

Company Number: 03056823
Charity number: 1046826

Isabel Hospice Limited

Trustees' Annual Report and Financial Statements
For the Year Ended 31 March 2025

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Foreword from the Chair

The financial year 2024-25 has seen 2103 people (patients and family members) supported by Isabel Hospice. The majority of patients were supported in the community by our Hospice at Home and Clinical Specialist Teams. Being in the community is often people's preferred place of care and death. We have been able to deliver all our services, including Living Well with Isabel, Compassionate Communities and have delivered a comprehensive education programme. Two extra beds of the Inpatient Unit were opened September 2024-March 2025 funded by the NHS to assist with managing increased demand on the system.

During the year we have attended many meetings with NHS providers, local authority and other hospices to ensure the Hospice contribution to the health and care system is recognised. With a change of Government, all MPs covering Eastern Hertfordshire have been briefed on the work of the Hospice and the funding challenges facing the Hospice.

As part of our property strategy, the warehouse, e-commerce part of retail, fundraising and support staff moved into property at 99 Bridge Road East, Welwyn Garden City and the sale of Milan House, 61 Bridge Road East, Welwyn Garden City was completed. Going forward, the focus is on the refurbishment of our Inpatient Unit.

During the year we have raised the profile of environmental sustainability. This has led to all departments implementing projects which not only have reduced the carbon foot-print, but have also improved efficiency and provided some cost savings.

Financially, Isabel Hospice started the year with a budget deficit but ended with a surplus of £405,000. This was largely due to income from the sale of Milan House, 61 Bridge Road East, Welwyn Garden City. New approaches in fundraising led to the team delivering an increased income. This year retail contribution was less than expected (mainly due to an increase in costs) and legacy income was also lower than in previous years. We are extremely grateful to people who do leave legacies.

Looking forward, increases in National Insurance, minimum wage and public sector pay will be a challenge for Isabel Hospice. We will need to find ways of raising more income, through current income streams and new ones, to meet the rising costs and be able to deliver current services. We continue to look at ways of reducing costs, and becoming more efficient with our operating processes.

The work of Isabel Hospice could not be delivered without its amazing staff, volunteers and the support of the community. The Board would like to thank the staff for all they do; all have a role to play in delivering our vision of outstanding palliative care for all. We would also like to thank our volunteers who so willingly give their time, and our supporters in the community for their generosity in all sorts of ways but in particular, by providing the much needed funds to enable the Hospice to continue to deliver its services.

Terry Philpott
Chair

Date 10 September 2025



Patient's Story

"All I can say is that I wish we'd found Isabel Hospice four years earlier"

When Cathy's husband Charlie was cared for by Isabel Hospice's Hospice at Home team, she said "their support lifted a weight from our family's shoulders, allowing us to focus on our time together." After Charlie died, Cathy found the Isabel Hospice Family Support team's family-focused care to be everything they needed.

For many years, Charlie had been dealing with chest infections and other persisting symptoms which ultimately led to him being rushed to hospital, where he was later given an diagnosis of incurable Mesothelioma [lung cancer].

Years into his diagnosis, Charlie was referred to Isabel Hospice and supported by our Hospice at Home team. Cathy said "I think when we heard the words palliative care, we were worried, and my husband instantly thought 'right well that's it, I'm on my last knockings'. But that's where we went wrong! It's actually a really good, helpful thing, and I think we would have gotten a lot more benefit from it had we not been afraid of it."

The personal care Charlie received in their visits meant a great deal for both of us. He was quite happy when they came, and they were very good with him. That took a weight off our shoulders, for me and the kids too. He never wanted any of us to shower him or anything, so for someone else to come in and do that for him, I think he was relieved himself. All I can say is that I wish we'd found Isabel Hospice four years earlier, because it was a real help to us."

Charlie passed away at home in the November of 2023. When he died, [Isabel] even came in and got him dressed so we didn't have to, which was really lovely and helped me tremendously."

After Charlie's death, Cathy and her family were offered bereavement support from our Family Support team. She said, "I had a lovely lady named Deidre who rang me regularly, and she helped me a great deal. In the beginning she would ring and say to me 'If you want to just cry for an hour, you can do that' and sometimes I would. Other times I'd say that I didn't feel the need to, but she would always lift me up. She helped me a great deal."

Cathy's grandchildren were offered therapy sessions through our children's bereavement service. Her grandson attended our mindfulness group, which helps children to develop skills in dealing with difficult life situations when a loved one is unwell or has died. Educating them on ways to apply these skills to day-to-day life.

Cathy said "My grandson used to go to the mindfulness group [led by] Buddhika, who is the sort of person that when you meet him, I think you could just tell him anything. He's such a gentle, lovely and kind person, and I think that's what [my Grandson] found great. He could actually speak to him and open up to him."

We were even invited to a day out at a farm with the family support group, which was such a nice day. It's really nice because, you know that everyone there is obviously going through the same thing and needs some sort of help too. You realise that everyone is coming to terms with losing somebody and that really helped."

"My Grandson met a lovely friend there that he keeps in contact with. They both have the same interests, and I think if he is ever having a bad day at school, he gets in touch with him and he runs it past him. They often meet up and spend the day together and it's really lovely. So out of all that, came a really good friendship."

In general, Isabel Hospice has helped us so much. [Caring for Charlie] then for me, having someone to ring and talk to about everything and for my grandkids to have somewhere to go has been such a great help. I just think they are really, truly amazing. That's all I can say."



Reference and Administrative Information

Trustees:	T Philpott (Chair)
The Trustees are also	I Williams (Vice Chair)
members and	O Cholak
directors of the	R Crome
Company	M Cottrell
	S Fuell (resigned 31 March 2025)
	I Ellis
	C Jackson
	J Mills
	D Perry
	L Sale (appointed 5 August 2024)
	D Shirley
Secretary:	H Glenister
Executive Team:	H Glenister – Chief Executive Officer
	C Miles – Interim Director of Finance & Resources (to January 2025)
	A Kilduff - Director of Clinical Services
	L Hopley - People Director
	N Gilbert - Director of Income Generation & Marketing (to August 2024)
	R McNee – Director of Income Generation (from January 2025)
	M Wood – Director of Finance & Resources (from January 2025)
Registered Office:	99 Bridge Road East Welwyn Garden City Hertfordshire AL7 1GD
Registered Number:	03056823
Charity Number:	1046826
Auditors:	Sayer Vincent LLP
	110 Golden Lane London EC1Y 0TG
Principal Bankers:	The Co-operative Bank
	St Paul's House 10 Warwick Lane, London, EC4M 7BP
Solicitors:	Crane & Staples Solicitors
	Longcroft House, Fretherne Road, Welwyn Garden City, AL8 6TU
Investment Managers:	Quilter Cheviot
	Senator House, 85 Queen Victoria Street, London, EC4V 4AB



Trustees' Annual Report for the Year Ended 31 March 2025

The Trustees are pleased to present their annual report (which, for the purposes of company law, includes the strategic report and the Directors' report) and the audited financial statements for the year ended 31 March 2025.

These financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015, 2019). The financial statements include the results of the Charity's trading subsidiaries, Isabel Hospice Trading Limited and IHL Services Limited.

Objectives and Activities

The Charity's purpose as set out in the objectives contained in the Company's Memorandum of Association is to provide palliative care and support for those suffering from life-limiting illnesses, as well as support for their families and carers, in the boroughs of Welwyn Hatfield and Broxbourne and the District of East Hertfordshire.

Our Values

Our values are at the heart of how we work in every setting – how we support patients and their families, how we support our staff and volunteers, and work within teams, and how we engage with partner organisations and suppliers. These are:

Care	Everything we do shows we support and care about everyone
Together	We are collaborative and inclusive in our approach
Respect	We respect the contribution that everyone is able to make
Responsive	We are responsive to people's needs
Dynamic	We challenge existing practices and strive to continuously improve

Together we care is our strapline and captures the essence of our approach as a charitable hospice:

- Every aspect of our care and support is delivered in partnership – with patients, families & loved ones, and other professionals.
- Every member of staff and every volunteer plays a crucial role in making our care possible.
- We work with our communities and our partners.



