

The Pepper Foundation

Trustees' Report and
Financial Statements

for the year ended
31st March 2023



The Pepper Foundation

Trustees' Report and Financial Statements for the year ended 31st March 2023

| | |
|---|---|
| Status | The Pepper Foundation is a company limited by guarantee, Number: 02797940. It is also a registered charity: Number: 1056823. |
| Registered Office & Principal Office | Unit 3, Icknield Way Industrial Park, Icknield Way, Tring, Hertfordshire HP23 4JX |
| Telephone | Fundraising: 01442 507324 / 01442 507311 |
| Email | ask@pepper.org.uk |
| Website | pepper.org.uk |
| Social media | facebook.com/pepperfoundation twitter.com/pepper_org_uk instagram.com/the_pepper_foundation linkedin.com/company/the-pepper-foundation-org |
| Independent Examiner | Tyler-Waddington, Tyn Fannog, Adfa, Powys , SY16 3DE |

Chair of Trustees

Robert Breakwell

Company Secretary

Moira Massingale

Financial Trustee

Philip Jones

Trustees

David John Bevan

Robert Breakwell

Anthony Philip Chudleigh

Kerie-Anne Florence Ivory (resigned 21st September 2023)

Patricia Mary Daley (resigned 28th March 2023)

Caroline Hawkes (appointed 28th March 2023)

Philip Jones

Linda Petrons (resigned 7th December 2022)

Eric Pillinger (appointed 21st September 2023)

Christine Ronaldson (resigned 14th February 2023)

Patrick John Stevens (resigned 5th March 2023)

Jonathan Tweed (appointed 12th January 2023)

Patrons

Robert Breakwell

Trisha Buller

Jo Collier

Dennis Fairey

Linda Horsfall

Moira Massingale

The Rt Hon Sir Mike Penning MP

Rod Rogers

Jonathan Tweed

Founders

Robert Breakwell

Paul Goode

The Rev Dr Chrichton Limbert

Judith Limbert

Bankers

Barclays Bank UK Plc

Sort code: 20 65 90

Account No.: 00620467

Welcome



Everyone working with The Pepper Foundation (Pepper) cares deeply about the children's hospice at home service that we fund.

The service would be unsustainable without the money raised by Pepper and the modest amount of government funding Rennie Grove Peace Hospice Care (RGPHC) receives directly. Future government funding for hospice care is by no means certain and the level of uncertainty is growing.

So, Pepper has made a long term commitment to ensure that the service is always available for the children and their families who need it. We aim to raise the funds needed each year working with our partner charity, Rennie Grove Peace Hospice Care.

The charity also plays an active part in supporting children and families by organising outings, visits and social occasions where the children receiving care, their siblings, parents and carers can share their experiences.

Mission

Our mission is to raise funds to support families and children's hospice care at home for children with life limiting or life-threatening conditions in Herts and Bucks.

Values

Our work is shaped and guided by our values.



Caring

We are committed to ensuring children with life-limiting or life-threatening conditions and their families are able to live as full lives as possible.



Community-focused

We invest in our local communities, valuing and recognising the contributions of our supporters and volunteers in fulfilling our mission.



Creative

We are innovative and go the extra mile to ensure our fundraising events and activities increase support for the Pepper brand and mission.



Passionate

We are dedicated to supporting RGPHC's children's nursing service and ensuring that life-limited children and families receive the care and support they need.



Trustworthy

We provide good governance and deliver value for money by ensuring openness and transparency in all we do.



Musical

Music plays a big part in our history and our fundraising and we believe that music is a powerful force for good.

Aims

Pepper exists to alleviate the suffering of children with complex health needs or life limiting conditions. We achieve this by providing substantial funding for a children's hospice at home service which is managed by RGPHC.



Thank you!

Our volunteers

Our growing number of volunteers play an essential role in fundraising as well as in the day-to-day running of the charity. Thank you for the hundreds of hours you have given to support the charity.



Our supporters

We want to thank the large number of people and organisations who have supported the charity through donations, grants, fundraising activities and in many other ways throughout the year. Thank you for sharing in our mission.



Our colleagues

We have a small but brilliant team of fundraising staff and professionals whose dedication and hard work enables us to operate with low overheads. We thank them for their energy and commitment.



Now

We are aware that RGPHC receives regular contributions to the costs of the children's hospice at home service through government funding and that the continuation of such funding is uncertain. Pepper aims to provide all the additional funds needed to sustain the service and to set medium term plans in place to do this. Whilst Pepper's historical support levels have significantly exceeded the government contributions, the task of keeping this going would be made much more difficult in the event that government funding were to cease.

Our organisational strategy recognises:

- the uncertainty about government funding and the potential need to provide increased sums in future years; and
- that RGPHC now has an expanded geographical area and there may be a need for an expansion of the children's hospice at home service depending on a detailed review of children's service across the expanded area.

