

Demelza Hospice Care for Children

Annual report and financial statements

for the period ended 31 March 2025

Registered Charity Number 1039651

Company Number 02948500



Contents

Introduction from CEO	3
We are Demelza	4
Achievements and Performance	7
Strategic report	8
Trustees' report	8
Charitable Objects	8
Fundraising and Lottery	10
Compliance with fundraising regulations	10
Section 172 (1) statement	10
Diversity and Inclusion	13
Financial Review	14
Risks	16
Investments	18
Political and charity donations	18
SECR	18
Statement of responsibilities	21
Independent auditors' report	22
Financial Statements	25
Notes to the Statements	28
Structure, governance and management	48
Corporate Information	50

Introduction from our CEO

With three years of our five-year strategy completed, we have much to celebrate in the achievement of our objectives.

The need for children's palliative care that is increasingly complex is rising. We have been working on a project to transform the way our care is delivered, ensuring we support families when and where it is needed most. We have broadened the range of services offered and will keep the constantly changing needs of children and their families under review. We have extended services in areas of increased demand, for example bereavement, neonates (children under 28 days) and transition (young people 18–25 years). Training for our nursing and care and family support teams to meet the increased competence and specialism required has been integral to all services.

To support care delivery, we have continued with our digital transformation journey, supporting us to make data-driven decisions, overhaul our IT infrastructure, reduce manual entry and automate processes, and implement systems that help us to be more effective. An important aspect to everyone at Demelza is how we engage, listen to and act upon feedback from children and their families. Children and their families are warmly encouraged to do this in accessible and flexible ways, and this information helps set our direction now and in the future.

We cannot deliver care without the right people. With an international shortage of registered children's nurses, Demelza has invested in offering the opportunity for existing colleagues to train as nursing associates. With

this completed, three colleagues are now accessing their nurse apprenticeship to enter the Nursing and Midwifery Council Register as children's nurses. Providing a workplace that supports inclusivity, promotes psychosocial safety and welcomes the huge wealth and richness that diversity brings is key at Demelza. This year we have achieved our silver accreditation for FREDIE (fairness, respect, equality, diversity, inclusion and engagement) with the National Centre for Diversity.

Collaborative working is another important theme. Demelza works with many other hospices, charities, and other partners to share best practice, avoid duplication and signpost families for a seamless service providing the care and support they need.

I am deeply grateful for the generosity of deed and of spirit of our donors, supporters, trustees, employees, volunteers, suppliers and all our partners who work with us to provide vital support to the children and families we serve.



Lavinia Jarrett
Chief Executive Officer





We are Demelza

Demelza delivers extraordinary care to extraordinary children who are facing serious or life-limiting conditions, throughout Kent, South East London and East Sussex.

Demelza is here to support them and their families at every step – from first diagnosis and for as long as we're needed.

And when we're needed most, Demelza is here, by their side when they feel isolated, helping to celebrate the joy in family life and making precious memories during challenging times.

We support families when and where we're needed most: at our three core sites, in their homes, in local communities and online.

With two residential hospices in Kent and South East London and a community hub in East Sussex, we go beyond providing outstanding care and emotional support. We help children explore their creativity, have fun and make memories.

Our support is as unique as every child and family and personalised to adapt around their specific circumstances: from creative therapies and short breaks to practical and emotional support for families and siblings, alongside expert clinical and end of life care. Our specialist teams are on hand day and night, all year round.

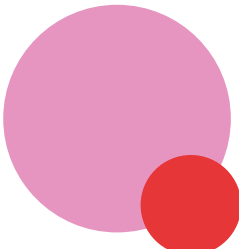


Vision

To see a world where children and young people with serious or life-limiting conditions, and their families, have access to personalised, expert care enabling them to live the best lives they can.

Mission

To deliver care that doesn't back down to children and young people with serious or life-limiting conditions, and their families, across Kent, South East London and East Sussex – from first diagnosis and for as long as we're needed.





Our Values

Fiercely committed to quality

The families and children we help, and our supporters, deserve nothing but excellence. Each one of us has a vital role to play in providing unique care and support, and we always strive to deliver outstanding service. By working together, we can give even more families a chance to enjoy their time making precious memories. We recognise everyone brings a different perspective and we celebrate all forms of diversity.



Passion Performance and Pride

Passion, performance and pride – it's how we get the best from each other and deliver exceptional care and support. We love what we do. It's the most rewarding job in the world. We feel privileged to care and support children and their families. We are proud to be part of an inclusive team.



Human is our nature

We see every person as a unique individual. We give every child and family member a service that suits their individual needs. We're all human beings, and through empathy and understanding, we can provide essential care as unique as the person who receives it. All our differences are respected and valued which makes us stronger. We value and respect everyone who is part of our story.



Always honest, always authentic

We are clear, open and honest because we value everyone and their unique insight. We always look for the best solution. We exist to give outstanding care and support to children and their families.



Innovate, develop & improve

Each member of Demelza is driven to do better. Through evidence, insight and experience, we strive to develop and improve to give children and families outstanding care and support. We always look for ways to transform change into opportunity and growth. We actively seek and welcome representation from all diverse and minority groups.

Our achievements and performance

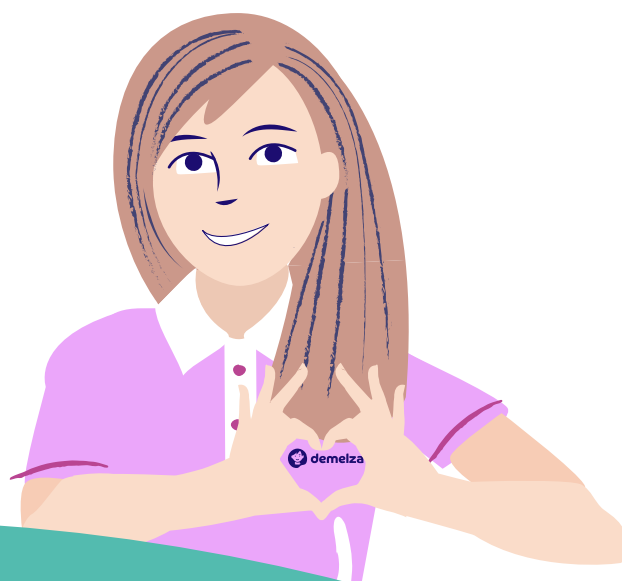
We are now over halfway through our five-year strategy, and over the last year we have continued to see successes across the organisation.

Fundraising had a record-breaking year for income, including our highest ever performing Christmas appeal outside of COVID-19. We have embarked on a significant sustainability project across our hospices to ensure they are compliant, safe and future-proof, and our nurse recruitment campaigns have seen us increase our nursing workforce by 30%, ensuring we can continue to deliver extraordinary care to extraordinary children.

As children continue to live longer with increasingly complex medical and social needs, we are adapting our services to ensure we can meet that need. Over the last year, our family support teams have extended our programme of events to each location (Kent, South East London and East Sussex) to ensure they are easily accessible for families within their local communities. To complement this, our psychosocial teams have provided bespoke and group support in a range of settings that work for children and families.

Our transition service has also continued to grow, ensuring all young people from the age of 14 are supported, which continues up until their 25th birthday.

And we continue our in-reach work within local and tertiary hospitals to help increase referrals whilst breaking down the barriers the word 'hospice' creates for many families. Providing care when and where it is needed continues to be a priority, whether it is within our hospices, family home, local community and online.



842

We supported 842 children with serious or life limiting conditions and their families

306

We provided 306 overnight short breaks

70

We provided 70 specialist clinical end of life, step down and symptom management sessions

166

We welcomed 166 new families onto our caseload

1,521

We provided 1,521 short break sessions within our community

5,040

We provided 5,040 volunteer driving hours, including taking families to hospital appointments

33

We provided siblings with 33 special events

642

We provided 642 counselling sessions to children and family members

382

The hydro pool was used 382 times

365

We provided 365 music therapy sessions

570

We provided 570 day care sessions

Strategic report

Trustees report

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Demelza Hospice Care for Children (the company) for 12 months ending on 31 March 2025. The annual report includes both Trustees' report for the purposes of charity law, and the directors' report and strategic report for the purposes of company law. This report includes pages 1 to 13 and pages 48 to 50.

The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of company's governing document and the provisions of the Statement of Recommended Practice (SORP) Account and Reporting by Charities, FRS102 and SORP 2015.

Charitable Objects

The memorandum and articles of association sets out the main charitable object:

The charity's objects (Objects) are to promote the relief of illness and suffering in such ways as the charity shall from time to time think fit, and in particular in the counties of Kent, East Sussex, part of Surrey and South London, and in particular (but without prejudice to the generality whether geographical or otherwise of such object):

(1) by establishing, maintaining and conducting residential nursing and convalescent homes for the reception and care of young persons of either sex, and whether or not a member of the charity (without regard to race or creed) who are suffering

from any chronic or terminal illness, or from any other physical or mental infirmity, disability or disease and for the reception and care of the members of the family of such persons whether adult or otherwise, and so that any such home may be restricted to patients (and the families of patients) of under a certain age limit or of one sex only or (whether or not so restricted as aforesaid) to patients suffering from any particular type or types of illness, disability, disease or infirmity, and by providing medical or other treatment or attention for any such persons and their families in their own homes;

(2) by conducting or promoting or encouraging research into the care and treatment of persons suffering from any such illness, disability, disease or infirmity as previously mentioned and particularly into the care and treatment of persons suffering from terminal illness and the care of the families of such persons and by providing for the dissemination of the results of such research;

(3) by promoting or encouraging or assisting in the teaching or training of doctors, nurses, physiotherapists, administrators, social workers and other persons engaged in any branch of medicine, surgery, nursing or allied services, and in the teaching or training of students in any branch of medicine, surgery, nursing or allied services;

(4) by providing or assisting or encouraging the provision of spiritual help and guidance for any person's resident (either as patients or as families of such persons or otherwise) or associated in any way with any such home or homes as aforesaid.



Fundraising and Lottery

Despite the continued challenging economic climate, this year we have exceeded our income budgets. Including legacies, gross income was £7,725k – this is £1,220k ahead of budget.

