

Charity registration number 1057941

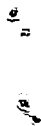
Company registration number 03240240 (England and Wales)

DOVE COTTAGE DAY HOSPICE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

DOVE COTTAGE DAY HOSPICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Jesson	
	M Oldershaw	(Appointed 1 April 2023)
	Dr K Oliver	(Appointed 1 April 2023)
	M Quilter	(Appointed 1 April 2023)
	C Henry	(Appointed 1 April 2023)
	C P Rowley	(Appointed 1 April 2023)
Charity number	1057941	
Company number	03240240	
Principal address	Canal Lane Stathern Melton Mowbray LE14 4EX	
Registered office	2 Merus Court Meridian Business Park Leicester LE19 1RJ	
Independent examiner	Thomas Mayfield BA ACA Mayfield & Co (Accountants) Ltd 2 Merus Court Meridian Business Park Leicester LE19 1RJ	
Bankers	TSB High Street Melton Mowbray Leicestershire LE13 0TS	



DOVE COTTAGE DAY HOSPICE

CONTENTS

	Page
Trustees report	1 - 6
Independent examiner's report	7
Statement of financial activities	8 - 9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 26

DOVE COTTAGE DAY HOSPICE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objects of the charity are as follows:

- Provide day care and support for terminally ill persons
- Offer respite relief for the carers of the terminally ill
- Offer emotional support for the families of the terminally ill
- Provide support to persons with dementia and their carers
- Advancement of the Christian faith.

We take seriously equality and diversity in our ethos to be accepting of all patients and provide a safe, secure, and pleasant social environment. All staff and volunteers are welcoming, and our day care provision includes family support, access to a bath and complementary therapies, opportunities for social interaction, faith exploration in exceptionally pleasant and peaceful rural surroundings. We value very highly the individual's right to choose how they spend their day and make every effort to offer choice and encourage independence taking into consideration any known risks.

Normally day care places are offered three days per week at Stathern. In addition, Dementia support groups for carers are held monthly on a Friday via Zoom and a weekly home sitting service for those living with dementia is in place to give carers some respite. We also hold a monthly wellbeing and support day in Empingham, Rutland, for persons living with terminal illness and their carers.

All users of our services have access to senior nursing staff and the Registered Manager if they have any problems or issues that they wish to discuss.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public Benefit Statement

Dove Cottage Day hospice aims to provide a public benefit in the following manner. Our palliative services are free at the point of access and are available to anyone living within our catchment area with a diagnosis of a life limiting disease who meet our criteria. Also, as part of our remit to be not only accessible but a wide-reaching benefit to the public we accept and care for appropriate self-referral patients as well as those referred by healthcare professionals.

Achievements and performance

Provision

The last CQC inspection was in April 2022 when we were rated as 'Good' in two areas and 'Improvement Required' in three areas. We were disappointed by the findings from the latest inspection. An Action Plan was put in place to address the deficiencies identified.

DOVE COTTAGE DAY HOSPICE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Trustees and staff continue to focus on our core strengths which in addition to nursing care, includes advice and signposting, spiritual support and a wide range of not only 'diversional' therapies but also 'holistic' therapies run by insured professionals who have been granted practising privileges. For people who meet hospice criteria, but who do not wish to attend for day care, we provide a bathing service and a set period of complementary therapies.

We recognise the high calibre of our dedicated nursing and care team and the feedback from patients regarding their care is commendable. There is a Registered Manager who is responsible for the provision of all clinical services and the nursing team comprises of two Registered Nurses, three Healthcare Assistants, one Bank Nurse and two bank Healthcare Assistants.

Referrals to all services have increased during the reporting period and sufficient clinical staffing levels and skills mix were maintained to manage all presenting patient needs. Staffing levels and requirements of the service are closely monitored. The Registered Manager reports to the Trustees at each Trustee meeting on the clinical aspect of the service.

The dementia support service is well received with an average of six carers attending the monthly zoom support group and approximately four visits are made each week to sit with the person with dementia to allow the main carer some free time away from the home.