We are actively positioning Pepper to meet these challenges through strengthening our financial reserves and expanding our fundraising capability. Our key objective is to fund the direct costs of the RGPHC children's hospice at home service based on agreed budget projections. We achieved this during the year by making a substantial grant of **£255,000**.

Pepper also supports patients and families in the care of RGPHC service by organising social events. These events are designed to support and engage with families facing similar challenges by bringing them together in a supportive, safe and social environment.

Each year, we aim to run an events programme for patients and families including family visits to open farms, soft play areas and the zoo, curry nights and afternoon teas for mums and dads. During the year, our efforts were restricted once again by the aftermath of the Covid pandemic because of the ongoing health risks to children with life-limiting conditions. However, a family visit to Whipsnade Zoo did take place.

With restrictions easing, we are working on a more ambitious programme of events for the year ahead.



Fundraising Strategy

In early 2022, the trustees put a detailed 3 year fundraising strategy in place from April 2022 to March 2025. The strategy addressed the need to raise additional funds during the three year period of the plan

- to remove the need to draw on financial reserves to meet RGPHC's requirements;
- to respond to a potential requirement for additional funds due to growth in the RGPHC service provision and heightened inflationary pressures;
- to expand our fundraising capability;
- to reduce reliance on the support of major donors.

At the end of the first year of the three year plan, the actions identified to achieve the objectives have all been met.

The implementation of a reconfigured fundraising team began including

- using volunteers to provide more administrative support to allow fundraisers to focus solely on income generation;
- the planned recruitment of a Head of Fundraising;
- increased investment in raising funds from trusts and foundations;
- the planned recruitment of an additional fundraiser focussing on community fundraising and volunteer management and recruitment; and additional resource in marketing and digital communications.

The financial target and objectives were all achieved and the minimum 3:1 return on investment target in fundraising was exceeded. A new fundraising database was procured providing improved marketing and communication facilities and integrations with social media.

Grants from trusts and foundations continued to make up a high proportion of funds raised whilst we continued to operate a broad-based approach to community fundraising which generated income from companies, personal and corporate donations, legacies, challenge events, community events, schools, clubs, restaurants and pubs.



History

In 1989 the founders organised a highly-successful charitable performance of the Beatles' "Sgt. Pepper's Lonely Hearts Club Band" album. Similar performances followed in subsequent years galvanising community support and making it possible to formalise the annual Pepper Show as a flagship event and build further fundraising support.

The Pepper Foundation was established as a registered charity in 1996 to focus on raising the funds to meet a growing need for an innovative new service: a nurse-led children's hospice at home service working in partnership with the charity that is now Rennie Grove Peace Hospice Care (RGPHC).

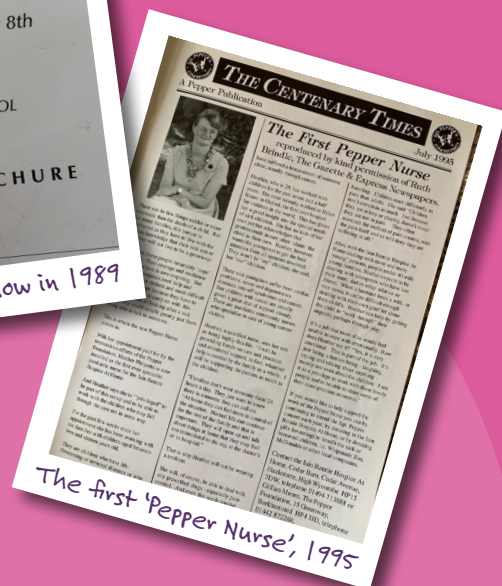
Demand for the service increased steadily and The Pepper Foundation has been able to completely or substantially fund the service ever since donating over £5 million since its inception.

Remarkably, an annual rock music concert involving children, amateur musicians, schools, volunteers and stage technicians has taken place every year since 1989 except 2020 due to the pandemic. The 34th show took place in October 2023.

The PEPPER Show

The importance of Pepper's flagship event remains high as a massive opportunity to engage with musicians, singers, technicians and volunteers of all ages who come together to produce a stunning show which is always appreciated by audiences old and new. Involving over 100 volunteers, we thank the volunteer production team and everyone who takes part.

Music has always been at the heart of the charity's ethos and we plan to weave the musical theme into more strands of our fundraising in the future.



Finances

The total amount raised in the year excluding investment income was **£403,355**. The cost associated with generating this income was **£62,282**. Therefore, our fundraising costs represented just **15.4%** of fundraised income during the year, a return on investment of **6.4%**.