Every income stream overperformed apart from regional fundraising and special events, which fell behind their individual budgets. Trusts and foundations had an exceptional year, namely because of a long-standing trust winding up and donating £470k of its residue to Demelza.

We are aware that the upcoming year will be incredibly challenging and the fundraising team must remain agile with multiple income streams to ensure we can continue to grow income to support our strategic objectives.

Lottery continued with consistent income during the 2024 calendar year. Lottery income was £1,875k and represents 73% of the total proceeds after the deduction of prizes and expenses.

Compliance with fundraising regulations

The charity undertakes fundraising activity by applying to and partnering with companies and grant-giving trusts, direct mailings, appeals, organising events and via the support of volunteers' fundraising in the community. Our fundraising activities are carried out in line with the Fundraising Code of Practice set by the fundraising regulator. Our fundraising promise is available on our website.

Charity supporters registered on the telephone preference service would only be called with an appeal if they have agreed to receive such calls. Callers are thoroughly trained and updated on the charity's work and calls are regularly monitored. Demelza received four complaints (2024:13) about fundraising activity in the reporting period. This significant decrease shows the work and processes we have introduced around thanking, stewardship and communication are having a significant impact on the experience of supporters and donors.

Section 172 (1) statement

The Trustees and directors of Demelza Hospice Care for Children have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the

charity for the benefit of its beneficiaries, having regard to the stakeholders and matters set out in Section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in decision-making at board level and throughout the group. Issues, factors and stakeholders which the directors have considered when discharging their duty under section 172(1) are detailed on pages 1 to 13 and pages 48 to 50 and throughout this Annual Report.

Our vision and mission statement are set out on pages 4 to 5 of this report. Our achievements, performance and future plans are described in the strategic report (pages 8 to 19) as are the risks facing our organisation and the mitigating actions we plan to take. Our environmental performance, and information about our engagement with employees is also included in this strategic report. The section on structure, governance and management (pages 48 to 50) contains information about the governance of the organisation.

S172(1) (b) 'The interests of the company's employees'

Employee Relations

The Board recognises that Demelza employees are our most important asset and are fundamental to the delivery of our strategic ambitions. Our success depends on attracting, retaining, motivating and developing them, whatever role they undertake.

An employee engagement platform, WinningTemp, was introduced in 2024/25 to replace the annual staff survey. Through short, fortnightly surveys line managers receive anonymised feedback from their team, enabling them to understand how employees are feeling and respond to matters directly. Comprehensive reports are available quarterly at the People and Resources Trustee Committee and annually to Trustee Board to measure employee engagement, motivation and commitment to Demelza. It enables the Trustees to understand how we are learning from feedback to strengthen Demelza's culture and values, and informs decision-making, from pay and benefits to health, safety and wellbeing.

Disabled Employees – we are committed to equality, diversity and inclusion in the recruitment, training, promotion and career development of people living with a disability. Demelza aims to ensure that people with disabilities are given equal opportunity to obtain employment. In doing so, we will fully consider making reasonable adjustments to working practices, equipment and premises to ensure that a person living with a disability is not put at a substantial disadvantage due to their disability.

Should employees become disabled in the course of their employment, every effort will be made through reasonable adjustment, retraining or redeployment to enable them to remain in employment.

If an employee or a candidate feels that they have been unfairly discriminated against, they may raise a complaint under Demelza's Complaints Policy.

S172(1) (c) 'The need to foster the company's business relationships with suppliers, customers and others'

Demelza's key business relationships are with the NHS and other healthcare partners, our suppliers and our donors and supporters. This is not an exhaustive list – other key stakeholders include HMRC and the Charity Commission. To deliver our mission and strategy, we need to work with others. We are committed to prompt payment of invoices within agreed payment terms. The importance we attach to building relationships with our committed, generous donors and supporters is affirmed on page 14.

S172(1) (d) 'The impact of the company's operations on the community and the environment'

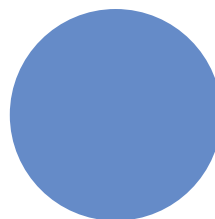
We are committed to reducing our carbon footprint by 2030 and we plan to create the strategy to reduce emissions over the next five years. We continue to aim for carbon neutrality in line with government targets.

S172(1) (e) 'The desirability of the company maintaining a reputation for high standards of business conduct'

It is crucial that Demelza maintains its reputation for high standards of conduct. We remain committed to financial and risk management, compliance, safeguarding and good governance. We are committed to a focus on the charity's impact.

S172(1) (f) 'The need to act fairly as between members of the company'

It is not relevant to Demelza's organisational structure, as the charity is run in the interests of its charitable objects and its beneficiaries rather than in the interests of its members.



Freedom to Speak Up

In June 2024, we launched our Freedom to Speak Up initiative, to support the strategic plan to develop a listening culture at Demelza. This is part of our wider MyVoice initiatives, which provide colleagues with a range of options to share their feedback and promote psychological safety in all Demelza workplaces. Demelza works with our Freedom to

Speak Up Guardian to explore all cases and act on all concerns. Any themes identified or actions taken are reported to Trustees through our People and Resources Committee, and an annual review is presented by the Freedom to Speak Up Guardian to the full Board of Trustees.

Category	April 24–June 24	July 24–Sept 24	Oct 24–Dec 24	Jan 25–Mar 25
Leadership/ Management		1		
Wellbeing		1		
Ways of Working/Process or procedure	1			
Discrimination/ Bullying				1

All feedback received in the year ending 31st March 2025 has been appropriately reviewed, acted on as necessary and responses fed back to those speaking up.

Diversity and Inclusion

(FREDIE – Fairness, Respect, Equality, Diversity, Inclusion, Engagement)

We continually strive to improve our approach to equality, diversity and inclusion at Demelza. The FREDIE and Wellbeing Steering Group guides and leads Demelza with equality, diversity and inclusion and support initiatives to ensure that Demelza creates an inclusive and engaged culture. This is to ensure that:

- All people feel welcome and comfortable when receiving care or support from Demelza or when working or volunteering as a member of the Demelza team.
- We have a diverse staff and volunteer workforce that benefits from the innovation and richness that diversity brings.
- We are playing our part in making a fairer society by tackling prejudice and privilege.

FREDIE is recognised within Investors in Diversity as a way of implementing and embedding change and engagement from employees and volunteers to create a natural environment for an inclusive culture to flourish. To create an inclusive culture, you must build on the solid values of FREDIE.

- **Fairness:** Being reasonable, right and just.
- **Respect:** Having due regard for the feelings and wishes of others.
- **Equality:** Where every person has equal rights and every person has a fair chance.
- **Diversity:** Diverse means different, so diversity includes us all. The concept of diversity encompasses understanding, acceptance and respect.
- **Inclusion:** Where every person feels respected, valued and that they fit in with the organisational culture.
- **Engagement:** Two-way commitment and communication between an organisation and its employees, volunteers and service users.

We have continued to progress on our long-term work to create an inclusive workplace. In recognition of this we were awarded the Silver Investors in Diversity Accreditation in October 2024 and were ranked as 60 in the top 100 inclusive employers Index of the National Centre for Diversity 2024.

To further embed FREDIE initiatives and principles, in 2024/25 we:

- Merged the FREDIE and Wellbeing Groups as wellbeing features as one of the FREDIE framework pillars.
- Introduced the option to choose to display pronouns in email signatures and made pronoun badges available to all colleagues.
- Promoted various key diversity initiatives and events through our internal and external social media channels.
- Held opportunities for colleagues to come together to raise questions with SLT and management.

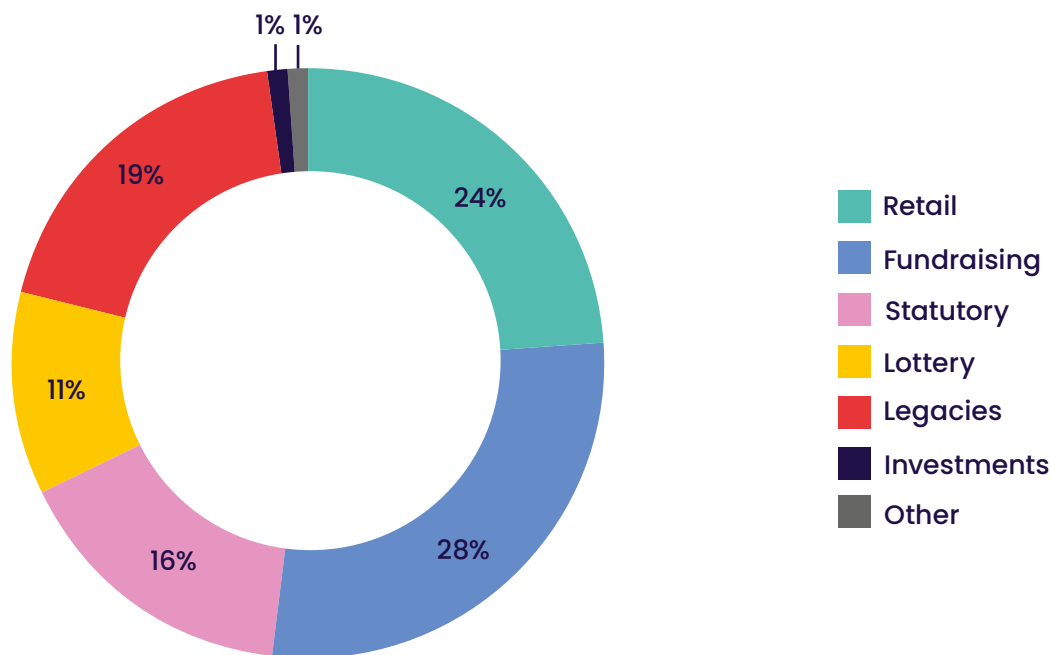
As our FREDIE journey has progressed, we have identified key changes in our approach and moved the FREDIE work under our People Directorate. The FREDIE and Wellbeing Steering Group has been restructured to a smaller group that will oversee and monitor progress on inclusion initiatives.

Under this group sit FREDIE Delivery Groups with participation drawn from across Demelza on key priority areas. Inclusion priorities have initially been identified through feedback from our Investors in Diversity survey results. Going forward these will be identified and encouraged through various routes, including MyVoice and Family Networks.