Our Services During 2024-25

We provided a wide range of services including an Inpatient Unit for patients who have complex symptoms; a Community Service which includes a team of Community Clinical Specialists who are available to give advice and support to patients and their families; a Hospice at Home Team providing support and nursing care in patients' homes and a Family Support Counselling and Bereavement Service.

Our Living Well with Isabel services provide rehabilitative and wellbeing services to help manage the challenges of living with a life limiting illness. Our Compassionate Communities service facilitates coffee mornings, themed activity groups and neighbours to support loneliness.

Community Care

Clinical Specialists provide community care through hybrid telephone and face to face consultations. Our clinical specialists have undertaken more home visits this year (3,315 compared to 2,494 in 2023-24).

The Hospice at Home team of registered nurses, paramedics and healthcare assistants provide care to enable people to be cared for and die in their own home. The team have provided care to 527 patients (compared to 424 in 2023-24), contributing to prevention of hospital admissions.

Inpatient Unit

Our Inpatient Unit (IPU) based in Welwyn Garden City is currently staffed for 8 patients but can flex to accommodate up to 14 beds. Our highly trained multi-disciplinary team consisting of doctors, registered nurses, allied health professionals, counsellors and healthcare support workers offer specialist symptom management and end of life care. From September 2024 to March 2025, following additional funding from Herts and West Essex Integrated Care Board (HWEICB), we increased bed capacity to 10 which enabled a 16% increase in admissions.

24-Hour Advice Line

Our 24-Hour Advice Line provides clinical advice and support for patients, their families/carers and professional colleagues about any palliative care and /or end of life care issue, irrespective of the person's diagnosis and whether they are known to us.

Family Support

We support patients and their families as they cope with the diagnosis of a life limiting illness through to bereavement. We provide telephone support for adults and children through individual and group sessions.

Living Well

We provided therapeutic and wellbeing support to 335 patients throughout our Living Well community hubs. We also extended our REACH-HF home based evidence-informed cardiac rehabilitation programme to help manage their condition. This ensures patients with heart failure make early contact with palliative care service.

Compassionate Communities

We continued our community development approach to living well with frailty through collaboration and co-ordination of hospice care and local service providers. In addition, our community groups and cafes provided bereavement peer support.



Education

Our aim within the Learning, Development and Education team is to empower others to deliver outstanding palliative care for all.

Our Care Home Educator is commissioned by Herts and West Essex Integrated Care Board (HWEICB) to provide specialist education into care home settings within East and North Hertfordshire. Training was delivered to 57 homes during the year including nursing, residential, learning disability and mental health homes. Education focuses on Advance Care Planning and End of Life care.

Public Benefit

The Trustees have reviewed the Charity Commission guidance on Public Benefit and are confident that the Charity meets the requirements, specifically:

- All services to patients and families are provided free of charge.
- We do not discriminate on the grounds of gender, race, religion, marital status, family status, sexual orientation or disability. We treat all adults who are referred to our services, with no discrimination based on age.
- We work closely with GPs and other healthcare professionals as we seek to try to ensure that everyone in the last year of their life is identified and is then appropriately referred to, and able to access, the right services to meet their needs.
- We seek to identify specific groups who may find it harder to access services and develop specific approaches to engage them and ensure their needs are met. In the current year, for example, we have extended our reach to those working with people with learning disabilities and also the Lesbian Gay Bisexual Transgender (LGBT) community.

Vision and Strategy

Vision

Our vision is **Outstanding Palliative Care for All**

We deliver outstanding palliative care through our services, working in partnership with others including patients, GPs, NHS community providers, NHS acute hospitals, nursing and residential care homes, carers, patients' relatives and other third-party providers to enable outstanding palliative care that meets patients' needs. The responsibility for palliative and end of life care is the responsibility of statutory bodies, however, the Hospice has a key contribution to this.

Strategy

The Hospice continues to work towards the Strategy for 2021-2026. The measures of success and plans for achieving these are reviewed each year. Work is being progressed under three strategic themes:

- **Empower** a dynamic, agile organisation to include being financially sustainable and resilient.
- **Enable** an outstanding organisation that delivers care in any setting and is seen as a leader in our fields.
- **Engage** with stakeholders and each other.

The challenges we are addressing, what we will do (**areas that have been addressed are emboldened and given a ✓**), what we have done so far and measures of success identified for 2026 are summarised below under each strategic theme.



Empower

The Challenge	What we will do	What we have done in 2024-25	Measures of success
We cannot generate sufficient income to cover the costs of the ever increasing need for our services doing what has worked in the past. Isabel Hospice “as is” cannot sustain the anticipated growth. Our workforce needs to be empowered and driven to enact change.	<ul style="list-style-type: none"> *Develop a skilled, focussed, high performing and committed workforce and volunteers ✓ *Leverage high quality data to drive informed decisions ✓ *Charge for non-core services ✓ *Be efficient with costs and expenditure ✓ *Develop a marketing programme (with KPIs) to promote leaving of legacies ✓ *Increase our income *Reduce the % of total expenditure that are HO operating costs. *Review Governance structure to ensure it supports an agile business ✓ *Develop succession plans for employees ✓ *Establish and improve Carbon Footprint by introducing design and processes ✓ *Take forward Property Strategy ✓ 	<ul style="list-style-type: none"> *Staff KPI metrics are at low levels – sickness turnover etc. *All Job Descriptions reviewed *Learning, Development and Education charging for non-core services *Participated in Hospice UK Legacy Campaign *Expenditure below budget *Taken forward an additional Income Streams – Total Clean *Completed sale of Milan House (Head Office) *Fitted out and moved into new property 99 Bridge Road East, Welwyn Garden City 	<p>By 2026 we will have:</p> <ul style="list-style-type: none"> *Diversified into other income streams *Increased numbers of active volunteers to 75% of registered volunteers in month *Better understood our volunteer requirements and diversified our base to meet these needs *Met our KPI targets for employee satisfaction, (sickness, retention and empowerment etc.) *Ensured that expenditure is less than or equal to income *Increased fundraising income to £2.7 million per annum *Improved the Carbon Footprint for all activities

Enable

The Challenge	What we will do	What we have done in 2024-25	Measures of success
Our organisation needs to be outstanding in everything we do. We also need to leverage new technology to reach people in new ways and improve our business at every level.	<ul style="list-style-type: none"> *Build on new and novel ways of engaging with system partners and primary care borne out of COVID e.g. webinars/ virtual sessions ✓ *Efficiently continue virtual community care where applicable ✓ *Find new, innovative ways to deliver income ✓ *Become an employer of choice *Find new ways to understand and measure patient satisfaction ✓ *Assess accreditation options ✓ 	<ul style="list-style-type: none"> *Attended all system meetings *Now on OPAL 4 calls *Established Telephone Wellbeing Calls after episodes of care finished *Established Patient Participation Group – Your Hospice Your Voice to inform services *Reviewed measures to understand patient satisfaction *Assessed accreditation options. Not progressing at this time 	<p>By 2026 we will have:</p> <ul style="list-style-type: none"> *Delivered outstanding services *Identified 4 key success areas from staff survey and improved those vs 2021 results *Ensured that patient satisfaction remains above 95% *Virtualised 60% of our consultations *Delivered outstanding supporter and customer retail experiences



Engage

The Challenge	What we will do	What we have done in 2024-25	Measures of success
We need to find ways to collaborate successfully externally (e.g. other hospices, NHS, Universities) and ensure better internal collaboration to support this	*Work with the NHS to deliver valued services that they are willing to fund ✓ *Collaborate with external partners as widely as possible e.g. University of Hertfordshire ✓ *Benefit through economies of scale through greater collaboration and partnership with other hospices ✓ *Investigate outsourcing *Engage in new ways of working ✓ *Build partnerships with local organisations to enable a strong community presence and drive awareness ✓ *Improve our internal communications ✓	*Commissioned by NHS to fund Care Home Education Project across East and North Herts *Partnered with various organisations to deliver services – statutory and voluntary. Have University placements *Started to build partnerships to enable a strong community presence *All mayors visited in 2024/25. *Regularly meeting hospice CEOs to continue to influence with one voice *Introduced Workplace for staff, Monthly Message from Helen for Volunteers. This is in addition to Team Meetings and Quarterly Update Meetings that are recorded	By 2026 we will have: *Increased perceived level of NHS funding due to offering services they value *Built a partnership with the University of Herts and other businesses *Partnered with other hospices to reduce costs for some projects *Improved internal communications following employee surveys

Achievements and Performance

The selected metrics listed below are illustrative of the scale and scope of the services provided. During the year we have continued to care for more patients in the community both through our Clinical Specialist and Hospice at Home services, contributing to 91% of Isabel patients being able to die in their preferred place of death (PPD). Crucially, due to additional funding and the opening of two additional beds within our Inpatient Unit, admissions directly from hospital increased by 14% this financial year, helping to relieve pressure on the acute sector.