We made grants to **Rennie Grove
Peace Hospice Care** totalling:

£255,000

The Children's Hospice at Home Service we fund

Adopting a whole-family approach to help families live the best quality life they can, the children's hospice at home service supports babies and children with life-limiting conditions living in Buckinghamshire and Hertfordshire. With many years of experience, the service is regarded as a lifeline for children and young people up to the age of 19 as well as providing invaluable support for parents, siblings and carers.

The service is provided free of charge.

The service recognises the intensity of caring for a child who has a life-limiting illness while managing all the usual responsibilities of family life and can provide support for children with a wide range of conditions with no requirement for a child to be within the last year of life to receive support.

For many children, care is provided for extended periods, sometimes discharging them following successful treatment or transitioning them to adult services.

There are three key elements to the children's hospice at home service:



Specialist nursing care at home to keep children out of hospital and family life intact

The team of specialist nurses and healthcare assistants make planned and responsive visits to the child's home. They offer respite care as well as specialist advice, and they liaise with other healthcare professionals on a family's behalf. They work with everyone involved in a child's care to ensure any change in the child's condition can be responded to quickly.

Nurses provide flexible, responsive clinical support carefully tailored to the needs of each child, enabling them to live as fulfilling a life as possible, however short their life might be. The nurses also provide essential support and respite for the parents, siblings and carers of our child patients, and understand completely how the whole family is impacted by such a difficult situation.

Children and families approaching the end of life can be offered support on a 24/7 basis.



Respite care, play sessions and social activities for children with life-limiting conditions and their families

The children's team also provides short respite breaks for parents and sessions with play specialists at home or at Grove House. Delivered and hosted by in-house experts, these can help families enjoy precious moments that will be remembered forever.

For example, the play specialist has an extensive collection of toys, games and sensory resources, many of which can be specially adapted to changing abilities, to bring a magical hour of sensory stories, music and light into families' homes. Above all, this enhances children's quality of life, supporting their development, reducing anxiety and boosting the whole family's wellbeing.




Listening and talking therapies for children, young people and their families


The team can offer young patients and their families the valuable chance to talk with trained listeners and specialist counsellors. This service can be available to parents, siblings or grandparents of a child on the caseload and can be accessed in a range of ways.




Impact

In 2022/23 the children's hospice at home team provided:

56  The Specialist Nurses provided compassionate care and support to a total of **56 children with life-limiting and life-threatening conditions**, providing them and their families with practical nursing and emotional support.

2,416  telephone calls to provide support, advice and guidance

841  home visits from nurses to provide care or respite support

279  incidences of attendance at the **children's group play sessions**, which included child patients and their siblings, as well as children of adult patients.

Children's Nursing Team

The service employs a team of nurses and the current establishment of the children's team in 2022-2023 is as follows:

| Position | Number of people | Full time equivalent |
|------------------------|------------------|----------------------|
| Nurse/Team leader | 1 | 1.0 |
| Specialist Nurses | 3 | 2.47 |
| Healthcare Assistant | 2 | 1.6 |
| Senior Play Specialist | 1 | 1.0 |
| Play Worker | 1 | 0.4 |
| Total | 8 | 6.47 |

FINANCIAL STATEMENTS



FINANCIAL STATEMENTS

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, Accounting and "Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

This document is designed to meet statutory requirements and also provide the depth of information that is often required by grant making trusts, donors, legators, statutory bodies and anyone who needs information about our performance, achievements and aspirations.

The charity is committed to the aim of providing public benefit in accordance with its objectives. Charity legislation requires demonstration of that public benefit, and the charity achieves this by making grants to fund the children's hospice at home service.

GOVERNANCE

The Pepper Foundation is a registered charity (number 1056823) and a company limited by guarantee and registered in England (number 02797940) and is governed by its Memorandum and Articles of Association.

The company was incorporated on 10th March 1993 and registered as a charity on 16th July 1996. In the event of the company being wound up each of its members is required to contribute an amount not exceeding £1. Members who are appointed by the trustees have demonstrated ongoing and committed support for the charity and its many activities. Membership is reviewed each year.



TRUSTEES

In accordance with the Memorandum and Articles of Association, trustees are elected and appointed at the Annual General Meeting by the charity's members. They serve for a period of three years; one third of the trustees retires by rotation at every Annual General Meeting, and if eligible may stand for re-election.

New trustees are often recruited from the members or volunteers of the charity. Although any member can stand as a trustee, the board is mindful of the onerous responsibilities laid upon it and actively encourages those members with suitable skills to put themselves forward. If necessary, the board may co-opt further trustees during the year, their appointment being confirmed by election at the next Annual General Meeting.

Trustee experience

Trustees are drawn from a variety of relevant professional backgrounds including business and charity management, finance, fundraising, law, communications, marketing, training and human resources. They have been recruited to provide the breadth of experience and mix of skills needed to govern the charity in line with all relevant legislation, regulation and best practice.