The Trustees and staff continue to evaluate all monitoring systems to ensure that the hospice is meeting standards and targets required by the accessing Health Trusts and are satisfied with the development of networks initiated and supported by the nursing team.

Developments

The Trustees feel privileged to oversee a hospice environment which is constantly evolving to meet the challenges and changes of community health and social care.

The Trustees spent time considering the optimum way forward for Dove Cottage, bearing in mind the desire of the founder and Registered Manager, Chris Gatfield, to retire in March 2023. Discussions took place with LOROS, and it was agreed that LOROS would become the sole member of Dove Cottage on 1 April 2023. This means that Dove Cottage will still operate as a company and charity in its own right, but, through a 'Change of Control Agreement' will now be part of the LOROS group. The Trustees believe that this will best enable Dove Cottage to continue to provide its services whilst benefiting from the knowledge and experience of LOROS.

Dove Cottage also has a presence in Rutland. We hold a monthly wellbeing and support session from Empingham Cricket Club, where guests can access social and emotional support alongside complementary therapies and counselling.

Dove Cottage also remains involved with the Bereavement Help Point project in Rutland, which offers support to the bereaved through a monthly drop-in service. This works in conjunction with two other local hospices, LOROS and Sue Ryder, and is an excellent example of partnership working.

Following the change of control from 1 April 2023, the new board of trustees and management are working to ensure the transition is as smooth as possible, whilst addressing issues raised in the previously mentioned CQC report and dealing with issues raised by LOROS specialist staff.

As always, we will continue to meet the challenges and rewards of making a difference in the lives of sufferers and carers alike with resolve and wisdom so that Dove Cottage will be a worthy and valuable contributor to the compassionate care of those for whom there is no cure.

Staff Training and Development

The Trustees are committed to a policy of access to training and development of all staff by encouraging them to enhance their knowledge and understanding to enable them to carry out their role more effectively. Staff annual reviews include a training needs analysis to guide them in meeting their own as well as organisational objectives.

DOVE COTTAGE DAY HOSPICE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Records of performance reviews and courses attended are kept in individuals' personnel files. Information on available courses is regularly disseminated amongst the team and appropriate allocation of places is decided, with consideration being given to staff availability, cost, and personal training needs.

All members of the nursing team including bank nurses, update all mandatory training on an annual basis. At their annual review, all members of the nursing team and care team are required to update their awareness and knowledge of relevant policies and procedures including fire safety, safeguarding and the health and safety handbook. This is carried out and checked by the Day Care leader and signed by the staff member.

The Trustees are satisfied that the budget for training is adequate. The nursing team access free courses where possible. The training programme is regulated and monitored by the lead nurse who reports to the trustees.

Volunteers

Dove Cottage has over two hundred volunteers working in the hospice and charity shops. The Trustees are grateful for the many hours put in by these volunteers who make such a vast difference to the quality of service we can provide, and we are therefore committed to their ongoing development.

All new hospice volunteers are encouraged to enhance their knowledge and understanding of palliative care and their annual reviews include a training needs analysis to meet their own as well as organisational objectives. All new hospice volunteers undertake induction with the Day Care Leader and are then registered on a regular rolling training programme, covering topics including palliative care, health conditions, appropriate provision of care, health and safety, fire safety, safeguarding, communication, spirituality, and looking after themselves. Further training is made available in areas such as first aid, CPR, food safety and other topics as appropriate, and annual reviews include updating in relevant policies and procedures such as fire safety and health and safety.

All retail volunteers undertake induction with the Retail Manager, covering such aspects as health & safety, fire safety, manual handling, and customer service. This training is reaffirmed on a periodic basis.

Fund Raising

Dove Cottage receives funds from the Community, Grant-making Trusts, the Corporate Sector, and its own retail shops. We normally run our own programme of fundraising events. We are committed to good fundraising practice and are signed up with the Fundraising Regulator. To the best of our knowledge, we have not, nor has a third party failed to comply with any relevant fundraising regulations.