Metric	2024-25	2023-24	2022-23
Total people using our services	2,103	2,111	1,894
Patients	1,640	1,597	1,443
Family support clients*	717	747	648
Admissions to Inpatient Care	256	220	168
Patients cared for by Hospice at Home	527	424	315
Patients cared for by Clinical Specialists working in the community	1,492	1,303	1,215
Patients cared for at Living Well with Isabel (Day services)	335	382	354
Attendances at Living Well with Isabel sessions	1,841	2,144	2,641
Clients supported by Compassionate Communities	257	201	266
Cancer / other diagnosis	56/44%	56/44%	63/37%
Average days from referral to death	130 days	131 days	160 days

*Family Support clients – 348 were adult family members, 115 children and 254 patients.

Further details of our services with activity, quality and performance data can be found in our annual Quality Account, prepared for NHS partners.

Our Quality Account can be found on our website: www.isabelhospice.org.uk/aboutus/quality-of-care



Clinical Quality Priorities for 2025-26

Our clinical strategic objectives are:

- Enable an outstanding patient journey.
- Engage and integrate with the wider health and social economy.
- Empower staff to deliver outstanding care.
- Engage to enable and empower a compassionate community.

Enable an outstanding patient journey – review and streamline discharges from the Inpatient Unit

Delayed discharges can significantly affect hospice patient flow. Patients who stay in the hospice when they are ready to be discharged leads to bed shortages for those patients either in the community or in hospital who require a hospice bed.

We will set up a task and finish quality improvement group to review and adapt our current discharge process, taking into account both internal and external influences. We will aim to reduce the longest length of stay for patients who are medically fit for discharge from 40+ days to 21 days.

Engage and integrate with the wider health and social economy – collaborate more with integrated neighbourhood teams to provide the right care in the right place

We currently work collaboratively with all healthcare providers across the system. However, our focus this year is to increase connections with integrated neighbourhood teams whose aim is to help people live independent lives for as long as possible.

We will increase multidisciplinary coordinated care for people with moderate or severe frailty and those with palliative care or end of life needs to ensure early hospice intervention. People with complex life limiting needs can access the right hospice specialist services, supporting equity of access and improved patient outcomes.

Empower staff to deliver outstanding care – implement digital transformation within clinical services to improve efficiency

Digital services are an integral part of healthcare and can increase efficiency for staff, contribute to environmental sustainability and benefit patient care. Our ambition is to increase the use of digital technologies through our electronic patient record keeping SystmOne.

We recognise that not everyone in society is able to access the benefits of digital health. We will ensure that we fully understand service users requirements as part of our holistic assessment and communication will be tailored to their needs in line with the Accessible Information Standards.

Engage to enable and empower a compassionate community – increase engagement of seldom-heard groups to receive our services

Seldom-heard groups refers to under-represented people who use or might potentially use health services and who are less likely to be heard by service providers.

Our compassionate communities approach has made progress with initiatives such as our art based approach to improve end of life care conversations and Advance Care Planning (ACP) by people experiencing homelessness. However, we would like to strengthen our engagement with a diverse range of people who experience health and care inequalities. We will initially map our current referrals and relationships to show where there are gaps in hospice provision within East and North Herts. We will identify themes and work collaboratively with community groups and integrated neighbourhood teams to provide information about hospice services and ultimately increase our outreach.



Fundraising

Fundraising Achievements 2024-25

We are extremely grateful for all the financial support that we have received from our community during this period. We have seen positive growth through this reporting period:

- We increased overall voluntary income, excluding legacies.
- In memory giving has grown significantly for the second year.
- Major Donor income increased this year thanks to strong relationship building.
- Corporate donations again saw important growth, and this remains a strategic focus.
- Gift Aid tax recovery grew.

Legacy income decreased during the year.

Income from Trusts and Foundations decreased for Isabel Hospice this year. Many other charities are reporting reduced income from this line with many Trusts closing or further restricting their funds. We are mitigating this by looking at innovative ways to write and focus reports along with expanding our reach, writing more applications and sending them out to more Trusts & Foundations.

Our volunteers helped us to maximise all opportunities across fundraising and are vital to our team and fundraising success.

We are grateful for the continued support that we receive from the Special Events Committee & Isabel Friends Committee and our other long-term volunteers.

Fundraising Objectives 2025-26

Our main objective is to grow our fundraising income during this year. We aim to recruit new supporters, retain current supporters and raise awareness of the charity to the general population of Eastern Hertfordshire to continue expanding our reach and support in line with population growth.

Our key objectives for the year will be to:

- Achieve budgeted growth in fundraising.
- Raise £1.3m through legacies
- Continue to expand fundraising activities and initiatives
- Improve supporter care to reach and engage with existing & new supporters.

Retail

Retail Achievements 2024-25

The Retail/Charity shop business is overseen by the Board of Isabel Hospice Trading Limited, a subsidiary of the Charity. We are extremely grateful for all the support that we have received from our community during 2024-25 including those who donated goods to us and those who purchased items in our stores and online.

Retail had a difficult trading year across both shops and e-commerce finishing the year with a decrease on budget for income. After expenditure, Isabel Hospice Trading Limited was able to contribute a nominal amount to Isabel Hospice Limited as well as the £162k gift aid claimed on donations of items to be sold in the shops.



Retail Objectives 2025-26

The retail landscape is undeniably challenging with rising costs in 2025/26 including increased national insurance contributions and an increased minimum wage. However, following an operational review across retail it is clear that there is potential across all stores and e-commerce to improve contribution.

We will be focusing on customer service and retail standards throughout our portfolio, with the aim of generating a higher rate of sale from donated goods in order to increase both income and contribution.

We will also work closely with the People Team at Isabel Hospice to increase the number of volunteers who can support our operation, focusing on excellent customer service and standards. We will continue to raise the profile of our retail activity. We will continue to celebrate the social value that our retail operations bring with the related benefits to our community, including donors, customers, volunteers and staff.

IHL Services Limited

Achievements 2024-25

During the year, IHL Services Limited, a subsidiary company of Isabel Hospice, began trading by taking on a cleaning franchise Total Clean. Income is growing having taken on a number of cleaning contracts, however start-up costs resulted in a loss in this first year.

Objectives 2025-26

IHL Services Limited will become profitable in 2025-26 taking on further cleaning contracts and contributing the profit to Isabel Hospice.

Further income streams will be identified.

Our People

Our people, both staff and volunteers are our greatest resource. We aim to support the development of a skilled, focussed, high performing and committed workforce of staff and volunteers.

Volunteers

During 2024-25 it was estimated that 598 volunteers gave 94,011 hours of their time during the year. This equates to £1,075,486 of time (based on national living wage 24/25). We are immensely proud of the support provided to the Hospice by our highly valued team of volunteers who give their time and expertise to the Hospice in a wide variety of areas including administration, retail activities, patient services and fundraising. The Board of Trustees would like to thank all volunteers for continuing to support Isabel Hospice.

Building the Diversity of Our People

We are keen to ensure that our staff and volunteers reflect the community that we serve and that we celebrate diversity and are inclusive. During 2024-2025 we undertook the following activities for Equality, Diversity & Inclusion (EDI):

- We worked towards our EDI Strategy.
- Ongoing EDI actions are wide ranging and include celebration of diverse groups in the Hospice.
- “Challenging Racial Bias and Racism Practice” training has been offered to all staff.
- We conducted a follow up EDI survey for staff. This indicated significant improvements in EDI understanding (24% in 2022 vs 42% in 2024 of those surveyed put themselves in an average/full category).