Meetings & Communications

The trustees meet at least 8 times a year to develop strategy and monitor progress against agreed strategic objectives and agree an annual business plan and budget. The charity receives regular reports about the activities and performance of the children's hospice at home team, fundraising activities, monthly financial management accounts, and risk (including safeguarding).

Reports about the service Pepper funds are received and reviewed at trustee meetings and representatives from RGPHC including the Chief Executive and Director of Clinical Services also attend trustees' meetings regularly.

The trustees have established sub-committees which meet regularly to review reports in greater depth. These include a fundraising sub-committee, a communications group and a finance committee. Trustee working groups are also convened from time to time to look at areas of immediate interest such as human resources.

In addition, the chairman and other trustees have at least bi-annual meetings with RGPHC to discuss the children's hospice at home team and how it may best support the services for which it provides full or partial funding.

Although we work as partners and have close co-operation with RGPHC, none of our trustees or employees hold appointments within both organisations.

None of our trustees receive remuneration or other benefits from their work with the charity. Any contractual relationships would have to be disclosed to the board.

As a small charity, the trustees are actively involved in the management of the organisation working alongside retained staff.

The trustees have identified risks within the charity, which are potentially in finance and the health and safety of its volunteers and the public attending its events. Through risk assessment these risks are mitigated appropriately.

The bank balances are reviewed at trustees' meetings and we take care not to exceed the financial compensation limit at each institution. We have procedures in place for the handling and accounting of cash donations, sponsorship and ticket monies and control of our credit card machines.

Risk assessments are carried out for all events held by the charity and its trading subsidiary and any points highlighted by the assessment are addressed at the time.

RESERVES POLICY

The reserves policy is intended to cover our essential overhead costs and ensure we have sufficient funds to avoid disruption of care for the children using estimated nursing team costs provided by RGPHC.

At 31st March 2023 the unrestricted fund balance was **£307,278** which satisfies our reserves requirement. Given the increasing cost of the nursing service and our present levels of fundraising, the trustees' current commitment to RGPHC is to restrict distribution of our funds solely to the children's hospice at home service.

The trustees believe that it is prudent to hold reserves to cover periods when fundraising is challenging as was particularly the case during the Covid-19 pandemic. In the opinion of the trustees, the charity's assets are sufficient to meet its funding obligations.

INVESTMENT POLICY

The trustees have the power to invest in such assets as they see fit. Currently funds are protected as far as possible by limiting investment in each individual institution to the maximum protection offered by the Financial Services Compensation Scheme. Committed grants are handed over as soon as possible.

CONNECTED CHARITIES

For the purpose of the Charities Act 2011 the charity is not connected in any way with any other charity.



STATEMENT OF RESPONSIBILITIES OF THE DIRECTORS

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity SORP
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

The Directors confirm to the best of their knowledge and belief that these financial statements comply with the current statutory requirements, the Memorandum and Articles of Association and 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 (FRS102).

DECLARATION

The report of the directors has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the Board

A handwritten signature in blue ink that reads "Robt. J. Breakwell". The signature is written in a cursive, slightly informal style. Below the name, there is a long, horizontal, slightly wavy line that extends to the left, underlining the signature.

Robert Breakwell

Chairman of Trustees

16th November 2023

INDEPENDENT EXAMINER'S REPORT

| | |
|--|-----------------------|
| Report to the trustees of: | The Pepper Foundation |
| On accounts for the year ended: | 31st March 2023 |
| Charity Number: | 1056823 |
| Company Number: | 02797940 |
| Set out on pages: | 20 to 34 |

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2023.

Responsibilities and basis of report

As the charity's trustees of the company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b)) of the 2011 Act.

Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- Accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- The accounts do not accord with such records; or
- The accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- The accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed



23rd November 2023

Name: **Eliot Tyler-Waddington**

Relevant professional qualification(s) or body: **A.C.A**

The Institute of Chartered Accountants in England and Wales

Address: Tyn Fannog, Adfa, Newtown, Powys, SY16 3DE

STATEMENT OF FINANCIAL ACTIVITIES

(including summary income and expenditure account)