Our four charity shops normally operate very successfully, bringing in a large proportion of our income to support our operations. As reported last year, performance at the Melton shop was not to the level needed so it was closed in September 2022

The Stathern shop premises, which are on the boundary of the hospice, incorporates a large tearoom and continues to be extremely popular bringing footfall to the charity shop and being a 'signpost' for the hospice.

The tearoom was established specifically to raise funds for Dove Cottage and all profits come into the hospice.

DOVE COTTAGE DAY HOSPICE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The 2022/2023 financial year presented challenges with high levels of inflation and the cost-of-living crisis facing many people. Fortunately, the Hospice received an exceptionally good level of legacy income in the year which has helped maintain reserves at a satisfactory level.

The continuing effects of high inflation, wage increases, the need to implement a new management structure and spending to improve facilities will mean that the current financial year will be challenging.

In summary, there was a surplus of £12,638 for the 2022/2023 year. The Trustees are very grateful for the income received from Trusts, commercial organisations, fundraising within the community and anyone who supports Dove Cottage with its own income generation activities.

Reserves

The Charity Commission consider it prudent to retain an appropriate level of free reserves for the maintenance of essential services for beneficiaries. Our reserves help to address the risks to our service users (in particular, vulnerable guests), as well as our staff, should a significant fall in funding streams occur that, without the presence of reserves, may lead to an unplanned closure of the whole or part of the service. We feel it essential that enough reserves are held to enable us to continue operating for a period where we would seek alternative income streams, and if this proved to not be the case a managed closure of the whole or part of the service.

The benchmark for our reserves is based on annual expenditure since our income streams are not guaranteed and are subject to variation. Where possible it was planned during the year to maintain reserves between 40% - 50% of annual expenditure. The target range for reserves will be subject to periodic review by the Trustees.

In March 2022, when the Trustees agreed the current desired reserve levels, they also agreed that an additional £100,000 would be maintained in connection with the link up with LOROS.

The reserves (including designated funds) at the year-end amounted to £523,926 up from £511,288. These are split between Unrestricted funds of £248,926, Designated funds of £275,000 and Restricted funds of £nil. The total reserves are more than the amount required by the Reserves Policy. However, due to the impacts of the cost-of-living crisis, and the change of control from 1 April 2023, the Trustees believe that maintaining a higher level of reserves is reasonable at the present time.

At the time of this report the Trustees are reviewing the Reserves Policy.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees have responsibility for identifying the types of risk – financial, operational, and reputational faced by Dove Cottage in pursuing its charitable objectives. Formal procedures in every aspect of the business designed to mitigate these risks have been established and every effort is made to ensure that employees are both fully aware of these procedures and the implications of failing to implement them. The Trustees are satisfied that these controls, including financial controls, comply in all material respects with guidelines issued by the Charity Commission.

Plans for the Future

The Change of Control to become part of the LOROS group took effect on 1 April 2023. The new Board of Trustees and Management are addressing various immediate matters and have also agreed to produce a new Strategic Plan for Dove Cottage, with this hopefully completed by the end of the 2023/2024 financial year.

It is intended that during the 2023/2024 year the hospice will open for a fourth day each week.

DOVE COTTAGE DAY HOSPICE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Organisation

The charity is a company which was incorporated on the 21 August 1996 under the companies' act 1985 as a private company limited by guarantee, and as such does not have share capital.

Dove Cottage is a hospice provider of palliative day-care to those people living in NE Leicestershire, Rutland, and SE Nottinghamshire with a diagnosis of cancer or other progressive illnesses for which there is no cure. We provide wide-ranging palliative services for those living in NE Leicestershire, SE Nottinghamshire, and Rutland.

Governance

Dove Cottage, as a limited company, is governed by its Memorandum and Articles of Association. A review of the governing documents and Management Arrangements is conducted periodically. The charities internal policies are subject to regular review by staff and Trustees. Dove Cottage is registered with the Care Quality Commission and licensed to provide services under Provider ID: 1-101634140. Mrs C Gatfield, was the Registered Manager until 31 March 2023. With effect from 1 April 2023, Mrs Dan Smeeton is the Registered Manager.