Financial review

Income

Income in 2024-25 continued to grow, with a total operational income of £17,335k (2024: £17,260k – which included the donation of Hill Farm, our purpose-built facility on the Kent site. This asset was capitalised at a value of £1,379k and is being depreciated accordingly. However, the accounts must show corresponding income as a gift in kind.)



Donations totalled £3,302k in the year ending April 2025 (2024: £3,522k). Fundraising income remained particularly strong from Philanthropists and Corporate Partners.

Legacy income was £3,245k (2024: £2,150k).

Retail income was £4,186k (2024: £4,369k). During March 2024, the distribution centre and warehouse shop in Maidstone closed due to the site being sold by the owners for redevelopment and a new location in Larkfield opened. Additionally, two other shops closed permanently (due to the buildings no longer being a viable option for Demelza) and one other shop was temporarily closed due to a flood. These are the main causes of the dip in income.

Lottery income was steady at £1,868k (2024: £1,848k).

Fundraising events raised £683k (2024: £526k).

Statutory funding from ICBs and Local authorities was £2,824k (2024: £2,423k). There was an increase in the annual Children’s Hospice Grant (now received via ICBs) to £1,710k (2024: £1,668k) while other funding from the NHS and Local Authorities grew to £1,114k (2024: £755k). The cause of the large increase here was primarily from funding for one child who was resident at Demelza for a number of months. This is rare and the income is expected to reduce again in 2025-26.

Grants from charitable trusts and foundations totalled £791k (2024: £315k). The increase was mainly due to a large, final grant of £470k from a Trust that has supported Demelza for a number of years which has now closed.

Expenditure

Expenditure was £18,567k in 2024-25 (2024: £17,969k). Demelza must remain competitive in the employment market to attract and retain the right staff. The real living wage is paid, as a minimum, across the organisation and in 2024-25 this represented an increase to our lowest paid staff of 10% from 2023-24.

The cost of providing care was £10,923k (2024: £10,544k), an increase of 4%. Nursing recruitment improved in the year, but vacancies remained, particularly in South East London.

The cost of generating funds was £7,644k (2024: £7,425k), an increase of 3%. Fundraising costs were £2,079k (2024: £2,153k) with a slight reduction due to vacancies. Retail expenditure increased to £4,481k (2024: £4,241k) this was mainly due to inflationary pay increases and costs incurred in closing and moving shops. Lottery costs increased marginally to £785k (2024: £746k) this is mainly due to a project to re-engage with lottery players. The cost of maintaining and letting the properties owned by the subsidiary, ACG Lettings Ltd, increased to £198k (2024: £186k) due to increased legal fees incurred as a result of the sale of 8 properties.

Reserves

Our reserves policy states that to ensure the sustainability of our service for those who need it most, we hold between 6.5 and 10.5 months of running costs in free reserves.

On 31 March 2025 we held 7.4 months (or £11,971k) of free reserves (2024: 6.99 months or £10,959k).

The increase in free reserves between March 2024 and March 2025 was £1,012k. The main factors in the movement of the free reserves were:

1. The operational deficit was £1,616k better than planned.
2. The gain on investments of £371k are included in the unrestricted reserves total.
3. The value of the ACG assets reported in the consolidated accounts was reduced by £1,556k due to the sale of the properties.
4. £1,200k of unrestricted expenditure was made in 24-25 from the Care and Resources Strategy Fund. This was the continuation of expenditure on elements of Care and Resources strategy.

Risks

Principal Strategic Risks and Mitigations

The senior leadership team and Trustees regularly review organisational risks and how to negate or mitigate them as much as possible. The Trustees have assessed that the main strategic risks have been:

Strategic Risk	Actioned Mitigations	Further Planned Mitigations
Number of appropriately skilled employees and volunteers	<ul style="list-style-type: none"> • New Circles of Care project launched to review Demelza's service model and identify clinical pathways for access to services. • Review of services at Demelza South East London in response to nursing shortage, to safeguard services for end of life and urgent care and wellbeing of employees. • Salaries to be aligned to the sector benchmark, where possible. • Introduction of Professionals Days to raise awareness of the work of Demelza. • Workforce Strategy continues to offer career opportunities to increase number of employed nurses by 10%. • New employee engagement platform implemented. 	<ul style="list-style-type: none"> • Implementation of new DBS management solution. • Overseas recruitment for nursing colleagues further explored as an opportunity. • Recruitment of medical role to support nursing led team with medicines management and prescribing developments.
Statutory funding for children's hospices	<ul style="list-style-type: none"> • Proactive engagement with local MPs to lobby Government for sustainable funding. • Engagement with Integrated Care Boards (ICBs) for sustainable funding and raise awareness of responsibilities to children's hospices. • Attendance and visibility at All Party Parliamentary Group meetings to raise awareness of hospice care and sustainable funding. 	<ul style="list-style-type: none"> • Continued engagement with local MPs and Integrated Care Boards to strengthen relationships and understanding around children's hospices and statutory obligations to provide services. • Continued collaborative working on national messages with Together for Short Lives and Hospice UK. • Continue communication with different stakeholder groups about long term sustainable funding needs.

Strategic Risk	Actioned Mitigations	Further Planned Mitigations
<p>Statutory funding for children's hospices (continued)</p> <p>Inflation and cost of living crisis including income downturn</p>	<ul style="list-style-type: none"> • Working in collaboration with Hospice UK and Together for Short Lives to lobby the government for increased funding for hospices. • Increase in applications for statutory funding for services. • Statutory funding strategy developed. • Plans to campaign local MPs to raise awareness of Demelza's services. • Detailed financial scenario planning and three-year budget projections. • Cost of living pay award of a minimum of 3% in April 25 to all employees. 	<ul style="list-style-type: none"> • Strategic scenario planning for any necessary reduction in services, should ICBs not be able to offer a sustainable financial contribution. • Undertake planned programmes of work to streamline services and resources, and to build efficiencies and capacity.
<p>Information governance, including cyber security</p>	<ul style="list-style-type: none"> • Renewed Cyber Essentials and Cyber Essentials Plus accreditation gained. • Working with independent virtual data protection officer for routine expert advice. • Cyber security an inherent strand of all digital transformation projects. • New supplier identified to undertake network penetration testing to ensure resiliency of IT infrastructure. • Phishing simulation undertaken at regular intervals, with educational resources provided. • New data and intelligence steering group forms to develop and share data expertise across the organisation. 	<ul style="list-style-type: none"> • Annual renewal of Cyber Essentials Accreditation. • Ongoing review of data retention and reduction of records stored. • Data protection built out into digital platform, so ease of access, management and ongoing review.
<p>Fire safety at Kent hospice reviewed and brought up to required standards</p>	<ul style="list-style-type: none"> • Full audit of Kent Hospice site completed, in collaboration with Kent Fire and Rescue, with action plan identified. • Ongoing programme of works to assure future compliance. • Business continuity simulation completed. 	<ul style="list-style-type: none"> • Development of business continuity policy and plan. • Future proofing of building for changes of use.

Investments

Demelza's investment portfolio is now managed by Sarasins. Brewin Dolphin acted as Demelza's investment managers for the first part of the year. The transfer to Sarasins (following a re-tendering process in the later part of 2023) took place over several months starting in May 2024 and completing in October 2024. Our primary aim from investments is to achieve sustainable capital growth within a balanced risk environment. Ultimately these funds will form our free reserves and provide a safety net to ensure the continued provision of the charity's core services. The primary objective is to generate a total return of 2% above the rate of inflation as measured by CPI on a 5-year rolling basis.

As set out in the financial notes on page 39; we held £11,294k at the start of the year. Dividends and interest of £220k were received during the year and withdrawals of £500k were made. There was an unrealised gain of £371k in the year and the fees charged by our investment manager for the period were £52k. The value of investments at the end of the year was £11,333k.

Political and charity donations

Demelza is a registered charity and the whole of its payments are applied to charitable purposes as detailed in the accounts. No specific contributions to other charities were made in the period nor were any political contributions made.

SECR

Greenhouse Gas emissions and energy consumption

Type of emission	Activity	kWh	2024/25	
			tCO2e	% of total
Scope 1	Natural Gas	731,820	133.85	37.36%
	Vehicle fleet	260,196	61.02	17.03%
	Sub-total	992,016	194.87	54.39%
Scope 2	Electricity	637,050	131.90	36.82%
	Electricity Generation	73,159		
	Sub-total	637,050	131.90	36.82%
Scope 3	Grey fleet	130,498	31.49	8.79%
	Sub-total	130,498	31.49	8.79%
Total gross consumption and emissions		1,759,564	358.26	100.00%
Metric used:				
£m turnover			17.335	
Intensity ratio:				
tonnes of CO2e per £m turnover			20.67	

Intensity ratio

It was decided to use total £m turnover as our metric. The resulting intensity ratio of tCO2e per total £m turnover will best reflect changes in operation and energy consumption over time.

Energy and Carbon Year on Year Comparison

Type of emission	Activity	2024/2025		2023/2024	
		kWh	tCO2e	kWh	tCO2e
Scope 1	Natural Gas	731,820	133.85	693,165	126.80
	Vehicle fleet	260,196	61.02	246,042	58.15
	Sub-total	992,016	194.87	939,207	184.95
Scope 2	Electricity	637,050	131.90	626,407	129.71
	Electricity Generation	73,159		73,051	
	Sub-total	637,050	131.90	626,407	129.71
Scope 3	Grey fleet	130,498	31.49	132,101	32.05
	Sub-total	130,498	31.49	132,101	32.05
Total gross consumption and emissions		1,759,564	358.26	1,697,715	346.71
Metric used:					
£m Turnover			17.335		15.898
Intensity ratio:					
tonnes of CO2e per £m turnover			20.67		21.81

Efficiency narrative

We have a policy of recording and reviewing all energy use and investigating unexplained anomalies.

We have completed initiatives within our premises to limit lighting use by PIRs and use of LED fittings. The electric charging point is in regular use.