| | Note | Unrestricted funds | Restricted income funds | Endowment funds | Total funds | Prior year funds |
|---|------|--------------------|-------------------------|-----------------|----------------|------------------|
| | | £ | £ | £ | £ | £ |
| Income | 3 | | | | | |
| Income and endowments from: | | | | | | |
| Donations and legacies | | 143,755 | 259,600 | - | 403,355 | 314,980 |
| Charitable activities | | - | - | - | - | - |
| Other trading activities | | - | - | - | - | - |
| Investments | | 1,613 | 42 | - | 1,655 | 945 |
| Separate material item of income | | - | - | - | - | - |
| Other | | - | - | - | - | - |
| Total | | 145,368 | 259,642 | - | 405,010 | 315,925 |
| Expenditure | 5 | | | | | |
| Expenditure on: | | | | | | |
| Raising funds | | 62,282 | - | - | 62,282 | 60,749 |
| Charitable activities | | 732 | 255,108 | - | 255,840 | 252,106 |
| Other | | 13,906 | - | - | 13,906 | 18,101 |
| Total | | 76,920 | 255,108 | - | 332,028 | 330,956 |
| Net income/(expenditure) before tax for the reporting period | | 68,448 | 4,534 | - | 72,982 | (15,031) |
| Tax payable | | - | - | - | - | - |
| Net income/(expenditure) after tax before investment gains/(losses) | | 68,448 | 4,534 | - | 72,982 | (15,031) |
| Net gains/(losses) on investments | | - | - | - | - | - |
| Net income/(expenditure) | | 68,448 | 4,534 | - | 72,982 | (15,031) |
| Extraordinary items | | - | - | - | - | - |
| Transfers between funds | | - | - | - | - | - |
| Other recognised gains/(losses): | | - | - | - | - | - |
| Gains and losses on revaluation of fixed assets for the charity's own use | | - | - | - | - | - |
| Other gains/(losses) | | - | - | - | - | - |
| Net movement in funds | | 68,448 | 4,534 | - | 72,982 | (15,031) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 238,830 | 4,764 | - | 243,594 | 258,625 |
| Total funds carried forward | | 307,278 | 9,298 | - | 316,576 | 243,594 |

The numbered notes attached to these accounts form part of the financial statements.

BALANCE SHEET

| | Note | Unrestricted funds £ | Restricted income funds £ | Endowment funds £ | Total this year £ | Total last year £ |
|--|------|-------------------------|------------------------------|----------------------|----------------------|----------------------|
| Fixed assets | | | | | | |
| Intangible assets | | - | - | - | - | - |
| Tangible assets | 9 | 1,779 | - | - | 1,779 | 947 |
| Heritage assets | | - | - | - | - | - |
| Investments | 10 | 1 | - | - | 1 | 1 |
| Total fixed assets | | 1,780 | - | - | 1,780 | 948 |
| Current assets | | | | | | |
| Stocks | | - | - | - | - | - |
| Debtors | 11 | 664 | - | - | 664 | 16,933 |
| Investments | 12 | 85,000 | - | - | 85,000 | - |
| Cash at bank and in hand | 13 | 226,541 | 9,298 | - | 235,839 | 227,413 |
| Total current assets | | 312,205 | 9,298 | - | 321,503 | 244,346 |
| Creditors: amounts falling due within one year | 14 | 6,707 | - | - | 6,707 | 1,700 |
| Net current assets/(liabilities) | | 305,498 | 9,298 | - | 314,796 | 242,646 |
| Total assets less current liabilities | | 307,278 | 9,298 | - | 316,576 | 243,594 |
| Funds of the Charity | | | | | | |
| Restricted income funds | 15 | - | 9,298 | - | 9,298 | 4,764 |
| Unrestricted funds | | 307,278 | - | - | 307,278 | 238,830 |
| Revaluation reserve | | - | - | - | - | - |
| Fair value reserve | | - | - | - | - | - |
| Total funds | | 307,278 | 9,298 | - | 316,576 | 243,594 |

The numbered notes attached to these accounts form part of the financial statements.

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with S.476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the trustees on 16th November 2023 and signed on their behalf by



Robert Breakwell, Chair of Trustees

16th November 2023

NOTES TO THE ACCOUNTS

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with the Statement of recommended Practice: Accounting and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16th July 2014 and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The trustees consider that there are no material uncertainties related to events or conditions that cast doubt on the charity's ability to continue as a going concern.

1.3 Change of accounting policy

The accounts present a true and fair view and no changes have been made to the accounting policies.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

1.5 Material prior year errors

No material prior year errors have been identified in the reporting period (3.47 FRS102 SORP).

NOTE 2: ACCOUNTING POLICIES

2.1 Income

Recognition of income

Income is recognised in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the Trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met.

Legacies

Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

Government grants

The charity has received no government grants in the reporting period.

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

NOTES TO THE ACCOUNTS (Continued)

2.1 Income (continued)

Donated goods

Donated goods are usually given to the charity's trading subsidiary, Pepper Events Limited, for use as prizes in raffles and auctions and are not accounted for in these accounts. Toys donated for the children are looked after by the Pepper nurses and handed over on receipt.

Donated services and facilities

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Support costs

The charity has incurred expenditure on support costs.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the Trustees' Annual Report.

Income from interest, royalties and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.

2.2 Expenditure and liabilities

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and support costs

Because of the level of the charity's income, support costs have not been allocated between governance and other support.

Grants with performance conditions

The charity does not give grants with performance conditions.

Redundancy cost

The charity made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the accounts.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

Provisions for liabilities

A liability is measured on recognition at its historical cost.