Financial Review

The financial statements for the year ended 31 March 2025 comprise the results for the Charity and its subsidiary companies Isabel Hospice Trading Limited and IHL Services Limited.

The consolidated results show a surplus of £405,000, although this is after the profit on the sale of freehold property of £1,501,000.

Income

Income from donations and legacies decreased in the year, due to receiving fewer legacies. Income from donations in memoriam and other donations and grants increased in the year. Income from charitable activities is predominantly income from the NHS. In recent years, this has increased by less than inflation.

Income from other trading activities increased in the year in all areas: fundraising events, charity shop income, lottery income and income from our new subsidiary company IHL Services Limited's cleaning franchise.

The focus of the Charity's income generation strategy is to develop fundraising and retail income, growing the cleaning franchise income as well as identifying alternative sources of income, in response to the likely reduction in NHS income in real terms.

Costs

Our costs increased in the year, particularly staff costs and amounts spent on our premises. We strive to control our costs whilst under inflationary pressure, however we also recognise the importance of investing in our staff.

Balance Sheet

Net assets increased following the surplus in the year. Due to the sale of freehold property, tangible assets reduced and our bank balances increased.

Reserves Policy

The Trustees have a reserves policy whereby Isabel Hospice should aim to hold sufficient unrestricted funds (not represented by fixed assets) to meet its financial responsibilities. By considering responsibilities such as staff payments, lease payments and other contractual obligations, the Trustees have calculated a desired reserves level of £2,800,000.

Actual total reserves were £9,122,000 of which £175,000 were restricted reserves not available for the general purposes of the Hospice and £836,000 were endowment funds for capital projects. Of the remaining £8,111,000 unrestricted funds, £4,874,000 is represented by unrestricted tangible fixed assets and £48,000 is represented by intangible fixed assets.

The available reserves are therefore £3,189,000 which is sufficient to meet the Trustees reserves policy.

The Trustees have long-term plans in place to ensure that the Hospice remains in-line with this policy and that any excess or shortage in available reserves will be short term. The Trustees have reviewed designated funds and released those no longer required into unrestricted general funds as shown in the notes to the accounts.



Investment Policy

The Trustees have the power to make investments that are consistent with the aims and objectives of the Charity. Surplus resources are currently held in easy access accounts to furnish cash requirements and the Charity also maintains a longer term investment with Quilter Cheviot in a charity friendly scheme.

Going Concern

The Trustees of Isabel Hospice have reviewed financial projections based on assumptions for income, costs, reserves and property investment plans. The projections indicate that Isabel Hospice will continue to trade as a going concern for the foreseeable future and certainly for at least 12 months from date of signature.

Whilst the outlook for NHS income remains difficult, fundraising activities, retail shops and cleaning franchise income are all forecast to increase. Costs are also increasing due to inflationary pressures so the Charity expects to report a deficit in 2025-26, returning to break-even in 2026-27. Reserves remain sufficient and working capital has increased. The Charity will be able to invest in its Inpatient Unit in the coming year.

The Trustees of Isabel Hospice have concluded that the Charity has:

- Sufficient working capital and sufficient reserves to continue to trade for the foreseeable future.
- No unmanaged material uncertainties which might impact the Charity's ability to remain a going concern.

Key Risks and Uncertainties

Following best practice guidelines, Isabel Hospice constantly reviews all strategic and operational risks through risk registers. These are reviewed by management, Board sub-committees, Isabel Hospice Trading Ltd Board and IHL Services Ltd Board. High scoring operational risks and strategic risks are reviewed by the Board.

High scoring risks identified in 2024-25 were as follows:

Unable to recruit clinical and non-clinical staff in a competitive environment. Delivery of clinical services affected by shortages of clinical staff.

To mitigate, flexible and innovative ways of recruiting staff have been identified.

Unable to recruit volunteers sufficient to meet the needs of Isabel Hospice Trading Limited.

We have developed different ways to recruit volunteers which includes:

- Approaching Job Centre Plus.
- Advertising roles.
- Developing a slicker recruitment process.

Unable to maintain the financial longer term sustainability of the Hospice.

To mitigate we have:

- Identified efficiencies and cost savings within Departments for the 2025-26 budget.
- Identified additional income streams.
- Taken all opportunities to collaborate with other organisations to deliver services and generate economies of scale.

Breach in Cyber security.

Hospice management is aware of the risks of a breach of cyber security, and the threats this would pose to Hospice activities and patient data. The Hospice has implemented recommended controls including multifactor authentication and education for all staff in information governance and recognising cyber threats. We are taking steps to achieve Cyber Essentials accreditation.



Structure, Governance and Management

Isabel Hospice Limited is a registered charity, a company limited by guarantee and is governed by its memorandum and articles of association. The group includes subsidiary companies Isabel Hospice Trading Limited through which retail trading activities are carried out and IHL Services through which a cleaning franchise trades.

The Charity works in partnership with local GPs, the Hertfordshire and West Essex Integrated Care Board, local NHS hospitals, residential nursing and care homes and many other health care providers to ensure the highest quality care and support for our patients and their families.

The Board of Trustees normally operates a quarterly meeting cycle with sub-committees meeting in the weeks before the main Board meeting. The sub-committees have specific Terms of Reference which include oversight of key areas of the Charity's work. These are:

- Finance and Risk
- Clinical Quality and Safety
- People
- Fundraising and Marketing

All directors are Trustees. The subsidiary companies, Isabel Hospice Trading Limited and IHL Services Limited, are governed by separate Boards of Directors.

Board Performance

The Board aims to continuously improve its effectiveness. At the end of each meeting there is a reflection on what went well and what could have gone better.

Trustee Recruitment

One Trustee was appointed during 2024-25.

The recruitment of Trustees follows a robust process, as follows:

- The Board's existing skillset is reviewed and any additional expertise required by the Board is identified.
- New Trustees are sought using in a variety of methods, through formal recruitment websites, personal recommendations and other routes.
- Applicants for Trusteeship follow a rigorous process comprising interviews, selection, securing of references and finally appointment.

Trustee Induction and Training

New Trustees follow a comprehensive induction programme, comprising face to face meetings with the directors and heads of department relating to their individual specialisation. Meetings are also arranged with directors of other departments to ensure the Trustee's understanding of the charity framework and Isabel Hospice's operational processes.

Trustees are expected to attend all Board meetings and sub-committee meetings of which they are members. Isabel Hospice staff attend the Board and sub-committee meetings and provide explanations and information as required. There is also a bi-annual strategy day to discuss themes in more detail.



Trustee Remuneration

Trustees' travel expenses are reimbursed if claimed. No Trustee was remunerated during the year and no Trustee had a beneficial interest in any contract with the Charity or its subsidiaries during the year.

Trustee Liability

The liability of each Trustee, in the event of winding up, is limited to £10.

Executive Management

The Trustees delegate day-to-day management of the Charity to the Chief Executive and through that person to the Executive Team.

The following changes occurred to the Executive Team in 2024-2025:

- Director of Income Generation and Marketing - resigned 20th August 2024
- Director of Income Generation – started 6th January 2025
- Interim Director of Finance and Resources – ceased working with Isabel Hospice 31st January 2025
- Director of Finance and Resources – started 13th January 2025

Fundraising Policy

The Trustees recognise that the Charity could not deliver its services without the support of the local community. It is the Charity's policy to form positive relationships with donors and it always seeks to adhere to high quality fundraising standards. The Charity does not accept donations from donors with interests that might conflict with the mission of the Charity.

Executive Remuneration

The Charity's approach to pay is consistent for our staff and the Executive Team. Our policy is designed to enable us to attract, retain and motivate high performing Executive Team members. It also aims to demonstrate to our stakeholders (particularly funders and service users) that our pay levels are set to support the delivery of the Charity's aims and are an effective use of charitable funds.