The Energy Savings Opportunity Scheme (ESOS) is complete and a programme of measures drawn up for implementation up to 2027. These include relocation of our distribution centre, heat recovery system at Demelza Kent and a continued switch to electric vehicles.

Quantification and Reporting Methodology

The methodology we have used is The GHG Protocol Corporate Accounting and Reporting Standard. We have followed the 2013 UK Government Environmental Reporting Guidelines (updated March 2019).

We have used the 2024 UK Government's Conversion Factors for Company Reporting.

The energy efficiency narrative methodology is based on energy management best practice.





Statement of responsibilities

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

- The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each fiscal year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charity and the group for that period. In preparing these financial statements, the Trustees are required to:
- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice (FRS102).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the

financial statements comply with the Charities Act 2011, applicable accounting regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

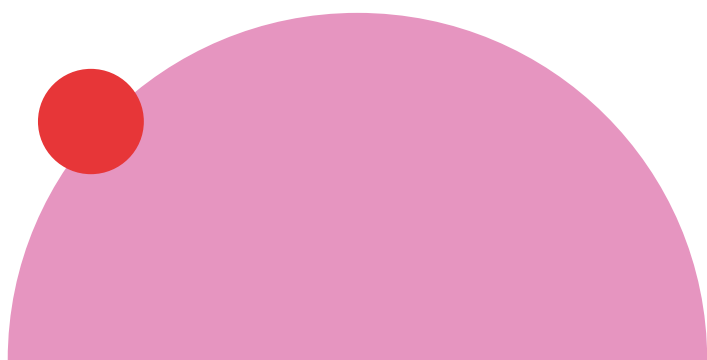
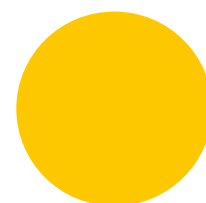
Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report, incorporating the Strategic Report, was approved by the Trustees, in their capacity as Company Directors, on 2 October 2025 and signed on its behalf by

**Air Marshal Sean Reynolds CB CBE DFC,
Chair of Trustees**

S. K. P. 



Independent auditors report

Opinion

We have audited the financial statements of Demelza Hospice Care for Children (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, group balance sheet, charity balance sheet, consolidated cash flow statement and notes to the financial statements, including 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 affairs of the group and the parent charitable company as of 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable company's ability to continue as a going concern for a period of at least 12 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.

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 during 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.

Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

- The information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 21, the Trustees (who are also the directors of the parent 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 the 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 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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these can detect irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with management and Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Further the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on



amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Care Quality Commission covering health care services and those issued by the Gambling Commission covering requirements for running a lottery.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected, or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws, regulations, and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions

reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Statutory Auditors

**71 Queen Victoria Street
London
EC4V 4BE**

Date 13 October 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Financial Statements

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

		Unrestricted	Restricted	Total	Total
	Notes	Funds	Funds	2025	2024
		£000	£000	£000	£000
Income					
Donations and legacies	2	6,044	536	6,580	7,063
Trading activities	3	6,154	0	6,154	6,367
Income from Charitable Activities	4	2,103	2,294	4,397	3,477
Income from Investments	5	204	0	204	353
Total income		14,505	2,830	17,335	17,260
Expenditure					
Expenditure on Raising funds	6				
Generating donations and legacies		1,660	0	1,660	1,786
Fundraising events		419	0	419	367
Trading expenditure		5,513	0	5,513	5,230
Investment management fees		52	0	52	42
Total Expenditure on Raising funds		7,644	0	7,644	7,425
Expenditure on Charitable activities	7				
Residential service		6,791	2,236	9,027	8,597
Community Service		1,781	115	1,896	1,947
Total Expenditure on Charitable activities		8,572	2,351	10,923	10,544
Total Expenditure		16,216	2,351	18,567	17,969
Deficit before investment gains/(losses)		(1,711)	479	(1,232)	(709)
Net Gains / (Loss) on investment	15	371	-	371	659
Gains / (Loss) on Property Revaluation	14	(101)	-	(101)	(142)
Net income / (expenditure)		(1,441)	479	(962)	(192)
Transfers between funds		-	-	-	-
Net movement in funds		(1,441)	479	(962)	(192)
Fund balances brought forward at 1 st April		24,805	190	24,995	25,187
Fund balances carried forward at 31st March		23,364	669	24,033	24,995

All the activities of the Group and the Charity are continuing. There are no other recognised gains or losses. Full comparative figures for the period ended 31st March 2024 are shown in note 28. The notes on pages 28–47 form part of these financial statements.

Demelza Hospice Care for Children

Balance Sheet at 31 March 2025

Company No: 02948500

	Note	Group		Charity	
		2025 £000	2024 £000	2025 £000	2024 £000
Fixed Assets					
Tangible assets	12	8,831	8,700	8,805	8,638
Intangible assets	13	127	87	107	60
Investment property	14	1,805	3,353	0	0
Investments	15	11,333	11,294	13,239	14,757
		22,096	23,434	22,151	23,455
Current Assets					
Stock	16	47	34	0	0
Debtors	17	1,128	1,379	1,672	1,633
Cash at bank and in hand		2,052	1,532	1,224	930
		3,227	2,945	2,896	2,563
Creditors: Amounts falling due within one year	18	(1,290)	(1,384)	(1,014)	(1,023)
Net Current Assets		1,937	1,561	1,882	1,540
Total assets less current liabilities		24,033	24,995	24,033	24,995
Net Assets		24,033	24,995	24,033	24,995
Funds	19				
Restricted Funds		669	190	669	190
Unrestricted funds					
General		11,971	10,959	11,971	10,959
Designated		11,393	13,846	11,393	13,846
Total Funds		24,033	24,995	24,033	24,995

The financial statements were approved by the Board of Trustees and authorised for issue on 2nd October 2025 and signed on its behalf by:

S. K. P. 

Sean Reynolds
Chair



Richard Douglas
Treasurer

Consolidated Cash Flow Statement for the Year Ended 31 March 2025

	Note	2025 £000	2024 £000
Net Cash Inflow from Resources	21	(625)	(174)
Cashflows from Investing activities			
Purchase of property, plant and machinery		(671)	(938)
Proceeds from the Sale of Fixed Assets		7	17
Purchase of intangible fixed assets		(72)	0
Purchase of investments in the year		0	0
Proceeds from sale of investments		500	0
Proceeds from sale of investment properties		1,381	0
Net cash provided by (used in) financing activities		1,145	(921)
Change in cash and cash equivalents in the reporting Period	22	520	(1,095)
Cash and cash equivalents at 1st April 2024		1,532	2,627
Cash and cash equivalents at 31st March 2025		2,052	1,532

Notes to the financial statements

For the Period ended 31 March 2025

Note 1. Accounting Policies

Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102 second edition)) and the Financial Reporting Standard applicable in the United Kingdom and republic of Ireland (FRS 102) and the Charities Act 2011. Demelza Hospice Care for Children meets the definition of a public benefit entity under FRS 102. The functional currency is £ Sterling.

General information

The Charity is a company limited by guarantee, incorporated in England and Wales (company number 2948500) and a charity registered in England and Wales (charity number: 1039651). The Charity's registered office address is: Rook Lane, Bobbing, Sittingbourne, Kent, ME9 8DZ.

Basis of consolidation

These financial statements consolidate the results, assets and liabilities of the charity's trading subsidiary Demelza Trading Ltd (company number: 03090528) and ACG Lettings Ltd (company number: 03031999 on a line-by-line basis.

Going concern

The Trustees have reviewed Demelza Hospice Care for Children's financial position, considering the impact of future activities, and concluded that it is appropriate to produce the accounts on a going concern basis for the 12 months from the date the accounts are signed.

A summary of the accounting policies, which have been consistently applied, is set out below.

Significant judgements and estimates

The key sources of uncertainty in our estimations that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are

summarised below:

residuary legacies – the charity recognises residuary legacies once probate has been granted, which therefore requires an estimation of the amount receivable.

Accounting for income

Income received by way of donations, collecting boxes or from functions, shops or flag days is not recorded in the financial statements until the cash, or document of title to the investment or property is received at headquarters. Legacy income is recognised in the SOFA when receipt is probable, amounts receivable can be measured with sufficient reliability and the charity is entitled to the income.

No account is taken of monies or other assets in the hands of outside or voluntary helpers until such monies are banked or other assets are remitted to headquarters. Contracted fees receivable and grants invoiced to local authorities, as well as investment income and accrued tax recoverable, are accrued. Other grants from central government and local authorities are recorded in the financial statements when they are receivable.

Contracted fee income specifically received in advance of expenditure in the next financial year is deferred in the balance sheet.

The value of investments and property bequeathed or donated to Demelza Hospice Care for Children is taken to be market value on the date when the documents of title are received.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributable to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Central overhead costs are allocated to operational and fundraising functions on the basis of their use of central support services.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the cost of disseminating information in support of the charitable activities.

Support costs, which include central or regional functions such as general management, budgeting and accounting, payroll administration, human resources, information technology, facilities and estates, are allocated across charitable and fundraising activities under the following categories, financial management, people and organisational development, information systems, facilities and estates.

Where information about the aims, objectives and projects of the Charity is provided in the content of fundraising material in an educational manner in the furtherance of the Charity's objectives, those costs are apportioned to charitable activities. Irrecoverable value added tax (VAT) is included in the relevant expense categories.

Support and governance costs are apportioned on the basis of usage of a resource in terms of time taken, capacity used and requests made.

Tax

Demelza Hospice Care for Children is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income from capital gains received within categories covered by Chapter 3 Part II corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively to charitable purposes. Profit from the subsidiaries is gift aided to Demelza Hospice Care for Children.

Leases

All leases are operating leases. Costs in respect of these leases are charged to the statement of financial activities over the term of the lease.

Fixed assets

Land and buildings

Land and buildings are stated in the balance sheet at the most recent valuation or, in the case of purchases or additions subsequent to the date of such valuation, at cost, less depreciation provided in relation to such valuation or cost, as appropriate, to write off the assets other than freehold land over the following periods.

Freehold buildings

The period of the estimated useful life up to a maximum of 50 years from the date of purchase.