The Board sets the policy framework for the charitable company within which the Registered Manager leads the staff team in day-to-day operations. The Trustees will take independent external advice when, and where appropriate.

The main office of the Charity is:

Dove Cottage Day Hospice
Canal Lane
Stathern,
Melton Mowbray
Leicestershire
LE14 4EX

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

R De Silva	(Resigned 1 April 2023)
C Gatfield	(Resigned 1 April 2023)
J Jesson	
M Lem	(Resigned 1 April 2023)
W Linday	(Resigned 1 April 2023)
M Oldershaw	(Appointed 1 April 2023)
Dr K Oliver	(Appointed 1 April 2023)
M Quilter	(Appointed 1 April 2023)
C Henry	(Appointed 1 April 2023)
C P Rowley	(Appointed 1 April 2023)

DOVE COTTAGE DAY HOSPICE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

R De Silva, C Gatfield, M Lem and W Linday retired from the Board on 1 April 2023.

J Jesson remains on the Board and was joined by C Henry, M Oldershaw, K Oliver, M Quilter, and C Rowley with effect from 1 April 2023.

Trustees are appointed by the board of trustees who will ensure that the skills and experience match the requirements of the charity at that time. Eligibility to be appointed a Trustee and Director are checked and an enhanced DBS check is carried out.

New Trustees undergo induction training and provide with relevant information and are expected to make themselves familiar with all our practices.

The Board sets the policy framework for the charitable company within which the Registered Manager leads the staff team in day-to-day operations. The Board also periodically reviews the policy framework and keeps it up to date so that it remains relevant to the work of Dove Cottage and the context within which the charitable company is operating.

On an annual basis the Trustees agree the salary for the forthcoming year for the Registered Manager. The Trustees also agree the percentage increase to be applied to general salary levels on an annual basis.

The Trustees meet at least three times in each financial year. In addition, an Annual General Meeting is held, the most recent took place on 5 October 2022 All Trustees agreed to stand until conclusion of the current financial year.

The Trustees report was approved by the Board of Trustees.



C P Rowley

Trustee

Dated: 19 September 2023

DOVE COTTAGE DAY HOSPICE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DOVE COTTAGE DAY HOSPICE

I report to the Trustees on my examination of the financial statements of Dove Cottage Day Hospice (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.



Thomas Mayfield BA ACA

Mayfield & Co (Accountants) Ltd
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Dated: 19 September 2023

DOVE COTTAGE DAY HOSPICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes								
Income from:									
Donations and legacies	3	243,479	-	43,788	287,267	232,757	-	43,800	276,557
Raising funds	4	333,356	-	-	333,356	336,023	-	-	336,023
Investments	5	2,175	-	-	2,175	673	-	-	673
Other income	6	-	-	-	-	5,250	-	-	5,250
Total income		579,010	-	43,788	622,798	574,703	-	43,800	618,503
Expenditure on:									
Charitable activities	7	558,469	-	51,691	610,160	473,758	-	45,732	519,490
Net income/(expenditure) before transfers		20,541	-	(7,903)	12,638	100,945	-	(1,932)	99,013
Gross transfers between funds		(6,684)	-	6,684	-	(103,151)	100,000	3,151	-
Net income/(expenditure) for the year/ Net movement in funds		13,857	-	(1,219)	12,638	(2,206)	100,000	1,219	99,013
Fund balances at 1 April 2022		235,069	275,000	1,219	511,288	237,275	175,000	-	412,275
Fund balances at 31 March 2023		248,926	275,000	-	523,926	235,069	275,000	1,219	511,288