NOTES TO THE ACCOUNTS (Continued)

2.3 Assets

Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year.

They are valued at cost.

The depreciation rates and methods used are disclosed in note 9.2.

Intangible fixed assets.

The charity does not have any intangible fixed assets.

Heritage assets

The charity does not hold any heritage assets.

Investments

The charity does not hold fixed asset investments in quoted shares, traded bonds and similar investments. Its only fixed asset investment is in its wholly owned trading subsidiary, Pepper Events Limited, a company incorporated in the UK with an issued share capital of £1.

Stocks and work in progress

There are no stocks held for sale as part of non-charitable trade.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Current asset investments

The charity has investments in cash with a maturity date of less than one year. These are held for investment purposes rather than to meet short-term cash commitments as they fall due.

NOTES TO THE ACCOUNTS (Continued)

NOTE 3: INCOME

Donations and legacies:

| Analysis of income | Unrestricted funds | Restricted income funds | Endowment funds | Total funds | Prior year |
|--|--------------------|-------------------------|-----------------|----------------|----------------|
| | £ | £ | £ | £ | £ |
| Donations and gifts | 71,232 | | - | 71,232 | 79,273 |
| Gift Aid | 4,279 | - | - | 4,279 | 8,595 |
| Legacies | 36,675 | - | - | 36,675 | - |
| General grants provided by government/ other charities | 10,000 | 259,600 | - | 269,600 | 210,960 |
| Membership subscriptions and sponsorships which are in substance donations | 7,539 | - | - | 7,539 | 7,941 |
| Other - Donation from Pepper Events Ltd | 14,030 | - | - | 14,030 | 8,211 |
| Total | 143,755 | 259,600 | - | 403,355 | 314,980 |

Charitable activities

| Analysis of income | Unrestricted funds | Restricted income funds | Endowment funds | Total funds | Prior year |
|--------------------|--------------------|-------------------------|-----------------|-------------|------------|
| | £ | £ | £ | £ | £ |
| Total | - | - | - | - | - |

Other trading activities

| Analysis of income | Unrestricted funds | Restricted income funds | Endowment funds | Total funds | Prior year |
|--------------------|--------------------|-------------------------|-----------------|-------------|------------|
| | £ | £ | £ | £ | £ |
| Fundraising | - | - | - | - | - |
| Total | - | - | - | - | - |

Income from investments

| Analysis of income | Unrestricted funds | Restricted income funds | Endowment funds | Total funds | Prior year |
|---------------------|--------------------|-------------------------|-----------------|----------------|----------------|
| | £ | £ | £ | £ | £ |
| Interest income | 1,613 | 42 | - | 1,655 | 945 |
| Total | 1,613 | 42 | - | 1,655 | 945 |
| TOTAL INCOME | 145,368 | 259,642 | - | 405,010 | 315,925 |

NOTES TO THE ACCOUNTS (CONTINUED)

Other information

Total income in the prior year was £315,925 of which restricted totalled £192,197.

Within the 2022/23 income items above the following are material:

| Trust Name | Amount | |
|--------------------------------------|----------|--------------------------|
| Family Trust | £150,000 | (£100,000 previous year) |
| The Kenneth & Susan Green Foundation | £20,000 | (£20,000 previous year) |
| Fairhive | £10,000 | |
| The Mill Charitable Trust | £10,000 | (£10,000 previous year) |
| National Lottery Awards for All | £10,000 | |

NOTE 4: DONATED GOODS, FACILITIES AND SERVICES

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with accounting standards, the economic contribution of general volunteers is not measured in the accounts.

NOTES TO THE ACCOUNTS (CONTINUED)

NOTE 5: EXPENDITURE

Expenditure on raising funds

| Analysis of Expenditure | Unrestricted funds £ | Restricted income funds £ | Endowment funds £ | Total funds £ | Prior year £ |
|---|-------------------------|------------------------------|----------------------|------------------|-----------------|
| Incurred seeking grants | 23,424 | - | - | 23,424 | 18,305 |
| Advertising, marketing, direct mail and publicity | 12,469 | - | - | 12,469 | 8,860 |
| Other fundraising | 26,389 | - | - | 26,389 | 33,584 |
| Total expenditure on raising funds | 62,282 | | | 62,282 | 60,749 |

Expenditure on charitable activities

| Analysis of Expenditure | Unrestricted funds £ | Restricted income funds £ | Endowment funds £ | Total funds £ | Prior year £ |
|---|-------------------------|------------------------------|----------------------|------------------|-----------------|
| Grants to Rennie Grove | 732 | 254,268 | - | 255,000 | 252,106 |
| Grant to trading subsidiary | - | - | - | - | - |
| Grants to others | - | 840 | - | 840 | - |
| Support costs | - | - | - | - | - |
| Total expenditure on charitable activities | 732 | 255,108 | - | 255,840 | 252,106 |