Leasehold land and buildings

The unexpired portion of the lease up to a maximum of 50 years from the date of the most recent revaluation or, if later, the date of the purchase.

Building improvements

Between 3 to 25 years based on nature of usage, or if earlier, the unexpired portion of the lease.

Motor vehicles

Motor vehicles are stated in the Balance Sheet at cost, less depreciation provided to write off the vehicles over a period of 4 years.

Equipment

Equipment is stated in the Balance Sheet at cost less depreciation to write off the equipment over a period of 4 years.

Intangible fixed assets

Intangible fixed assets such as the website, software and intellectual property are amortised over a period of 3 to 10 years.

Fund accounting

Restricted funds

These funds are restricted by the donor for specific purposes. Revenue funds restricted by the donor are held in restricted reserves and funds are matched against expenditure as appropriate.

Unrestricted funds

These funds comprise accumulated surpluses and deficits on general funds that are expendable at the discretion of the Trustees in furtherance of the objects of the charity and that have not been designated for other purposes.

Designated funds

These are unrestricted funds that have been set aside at the discretion of the Trustees for particular purposes.

Short term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which

the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pensions

Demelza Hospice Care for Children operates a defined contribution scheme available to the majority of its permanent employees. The Charity and its subsidiaries also make contributions to the National Health Service Pension Scheme for certain employees which is a defined benefit scheme. However, the scheme is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities. As a result, this scheme is also accounted for by the charity as a defined contribution scheme.

All the pension schemes are administered by separate trustees and are run independently of the charity.

The costs of providing pensions for employees are therefore all charged in the statement of financial activities for the year in which the contributions are payable.

Liabilities

Future liabilities are recognised when Demelza Hospice Care for Children has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

Financial instruments

Cash at bank and short-term deposits 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. All cash and short-term deposits are basic instruments and are measured at amortised cost.

Debtors recognition

Debtors which arise from contracts for the sale of non-financial items (such as goods or services), which are entered into in accordance with the Charity's normal sale or usage requirements, are recognised when, and to the extent that, performance occurs, i.e. when delivery of the

goods or services is made. Regular sales are recognised and de-recognised, as applicable, using the trade date.

De-recognition

All debtors are de-recognised when the rights to receive cash flows from the assets have expired or the Charity has transferred substantially all of the risks and rewards of ownership.

Investments

Investments held for the long-term to generate income or capital growth are carried at fair value as fixed assets. Realised and unrealised gains are accounted for within the statement of financial activities.

Investment properties

Investment properties are valued at the year end. Gains or losses are recognised in the accounts of the relevant subsidiary and shown within the statement of financial activities.

Stock

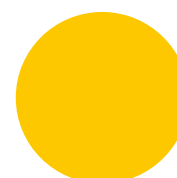
Stocks comprise finished goods and are stated at the lower of cost and net realisable value.

Creditors and provisions

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

Donated goods

The trustees have concluded and agreed that the valuing of shops donated goods for resale on receipt is impractical due to the high volume of low value items, lack of stock system for recording these items and the administrative cost involved. Instead, the income is recognised in the accounts when these goods are sold.



Notes to the financial statements for the year ended 31 March 2025

2 Donations & Legacies

	Unrestricted	Restricted		Unrestricted	Restricted	
	Funds	Funds		Funds	Funds	
	2025	2025	2025	2024	2024	2024
	£000	£000	£000	£000	£000	£000
Donations	2,766	536	3,302	3,245	277	3,522
Gifts In Kind	33	0	33	1,392	0	1,392
Legacies	3,245	0	3,245	2,150	0	2,150
	6,044	536	6,580	6,787	277	7,063

3 Trading Activities

	Unrestricted	Restricted		Unrestricted	Restricted	
	Funds	Funds		Funds	Funds	
	2025	2025	2025	2024	2024	2024
	£000	£000	£000	£000	£000	£000
Lottery income	1,868	0	1,868	1,848	0	1,848
Retail sales	4,186	0	4,186	4,369	0	4,369
Rental income	100	0	100	150	0	150
	6,154	0	6,154	6,367	0	6,367

4 Income from Charitable Activities

	Unrestricted	Restricted		Unrestricted	Restricted	
	Funds	Funds		Funds	Funds	
	2025	2025	2025	2024	2024	2024
	£000	£000	£000	£000	£000	£000
Fundraising events	683	0	683	526	0	526
Grant contribution funded by NHS England	0	1,710	1,710	0	1,668	1,668
Funding from CCGs/Local Authorities	1,114	0	1,114	755	0	755
Other Grants	207	584	791	109	206	315
Other Income	99	0	99	213	0	213
	2,103	2,294	4,397	1,603	1,874	3,477

5 Income from Investment

	Unrestricted	Restricted		Unrestricted	Restricted	
	Funds	Funds		Funds	Funds	
	2025	2025	2025	2024	2024	2024
	£000	£000	£000	£000	£000	£000
Bank Interest	0	0	0	14	0	14
Investment portfolio income	204	0	204	338	0	338
	204	0	204	353	0	353

Notes to the financial statements for the year ended 31 March 2025

6 Expenditure on Raising Funds	Direct	Support		Direct	Support	
	Costs	Costs	Total	Costs	Costs	Total
	2025	2025	2025	2024	2024	2024
	£000	£000	£000	£000	£000	£000
Generating voluntary income	1,238	422	1,660	1,349	437	1,786
Fundraising events costs	312	107	419	277	90	367
Retail expenditure	3,956	525	4,481	3,748	493	4,241
Lottery Expenditure	722	63	785	685	61	746
Property lettings costs	189	9	198	177	9	186
Events company costs	49	0	49	56	0	56
Investment management fees	52	0	52	42	0	42
	6,518	1,126	7,644	6,335	1,090	7,425

7 Charitable Activities	Direct	Support		Direct	Support	
	Costs	Costs	Total	Costs	Costs	Total
	2025	2025	2025	2024	2024	2024
	£000	£000	£000	£000	£000	£000
Residential Services	7,115	1,912	9,027	6,610	1,987	8,597
Community Services	1,359	537	1,896	1,393	553	1,947
	8,474	2,449	10,923	8,003	2,540	10,544

	2025	2024
	£000	£000
Direct charitable costs consist of:		
Care Costs	7,027	6,670
Catering and Housekeeping	414	385
Centre costs	1,033	948
	8,474	8,003

Notes to the financial statements for the year ended 31 March 2025

8 Support Costs

	Total 2025 £000	Total 2024 £000
Support costs consist of:		
Human Resources and administration	958	878
Finance	454	331
IT	813	1,077
Volunteer Services	161	163
Marketing	549	622
Governance Costs	85	83
Depreciation	555	476
	3,575	3,630
Which is allocated:		
Generating funds	1,126	1,090
Charitable activities	2,449	2,540
	3,575	3,630

Governance Costs consist of:

	2025 £000	2024 £000
Audit and accountancy fees	35	34
Staffing costs	50	49
	85	83

No Trustees received remuneration during the period (2024: nil). Trustee expenses reimbursed amounted to £0 (2024: nil).

Trustees made donations during the year of £2,398 (2024:£20,607) none which were restricted. This includes purchase of tickets to Demelza events.

Notes to the financial statements for the year ended 31 March 2025

9 Staff Costs	2025	2025	2024	2024
	£000	£000	£000	£000
	TOTAL	TOTAL	TOTAL	TOTAL
	GROUP	CHARITY	GROUP	CHARITY
Wages and salaries	10,734	10,528	10,171	9,873
Employer's National Insurance	1,010	992	939	913
Pension costs	720	710	692	676
	12,464	12,230	11,801	11,462

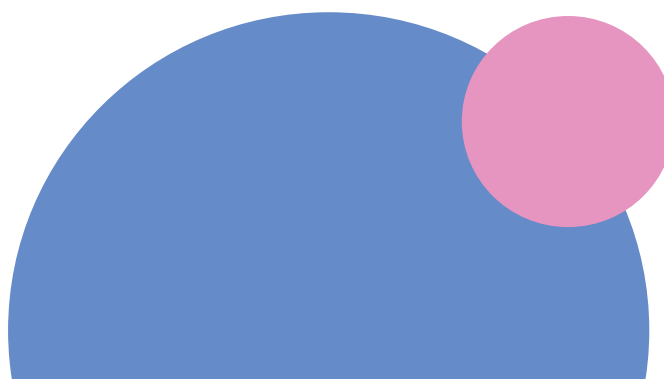
The average number of full-time equivalent employees during the year was:

	FTE	FTE	NO	NO
	2025	2024	2025	2024
Nursing and care services	142	138	171	196
Retail	79	68	110	92
Fundraising	29	28	33	29
Support functions	50	49	58	61
TOTAL CHARITY	300	283	372	378
Lottery	5	5	6	7
	305	288	378	385

Higher Salary Band (Gross Annual Salary)	31/03/2025	31/03/2024
£60,001 - £70,000	3	0
£70,001 - £80,000	3	3
£80,001 - £90,000	2	1
£90,001 - £100,000	1	0
£100,001 - £110,000	0	1
£110,001 - £120,000	1	0
	10	5

Total Senior Management Team salary, inclusive of pension, was £639k (2024: £636k).

The CEO salary, inclusive of pension, was £119k (2024: £115K).



Notes to the financial statements for the year ended 31 March 2025

10 Net Income for the Year

	2025 £000	2024 £000
Net income for the year is stated after charging / (crediting):		
Operating leases - land and buildings	823	577
- other	109	
Auditors' remuneration (excluding VAT)		
- audit of parent company	17	17
- audit of subsidiaries	14	14
- preparation of tax return for parent company	0	0
- preparation of tax return for subsidiaries	4	3
Depreciation of fixed assets	555	475

11 Net Income of Trading Subsidiaries

	2025 £000	2024 £000
Demelza Trading Ltd		
Turnover	2,024	2,099
Cost of sales	(278)	(295)
Gross profit	<u>1,746</u>	<u>1,804</u>
Administration expenses	(648)	(799)
Management Charge - Demelza Hospice Care for Children	(94)	(94)
Other operating income	0	0
Operating Profit	<u>1,004</u>	<u>912</u>
Net Profit	<u>1,004</u>	<u>912</u>
Gift Aid payment to Demelza Hospice Care for Children	(1,004)	(912)
Retained Profit for the Year	<u>0</u>	<u>0</u>
Retained profit brought forward	0	0
Retained profit carried forward	<u>0</u>	<u>0</u>

Demelza Trading Ltd (company number 03090528) is a wholly owned trading subsidiary of the charity, which is incorporated in the UK. The subsidiary operates a number of retail outlets selling donated goods, cards and other merchandise and runs a lottery scheme. The company made a Gift Aid payment of its taxable profits to Demelza Hospice Care for Children.