DOVE COTTAGE DAY HOSPICE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DOVE COTTAGE DAY HOSPICE

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		365		49,696
Current assets					
Debtors	13	24,124		11,911	
Cash at bank and in hand		554,768		500,516	
		578,892		512,427	
Creditors: amounts falling due within one year	14	(55,331)		(50,835)	
Net current assets			523,561		461,592
Total assets less current liabilities			523,926		511,288
Income funds					
Restricted funds	17		-		1,219
<u>Unrestricted funds</u>					
Designated funds	16	275,000		275,000	
General unrestricted funds		248,926		235,069	
			523,926		510,069
			523,926		511,288


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 19 September 2023



J Jesson
Trustee

Company registration number 03240240

DOVE COTTAGE DAY HOSPICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	20		52,501		132,578
Investing activities					
Purchase of tangible fixed assets		(424)		-	
Proceeds from disposal of tangible fixed assets		-		5,250	
Investment income received		2,175		673	
Net cash generated from investing activities			1,751		5,923
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			54,252		138,501
Cash and cash equivalents at beginning of year			500,516		362,015
Cash and cash equivalents at end of year			554,768		500,516

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Dove Cottage Day Hospice is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Merus Court, Meridian Business Park, Leicester, LE19 1RJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of their charitable objectives which have been reserved for a specific purpose .

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property Improvements	Straight line over ten years
Tea Room	Straight line over three years
Fixtures and equipment	Straight line over three years
Barn Conversion	Straight line over three years
Motor vehicles	Straight line over three years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 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 with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	108,028	-	108,028	113,047	-	113,047
Legacies receivable	110,802	-	110,802	79,668	-	79,668
Grants receivable	24,649	43,788	68,437	40,042	43,800	83,842
	<u>243,479</u>	<u>43,788</u>	<u>287,267</u>	<u>232,757</u>	<u>43,800</u>	<u>276,557</u>
Donations and gifts						
Donations (non - Gift Aided)	33,785	-	33,785	32,839	-	32,839
Donations (Gift Aided)	10,180	-	10,180	12,467	-	12,467
Donations from Dove Cottage Tea Room	-	-	-	2,783	-	2,783
Tax Receipts from HMRC	9,813	-	9,813	10,808	-	10,808
Trusts	54,250	-	54,250	54,150	-	54,150
	<u>108,028</u>	<u>-</u>	<u>108,028</u>	<u>113,047</u>	<u>-</u>	<u>113,047</u>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

(Continued)

Legacies receivable

Legacies	110,802	-	110,802	79,668	-	79,668
	<u>110,802</u>	<u>-</u>	<u>110,802</u>	<u>79,668</u>	<u>-</u>	<u>79,668</u>

Grants receivable for core activities

Leicester & Rutland PCT	24,649	-	24,649	24,630	-	24,630
St James Palace	-	-	-	2,500	-	2,500
Annexe income	-	39,800	39,800	-	39,800	39,800
Tesco bags for life grant	-	-	-	1,000	-	1,000
Melton Borough Council	-	-	-	2,500	-	2,500
Melton & Belvoir Rotary	-	-	-	-	4,000	4,000
Coronavirus job retention scheme	-	-	-	9,412	-	9,412
Screwfix	-	3,988	3,988	-	-	-
	<u>24,649</u>	<u>43,788</u>	<u>68,437</u>	<u>40,042</u>	<u>43,800</u>	<u>83,842</u>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Fundraising events	44,103	43,554
Charity shop	280,753	278,946
In Memorium	3,683	5,741
Tea Room income/Management charge	4,817	7,782
	<hr/>	<hr/>
Raising funds	333,356	336,023
	<hr/>	<hr/>