The objectives of our pay policy are to:

- Reward staff appropriately and enable the recruitment of a high calibre Executive Team.
- Ensure the proper use of the Charity's resources in accordance with its aims and within affordable limits based on the financial circumstances of the Charity.
- Be non-discriminatory, just and equitable in the evaluation of jobs and their remuneration by providing a stable framework for the remuneration of the Executive Team.
- Operate within the law.
- Pay at a competitive level taking account of external market rates, with the aim being to set pay at the median level or above for comparable posts in the voluntary sector, subject to the Charity's financial position.

The Charity publishes the salary of its key management personnel within its annual report. The number of staff paid over £60,000 is also published in accordance with the Charity accounting requirements.

Executive pay is reviewed on an annual basis by the People Committee and is subject to approval by the Board of Trustees, which is responsible for ensuring proper application of our pay policy.



Fundraising Procedures Disclosure

Isabel Hospice Accounts to 31 March 2025 - Our Approach to Fundraising

Isabel Hospice is registered with the Fundraising Regulator. Our income is generated predominantly thanks to the support of our community, including legacies, gifts in memory of family members who have died in our care, regular donations, our lottery, and individual fundraisers raising income at our or their own events.

Fundraising Practices

As part of our commitment to best practice, Isabel Hospice adheres to the fundraising Codes of Practice set by the Fundraising Regulator and the Institute of Fundraising. We aim to ensure that our fundraising is respectful, open, honest and accountable to the public.

The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its services. During the year, the Charity received four complaints about its fundraising activities.

We have a transparent policy regarding fundraising with vulnerable individuals. This fundraising policy states all the steps that should be followed to protect vulnerable people who offer support to the Charity, ensuring that they have the relevant capacity to enable them to make the decision to donate.

Fundraising Practices Review

All fundraising practices are framed within the values and principles of Isabel Hospice. Where expenditure is required to generate income, there is an analysis of the return on investment to ensure the Charity is able to make informed decisions regarding activities.

The fundraising team comprises Isabel Hospice staff and volunteers. The Charity only uses third party fundraising organisations following significant levels of due diligence and regulatory checks. Where we partner with corporates, due diligence is conducted and the amount of time and effort we need to put in versus the income we would likely receive is assessed. Clear parameters and responsibilities are then agreed between partners.

We ensure that we operate in line with the general data protection regulations and all other relevant codes of conduct.

Fundraising Strategy and Plan

Our fundraising strategy and plan is reviewed and approved by the Trustees annually. Isabel Hospice is the brand name for our fundraising activities.

Supporters of Isabel Hospice are a key element in the fundraising activities and we are committed to employing a transparent and ethical approach to all our fundraising activities.

To ensure funds continue to be available to support the work of the Hospice, we maintain a broad base of funding sources. Isabel Hospice does not pressure supporters to make gifts and respects decisions to stop giving. The regulatory landscape for fundraising is evolving and we will continue to monitor and adapt with these changes. When we work with suppliers and agencies we ensure that they are fully registered with all the appropriate regulatory bodies, reviewing all their relevant policies as part of our robust procurement due-diligence. We monitor and record any complaints resulting from our fundraising practices, and an annual report is provided to our Fundraising Committee.



Fundraising, Communications and Marketing

Most voluntary income comes from the following sources: Legacies, Donations in Memoriam, Trusts, Events and Lottery Income.

Regulation

Isabel Hospice, which is registered with the Fundraising Regulator, follows the Regulator's Code of Fundraising Practice and abides by its Fundraising Promise. Three members of the Fundraising Team are members of the Institute of Fundraising.

Supporters have the option to request no further mailings and we abide by such requests immediately.

Individuals

Legacies account for a substantial proportion of Isabel Hospice's voluntary income. Legacy income is hard to predict, but the Charity aims to provide good service and utilise good publicity to enhance this source of income.

Donations in Memoriam

We continued to receive support from individuals and their families who support Isabel Hospice in memory of their loved ones who were cared for by the Hospice.

Events

We organise fundraising events each year in order to provide charitable income and to enhance supporter engagement.

Lottery

Our lottery continues to be well supported and continues to generate significant income for the Hospice.

Communications and Marketing Work

The Charity works closely with others to market Isabel Hospice's services. In 2024-25, we developed and widely implemented a new visual identity, comprising multiple newspaper articles, advertising, newsletters and our digital social media presence on Twitter, Instagram and Facebook.



Legal Framework and Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Isabel Hospice Limited in company law) are responsible for preparing the Trustees' Annual Report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and Statements of Recommended Practice 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 operation.

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

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

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

Members of the Charity guarantee to contribute an amount not exceeding £10 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 March 2025 was 11 (2024: 11). The Trustees are members of the Charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 10th September 2025 and signed on their behalf by:

Terry Philpott
Chair of Trustees



Independent Auditor's Report

Opinion

We have audited the financial statements of Isabel Hospice Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group 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 Isabel Hospice Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group 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.



Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' annual report, including 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, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires 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 in the Trustees' annual report, 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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



Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities 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 charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior Statutory Auditor)

6 October 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor, 110 Golden Lane, LONDON, EC1Y 0TG
Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006



Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

		2025				2024			
	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Income from:									
Donations and legacies	2	2,346	383	-	2,729	3,192	231	-	3,423
Charitable activities	3	2,252	-	-	2,252	2,323	-	-	2,323
Other trading activities	4	3,921	-	-	3,921	3,637	-	-	3,637
Investment income	5	47	-	-	47	-	-	-	-
Profit on sale of tangible fixed assets	6	1,501	-	-	1,501	-	-	-	-
Total income		10,067	383	-	10,450	9,152	231	-	9,383
Expenditure on:									
Raising funds	7	4,305	27	-	4,332	3,946	4	-	3,950
Charitable activities	7	5,478	232	-	5,710	5,054	189	-	5,243
Total expenditure	7	9,783	259	-	10,042	9,000	193	-	9,193
Net income / (expenditure)		284	124	-	408	152	38	-	190
Transfers between funds		5	(5)	-	-	593	(593)	-	-
Net income / (expenditure) before other recognised gains and losses		289	119	-	408	745	(555)	-	190
(Losses)/Gains on investments		(3)	-	-	(3)	112	-	-	112
Net movement in funds		286	119	-	405	857	(555)	-	302
Reconciliation of funds:									
Total funds brought forward		7,825	56	836	8,717	6,968	611	836	8,415
Total funds carried forward		8,111	175	836	9,122	7,825	56	836	8,717

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 24.

Balance sheet

Company no. 03056823

As at 31 March 2025

	Note	The group		The charity	
		2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fixed assets:					
Tangible assets	12	5,003	5,795	4,829	5,672
Intangible assets	13	48	-	-	-
Investments	14	840	843	840	843
		5,891	6,638	5,669	6,515
Current assets:					
Stock		56	70	-	-
Debtors	15	1,199	1,701	1,676	1,908
Cash at bank and in hand		2,751	1,571	2,332	1,191
		4,006	3,342	4,008	3,099
Liabilities:					
Creditors: amounts falling due within one year	16	670	1,158	550	964
Net current assets		3,336	2,184	3,458	2,135
Total assets less current liabilities		9,227	8,822	9,127	8,650
Provisions for liabilities	17	105	105	25	25
Total net assets		9,122	8,717	9,102	8,625
Funds:	24				
Unrestricted income funds:					
General funds		7,838	29	7,818	50
Designated funds		273	7,796	273	7,683
Total unrestricted funds		8,111	7,825	8,091	7,733
Endowment funds		836	836	836	836
Restricted funds		175	56	175	56
Total funds		9,122	8,717	9,102	8,625

Approved by the trustees on 10 September 2025 and signed on their behalf by

Terry Philpott
Chair of Trustees

Consolidated statement of cash flows

For the year ended 31 March 2025

	2025 £	£	2024 £	£
Cash flows from operating activities		(856)		246
Returns on Investment and Servicing of Finance				
Investment income	26		-	
Bank interest received	21			
Interest paid	(26)		-	
Net cash provided by returns on investment and servicing of finance		21		-
Cash flows from financing activities:				
Repayments of borrowings	(1,405)		-	
Cash inflows from new borrowing	1,508		-	
Net cash provided by financing activities		103		-
Cash flows from investing activities:				
Purchase of tangible fixed assets	(978)		(3,165)	
Purchase of intangible fixed assets	(60)		-	
Proceeds from disposal of tangible fixed assets	2,950		-	
Movement on short term deposits	-		500	
Proceeds from the sale of investments	-		1,500	
Net cash provided by investing activities		1,912		(1,165)
Change in cash and cash equivalents in the year		1,180		(919)
Cash and cash equivalents at the beginning of the year		1,571		2,490
Cash and cash equivalents at the end of the year		2,751		1,571