Notes to the financial statements for the year ended 31 March 2025

11	Net Income of Trading Subsidiaries (continued)	2025	2024
		£000	£000
	ACG Lettings Ltd		
	Turnover	99	150
	Profit on Sale of Assets	1,352	0
	Administrative Expenses	(192)	(127)
	Management Charge to Demelza Hospice Care for Children	(9)	(9)
	Gross Profit	1,250	14
	(Loss) / Gain on Revalued Properties	(101)	(142)
	Operating Profit	1,149	(127)
	Net Profit	1,149	(127)
	Tax on Profit	230	29
	Profit After Tax	1,379	(98)
	Gift Aid payment to Demelza Hospice Care for Children	(1,352)	(36)
	Tax on profit	0	0
	Retained profit / (loss) carried forward	27	(134)

ACG Lettings Ltd (company number: 03031999) was bequeathed to the charity as part of a legacy. The shares were transferred on 31st March 2020. The company is a residential property lettings company owning property in Dover, Deal and Ash.

South East Medical Services Limited (company number: 06042090) is a wholly owned subsidiary of the charity, which is incorporated in the UK. The company was dormant in the current and prior year having net assets of £1. The principal activity of the company was the construction of children's hospice buildings with the profit being gift aided to the charity.

Notes to the financial statements for the year ended 31 March 2025

12 Tangible Fixed Assets

	Freehold Buildings £000	Donated Freehold Buildings £000	Improvements to leasehold property £000	Fixtures And Fittings £000	Motor Vehicles £000	Total Group £000
CONSOLIDATED						
Cost						
At 1 April 2024	10,357	1,379	455	1,012	249	13,452
Reclassification of Assets	0	0	(4)	4	0	0
Additions	44	0	313	314	0	671
Disposals	0	0	0	(29)	(6)	(35)
At 31 March 2025	10,401	1,379	764	1,301	243	14,088
Depreciation						
At 1 April 2024	3,806	8	163	583	192	4,752
Reclassification of Assets	0	0	(4)	4	0	0
Charge for the year	244	14	86	155	25	524
Disposals	0	0	0	(13)	(6)	(19)
At 31 March 2025	4,050	22	245	729	211	5,257
Net Book Value						
At 31 March 2025	6,351	1,357	519	572	32	8,831
At 31 March 2024	6,551	1,371	292	429	57	8,700
CHARITY						
Cost						
At 1 April 2024	10,357	1,379	455	937	207	13,335
Reclassification of Assets	0	0	(4)	4	0	0
Additions	44	0	313	309	0	666
Disposals	0	0	0	(6)	(6)	(12)
At 31 March 2025	10,401	1,379	764	1,243	202	13,989
Depreciation						
At 1 April 2024	3,806	8	163	553	167	4,697
Reclassification of Assets	0	0	(4)	4	0	0
Charge for the year	244	14	86	141	14	499
Disposals	0	0	0	(6)	(6)	(12)
At 31 March 2025	4,050	22	245	692	175	5,184
Net Book Value						
At 31 March 2025	6,351	1,357	519	552	26	8,805
At 31 March 2024	6,551	1,371	292	384	40	8,638

Notes to the financial statements for the year ended 31 March 2025

13 Intangible Fixed Assets - Group

	Website	Goodwill	Total Group
Cost	£000	£000	£000
At 1 April 2024	76	40	116
Additions	72	0	72
At 31 March 2025	148	40	188

Depreciation

At 1 April 2024	16	13	29
Charge for the year	25	7	32
At 31 March 2025	41	20	61

Net Book Value

At 31 March 2025	107	20	127
At 31 March 2024	60	27	87

Intangible Fixed Assets - Charity

	Website	Total Charity
Cost	£000	£000
At 1 April 2024	76	76
Additions	72	72
At 31 March 2025	148	148

Depreciation

At 1 April 2024	16	16
Charge for the year	25	25
At 31 March 2025	41	41

Net Book Value

At 31 March 2025	107	107
At 31 March 2024	60	60

14 Investment Property

	Freehold Buildings	Total Group
Consolidated	£000	£000
At 1 April 2024	3,353	3,353
(Loss)/Gain on Revaluation	(101)	(101)
(Loss)/Gain on Sale	(65)	(65)
Proceeds from Sales	(1,382)	(1,382)
At 31 March 2025	1,805	1,805

Net Book Value

At 31 March 2025	1,805	1,805
At 31 March 2024	3,353	3,353

All investment properties are held by ACG Lettings Ltd which was acquired through a legacy on 31 March 2020. The freehold investment properties were valued based on a Chartered Surveyor's valuation in February 2023. The Directors consider this valuation to be appropriate at 31 March 2025. However, adjustments have been made to the properties that are currently for sale based on Director's valuations at 31st March 2025.

Notes to the financial statements for the year ended 31 March 2025

15 Investments - Charity

	2025	2024
	£000	£000
Unlisted investments		
Demelza Trading Limited	0	0
South East Medical Services Limited	0	0
ACG Lettings Ltd	1,760	3,085
Total	1,760	3,085

The £101 unlisted investments represent a 100% shareholding in Demelza Trading Limited and a 100% shareholding in South East Medical Services Ltd. The charity has three subsidiaries as follows:

	Class of Shares held	Nature of Business	Capital and Reserves at 31 Mar 25 £
Demelza Trading Limited	Ordinary	Retailing	0
South East Medical Services Ltd	Ordinary	Dormant	0
ACG Lettings Ltd	Ordinary	Property Lettings	1,760

Charity & Group Investment Fund	2025 £000	2024 £000
At 1 April	11,294	11,740
Invested in the year	0	0
Dividends & Interest received	220	338
Withdrawals	(500)	(1,401)
Investment Managers' Charge	(52)	(42)
Unrealised gains in the year	371	659
At 31 March	11,333	11,294

The historic cost of the investments was £11,333k (2024: £11,294k)

Asset Allocation	2025 £000	2024 £000
Liquid Assets	1,923	802
Fixed Income	997	2,662
Equities	7,016	6,412
Property	387	547
Alternative Investments	1,010	871
Total	11,333	11,294

Notes to the financial statements for the year ended 31 March 2025

16 Stock

	Group		Charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Goods for resale	47	34	0	0
	47	34	0	0

17 Debtors

	Group		Charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Amounts due from subsidiaries	0	0	613	364
Trade debtors	138	435	116	402
Bad Debt Provision	(7)	(16)	(7)	(16)
Prepayments & Accrued Income	789	764	779	760
VAT	208	198	171	124
	1,128	1,381	1,672	1,633

18 Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade creditors	(380)	(276)	(331)	(249)
Tax and social security costs	(235)	(228)	(197)	(188)
Other creditors	(204)	(155)	(201)	(152)
Accruals and deferred income	(471)	(725)	(285)	(434)
	(1,290)	(1,384)	(1,014)	(1,023)

All the deferred income of £369k will be released in the following year. This represents ticket payments in advance by supporters for events in the following year and payments in advance by the lottery players.

Accruals and deferred income includes deferred income as follows:

	2025	2024
	£000	£000
B/fwd	(397)	(369)
Amounts deferred in the year	(328)	(397)
Amounts released in the year	397	369
C/fwd	(328)	(397)

Notes to the financial statements for the year ended 31 March 2025

19 Funds

Restricted Funds	Balance at 1 April 2024 £000	Incoming Resources £000	Resources Expended £000	Transfer Between Funds £000	Balance at 31 March 2025 £000
Grant contribution funded by NHS England (Via ICBs)	0	1,710	(1,710)	0	0
Capital Grant contribution funded by DHSC (Hospice UK)	0	242	(242)	0	0
Care Where You Are	42	19	(60)	0	1
Bereavement Services and Family Fund	(0)	15	(15)	0	0
Hill Farm Equipment and Running Costs	100	0	(35)	0	65
Building and Ground Improvement Projects	14	630	(68)	0	576
East Sussex Community Equipment & Running Costs	5	35	(40)	0	(0)
Kent Hospice Equipment and Running Costs	24	113	(116)	0	21
S. E. London Hospice Equipment and Running Costs	5	66	(65)	0	6
	190	2,830	(2,351)	0	669

	Balance at 1 April 2023 £000	Incoming Resources £000	Resources Expended £000	Transfer Between Funds £000	Balance at 31 March 2024 £000
NHS England Covid funding	0	0	0	0	0
Grant contribution funded by NHS England	0	1,668	(1,668)	0	0
East Kent CCGs Grant	0	0	0	0	0
Care Where You Are	272	99	(329)	0	42
Bereavement Services and Family Fund	0	17	(17)	0	0
Hill Farm	222	186	(308)	0	100
Building and Ground Improvement Projects	91	0	(77)	0	14
East Sussex Community Equipment & Running Costs	0	33	(28)	0	5
Kent Hospice Equipment and Running Costs	26	125	(127)	0	24
S. E. London Hospice Equipment and Running Costs	5	23	(23)	0	5
	616	2,151	(2,577)	0	190

Capital Grant contribution funded by DHSC (Hospice UK) is the first quarter of a grant awarded by DHSC, administered via Hospice UK, restricted to capital projects. This funding was received in 2024-25 and a requirement of the grant was that it must be spent by 31st March 2025.

East Kent CCGs Grant funds training, care at home and the managed clinical network in Kent and Medway.

Care Where You Are represents the delivery of palliative care in a variety of settings to enable access by those who cannot reach a residential hospice.

Bereavement Services and Family Fund supports services at Kent, S.E. London and E. Sussex.