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	2,175	673
	<hr/>	<hr/>

6 Other income

	Total 2023 £	Unrestricted funds general 2022 £
Net gain on disposal of tangible fixed assets	-	5,250
	<hr/>	<hr/>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	Unrestricted General	Unrestricted Charity Shops	Unrestricted Rutland Hospice	Restricted General	Total 2023	Total 2022
	£	£	£	£	£	£
Staff costs	122,201	176,161	10,148	-	308,510	271,781
Depreciation	3,984	-	-	45,770	49,754	45,940
Heat, light, water and insurance	14,578	4,866	23	-	19,467	12,378
Training expenses	(306)	-	-	-	(306)	1,343
Repairs and equipment	29,743	8,297	-	5,921	43,961	33,688
Cleaning and waste	6,409	4,722	-	-	11,131	10,638
Motor and transport	15,993	2,467	-	-	18,460	13,671
Telephone	1,970	2,302	348	-	4,620	4,751
Subscriptions	2,463	-	-	-	2,463	2,412
Catering costs	5,940	-	-	-	5,940	3,457
Legal and professional fees	30,645	-	-	-	30,645	1,156
Fundraising expenditure	6,941	-	-	-	6,941	4,112
Sundry expenses	620	8,471	2,890	-	11,981	13,582
Printing, postage and stationery	6,325	5,727	-	-	12,052	9,541
Outings and craft	639	-	-	-	639	225
Rent	-	26,656	-	-	26,656	29,821
Bank charges	-	3,999	7	-	4,006	4,054
	<u>248,145</u>	<u>243,668</u>	<u>13,416</u>	<u>51,691</u>	<u>556,920</u>	<u>462,550</u>
Share of governance costs (see note 8)	49,790	-	3,450	-	53,240	56,940
	<u>297,935</u>	<u>243,668</u>	<u>16,866</u>	<u>51,691</u>	<u>610,160</u>	<u>519,490</u>
Analysis by fund						
Unrestricted funds - general	297,935	243,668	16,866	-	558,469	
Restricted funds	-	-	-	51,691	51,691	
	<u>297,935</u>	<u>243,668</u>	<u>16,866</u>	<u>51,691</u>	<u>610,160</u>	
For the year ended 31 March 2022						
Unrestricted funds - general	206,127	231,874	35,757	-		473,758
Restricted funds	-	-	-	45,732		45,732
	<u>206,127</u>	<u>231,874</u>	<u>35,757</u>	<u>45,732</u>		<u>519,490</u>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs

	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Staff costs	-	48,196	48,196	50,715	
Independent examination fees	-	5,000	5,000	6,200	Governance
Miscellaneous expenses	-	-	-	13	Governance
Bank charges	-	44	44	12	Governance
	<u>-</u>	<u>53,240</u>	<u>53,240</u>	<u>56,940</u>	
Analysed between					
Charitable activities	-	53,240	53,240	56,940	
	<u>-</u>	<u>53,240</u>	<u>53,240</u>	<u>56,940</u>	

Governance costs includes payments to the independent examiners of £5,000 (2022-£6,200) for examination fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

One trustee, C Gatfield was paid in a separate capacity as manager of the Hospice and her remuneration is shown separately as manager's wages.

During the year the following Trustees were paid for general repair work carried on the charity's premises:

J Jesson - £4,387

W Lindsay - £6,373

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable facilities	34	33
Governance costs	3	3
	<u>37</u>	<u>36</u>

Employment costs

	2023 £	2022 £
Wages and salaries	346,700	316,024
Social security costs	10,006	6,472
	<u>356,706</u>	<u>322,496</u>

Under FRS 102 the number of employees relates to the average number of persons employed by the Charity in the year, where the average number of people is based on the number of contracts of employment in each month.

There were no employees whose annual remuneration was £60,000 or more.