Notes to the cash flow statement

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

	2025 £'000	2024 £'000
Net movement in funds (as per statement of financial activities)	405	302
Adjustments for:		
Depreciation charges	318	255
Amortisation charges	12	-
(Profit) on sale of tangible fixed assets	(1,501)	-
Losses on sale of tangible fixed assets	3	-
Losses/(Gains) on investments	3	(112)
Investment income	(26)	-
Bank interest received	(21)	-
Interest paid	26	-
Decrease in stocks	14	11
Decrease/(Increase) in debtors	502	(834)
(Decrease)/Increase in creditors	(591)	603
Increase in provisions	-	21
Net cash flow pfrom operating activities	(856)	246

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies

a) Statutory information

Isabel Hospice Limited is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 99 Bridge Road East, Welwyn Garden City, Hertfordshire, AL7 1GD.

b) Basis of preparation

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

These financial statements consolidate the results of the charitable company and its subsidiaries Isabel Hospice Trading Limited and IHL Services Limited on a line by line basis. The trading company is limited by guarantee and is therefore not owned by the charity. Nonetheless its results have been consolidated as it trades for the benefit of the charity and the two companies are managed on a unified basis. Transactions and balances between the charitable company and its subsidiary companies have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Charity had another good financial year in 2024-25 recording a surplus mainly due to a profit on the sale of freehold property at 61 Bridge Road East, Welwyn Garden City.

Operational Outlook: the outlook for NHS funding remains difficult, and Isabel Hospice is not expecting to see an increase in NHS grants. The charity is therefore looking at alternative sources of income. Fundraising activities continue to build on the strong local support which the Hospice enjoys. The retail chain of shops continues to generate income and a new cleaning franchise has been undertaken to generate future profit. Most of the Hospice's costs are salary costs, which are expected to rise annually in line with national cost of living increases.

Going Concern Conclusion: The Board of Trustees has reviewed financial projections based on realistic expectations of income and costs. The projections foresee a deficit in 2025-26 with an aim to return to operational breakeven in 2026-27. The Board, after interrogating the projections, is satisfied that the Charity has:

1. sufficient working capital and sufficient reserves to continue to trade for this period
2. no unmanaged material uncertainties impacting the Charity's ability to remain a going concern for the coming 12 months from the date of this report.

1 Accounting policies (continued)

e) Income

Income (which excludes VAT) is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or when the donor has specified that the income is to be expended in a future period.

1. Clothing and other items donated for resale are included as incoming resources when they are sold.
2. Assets donated for use by the Charity are recognised as incoming resources, at their value to the Charity, when receivable.
3. Income from the lottery is recognised as members participate in draws.
4. For legacies, entitlement is taken as the earliest of the dates on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.
5. Income from fundraising events organised by the Charity centrally are recognised when funds are received.
6. Income from charitable activities comes from service contracts and grants and is subject to specific performance conditions. Such income is recognised as it is earned.
7. Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Endowment fund is an expendable endowment arising from a legacy to the Hospice. The legacy gives the trustees discretionary powers to use the endowment to fund capital projects. Any income from the endowment is unrestricted and may be used for the general purposes of the charity.

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of medical, in-patient care and community care undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities based on direct costs attributable to each activity.

- | | |
|--------------------|-----|
| ● Medical | 2% |
| ● In-patient care | 21% |
| ● Community care | 18% |
| ● Support services | 16% |
| ● Raising funds | 43% |

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|--|---|
| ● Short Leasehold Property | on a straight- line basis over the shorter of duration of the lease and useful economic life. |
| ● Plant, Machinery equipment and vehicles. | at varying rates between 10% and 33% on cost. |

The group does not revalue freehold properties used for direct charitable purposes. These buildings (but not land), and related improvements, are depreciated over their estimated useful lives, which have been assessed to vary between ten and fifty years.

m) Intangible assets

The group recognises intangible assets related to franchise agreements as assets. These assets are initially measured at cost. Subsequent to initial recognition, intangible assets with finite useful lives are amortised over their estimated useful lives. The group considers factors such as the terms of the franchise agreement, the remaining term of the agreement and the nature of the intangible asset when determining the useful life.

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies (continued)**p) Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. In general, cost is determined on a first in first out basis and includes transport and handling costs. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

q) Debtors

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

r) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

s) Cash at bank and in hand

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

t) Creditors and provisions

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

u) Financial instruments

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

v) Pensions

The group contributes to a number of defined contribution pension schemes and to the NHS pension scheme.

The NHS pension scheme is a multi-employer defined benefit scheme and the assets of the scheme are held separately from those of the charity in an independently administered fund. The Charity is unable to identify its share of this scheme's assets and liabilities and is therefore, as permitted by FRS 102, this scheme is treated as if it were a defined contribution pension scheme. Pension contributions payable for the year to the various pension schemes are charged to the SOFA.

2 Income from donations and legacies

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Legacies	934	-	934	2,101	-	2,101
Donations in memoriam	422	-	422	341	-	341
Other donations and grants	990	383	1,373	750	231	981
	2,346	383	2,729	3,192	231	3,423

Contingent assets, relating to legacies which have been notified but do not yet meet the income recognition criteria detailed in note 1 of the financial statements, amount to £1,314,811 (2024: £1,129,911). Since the year end, £802,000 has been received.

Notes to the financial statements

For the year ended 31 March 2025

3 Income from charitable activities

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Main CCG contract	2,182	-	2,182	2,088	-	2,088
Other NHS income	25	-	25	36	-	36
Provision of staff and sundry other income	45	-	45	199	-	199
	2,252	-	2,252	2,323	-	2,323

4 Income from other trading activities

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Fundraising events	490	-	490	406	-	406
Charity shop income	3,101	-	3,101	2,987	-	2,987
Cleaning franchise income	63	-	63	-	-	-
Lottery income	267	-	267	244	-	244
	3,921	-	3,921	3,637	-	3,637

5 Investment income

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Investment income	26	-	26	-	-	-
Bank interest	21	-	21	-	-	-
	47	-	47	-	-	-

6 Profit on sale of tangible fixed assets

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Freehold property	1,501	-	1,501	-	-	-
	1,501	-	1,501	-	-	-

Profit on the sale of freehold property relates to the sale of Milan House, 61 Bridge Road East, Welwyn Garden City, formerly the charity's head office before moving to 99 Bridge Road East, Welwyn Garden City. Sales proceeds were £3,000,000, of which £50,000 was received last financial year and with £800,000 payment deferred for up to two years, with interest payable in the second year. The £800,000 proceeds outstanding is included within other debtors in note 15 of the accounts.