Hill Farm accommodation was donated by a property developer in Bobbing in August 2023. Demelza has paid for specialist adaptations to the property so that it is suitable for the children and families supported. A local philanthropist donated the land.

Building and Ground Improvement Projects funds building works and improvements to the grounds at Kent, S.E. London and E. Sussex.

East Sussex Community Equipment & Running Costs funds the work of the East Sussex team and equipment required.

Kent Hospice Equipment and Running Costs funds the work of the Kent team and equipment required.

S. E. London Hospice Equipment and Running Costs funds the work of the S.E. London team and equipment required.

Notes to the financial statements for the year ended 31 March 2025

19 Funds (continued)

Unrestricted Funds

Group	Balance At 1 April 2024	Incoming Resources including gain on investments	Resources Expended loss on investments	Transfer Between Funds	Balance at 31 March 2025
	£000	£000	£000	£000	£000
Designated funds					
Fixed assets & Investment Property fund	12,016	0	(533)	(720)	10,763
Care and Resources Strategy Fund	1,530	0	(1,200)	0	330
Digital transformation Fund	0	0	0	0	0
Capital Covid Recovery Fund	0	0	0	0	0
Capital Asset Fund	300	0	0	0	300
Unrestricted general funds	10,959	14,879	(14,587)	720	11,971
Total unrestricted funds	24,805	14,879	(16,320)	0	23,364

Group	Balance at 1 April 2023	Incoming Resources Including gains on investments	Resources Expended	Transfer Between Funds	Balance at 31 March 2024
	£000	£000	£000	£000	£000
Designated Funds					
Fixed assets & Investment Property fund	10,327	0	(432)	2,121	12,016
Care & Resources Strategy Fund	2,730	0	(1,200)	0	1,530
Digital transformation Fund	909	0	(359)	(550)	0
Capital Covid Recovery Fund	0	0	0	0	0
Capital Asset Fund	300	0	0	0	300
Unrestricted general funds	10,305	15,767	(13,542)	(1,571)	10,959
Total unrestricted funds	24,571	15,767	(15,533)	0	24,805

Designated Funds

Fixed assets & Investment Property fund – Represents unrestricted funds tied up in fixed assets. At the balance sheet date the balance of fixed asset designated reserves equates to the net book value of fixed assets held.

Care & Resources Strategy fund – The Trustees have approved the charity's strategy for 2022 – 2027. They have designated the funds required for the planned developments in the care departments and support functions.

Digital transformation Fund represented funds designated at the outset of the current strategy for Demelza to make all services digitally accessible to users and to harness digital processing of data to bring greater accuracy and efficiency. The work on Digital Transformation has been moved from project work to business as usual and will form part of the budgeting process each year. As such, these funds were de-designated in 2023–24.

Capital Asset Fund is designated – funds designated for larger on-going projects.

Unrestricted general funds represent the unrestricted reserves of the Charity, which are not designated for particular purposes, and therefore the Trustees can utilise as they see fit in accordance with its charitable objects.

Notes to the financial statements for the year ended 31 March 2025

19 Funds (continued)

Summary of Total Group Funds

	Balance at 1 April 2024	Incoming Resources including gains on investments	Resources Expended including loss on investments	Transfer Between Funds	Balance at 31 March 2025
	£000	£000	£000	£000	£000
Restricted funds	190	2,829	(2,350)	0	669
Unrestricted funds	24,805	14,879	(16,320)	0	23,364
Total funds	24,995	17,708	(18,670)	0	24,033

	Balance at 1 April 2023	Incoming Resources including gains on investments	Resources Expended including loss on investments	Transfer Between Funds	Balance at 31 March 2024
	£000	£000	£000	£000	£000
Restricted funds	616	2,151	(2,577)	0	190
Unrestricted funds	24,571	15,767	(15,533)	0	24,805
Total funds	25,187	17,918	(18,110)	0	24,995

Notes to the financial statements for the year ended 31 March 2025

20 Analysis of Group Net Assets Between Funds

	Unrestricted Funds 2025 £000	Restricted Funds 2025 £000	Total 2025 £000	Unrestricted Funds 2024 £000	Restricted Funds 2024 £000	Total 2024 £000
Group						
Fund balances at 31 March are represented by:						
Fixed assets and investments	22,096	0	22,096	23,434	0	23,434
Current assets	2,653	669	3,322	2,755	190	2,945
Creditors falling due within one year	(1,385)	0	(1,385)	(1,384)	0	(1,384)
Provision for liabilities	0	0	0	0	0	0
	23,364	669	24,033	24,805	190	24,995

Charity

Fund balances at 31 March are represented by:

Fixed assets and investments	22,151	0	22,151	23,455	0	23,455
Current assets	2,227	669	2,896	2,373	190	2,563
Creditors falling due within one year	(1,014)	0	(1,014)	(1,023)	0	(1,023)
Provision for liabilities	0	0	0	0	0	0
	23,364	669	24,033	24,805	190	24,995

21 Reconciliation of Net cash flow to movement in funds

	2025 £000	2024 £000
Net incoming / (outgoing) resources	(962)	(192)
Depreciation charges	555	475
(Gain)/Loss on revaluation of investment property	101	142
(Gain)/Loss on sale of fixed assets	80	10
(Gain)/Loss on investments	(371)	(659)
Less Investment Income	(219)	(338)
Add investment management fee	52	42
(Increase)/ Decrease in stock	(13)	2
(Increase)/Decrease in debtors	151	412
Increase/(Decrease) in creditors	1	4
Increase/(Decrease) in provision	0	(72)
Net cash inflowing	(625)	(174)

22 Analysis of cash and cash equivalents

	Short term Deposit £000	Cash at bank and in hand £000	Total £000
Balance at 1 April 2024	0	1,532	1,532
Net cash movement	0	520	520
Balance at 31 March 2025	0	2,052	2,052
Balance at 1 April 2023	635	1,992	2,627
Net cash movement	(635)	(460)	(1,095)
Balance at 31 March 2024	0	1,532	1,532

Notes to the financial statements for the year ended 31 March 2025

23 Analysis in Changes of Net Debt

	At 1 April 2024	Cash movements	At 31 March 2025
	£000	£000	£000
Cash at bank	1,532	520	2,052

	At 1 April 2023	Cash movements	At 31 March 2024
Cash at bank	2,627	(1,095)	1,532

24 Pensions

	2025 £000	2024 £000
Defined Contribution Scheme	419	386
NHS Pension Scheme	301	305
Total Pension Costs (Note 10)	720	692

Defined Contribution Scheme

The charity and its subsidiaries operate a defined contribution scheme available to the majority of its permanent employees. Contributions are charged in the financial statements as they are incurred and there were no outstanding contributions as at the balance sheet date. Pension costs charged in the period were £419k (2024: £386k).

NHS Pension Scheme

The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employees, General Practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. As a consequence, it is not possible for Demelza House Children's Hospice Ltd to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme and the cost is the contributions payable to the scheme for this accounting period.

Employers' pension contributions are charged to operating expenses as and when they become due. The total employer contribution payable by Demelza in 2024-25 was £301k (2024: £305k). In addition, employees who are members of the scheme pay contributions of 5.6% to 12.5% depending on their pensionable pay.

In accordance with FRS102, a valuation of the Scheme liability is carried out annually by the Scheme Actuary as at the Scheme's balance sheet date by updating the results of the full actuarial valuation. The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website.

Notes to the financial statements for the year ended 31 March 2025

25 Capital Commitments

At 31 March 2025, there were no contractual commitments for capital spend (2024: £0k).

26 Operating Leases

The following lease commitments for the next twelve months existed at 31 March 2025 in respect of non-cancellable operating leases:

	2025	2025	2024	2024
	Land and	Other	Land and	Other
	Buildings	£000	Buildings	£000
Up to one year	707	68	537	82
Between one and five years	1,526	119	1,199	140
Over five years	38	0	13	0
	2,271	187	1,750	223

27 Commitments by Lessors

Minimum lease receipts under non-cancellable operating leases to be received:

	2025	2024
	£000	£000
Up to one year	2	29
Between one and five years	0	0
Over five years	0	0
	2	29

Related Party Transactions

Other than amounts shown in notes 8, 9, 11 and 17, there were no related party transactions.

Notes to the financial statements for the year ended 31 March 2025

28 Comparative Statement of Financial Activities for the year ended 31 March 2024

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000
Income				
Donations and legacies	2	6,786	277	7,063
Other trading activities	3	6,367	-	6,367
Income from Charitable Activities	4	1,603	1,874	3,477
Income from Investments	5	353	-	353
Total income		15,109	2,151	17,260
Expenditure				
Expenditure on Raising funds	6			
Generating donations and legacies		1,786	-	1,786
Fundraising events		367	-	367
Trading Expenditure		5,230	-	5,230
Investment management fees		42	-	42
Total Expenditure on Raising funds		7,425	-	7,425
Expenditure on Charitable activities	7			
Residential service		6,394	2,203	8,597
Community Service		1,573	374	1,947
Total Expenditure on Charitable activities		7,967	2,577	10,544
Total Expenditure		15,392	2,577	17,969
Deficit before investment gains/(losses)		(283)	(426)	(709)
Net Gains / Loss on investment	15	659	-	659
Loss on disposals of investment property		(142)	-	(142)
Net income / (expenditure)		234	(426)	(192)
Transfers between funds		-	-	-
Net movement in funds		234	(426)	(192)
Fund balances brought forward at 1 st Apr 2023		24,571	616	25,187
Fund balances carried forward at 31st March 2024		24,805	190	24,995

Structure, governance and management

Organisational structure

The charity operates as a company limited by guarantee, under the terms of its memorandum and articles of association. Legal responsibility for the management and stewardship of the hospice is vested in the Board of Trustees.

Day-to-day operational decisions are delegated to a Senior Leadership Team. During the period covered by this report this consisted of a Chief Executive, Deputy Chief Executive (also leading on Fundraising, Marketing & Lottery), Director of Nursing and Care, Director of Trading, Director of People and Culture and Director of Finance & Resources (none of whom are directors within the meaning of the Companies Act).