11 Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

	Property Improvements	Tea Room	Fixtures and equipment	Barn Conversion	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	562,209	16,463	67,952	97,001	51,773	795,398
Additions	-	-	424	-	-	424
	<u>562,209</u>	<u>16,463</u>	<u>68,376</u>	<u>97,001</u>	<u>51,773</u>	<u>795,822</u>
At 31 March 2023	562,209	16,463	68,376	97,001	51,773	795,822
Depreciation and impairment						
At 1 April 2022	514,736	16,463	65,730	97,001	51,773	745,703
Depreciation charged in the year	47,473	-	2,281	-	-	49,754
	<u>562,209</u>	<u>16,463</u>	<u>68,011</u>	<u>97,001</u>	<u>51,773</u>	<u>795,457</u>
At 31 March 2023	562,209	16,463	68,011	97,001	51,773	795,457
Carrying amount						
At 31 March 2023	-	-	365	-	-	365
	<u>-</u>	<u>-</u>	<u>365</u>	<u>-</u>	<u>-</u>	<u>365</u>
At 31 March 2022	47,474	-	2,222	-	-	49,696
	<u>47,474</u>	<u>-</u>	<u>2,222</u>	<u>-</u>	<u>-</u>	<u>49,696</u>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	20,307	7,839
Prepayments and accrued income	3,817	4,072
	<u>24,124</u>	<u>11,911</u>

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	4,900	2,637
Deferred income	-	39,800
Trade creditors	39,605	2,263
Other creditors	3,526	1,335
Accruals and deferred income	7,300	4,800
	<u>55,331</u>	<u>50,835</u>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Unrestricted funds

		Movement in funds				Movement in funds			
	Balance at 1 April 2021	Income	Expenditure	Transfers	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£	£	£
General funds	237,275	153,541	(202,015)	46,268	235,069	129,300	(290,994)	175,551	248,926
Charity shops	-	281,136	(231,874)	(49,262)	-	280,753	(243,668)	(37,085)	-
Rutland	-	6,938	(35,757)	28,819	-	12,303	(16,866)	4,563	-
Legacies	-	79,668	-	(79,668)	-	110,802	-	(110,802)	-
Tea Room	-	10,922	-	(10,922)	-	4,817	-	(4,817)	-
Fundraising	-	42,498	(4,112)	(38,386)	-	41,035	(6,941)	(34,094)	-
	<u>237,275</u>	<u>574,703</u>	<u>(473,758)</u>	<u>(103,151)</u>	<u>235,069</u>	<u>579,010</u>	<u>(558,469)</u>	<u>(6,684)</u>	<u>248,926</u>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021	Transfers	Balance at 1 April 2022	Movement in funds Income	Balance at 31 March 2023
	£	£	£	£	£
General designated funds	175,000	100,000	275,000	-	275,000
	<u>175,000</u>	<u>100,000</u>	<u>275,000</u>	<u>-</u>	<u>275,000</u>

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021	Movement in funds			Balance at 1 April 2022	Movement in funds			Balance at 31 March 2023
	£	Income £	Expenditure £	Transfers £	£	Income £	Expenditure £	Transfers £	£
Annexe	-	39,800	(42,951)	3,151	-	39,800	(39,800)	-	-
Melton & Belvoir Rotary	-	4,000	(2,781)	-	1,219	-	(1,221)	2	-
General restricted	-	-	-	-	-	3,988	(10,670)	6,682	-
	-	43,800	(45,732)	3,151	1,219	43,788	(51,691)	6,684	-

18 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:								
Tangible assets	365	-	-	365	9,896	-	39,800	49,696
Current assets/(liabilities)	248,561	275,000	-	523,561	225,173	275,000	(38,581)	461,592
	248,926	275,000	-	523,926	235,069	275,000	1,219	511,288

DOVE COTTAGE DAY HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Related party transactions

There were no disclosable related party transactions other than those prescribed under key management personnel during the year (2022- none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	57,702	48,128

20 Cash generated from operations

	2023 £	2022 £
Surplus for the year	12,638	99,013
Adjustments for:		
Investment income recognised in statement of financial activities	(2,175)	(673)
Gain on disposal of tangible fixed assets	-	(5,250)
Depreciation and impairment of tangible fixed assets	49,755	45,939
Movements in working capital:		
(Increase)/decrease in debtors	(12,213)	38,649
Increase/(decrease) in creditors	44,296	(5,300)
(Decrease) in deferred income	(39,800)	(39,800)
Cash generated from operations	52,501	132,578

21 Analysis of changes in net funds

The charity had no debt during the year.