Other

| Analysis of Expenditure | Unrestricted funds £ | Restricted income funds £ | Endowment funds £ | Total funds £ | Prior year £ |
|--------------------------------|-------------------------|------------------------------|----------------------|------------------|-----------------|
| Staff, office costs etc. | 13,906 | - | - | 13,906 | 18,101 |
| Total other expenditure | 13,906 | - | - | 13,906 | 18,101 |
| TOTAL EXPENDITURE | 76,920 | 254,268 | - | 332,028 | 330,956 |

NOTES TO THE ACCOUNTS (CONTINUED)

NOTE 6.1: FEES FOR EXAMINATION OF THE ACCOUNTS

| | This year £ | Last year £ |
|-----------------------------|----------------|----------------|
| Independent examiner's fees | <u>1,700</u> | <u>1,700</u> |

NOTE 7: PAID EMPLOYEES

7.1 Staff Costs

| | This year £ | Last year £ |
|---|----------------------|----------------------|
| Salaries and wages | 47,274 | 50,092 |
| Pension costs (defined contribution pension plan) | 2,982 | 3,062 |
| Total staff costs | <u>50,256</u> | <u>53,154</u> |

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

7.2 Average head count in the year

| | | This year Number | Last year Number |
|---|-----------------------|---------------------|---------------------|
| The parts of the charity in which the employees work: | Fundraising | 2 | 2 |
| | Charitable Activities | - | - |
| | Governance | - | - |
| | Other | 1 | 1 |
| | Total | <u>3</u> | <u>3</u> |

NOTE 8: GRANT MAKING

8.1 Analysis of grants paid (included in cost of charitable activities)

| Analysis | Grants to institutions £ | Support payments £ | Total £ |
|---------------------------------|--------------------------------|--------------------------|-----------------------|
| Rennie Grove Peace Hospice Care | 255,000 | - | 255,000 |
| Patients and their families | - | 640 | 640 |
| Equipment | - | 200 | 200 |
| Total | <u>255,000</u> | <u>840</u> | <u>255,840</u> |

NOTES TO THE ACCOUNTS (CONTINUED)

8.2 Grants made to institutions

The charity has made grants to a particular institution that are material in the context of its grantmaking.

| Institution | Purpose | Total amount of grants paid £ |
|---------------------------------|--|----------------------------------|
| Rennie Grove Peace Hospice Care | Funding the children's hospice at home service | 255,000 |

NOTE 9: TANGIBLE FIXED ASSETS

9.1 Cost or valuation

| | Freehold land & buildings | Other land & buildings | Plant, machinery and motor vehicles | Fixtures, fittings and equipment | Total |
|------------------------------|---------------------------|------------------------|-------------------------------------|----------------------------------|-------|
| | £ | £ | £ | £ | £ |
| At the beginning of the year | - | - | - | 1,973 | 1,973 |
| Additions | - | - | - | 1,722 | 1,722 |
| Revaluations | - | - | - | - | - |
| Disposals | - | - | - | - | - |
| At the end of the year | - | - | - | 3,695 | 3,695 |

9.2 Depreciation and impairments

| | Freehold land & buildings | Other land & buildings | Plant, machinery and motor vehicles | Fixtures, fittings and equipment | Total |
|--------------------------|---------------------------|------------------------|-------------------------------------|----------------------------------|----------|
| | £ | £ | £ | £ | £ |
| Basis | SL or RB | SL or RB | SL or RB | SL | SL or RB |
| Rate | | | | 33% | |
| At beginning of the year | - | - | - | 1,026 | 1,026 |
| Disposals | - | - | - | - | - |
| Depreciation | - | - | - | 890 | 890 |
| Impairment | - | - | - | - | - |
| Transfers | - | - | - | - | - |
| At end of the year | - | - | - | 1,916 | 1,916 |

NOTES TO THE ACCOUNTS (CONTINUED)

9.3 Net book value movement

| | Freehold land & buildings | Other land & buildings | Plant, machin- ery and motor vehicles | Fixtures, fittings and equipment | Total |
|--|---------------------------------|---------------------------|---|--|-------|
| | £ | £ | £ | £ | £ |
| Net book value at the beginning of the year | - | - | - | 947 | 947 |
| Net book value at the end of the year | - | - | - | 1,779 | 1,779 |

NOTE 10. FIXED ASSETS INVESTMENTS

| | Cash & cash equi- valents | Listed invest- ments | Invest- ment properties | Social invest- ments | Other | Total |
|---|---------------------------------|----------------------------|-------------------------------|----------------------------|----------|----------|
| Carrying (fair) value at beginning of period | - | - | - | - | 1 | 1 |
| Add: additions to investments during period | - | - | - | - | - | - |
| Less: disposals at carrying value | - | - | - | - | - | - |
| Add/(deduct): net gain/(loss) on revaluation | - | - | - | - | - | - |
| Carrying (fair) value at end of year | - | - | - | - | 1 | 1 |