Key management personnel are those individuals who have authority and responsibility for planning, directing and controlling the activities of the charity, directly or indirectly, including any director (whether executive or otherwise). The Remuneration Committee is responsible for setting the pay for these personnel, comparing to industry benchmarks as appropriate.

The Trustees, directors and management are shown on page 50 of this document.

The Trustees held four Board meetings during the year. The sub-committees also met regularly throughout the year, reporting respectively for matters concerned with clinical governance, safeguarding, fundraising & marketing, people & resources, investments and appraisal & remuneration.

The trading company (Demelza Trading Limited No. 03090528) is a wholly owned subsidiary incorporated in England and Wales and has a separate Board of Directors that reports to the Board of Trustees of the charity. The trading subsidiary runs the retail businesses, bubble rush (branding and equipment to run Bubble Rush events at other organisations) and a weekly lottery to support the objects of the charity.

The charity's subsidiary South East Medical Services Limited (SEMS No. 06042090), which built the Eltham hospice, had no turnover this year and is dormant.

The charity's subsidiary ACG Lettings Ltd (No 03031999) is a wholly owned subsidiary incorporated in England and Wales and has a separate Board of Directors which reports to the Board of Trustees of the charity. This trading subsidiary owns, maintains and lets residential property in East Kent.

Trustee induction and training

The Board of Trustees maintains a skills matrix of all Trustees to identify core competencies required. If any gaps in skills are identified the Trustees actively seek a suitable candidate to fill that role on the Board. Candidates are interviewed by suitable existing Trustees and the CEO, and if offered a position, they are then ratified at the next available Board meeting. All potential Trustees are offered the opportunity to have a tour of the hospice, to support with the overall recruitment process.

New Board members are then given an induction pack, including relevant Charity Commission and Companies House publications, statutory accounts and explanations of their duties and copies of previous board meeting minutes. They also attend an induction session with selected Trustees and members of the Senior Leadership Team.

All members of the Board are encouraged to attend appropriate internal and external training and events where these facilitate the undertaking of their role.

Clinical governance

Demelza has a comprehensive Clinical Governance Policy and appropriate procedures in place. Demelza will demonstrate accountability for, and ensure continuous improvement in, the quality of services for expectant mothers, babies, children and families and safeguard high standards of care by creating an environment in which excellence in clinical care will flourish.

The Clinical Governance Committee (which is a sub-committee of the Board):

- Analyses, benchmarks, evaluates, reviews and monitors all aspects of service delivery to ensure national minimum guidelines and evidence-based practice are met.
- Ensures that policies, procedures and training support our practice to best meet the needs of our service.
- Reviews, identifies, monitors and manages risk.

Key performance indicators

The Senior Leadership Team monitors a variety of key performance indicators (KPIs) to check achievement of strategic and operational objectives, reporting on them to Trustees. These KPIs monitor the amount and type of care provided, management of resources, and income generation.

Statement on public benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard for public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. In the interest of transparency, the Trustees make the following observations on the two key principles of public benefit.

Firstly, Demelza is clear on the beneficiaries of its work in this report and in its general communications. The beneficiaries are babies, children and young people with serious and life-limiting conditions and their families, and expectant mothers, within Kent, East Sussex and South East London. A referral process is in place with clear guidelines on criteria, with anyone being able to refer a child subject to appropriate consent, including families themselves. The Trustees have paid due regard to the latest demographic and other research and data on the number of actual and potential beneficiaries, and their needs.

Secondly, our business-planning and monitoring/reporting are structured around the benefits delivered to the beneficiaries through our work, including monitoring the impact we have had on their lives. This is reflected in the Trustees' report. The benefits are respite care, therapeutic services, and other related activities, with access to emergency and end of life care when required. This can be at either of the hospices or within the family home via the community care teams. Support services include family support, therapies and pre and post bereavement support for the child and their immediate family.

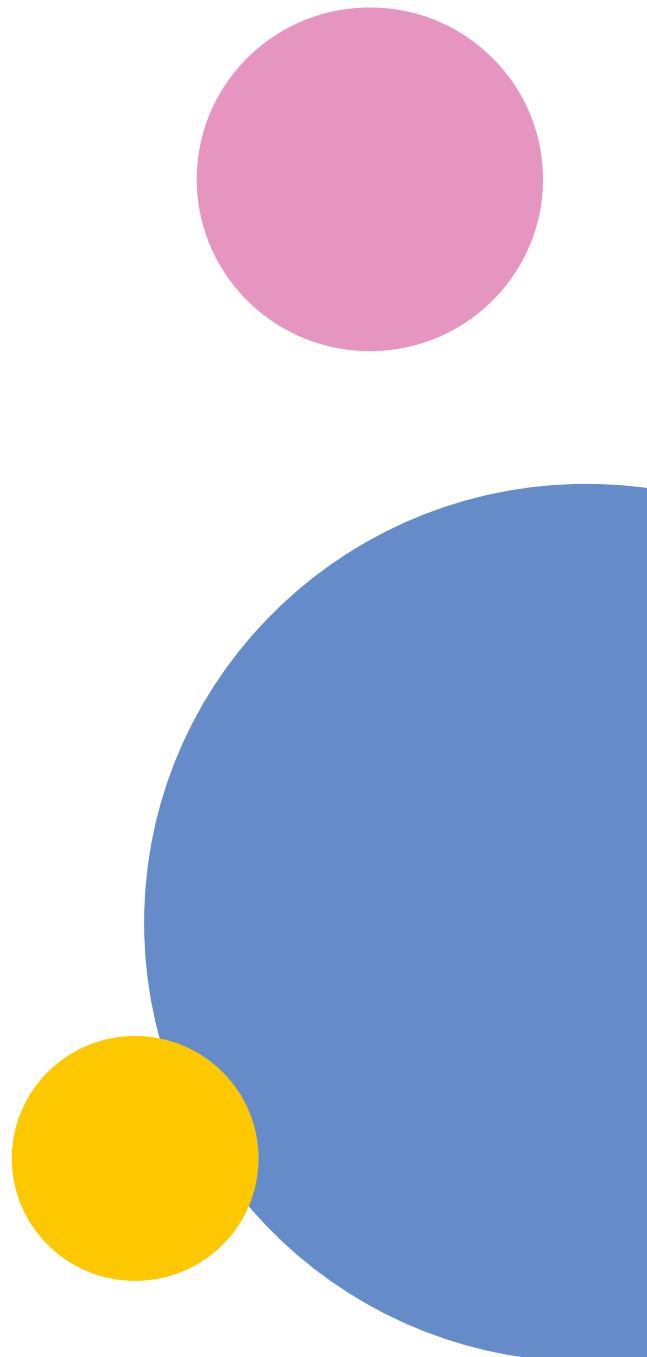
The monitored benefits include whether assessed needs within individual care plans have been met, and improvements (including increased social functioning, resilience, and emotional wellbeing) monitored through standardised tools. We also regularly consult with our beneficiaries, for example

in surveys and representatives' forums, to gain information on our impact.

The Trustees review the activities of the charity against its aims on an ongoing basis and are satisfied that all activities continue to be related to its aims.

The charity does not exclude or give priority on any basis other than medical and social need.

Any private benefits are incidental, with Trustees receiving no remuneration, and any personal or business involvement is listed under the related party transaction section.



Corporate Information

Demelza Hospice Care for Children

A company limited by guarantee Company No. 2948500

(Demelza Hospice Care for Children) Charity No. 1039651

Registered office: Rook Lane, Bobbing, Sittingbourne, Kent, ME9 8DZ

www.demelza.org.uk Telephone: 01795 845200

Subsidiary companies:

Demelza Trading Limited – Company No. 03090528. A private limited company.

ACG Lettings Ltd – Company No. 03031999. A private limited company.

Trustee board

Chair – Sean Reynolds

Trustees

Robert Alexander – retired March 2024

Darren Anstee – retired November 2024

Pedro Avery

Pippa Barber – retired November 2024

Richard Douglas

Richard Finn

Paul Hewish

George Hunter

Debbie Kemp – retired January 2024

Yvonne Parks

Charlotte Parry-Jones

Alex Parry-Jones

Nicola Porter (Tyers)

Natasha Smith

Paul Smith

Aishah Sameem – appointed July 2024

Karl Holliman – appointed July 2024

Paula Wilkins – appointed July 2024

Susan Tether – appointed July 2024

John Simpson – appointed January 2025

Jenneh Tarawally – appointed March 2025

Richard Patey – appointed March 2025

Heather Lucas – appointed March 2025

Associate Trustees

Rory Burns – appointed July 2024

Lucille Harvey – appointed February 2025

Founder president

Derek Phillips – deceased July 2024

President

Richard Oldfield OBE DL

Vice Presidents

The Most Reverent and Right Honourable Justin Welby,
Archbishop of Canterbury – resigned January 2025

Adam Phillips – appointed December 2024

Sir Martyn Lewis CBE

Lady Kingsdown OBE

Paul Auston DL

Turrloo Parrett

Fiona Sunley

Des Crampton DL

James Kelly

Sarah Kemsley

Rhiannedd Brooke – resigned October 2024

Celebrity Ambassadors

Daniel Radcliffe

Sally Lindsay

The late Len Goodman

Dave Berry

Jayne Torvill OBE

Cheryl Baker

Robin Cousins MBE

Anna-Jane Casey

Company Secretary

Charlotte Chamberlain

Chief Executive Officer

Lavinia Jarrett

Deputy Chief Executive Officer

(Director of Fundraising, Marketing and Lottery)

Hayley Richardson

Director of Finance and Resources

Charlotte Chamberlain

Director of Clinical Services

Katie Stevens

Director of People and Culture

Hayley Clark

Director of Retail

Ashley Henson

Director of IT, Data and Governance

Claire Ellis-Waghorn

Auditors

Saffery LLP

71 Queen Victoria Street,

London,

EC4V 4BE

Bankers

National Westminster Bank Plc

2nd Floor County Gate,

Stacey's Street, Maidstone, Kent

ME14 1ST

Principal Solicitor

Mayo Wynne Baxter Solicitors

3 Bell Lane, Lewes, East Sussex

BN7 1JU





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Find out more at:

demelza.org.uk

Registered Charity No. 1039651



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