Notes to the financial statements

For the year ended 31 March 2025

7a Analysis of expenditure (current year)

	Raising funds			Charitable activities				Governance costs	Support costs	2025 Total £'000	2024 Total £'000
	Fundraising	Charity shops	Cleaning franchise	Medical	In-Patient Care	Community Care	Central costs				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Staff Costs	472	1,654	105	312	1,291	1,560	495	-	919	6,808	6,253
Other Staff costs	12	26	1	9	62	23	63	-	105	301	307
Premises	-	695	-	-	237	70	102	-	136	1,240	1,030
Charity shop expenses	-	319	-	-	-	-	-	-	-	319	304
Cleaning franchise expenses	-	-	25	-	-	-	-	-	-	25	-
Transport	-	13	-	-	-	-	-	-	-	13	13
Event costs	30	-	-	-	-	-	-	-	-	30	42
Clinical Supplies	-	-	-	-	121	3	-	-	-	124	105
Catering	-	-	-	-	172	-	-	-	-	172	100
Other Costs	205	20	22	3	75	17	85	-	482	909	1,002
Audit and Accounts preparation fees	-	-	-	-	-	-	-	40	-	40	37
Legal and professional fees	-	-	-	-	-	-	8	-	23	31	-
Interest payable	-	-	-	-	-	-	30	-	-	30	-
	719	2,727	153	324	1,958	1,673	783	40	1,665	10,042	9,193
Support costs	143	543	30	33	350	300	266	-	(1,665)	-	-
Governance costs	3	13	1	1	9	7	6	(40)	-	-	-
Total expenditure 2025	865	3,283	184	358	2,317	1,980	1,055	-	-	10,042	
Total expenditure 2024	3,950	-	-	289	2,009	1,776	1,169	-	-	-	9,193

7b Analysis of expenditure (prior year)

	Raising funds	Charitable activities				Governance costs	Support costs	2024 Total
		Medical	In-Patient Care	Community Care	Central costs			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff Costs	2,069	246	1,123	1,391	601	-	823	6,253
Other Staff costs	29	18	90	25	109	-	36	307
Premises	635	-	212	83	7	-	93	1,030
Shop expenses	304	-	-	-	-	-	-	304
Transport	13	-	-	-	-	-	-	13
Event costs	42	-	-	-	-	-	-	42
Clinical Supplies	-	-	101	4	-	-	-	105
Catering	-	-	100	-	-	-	-	100
Other Costs	247	4	82	17	227	-	425	1,002
Audit and Accounts preparation fees	-	-	-	-	-	37	-	37
	3,339	268	1,708	1,520	944	37	1,377	9,193
Support costs	595	20	293	250	219	-	(1,377)	-
Governance costs	16	1	8	6	6	(37)	-	-
Total expenditure 2024	3,950	289	2,009	1,776	1,169	-	-	9,193

Notes to the financial statements

For the year ended 31 March 2024

8 Net income / (expenditure)

This is stated after charging:

	2025 £'000	2024 £'000
Depreciation - owned assets	318	255
Amortisation of intangible assets	12	-
Operating leases - rent	416	389
Interest payable	26	-
Auditor's remuneration (excluding VAT):		
Statutory audit	31	27
Non-audit services	4	3
	697	674

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £'000	2024 £'000
Salaries and wages	5,924	5,437
Redundancy and termination costs	15	23
Social security costs	520	471
Pension contributions	350	322
	6,809	6,253

The average number of employees, including part-time staff, analysed by function was:

	FTE 2025 No:	Headcount 2025 No:	FTE 2024 No:	Headcount 2024 No:
Charitable activities				
Medical	2	5	2	4
In-Patient Care	23	32	26	43
Community Care	33	47	27	37
Other Patient Services	8	10	10	14
Total	66	94	65	98
Costs of raising funds				
Fundraising	15	17	14	16
Charity shops	51	107	58	96
Cleaning franchise	8	17		
Support Services	20	23	23	29
Total	94	164	95	141

The number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each band of £10,000 from £60,000 upwards was:

	2025 No.	2024 No.
£60,000 - £69,999	6	3
£70,000 - £79,999	1	2
£80,000 - £89,999	-	2
£90,000 - £99,999	1	-
£100,000 - £109,999	1	-

Total employee benefits (including pension contributions and employer's national insurance) received by key management personnel amounted to £415,857(2024: £418,988).

Notes to the financial statements

For the year ended 31 March 2024

10 Trustee remuneration and related party transactions

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2024: £nil) incurred by nil (2024: nil) members relating to attendance at meetings of the trustees.

Two close family members of Hospice key management personnel were employed by the Hospice, appointed to posts and with employment terms that fall within the Hospice's approved staff establishment (2024: two close family members). The employment costs of these two individuals was £56,309 (2024: £45,795)

The aggregate value of all unrestricted donations from related parties (excluding the gift aid receivable) amounted to £nil (2024 £nil).

11 Taxation

The charity is exempt from corporation tax as all of its income is charitable and applied for charitable purposes. The charity's subsidiaries, Isabel Hospice Trading Limited and IHL Services Limited, distribute under Gift Aid their available profits to the parent charity. Their charge to corporation tax in the year was £nil (2024 £nil)

12 Tangible fixed assets

	Freehold property £'000	Short leasehold property £'000	Machinery, equipment and vehicles £'000	Total £'000
The group				
Cost or valuation				
At the start of the year	6,770	713	583	8,066
Additions in year	851	97	30	978
Disposals in year	(1,977)	(36)	-	(2,013)
At the end of the year	<u>5,644</u>	<u>774</u>	<u>613</u>	<u>7,031</u>
Depreciation				
At the start of the year	1,354	597	320	2,271
Charge for the year	127	41	150	318
Eliminated on disposal	(528)	(33)	-	(561)
At the end of the year	<u>953</u>	<u>605</u>	<u>470</u>	<u>2,028</u>
Net book value				
At the end of the year	<u>4,691</u>	<u>169</u>	<u>143</u>	<u>5,003</u>
At the start of the year	<u>5,416</u>	<u>116</u>	<u>263</u>	<u>5,795</u>
Freehold properties are classified as 1/3 Land and 2/3 Building, which is depreciated at 2% or 50 years.				
	Freehold property £'000	Short leasehold property £'000	Machinery, equipment and vehicles £'000	Total £'000
The charity				
Cost or valuation				
At the start of the year	6,770	322	459	7,551
Additions in year	851	-	21	872
Disposals in year	(1,977)	-	-	(1,977)
At the end of the year	<u>5,644</u>	<u>322</u>	<u>480</u>	<u>6,446</u>
Depreciation				
At the start of the year	1,354	277	248	1,879
Charge for the year	127	19	120	266
Eliminated on disposal	(528)	-	-	(528)
At the end of the year	<u>953</u>	<u>296</u>	<u>368</u>	<u>1,617</u>
Net book value				
At the end of the year	<u>4,691</u>	<u>26</u>	<u>112</u>	<u>4,829</u>
At the start of the year	<u>5,416</u>	<u>45</u>	<u>211</u>	<u>5,672</u>

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2024

13 Intangible Assets

	Franchise Agreement £'000	Total £'000
The group		
Cost or valuation		
At the start of the year	-	-
Additions in year	60	60
At the end of the year	60	60
Amortisation		
At the start of the year	-	-
Charge for the year	12	12
At the end of the year	12	12
Net book value		
At the end of the year	48	48
At the start of the year	-	-
The intangible assets are held by the subsidiary company IHL Services Limited. The charity's intangible assets are £nil.		

14 Investments

	The group		The charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fair value at the start of the year	843	2,231	843	2,231
Disposal proceeds	-	(1,500)	-	(1,500)
Net (loss)/gain on change in fair value	(3)	112	(3)	112
Fair value at the end of the year	840	843	840	843
Investments comprise:				
	The group		The charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Shares listed on the London Stock Exchange	840	843	840	843

15 Debtors: amounts falling due within one year

	The group		The charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade debtors	66	546	39	542
Prepayments	132	240	28	88
Other debtors	863	5	863	2
Accrued income	36	214	36	172
VAT debtor	102	696	66	646
Amounts owed by group undertakings	-	-	644	458
	1,199	1,701	1,676	1,908

16 Creditors: amounts falling due within one year

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	142	280	99	163
Bank loan	103	-	103	-
Amounts owed to group undertakings	-	-	26	-
Other creditors	60	45	52	38
Taxation and social security	132	174	100	145
Accruals	228	126	165	85
Deferred income (note 18)	5	533	5	533
	670	1,158	550	964

Notes to the financial statements

For the year ended 31 March 2024

17 Provisions for liabilities

	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At 1 April 2024	105	84	25	26
Added in the year	-	21	-	(1)
At 31 March 2025	105	105	25	25

All leased premises are kept in a good state of repair, but the company has obligations under its leases to redecorate periodically and to leave the premises in a previously agreed condition. Having assessed the current condition of its properties, the directors consider that, at the balance sheet date, the cost of any such remedial works would not exceed £105,000 (2024: £83,9728) and so a provision for this sum has been included in these accounts.

18 Deferred income

Deferred income of £5,000 (2024: £533,000) represents an invoice raised in March 2025 in respect of funding due for April 2025.

