be expended in accordance with the donors' specific instructions. The purpose of each fund is as follows:

Fixed Asset Fund - Jacksplace
The net book value of restricted fixed assets purchased with restricted funds and predominantly relates to the Jacksplace hospice.

Fixed Asset Fund - Naomi House
This represents the refurbishment cost funded by restricted funds.

Jacksplace Fund
Funds received specifically to meet the running cost of Jacksplace.

Hospice Running Costs
This denotes donations received to pay for care staff and the direct costs of running both hospices.

Building & Facilities
This fund relates to donations received explicitly to meet the costs of improving and maintaining hospice facilities.

Diversion Therapies
This covers the cost of the wide range of therapies, play and activities which enrich the children and young adult's stays.

Endowment Fund
This was donated to the Trust to be held as investment cash to generate income from interest.

Purpose of designated funds
The designated funds comprise:

Fixed Asset Fund
This is the net book value of unrestricted Tangible Fixed Assets. This mainly represents the Naomi House building and equipment.

Naomi House Fund
Children's hospice services are expensive to run and the families are highly dependent on the Trust providing uninterrupted services from initial referrals right through to end of life.

Our funding is highly dependent on private rather than government sources. The Trustees have to ensure that there are sufficient reserves to keep our Naomi House hospice open and running to capacity.

This fund ensures that a continued service can be delivered in the event of an unforeseen income disruption. This would include a failure of fundraising arising from changes in sentiment, relationships and reputation.

The Trustees have calculated that a reserve to secure 18 months running costs of the Naomi House hospice (and the related community & family services) would ensure continuity in the event of a large

18. Statement of funds (continued)

variation in income. The balance at 31 March 2021 of £4.5m represents 18 months of Care, Fundraising and Management costs.

Jacksplace Fund
Similar to Naomi House above. This is to ensure that a continued service can be delivered in the event of an unforeseen income disruption. The fund should represent 18 months running costs of the Jacksplace young adult's hospice to ensure continuity in the event of a large variation in income.

The balance at 31 March 2021 of £4.0m represents 18 months of Care, Fundraising and Management costs.

Fund transfers are either for capital purchases made during the year where the restriction has been fulfilled or they were transfers to accurately reflect the closing designated fund balances.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	4,718,386	6,816,547	**11,534,933**
Fixed asset investments	12,589,635	10,000	**12,599,635**
Current assets	5,334,587	168,044	**5,502,631**
Creditors due within one year	(902,873)	-	**(902,873)**
Total	21,739,735	6,994,591	**28,734,326**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Restricted funds 2020 £*	*Total funds 2020 £*
Tangible fixed assets	4,795,885	7,164,433	*11,960,318*
Fixed asset investments	9,478,408	10,000	*9,488,408*
Current assets	5,053,849	362,667	*5,416,516*
Creditors due within one year	(876,134)	-	*(876,134)*
Total	18,452,008	7,537,100	*25,989,108*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	*Group 2020 £*
Net income/(expenditure) for the year (as per Statement of Financial Activities)	**2,745,218**	*(1,013,458)*
Adjustments for:		
Depreciation charges	**455,377**	*560,446*
Investment management charges	**99,284**	*95,670*
(Gains)/losses on investments	**(2,233,082)**	*228,998*
Dividends and interest from investments	**(147,280)**	*(269,946)*
Loss/(profit) on the sale of fixed assets	**-**	*(21,842)*
(Increase)/decrease in stocks	**(12,587)**	*8,080*
Decrease in debtors	**749,890**	*714,330*
Increase in creditors	**26,739**	*245,150*
Capital Goods Scheme adjustment	**148,898**	-
Net cash provided by operating activities	**1,832,457**	*547,428*

21. Analysis of cash and cash equivalents

	Group 2021 £	*Group 2020 £*
Cash in hand	**2,889,190**	*2,065,772*
Total cash and cash equivalents	**2,889,190**	*2,065,772*

22. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**2,065,772**	**823,418**	**2,889,190**
	2,065,772	**823,418**	**2,889,190**

23. Contingent assets - legacies

At the year end the Charity had a legacy pipeline with a potential value of £816,857.

24. Contingent liabilities

In the year ended 31 March 2010, Hampshire PCT awarded a capital grant of £1,500,000 towards the construction cost of Jacksplace. The Grant Agreement and underlying Charge operate for an unlimited duration; therefore the potential to repay the Grant will remain indefinitely. The Grant can be required to be repaid mandatorily in a number of circumstances such as the Trust ceasing to be a charity or Jacksplace ceasing to be used for the provision of hospice services.

25. Pension commitments

The Group operates a defined contribution pension scheme for certain qualifying employees and contributes up to 8% of basic salary matching employee contributions. The total pension contributions payable in the year were £126,617 *(2020: £133,032).* There were £18,950 outstanding contributions at the year-end *(2020: £20,826).*

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

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

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

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

25. Pension commitments (continued)

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

The total pension contributions payable in the year were £129,279 *(2020: £175,538)*. There were £19,632 outstanding contributions at the year-end *(2020: £24,730).*

26. Operating lease commitments

At 31 March 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	*Group 2020 £*	**Company 2021 £**	*Company 2020 £*
Not later than 1 year	**350,035**	*374,164*	**350,035**	*374,164*
Later than 1 year and not later than 5 years	**657,220**	*363,538*	**657,220**	*363,538*
	1,007,255	*737,702*	**1,007,255**	*737,702*

27. Related party transactions

The intercompany balance at the year end was £533 *(2020: £2,285)* owed by Naomi House Children's Hospice Limited. Amounts of £2,743 were recharged to the subsidiary during the year.