10.1 Analysis of investments above

| | Fair value at year end £ | Cost less impairment £ |
|--------------------------|--------------------------------|------------------------------|
| Cash or cash equivalents | - | - |
| Listed investments | - | - |
| Investment properties | - | - |
| Social investments | - | - |
| Other investments | 1 | - |
| Total | 1 | - |

NOTES TO THE ACCOUNTS (CONTINUED)

NOTE 11: DEBTORS AND PREPAYMENTS

11.1 Analysis of debtors

| | This year £ | Last year £ |
|--------------------------------|----------------|----------------|
| Trade debtors | - | - |
| Prepayments and accrued income | 664 | 820 |
| Pepper Events Limited | - | 1,038 |
| Other debtors | - | 15,075 |
| Total | 664 | 16,933 |

NOTE 12: CURRENT ASSET INVESTMENTS

12.1 Analysis of current asset investments

| | This year £ | Last year £ |
|--------------------------|----------------|----------------|
| Cash or cash equivalents | 85,000 | - |
| Other investments | - | - |
| Total | 85,000 | - |

NOTE 13: CASH AT BANK AND IN HAND

| | This year £ | Last year £ |
|--|----------------|----------------|
| Short term cash investments (less than 3 months maturity date) | - | - |
| Short term deposits | 215,000 | 210,510 |
| Cash at bank and on hand | 20,839 | 16,903 |
| Total | 235,839 | 227,413 |

NOTE 14: CREDITORS AND ACCRUALS

14.1 Analysis of creditors

| | Amounts falling due within one year | | Amounts falling due after more than one year | |
|------------------------------|-------------------------------------|----------------|--|----------------|
| | This year £ | Last year £ | This year £ | Last year £ |
| Accruals for grants payable | - | - | - | - |
| Trade creditors | - | - | - | - |
| Accruals and deferred income | 2,486 | 1,700 | - | - |
| Taxation and social security | 1,023 | - | - | - |
| Other creditors | 3,198 | - | - | - |
| Total | 6,707 | 1,700 | - | - |

NOTES TO THE ACCOUNTS (CONTINUED)

NOTE 15: CHARITY FUNDS

15.1 Details of material funds held and movements during the CURRENT reporting period

* Type Key:

PE - permanent endowment funds; EE - expendable endowment funds;
R - restricted income funds, including special trusts, of the charity; and
U - unrestricted funds

| Fund names | Type | Purpose and Restrictions | Fund balances brought forward £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | Fund balances carried forward £ |
|--|------------|---------------------------------|---|----------------|------------------|----------------|--------------------------|---|
| Pepper Nursing Fund | R | Support paediatric nursing team | 4,329 | 248,042 | (244,268) | - | - | 8,103 |
| Other funds (balancing figure) | R | N/A | 435 | 11,600 | (10,840) | - | - | 1,195 |
| Total Restricted Funds as per balance sheet | N/A | | 4,764 | 259,642 | (255,108) | 732 | - | 9,298 |

Fund balances carried forward do not include assets and liabilities denominated in a foreign currency.

15.2 Details of material funds held and movements during the PREVIOUS reporting period

* Type Key:

PE - permanent endowment funds; EE - expendable endowment funds;
R - restricted income funds, including special trusts, of the charity; and
U - unrestricted funds

| Fund names | Type | Purpose and Restrictions | Fund balances brought forward £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | Fund balances carried forward £ |
|--|----------|---------------------------------|---|----------------|------------------|----------------|--------------------------|---|
| Pepper Nursing Fund | R | Support paediatric nursing team | 25,514 | 192,197 | (232,207) | 18,825 | - | 4,329 |
| Other funds (balancing figure) | R | N/A | 2,630 | - | (2,195) | - | - | 435 |
| Total Restricted Funds as per balance sheet | R | N/A | 28,144 | 192,197 | (234,402) | 18,825 | - | 4,764 |

Fund balances carried forward do not include assets and liabilities denominated in a foreign currency.

NOTES TO THE ACCOUNTS (CONTINUED)

NOTE 16: TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

16.1 Trustee remuneration and benefits

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

16.2 Trustees' expenses

| Type of expenses reimbursed | This year £ | Last year £ |
|---------------------------------------|----------------|----------------|
| Travel | - | - |
| Subsistence | - | - |
| Other (please specify): | - | - |
| Online meeting charges | 158 | 201 |
| Christmas lunch for staff & volunteer | 122 | 580 |
| Gift to leaving trustee | - | - |
| TOTAL | 280 | 781 |

16.3 Transaction(s) with related parties

There have been no related party transactions in the reporting period.



The Pepper Foundation

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