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Balance at the beginning of the year	533	7	533	7
Amount released to income in the year	(533)	(7)	(533)	(7)
Amount deferred in the year	5	533	5	533
Balance at the end of the year	5	533	5	533

19 Isabel Hospice Trading Limited

The principal activity of Isabel Hospice Trading Limited (whose company number is 02417607) is the sale of purchased and donated articles. A summary of the trading results is shown below:

	2025	2024
	£'000	£'000
Turnover and other operating income	2,941	2,854
Cost of sales and administrative costs	(2,938)	(2,796)
Net profit	3	58
Total retained earnings brought forward	90	94
Prior year adjustment	-	(4)
Profit for the financial year	3	58
Gift aid distribution to the charity	(3)	(58)
Total retained earnings carried forward	90	90

During the year, the trading company paid to the Parent Charity £213,000 (2024: £195,000) for property rent and support services provided by Charity.

The assets and liabilities of the trading subsidiary were:

	2025	2024
	£'000	£'000
Tangible assets	175	121
Current assets	687	701
Creditors within one year	(691)	(652)
Provisions for liabilities	(81)	(80)
Aggregate net assets	90	90

Notes to the financial statements

For the year ended 31 March 2024

20 IHL Services Limited

The principal activity of IHL Services Limited (whose company number is 15494138) is that of a cleaning company operating under a franchise agreement. A summary of the trading results is shown below:

	2025 £'000	2024 £'000
Turnover and other operating income	86	-
Cost of sales and administrative costs	(156)	-
Net (loss)	(70)	-
Total retained earnings brought forward	-	-
(Loss) for the financial year	(70)	-
Gift aid distribution to the charity	-	-
Total retained earnings carried forward	(70)	-

The assets and liabilities of the trading subsidiary were:

	2025 £'000	2024 £'000
Intangible assets	48	-
Current assets	63	-
Creditors within one year	(181)	-
Provisions for liabilities	-	-
Aggregate net assets	(70)	-

21 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2025 £'000	2024 £'000
Gross income	7,663	6,915
Net movement in funds (after gains/losses on investments)	477	339

Notes to the financial statements

For the year ended 31 March 2024

22 Pension schemesDefined benefit pension scheme - NHS Pension Scheme

Past and present qualifying employees are covered by the NHS Pension Scheme. Details of the benefits payable and rules of the scheme can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit scheme that cover NHS employers, GP practices and other bodies allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation: A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability is based on valuation data as 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have been used.

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

b) Full actuarial (funding) valuation: The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend contribution rates payable by employees and employers. The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates. The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

Defined Contribution Pension Scheme - Aviva workplace pension scheme

Employees who do not qualify for the NHS Pension Scheme may be eligible for the Isabel Hospice Aviva workplace pension scheme, which is a defined contribution scheme. Eligibility is defined in terms of salary level and age, and eligible employees are auto-enrolled in the pension scheme. Employees and the Charity pay 4.5% of salary into the scheme, making a total contribution of 9%.

23a Analysis of net assets between funds (current year)

	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Fixed assets	4,874	-	129	-	5,003
Intangible assets	48	-	-	-	48
Investments	840	-	-	-	840
Net current assets	2,181	273	46	836	3,336
Provisions for liabilities	(105)	-	-	-	(105)
Net assets at 31 March 2025	7,838	273	175	836	9,122

23b Analysis of net assets between funds (prior year)

	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Fixed assets	-	5,795	-	-	5,795
Investments	-	843	-	-	843
Net current assets	134	1,158	56	836	2,184
Provisions for liabilities	(105)	-	-	-	(105)
Net assets at 31 March 2024	29	7,796	56	836	8,717

Notes to the financial statements

For the year ended 31 March 2024

24a Movements in funds (current year)

	At 1 April 2024 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2025 £'000
Endowment funds	836	-	-	-	836
Restricted funds:					
<i>Capital development funds:</i>					
Hospice UK capital grant	-	132	(3)	-	129
<i>Service delivery funds</i>					
Inpatient unit services	-	2	(2)	-	-
Community Services	-	203	(203)	-	-
Equipment	30	11	(24)	(5)	12
<i>Raising funds</i>					
Fundraising costs	26	35	(27)	-	34
Total restricted funds	56	383	(259)	(5)	175
Unrestricted general funds	29	10,067	(9,786)	7,528	7,838
Designated funds:					
Fixed Asset fund	4,308	-	-	(4,308)	-
Risk Reserve Fund	1,100	-	-	(1,100)	-
Legacy Reserve	1,396	-	-	(1,396)	-
Building Reserve	992	-	-	(719)	273
Total designated funds	7,796	-	-	(7,523)	273
Total unrestricted funds	7,825	10,067	(9,786)	5	8,111
Total funds	8,717	10,450	(10,045)	-	9,122

The narrative to explain the purpose of each fund is given at the foot of the note below.

24b Movements in funds (prior year)

	At 1 April 2023 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2024 £'000
Endowment funds	836	-	-	-	836
Restricted funds:					
<i>Capital development funds:</i>					
Building appeal	593	-	-	(593)	-
<i>Service delivery funds</i>					
Inpatient unit services	-	32	(32)	-	-
Community Services	-	87	(87)	-	-
Equipment	-	70	(40)	-	30
Family Support	17	10	(27)	-	-
Other	1	2	(3)	-	-
Fundraising costs	-	30	(4)	-	26
Total restricted funds	611	231	(193)	(593)	56
Unrestricted general funds	94	8,463	(9,000)	472	29
Designated funds:					
Fixed Asset fund	2,292	-	-	2,016	4,308
Risk Reserve Fund	1,100	-	-	-	1,100
Legacy Reserve	595	801	-	-	1,396
Building Reserve	2,887	-	-	(1,895)	992
Total designated funds	6,874	801	-	121	7,796
Total unrestricted funds	6,968	9,264	(9,000)	593	7,825
Total funds	8,415	9,495	(9,193)	-	8,717

Notes to the financial statements

For the year ended 31 March 2024

24 General funds

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

Designated funds

The Fixed Asset fund is represented by fixed assets, net of associated liabilities and after deducting assets where use has been restricted.

Trustees have decided that this designated fund is no longer required.

The Risk Reserve fund is held to manage the risk of potential fluctuations or underperformance in key income streams. Trustees have decided that this designated fund is no longer required, the risk will be mitigated by maintaining sufficient unrestricted reserves in line with their reserves policy.

The legacies reserve was set up in 2022-23 as the amount of legacy income above budget in that year. Trustees have decided that this designated fund is no longer required.

The building reserves fund was been established for development, extension and modernisation of the Hospice buildings, including (1) creating a new head office and retail space and (2) investing in the In-patient facilities. In January 2024, the Hospice purchased 99 Bridge Road East, Welwyn Garden City, to be used as a head office, retail hub and warehouse and refurbished the property during 2024-25. Some of the buildings reserve designated fund was used to fund this purchase and refurbishment. The development of the In-patient facility is expected to start in 2025-26.

Endowment funds

The endowment fund is an expendable endowment arising from a legacy to the Hospice. The legacy gives the trustees discretionary powers to use the endowment to fund capital projects. Any income from the endowment is unrestricted and may be used for the general purposes of the charity. The charity intends to use the endowment to fund the development of the In-patient facility.

Restricted funds

The Hospice UK capital grant represents a grant received of £131,848 from Hospice UK in 2024-25 as part of £100 million hospice capital funding grant made by The Secretary of State for Health and Social Care to Hospice UK. The grant has been fully spent on freehold property improvements which are depreciated over 50 years. Depreciation is charged to the restricted fund.

The Building Appeal fund related to the proceeds of a special appeal that was utilised to construct an annex to the In-patient Unit. The project is now completed.

The Inpatient Unit Services, Community Services and Family Support funds comprises donations and grants received to help fund the provision of patient care. The grants are principally used to help pay the staff employed for those purposes.

The Fundraising costs fund represents grants received to cover the cost of fundraising staff salaries.

The Equipment Fund comprises donations and grants received to purchase specific items of equipment.

25 Operating lease commitments

The following payments represent the financial commitments under operating leases for the group and the charity:

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Less than one year	285	230	16	19
One to five years	698	596	8	4
Over five years	161	907	-	-
	1,144	1,733	24	23

26 Legal status of the charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.